

# Poised For Growth

ANNUAL REPORT 2015-16





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### Forward looking statement

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations of projections about the future, including but not limited to statements about the Company's strategy for growth, market position, expenditures and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. The Company has sourced the industry information from the publicly available resources and has not verified those information independently.

# Corporate Information

## BOARD OF DIRECTORS

Mr. D. R. Mehta  
Chairman – Independent Director

Mr. Shailendra Kumar Tripathi  
CEO & Dy. Managing Director

Mr. Manoj Tulsian \*  
Whole-time Director & CFO

Mr. Manoj Kumar Singh #  
Executive Director

Mr. Shailendra Raj Mehta  
Independent Director

Mr. Mahendra G. Punatar  
Independent Director

Mr. Hemant Modi  
Non-executive Director

Ms. Anjali Seth  
Non-executive Director

Mr. Manish Mohnot  
Non-executive Director

Mr. Kamal Jain  
Non-executive Director

\* Appointed as Whole-time Director w.e.f. May 27, 2016  
# Resigned as Director w.e.f. October 13, 2015

## AUDIT COMMITTEE

Mr. D. R. Mehta, Chairman

Mr. Mahendra G. Punatar

Mr. Shailendra Raj Mehta

Mr. Kamal Jain

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Kamal Jain, Chairman

Mr. S. K. Tripathi

Mr. Manish Mohnot

## NOMINATION & REMUNERATION COMMITTEE

Mr. Shailendra Raj Mehta, Chairman

Mr. D. R. Mehta

Mr. Mahendra G. Punatar

Mr. Manish Mohnot

## CSR COMMITTEE

Mr. D. R. Mehta, Chairman

Mr. S. K. Tripathi

Mr. Kamal Jain

## COMPANY SECRETARY

Mr. Samir Raval (w.e.f. May 27, 2016)

## AUDITOR

Kishan M Mehta & Co.  
Chartered Accountants

## BANKERS

Oriental Bank of Commerce

State Bank of India

Axis Bank

IDBI Bank

Indian Bank

Union Bank of India

Punjab National Bank

Karur Vysya Bank Ltd.

## REGISTERED OFFICE

A-104, Shapath 4, Opp. Karnavati Club,  
S. G. Road, Ahmedabad - 380015,  
Gujarat, India.

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Opp. Grand Hyatt, Santacruz (East),  
Mumbai - 400055.

Tel: +91 22 30051500

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## REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited  
Unit: JMC Projects (India) Limited

303, Shopper's Plaza V,

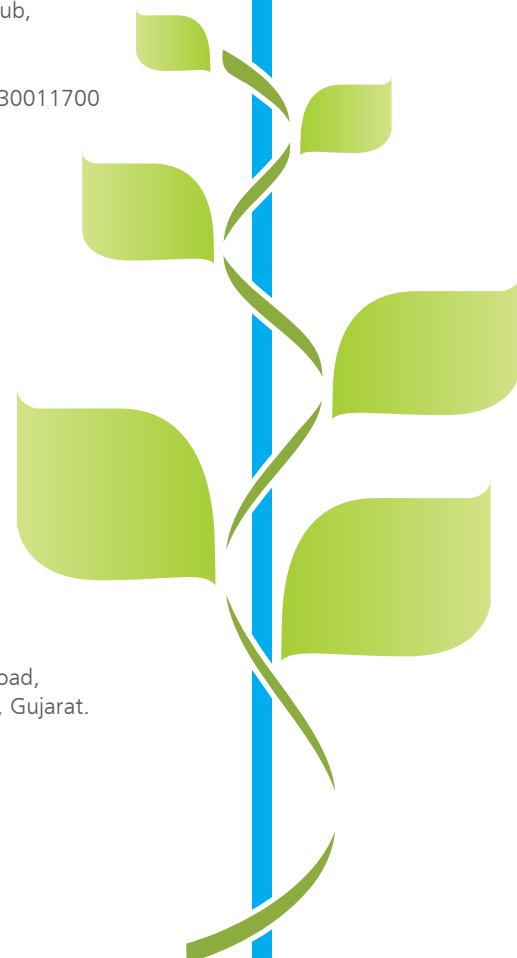
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JMC Projects (India) Limited  
a Kalpataru Group Enterprise

## Poised For Growth

Healthy order book, completion of construction of all BOT projects & COD achieved, paring debt to reduce finance cost, growing and resurging construction demand in India, steady inroads in global markets are all indicatives of the Company's fundamental strength and future opportunities.

Currently, JMC has over 60 live projects with an order book of over ₹ 61 billion across infrastructure sectors viz. Buildings & Factories, Roads, Bridges, Water Pipelines, Metro, Power, Railways etc. JMC is further aiming to boost its margins by scouting for margin accretive projects and exiting low-margin projects. Strong execution skills continue to garner more business from the existing clientele and also help to leverage on global opportunities.

There is an improvement in capital inflows, boosting liquidity with an increase in government focus on infrastructure development plans. Re-engineering of PPP contracts, Government push for private industrial capex and reversing interest rate cycle backed by softening commodity prices are bringing back cheerful time for EPC players. A well-structured and diversified JMC is currently well poised for growth, riding on India's overall improved economic and macro conditions.



# CEO's Message



Dear Shareholders,

I am delighted to present 30th Annual Report of your Company for FY 2015-16.

I am pleased that your Company has continued its efforts to stabilize its operations and is now ready for the upcoming growth opportunities. Management is taking all necessary steps to consolidate its position in key markets & business segments. During the past few years, your Company has diversified the business strategically. Today the order-book stands distributed in Infrastructure (Urban Infra, Water & Area Development etc.), Buildings (Housing, Commercial, Institutional, Hospital etc.) and Industrial segments.

Current economic situation is going to offer a high growth trajectory over next decade or even more. As per the latest reports on our country's economic performance, India's GDP growth rate of about 7.6% has just outpaced the growth statistics of China. Global market sentiments, stable & watchful government, demographic dividend, rapid urbanisation etc. are further strengthening it. The economy has also benefitted from the low crude oil prices. Macro-level decisions taken during last 2 years, such as steady cutback in subsidies, higher budget allocations towards infrastructure, faster approvals etc., have started showing positive results. It is now up to the Government to add pace to reform measures and build further on this foundation.

Housing, urban infrastructure & area developments are fundamental for our country's growth and well-being. Government initiatives such as '**Housing for All** by 2022', **Smart Cities** & **Area Developments** have opened up good opportunities for your Company. Several new & old cities & towns are undergoing urban rejuvenation under **AMRUT**. In Budget FY 16-17, the union finance minister has proposed an outlay of over 2 Trillion Rupees in **Infrastructure** sector

“The economy has also benefitted from the low crude oil prices and it has positively impacted our current account. It is now up to the Government to add pace to reform measures and build further on this foundation. Although manufacturing growth is still a concern, campaigns such as “Make In India” have started attracting good investments. Forecasts of normal monsoon too is boosting market sentiments.”



which include **water projects, industrial corridors & freight corridors, highways** and several large scale visionary projects. Further, union cabinet has approved amendments in the **Real Estate Regulatory Bill**, providing a renewed boost to the real estate sector. Globally, developed countries are not showing any signs of immediate corrections, whereas some of the African countries are showcasing impressive socio-economic performance. Your Company is capitalising such brighter prospects selectively to strengthen its international operations. Technology, though capital intensive, is helping us significantly to progress towards our goals.

Our aim is to rise further as a much stronger & efficient construction player. While concentrating our efforts to become a preferred contractor for our key clients, we have also started taking complex EPC, Design and Build type orders with more value proposition. Your Company is continually improving processes and performance in critical areas like project selection, execution quality and cost, and IT enabled project monitoring etc. While some of the results of these efforts are fairly evident, we believe that there is much more ahead.

Having said this, we also understand that taking up new challenges is a breath-taking exercise. Incessant issues such as pressure on margins, rising costs, scarcity of reliable manpower & their availability are pinching us. Following approaches in addressing these issues shall strategically build a better future:

1. Focus on core competency of EPC construction with increased but selective international presence.
2. Strengthening domestic business through becoming a preferred contractor & thereby securing repeat orders.
3. Collaborative networking with specialists, partners, vendors, suppliers etc.
4. Upgrading better systems and procedures through adoption of sophisticated ERP.

### Performance Overview

It has been more than a year since we have adopted '**Engage-Perform-Create**' leading us to grow profitably. I am glad to share with you the progress we have made so far on the execution of our strategy.

Order Inflows clocked in at ₹ 3,155 Cr during the year. The unexecuted Order Book at the year - end stands at ₹ 6,148 Cr. This provides to continue with a healthy revenue and margin visibility ahead. Total Income from operations had a marginal increase of 3.5% over previous year to ₹ 2,483.67 Cr. Profit after Tax registered stood at ₹ 41.02 Cr, up 37% from ₹ 29.86 Cr last year. Also, your Company has raised ₹ 150 Cr through Rights Issue recently.

It gives me pleasure to announce that your Company has recommended dividend of ₹ 1 per equity share on a face value of ₹ 10 per share for the year. The corresponding dividend during the previous fiscal was at ₹ 1 per equity share.

I place my sincere appreciation for the dedication, commitment and hard-work put in by our employees at all levels and look forward to receive their trust, support and encouragement as we head for another challenging & exciting year. I also, express my gratitude towards joint venture partners, customers, and business associates for their relentless support. Finally, a big vote of thanks to all our shareholders for their continued belief in us.

**Shailendra Kumar Tripathi**

CEO & Dy. Managing Director



# Financial Highlights

(₹ in Cr.)

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12#
Total Income	<b>2,490.1</b>	2,413.1	2,662.8	2,542.9	2,081.5
Growth %	<b>3.19%</b>	-9.38%	4.72%	22.17%	50.79%
Total Expenditure	<b>2,275.6</b>	2,236.5	2,518.6	2,417.2	1,922.7
Operating Profit (PBDIT)	<b>214.5</b>	176.6	144.2	125.7	158.8
Interest	<b>101.9</b>	84.1	55.1	55.0	47.4
Profit Before Depreciation and Tax (PBDT)	<b>112.6</b>	92.6	89.1	70.8	111.4
Depreciation	<b>51.2</b>	48.9	58.9	54.9	47.1
Profit Before Tax (PBT)	<b>61.4</b>	43.6	30.2	15.9	64.4
Provision for IncomeTax / FBT / Deferred Tax	<b>20.4</b>	13.8	7.2	-2.4	12.4
Profit After Tax (PAT)	<b>41.0</b>	29.9	23.0	18.3	51.9
Equity Share Capital	<b>33.6</b>	26.1	26.1	26.1	26.1
Net Worth*	<b>661.0</b>	472.7	447.9	428.2	416.8
Long Term Borrowings	<b>283.1</b>	310.8	223.6	177.8	137.6
Short Term Borrowings (including current maturity of long term debts)	<b>345.9</b>	358.0	205.8	206.2	150.8
Total Borrowings	<b>629.0</b>	668.8	429.4	384.1	288.3
Capital Employed (Net Worth + Total Borrowings)	<b>1,290.0</b>	1,141.6	877.3	812.2	705.1
Debt Equity Ratio (Total)	<b>0.95:1</b>	1.41:1	0.96:1	0.90:1	0.69:1
Debt Equity Ratio (Long Term)	<b>0.43:1</b>	0.66:1	0.50:1	0.42:1	0.33:1
Book Value per Equity Share (Rs.)	<b>196.8</b>	181.0	171.5	163.9	159.6
Earning per Equity Share (Rs.)	<b>14.7</b>	11.1	8.8	7.0	19.9
Equity Dividend %	<b>10.00%</b>	10.00%	10.00%	10.00%	20.00%
Operating Profit %	<b>8.64%</b>	7.36%	5.43%	4.96%	7.67%
Profit Before Tax %	<b>2.47%</b>	1.82%	1.14%	0.63%	3.11%
Profit after Tax %	<b>1.65%</b>	1.24%	0.87%	0.72%	2.51%
Return (Pre-tax) on Average Networkworth %	<b>10.83%</b>	9.48%	6.90%	3.77%	16.27%
Return on Average Capital Employed %**	<b>13.43%</b>	12.65%	10.10%	9.34%	17.65%
Order Backlog at the year end***	<b>6,148.5</b>	5,652.5	5,087.6	5,577.8	5,675.0
No. of Employees	<b>3,360</b>	3,523	3,264	2,977	3,133

# The Figures for the F.Y. 2011-12 are regrouped in line with F.Y. 2012-13, F.Y. 2013-14, F.Y. 2014-15 and F.Y. 2015-16, which are based on requirements as per Schedule III of the Companies Act, 2013.

\* Network worth calculated from the F.Y. 2011-12 to F.Y. 2015-16 is after exclusion of Debenture Redemption Reserve.

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

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



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Brigade Magnum



Bhiwandi Flyover



Hinduja Software Park - Phase-1



RMZ Ecoworld



Instem building - NCBS campus



Prestige White Meadow-1



RMZ Latitude Residential



RMZ Latitude - Commercial



RGA Techpark

