# 18th Annual Report
# 2009-2010

# ANNA

## INFRASTRUCTURES LIMITED

(Formerly known as Anna Finance Ltd.)

# ANNA INFRASTRUCTURES LIMITED
**(Formerly known as ANNA FINANCE LTD.)**

**Board of Directors**

| | |
|---|---|
| **Directors** | Ashok Mittal ( Chairman ) |
| | Ramesh Chand Agarwal |
| | Rakesh Mittal |
| | Anil Kumar Agarwal |
| | Dr. Shambhu Dayal Agarwal |
| | CA Madan Mohan Agarwal |
| | Shalabh Singh |
| **Auditors** | Mehra Sanjay & Co |
| | Chartered Accountants |
| | Agra |
| **Bankers** | Canara Bank |
| | Oriental Bank of Commerce |
| **Registered Office** | C-3, Amar Colony Market, Ground Floor |
| | Entry Back Side, Lajpat Nagar-IV, |
| | New Delhi -110024 |
| **Corporate Office** | E-14/6, Shanta Tower, 1st Floor, |
| | Sanjay Place, Agra – 282002. |
| | Tel. : 0562-2526650, 2527004. |
| | E-mail : annainfra@gmail.com |
| **Registrar & Share Transfer Agent** | Beetal Financial & Computer Services Pvt. Ltd. |
| | Beetal House, 99, Madangir, |
| | New Delhi –110062. |
| | Tel. : 011-29961281-84. |
| | E-mail : beetal@beetalfinancial.com |

# ANNA INFRASTRUCTURES LIMITED
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## NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the Shareholders of Anna Infrastructures Limited will be held at 16-B/9, Dev Nagar, D.B. Gupta Road, Karolbagh, New Delhi, on Saturday, 25th September, 2010 at 11.30 A.M. to transact the following business.

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Sri Ashok Mittal who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri Shalabh Singh who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration. M/s Mehra Sanjay & Co., Chartered Accountants, the retiring Auditor is eligible for re-appointment.

## SPECIAL BUSINESS

To Consider and if thought fit, to pass with or without modification the following resolution as ordinary resolution.

**5. Re- Appointment of Mr Anil Kumar Agarwal as a Whole Time Director**

Mr Anil Kumar Agarwal was appointed as a Whole-Time Director of the Company for a period of five years with effect from 26th May 2005 and therefore, his current term as Whole Time Director has expired on 25th May 2010.

It is notified for the information of the members that subject to the provisions of Section 198, 269, 309 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and approval of the Shareholders of the Company in General Meeting, the Board of Directors of the Company at a meeting held on 30th April 2010 have appointed Mr. Anil Kumar Agarwal, as Whole-Time Director of the Company w.e.f. 26th May 2010 for a period of 5(five) years i.e. upto 25th May 2015.

An abstract of the terms of appointment of Mr. Anil Kumar Agarwal are :

**Terms of Appointment**

The Whole-Time Director shall conduct the day to day management of the Company subject to the supervision and control of the Board of Directors,

**I. Period of Appointment**

Mr. Anil Kumar Agarwal, has been appointed for a period of 5(five) years from May 26, 2010 till May 25, 2015.

**II. Salary**

Rs. 24000-2000-32000/- per month.

**III. Perquisites**

Perquisites are classified into three categories 'A', 'B' and 'C'.

**Category 'A'**

(a) Reimbursement of Medical Expenses

Medical Expenses incurred by the Whole-Time Director for self and family subject to the ceiling of 1 month salary per year or 3 months salary in block of 3 years shall be reimbursed.

(b) Club Fees

Subscription to two clubs except admission and life membership fees.

(c) Personnel Accident Insurance

Personnel accident insurance subject to payment of premium not exceeding Rs 4000/- p.a. These shall be evaluated as per Income Tax Rules wherever applicable and at actual cost to the Company.

(d) Leave Travel

For the Whole-Time Director and his family, once in two year incurred in accordance with any rules specified by the Company.

Explanation

Family means the spouse, the dependent children and dependent parents of the Whole-Time Director.

**Category 'B'**
Contribution to Provident Fund, Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, Gratuity payable shall not exceed half a month's salary for each completed year of service.
**Category 'C'**
Provision of Cars for use on Company's business and telephone at residence will not be considered as perquisites. Personnel long distance call on telephone and use of car for private purpose shall be billed by the company to the Whole Time Director.
All other expenses incurred by him, in connection with the business of the Company are reimbursed.
RESOLVED FURTHER THAT in the event of any further relaxation by the Central Govt. in the guidelines or ceilings on managerial remuneration, the consent of the company be and is hereby accorded to the Board of Directors to increase the remuneration and / or perquisites to Shri Anil Kumar Agarwal, Whole-Time Director in its absolute discretion, within such guidelines or ceilings and subject to obtaining the approval of the Central Govt. where applicable.

**Notes**
1. The Explanatory Statement, as required by section 173 of the Companies Act, 1956 in respect of the business under item no. 5 are annexed hereto.
2. A member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. A proxy form is sent herewith. Proxy Form duly completed must be received by the Company at the Registered /Corporate Office of the Company not less than 48 hours before the time of the meeting.
3. Members are requested to bring their copy of the Annual Report along with them at the Annual General Meeting. No Copy of the report will be distributed at the meeting.
4. Members are requested to notify immediately change in their address, if any, to the Company.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September 2010 to 25th September 2010 (both days inclusive) in terms of Section 154 of the Companies Act, 1956.
6. Members can avail of the Nomination Facility by filling form No. 2B (in duplicate) with the Company.

By Order of the Board

Place : New Delhi
Date : 29th June 2010

**Ashok Mittal**
Chairman and WTD

## EXPLANATORY STATEMENT

The Board of Directors, at their meeting held on 30th April, 2010 renewed the term of appointment of Shri Anil Kumar Agarwal as Whole Time Director of the Company w.e.f. 26.05.2010 for further five years subject to the consent of the members at the next General Meeting of the Company.
Your Directors consider that his experience and audience will be of great value to the company and accordingly recommend this resolution for your approval.
None of the Directors except Mr. Anil Kumar Agarwal is interested in this resolution.

By Order of the Board

Place : New Delhi
Date : 29th June 2010

**Ashok Mittal**
Chairman and WTD

# ANNA INFRASTRUCTURES LIMITED
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## DIRECTORS' REPORT

**TO THE MEMBERS**

Your Directors have pleasure in presenting the Eighteen Annual Report on the business operation of your company and the Audited Financial Accounts for the year ended 31st March, 2010.

**FINANCIAL RESULTS**

The financial results of the company are given below:-

| | As At 31.03.2010 (Rs.) | As At 31.03.2009 (Rs.) |
|---|---|---|
| Profit before Tax, Interest & Depreciation | 41,67,834 | 37,68,491 |
| Less : Depreciation | 6,08,528 | 6,08,162 |
| Less : Finance Charges | 10,21,959 | 8,60,524 |
| Profit before Tax | 25,37,347 | 22,99,805 |
| Provision for Tax | 7,60,974 | 7,83,150 |
| Profit after Tax | 17,76,373 | 15,16,655 |
| Add : Balance B/f from last year | 2,00,95,397 | 1,85,78,742 |
| Less: Adjustment relating to previous year | NIL | NIL |
| Profit available for appropriation | 2,18,71,770 | 2,00,95,397 |
| Appropriations: | | |
| Balance carried to Balance Sheet | 2,18,71,770 | 2,00,95,397 |
| | 2,18,71,770 | 2,00,95,397 |

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**(a) Industry Structure & Developments**

During the FY 2009-2010 the company has focused on Real Estate Business.

**(b) Opportunities & Challenges**

There are excellent opportunities for growth in Real Estate Business in the country. Your Company is well positioned to take advantage of emerging growth opportunities in the Indian economy.

**(c) Outlook**

Anna Infrastructures Ltd. is likely to maintain its focus on Real Estate Business activity.

**(d) Adequacy of Internal Control**

The Company has adequate internal control and systems commensurate with the size and nature of the business. The Company adheres to all internal control policies and procedures as well as complies with regulatory guidelines. The Audit Committee of the Board of Directors reviews the efficacy of internal controls.

**(e) Human Resource Development**

Your Company continued to have cordial and harmonious relations with all its employees.

**DIVIDEND**

In order to strengthen the Reserves of the Company the Directors do not recommend any dividend.

**DEPOSITS**

Fixed Deposit outstanding as on 31st March,2010 stood at Rs. NIL (Previous Year: Rs. NIL). There are Deposits amounting to Rs. NIL, which remained unclaimed and unpaid as on 31.03.2010 (Previous Year :Rs. NIL). The Company has complied with all the requirements of Reserve Bank of India Directions.

**DIRECTORS**

In accordance with the provision of the Companies Act, 1956 and Articles of Association of the company Sri Ashok Mittal and Sri Shalabh Singh, Directors of the Company retire by rotation and being eligible offer themselves for reappointment. The necessary resolutions for their reappointment are placed before you for approval.

**AUDITORS & THEIR REPORT**

M/s Mehra Sanjay & Co, Chartered Accountants retire as Auditors of the Company at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Directors and the Audit Committee recommends their re-appointment. Auditors' Report is self explanatory and requires no comments by the Directors.

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**AUDIT COMMITTEE**

The Audit Committee constituted by the Board in compliance with section 292a of the Companies Act, 1956 and under the listing agreement, comprised of Sri Madan Mohan Agarwal, Dr. Shambhu Dayal Agarwal and Sri Shalabh Singh all of whom are non-executive Directors. Sri Madan Mohan Agarwal, who is the chairman of the Audit Committee, is a Practicing Chartered Accountant with more than 20 years experience in Finance and Accounts matters. The Finance Executives and Statutory Auditors of the Company are permanent invitees to the Audit Committee Meetings.

**CORPORATE GOVERNANCE**

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange, a Management Discussion & Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of the Annual Report.

**PARTICULARS OF THE EMPLOYEES**

Provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particulars of Employees) Rules, 1975 are not applicable as there was no employee in receipt of or entitled to receive emoluments exceeding the limits prescribed under said section.

**THE COMPANIES (DISCLOSURE OF PARTICULRS IN THE REPORT OF BOARD OF DIRECTORS) RULES 1988.**

In terms of the requirement of clause (e) of sub section (1) of section 217 of the Companies Act, 1956 read with the companies (disclosure of particulars in the report of Board of Directors) Rules, 1988 the particulars are given as follows:

The Company is engaged in the business of Real Estate and Financing, hence provisions relating to Energy conservation and Technology absorption are not applicable. There is no foreign exchange earnings/outgo during the year.

**DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956**

As required u/s 217 (2AA) of the companies Act, 1956, we hereby confirm:

(i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures;

(ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2010 and the Profit & Loss for the year ended 31st March 2010;

(iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

**ACKNOWLEDGEMENT**

The Directors wish to place on record our valued clients, Bankers, Shareholders for continues their support. The Directors also wish to express their sincere appreciation to all the staff members for their contribution to the performance of the company.

By order of the Board

Place : New Delhi
Date : 29-06-2010

**ASHOK MITTAL**
chairman

**Regd. Office : C-3, Amar Colony Market, GF, Lajpat Nagar-IV, New Delhi-24**
**Corp. Office : E-14/6, Shanta Tower, First Floor, Sanjay Place, Agra - 2**

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## CORPORATE GOVERNANCE REPORT

In Compliance with Clause 49 of the Listing Agreement with Stock Exchanges, the Company is pleased to submit this report on matters mentioned in the said clause and the practices followed by the Company in this regard.

**1. Company's philosophy on Code of Governance**

Corporate Governance refers to systems by which the Company is managed, directed and controlled, keeping in view the long-t interests of shareholders. It refers to various regulations, which enable the Company to attract financial and human capital an generally perform efficiently. Corporate Governance therefore generates long-term economic value for its shareholders.
Anna Infrastructures Ltd. believes that the implementation of Corporate Governance principles generates public confidence in corporate system. With this belief, the Company has initiated significant measures for making disclosures in the Annual Re 2009-2010.

**2. Board of Directors**

**- Composition**

The Company has an Executive Chairman and the number of independent Directors are more than 50% of the total numb directors.
During the year, 2009-2010, the Board met 6 times on following dates, namely 20th May 2009, 29th June 2009, 30th July 2009, October 2009, 30th October 2009 and 29th January 2010.
The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last An General Meeting, as also the number of Directorships and committee memberships held by them in other companies are g below :

| Name | Category | Attendance Particulars | | No. of Other Directorship and Committee Mem /Chairmanship | | |
|---|---|---|---|---|---|---|
| | | Board Meeting | AGM | Other Directorship | Committee Membership | Committee Chairmanship |
| Ashok Mittal | Chairman, Executive, Not Independent | 6 | Yes | 1 | 1 | NIL |
| Rakesh Mittal | Director, Executive, Not Independent | 6 | Yes | 4 | NIL | NIL |
| Anil Kumar Agarwal | Director, Executive, Not Independent | 6 | Yes | 4 | 2 | NIL |
| Ramesh Chand Agarwal | Director, Non Executive, Independent | 4 | Yes | None | 1 | 1 |
| Dr. Shambhu Dayal Agarwal | Director, Non Executive, Independent | 4 | Yes | None | 1 | 1 |
| Madan Mohan Agarwal | Director, Non Executive, Independent | 4 | Yes | None | NIL | 1 |
| Shalabh Singh | Director, Non Executive, Independent | 4 | Yes | 1 | 1 | NIL |

**3. Audit Committee**

The Audit Committee consisted of three Directors viz. Mr Madan Mohan Agarwal as Chairman, Dr. Shambhu Dayal Agarwa Mr Shalabh Singh as members.
The terms of reference specified by the Board for the Audit Committee are as follows :

- To review the Company's financial reporting process and its financial statements.
- To review the accounting and financial policies and practices.
- To review the efficiency of the internal control mechanism and monitor risk management
- Policies adopted by the company and ensure compliance with regulatory guidelines.
- To review report furnished by the Statutory Auditors and ensure suitable follow-up thereon.

All the three Committee members have attended all the three Audit Committee meetings held during the year.

**4. Remuneration Committee**

**- Terms of Reference**

- To review, assess and recommend the appointment of Whole Time Directors
- To periodically review the remuneration package of Whole Time Directors and recommend suitable revision to the E

**- Composition**

The Remuneration Committee consisted of three Directors viz. Dr. Shambhu Dayal Agarwal as Chairman, Mr Ramesh Agarwal and Mr. Anil Kumar Agarwal as members.