

ANNUAL REPORT 2012-13



Artefact Projects Ltd.
Excellence in Infrastructure Services

**GROWTH
PROSPERITY
PROGRESS**



Artefact Projects Ltd.

The Key Management Team Comprises of

BOARD OF DIRECTORS



Mr. Manoj B. Shah
Managing Director



Mr. Pankaj B. Shah
Whole-Time Director



Mr. Siddharth P. Shah
Executive Director



Mr. Sandeep M. Batta
Independent Director



Mr. Mohandas S. Adige
Independent Director



Mr. Ashok Mehta
Independent Director



Mr. Deepak B. Mehta
Independent Director



Mr. Girish R. Dhabalia
Independent Director



The Pillars of Artefact

Mr. Pankaj B. Shah
Whole-Time Director



Mr. Manoj B. Shah
Managing Director



Mr. Chetan B. Shah
Financial Advisor



Mr. Sandeep M. Batta
Independent Director





25th ANNUAL REPORT 2012 – 13

Board of Directors

Mr. Manoj B. Shah
Mr. Pankaj B. Shah
Mr. Sandeep M. Batta (appointed w.e.f. 28th September 2012)
Mr. Mohandas S. Adige (re-designated w.e.f. 28th May 2013)
Mr. Deepak B. Mehta
Mr. Ashok Mehta
Mr. Girish R. Dhabalia
Mr. Siddharth P. Shah (appointed as an additional Director w.e.f. 6th July 2013)

Managing Director
Whole-time Director
Independent Director
Independent Director
Independent Director
Independent Director
Executive Director

Company Secretary & Compliance Officer

Mr. Lucky A. Popli (appointed w.e.f. 01st April 2013)

Auditors

M/s. Chaturvedi & Shah, Mumbai
M/s. Naresh Patadia & Co., Nagpur

Registered Office

"Artefact Towers", 54/3, Chhatrapati Square, Wardha Road, Nagpur -440 025, Maharashtra, India
Tel: +91712-3025120
Fax: +91712-3025128
Email: artefactnagpur@gmail.com
shareholders@artefactprojects.com

Registrar & Share Transfer Agents

Link Intime (India) Private Limited
C-13 Pannalal Silk Mills Compound
LBS Road, Bhandup (West),
Mumbai – 400 078
Ph: +9122 2596838

Corporate website

www.artefactprojects.com

Corporate Consultants

MGCA Consultants Private Limited, Mumbai

BANKERS

Canara Bank
IDBI Bank



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5 YEARS' PERFORMANCE AT A GLANCE

(in ₹ Lacs)

| FINANCIAL YEAR | 2008 - 09 | 2009-10 | 2010-11 | 2011-12* | 2012-13* |
|---------------------------------------|----------------|-----------------|---------------|---------------|-----------------|
| REVENUES : | | | | | |
| Net Receipts from operations | 2642.04 | 2152.61 | 1901.35 | 2981.14 | 3,836.29 |
| Other Income | 23.77 | 33.1 | 56.73 | 42.96 | 41.73 |
| Total Income | 2665.81 | 2,185.71 | 1958.2 | 3024.1 | 3,878.02 |
| Expenditure: | | | | | |
| Operating and Administrative Expenses | 2141.34 | 1673.32 | 1477.77 | 2350.21 | 3,157.20 |
| Operating Profit | 524.47 | 512.39 | 480.43 | 673.89 | 720.82 |
| Finance Cost | 119.51 | 102.61 | 196.71 | 299.62 | 340.16 |
| PBDT | 404.96 | 409.78 | 283.72 | 374.27 | 380.66 |
| Depreciation | 38.59 | 35.26 | 69.32 | 116.16 | 113.56 |
| PBT | 366.37 | 374.52 | 214.4 | 258.11 | 267.09 |
| Tax | 151.42 | 129.05 | 59.57 | 74.771 | 84.53 |
| PAT | 214.95 | 245.47 | 154.83 | 183.34 | 182.56 |
| Dividend per share proposed (Rs.) | 0.75 | 0.75 | 0.75 | 0.75 | 0.75 |

*Consolidated figures, which includes figures of subsidiary viz. Artefact Infrastructure Ltd.

BALANCE SHEET

(in ₹ Lacs)

| FINANCIAL YEAR | 2008 - 09 | 2009-10 | 2010-11 | 2011-12* | 2012-13** |
|--|----------------|----------------|----------------|-----------------|-----------------|
| ASSETS | | | | | |
| Net Block- Fixed Asset-Own | 2156.95 | 2796.64 | 2650.15 | 2640.43 | 2,586.47 |
| Goodwill on Consolidation | ----- | ----- | ----- | 173.86 | 174.30 |
| Investments (Incl. Jvs) | 2.01 | 2.01 | 104.01 | 135.89 | 624.24 |
| Long Term Loans and Advances | ----- | ----- | 41.88 | 410.51 | 1,199.09 |
| Other Non Current Assets | ----- | ----- | ----- | ----- | 46.56 |
| Net Current Assets | 868.47 | 1096.08 | 1890.7 | 2882.43 | 2,198.28 |
| Miscellaneous Expenditure (to the extent not w/off) | ----- | ----- | ----- | 0.56 | - |
| TOTAL ASSETS | 3027.43 | 3894.73 | 4686.74 | 66243.68 | 6,828.93 |
| LIABILITIES | | | | | |
| Equity Share Capital | 407.76 | 407.76 | 497.76 | 552.5 | 552.5 |
| Reserves & Surplus | 988.8 | 1195.01 | 2094.08 | 3037.84 | 3,145.97 |
| Application Money Pending Allotment | ---- | 1167.16 | ---- | ----- | ----- |
| Convertible Share Warrants | ---- | ---- | 258.16 | ----- | ----- |
| Minority Interest | ----- | ----- | ----- | 31.02 | 0.68 |
| Secured Loans | 1615.71 | 1111.55 | 1760.47 | 1951.18 | 2,213.12 |
| Unsecured Loans | ---- | ---- | 32.1 | 568.9 | 750.00 |
| Deferred tax liability | 15.16 | 13.25 | 44.17 | 102.24 | 122.67 |
| Other Long Term Liabilities | ---- | ---- | ---- | ---- | 38.95 |
| Long Term Provisions | ---- | ---- | ---- | ---- | 5.03 |
| TOTAL NET WORTH | 1396.56 | 2769.93 | 2849.99 | 3589.78 | 3,698.47 |
| TOTAL LIABILITY | 3027.43 | 3894.73 | 4686.74 | 6243.68 | 6,828.93 |



FINANCIAL RATIOS

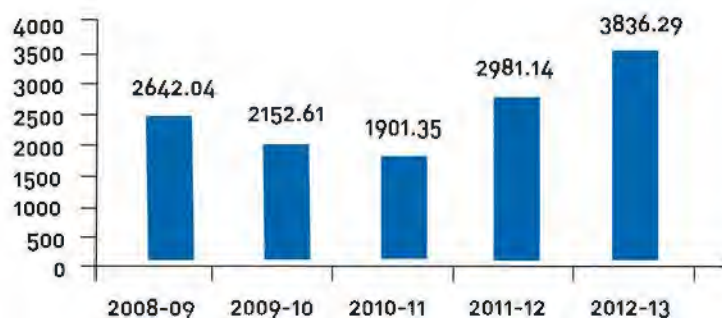
| | 2009 | 2010 | 2011 | 2012* | 2013** |
|---|---------------|---------------|---------------|---------------|---------------|
| Operating Ratio | 19.85% | 23.80% | 25.27% | 22.60% | 18.79% |
| PBDT Ratio | 15.33% | 19.04% | 14.92% | 12.55% | 9.92% |
| PBT Ratio | 13.87% | 17.40% | 11.28% | 8.66% | 6.96% |
| PAT Ratio | 8.14% | 11.40% | 8.14% | 6.15% | 4.76% |
| Net Worth | 1396.56 | 2769.93 | 2849.99 | 3589.78 | 3,698.47 |
| Return on Equity (PBT/Equity) | 26.23% | 13.52% | 7.52% | 7.19% | 7.22% |
| Interest Coverage Ratio | 4.39 | 4.99 | 2.44 | 2.25 | 2.12 |
| Debt Equity Ratio (Secured Loan/Equity) | 1.19 | 0.4 | 0.62 | 0.54 | 0.60 |
| EPS (Basic) | 5.08 | 5.93 | 3.13 | 6.9 | 3.30 |
| EPS (Diluted) | 5.08 | 5.78 | 3.09 | 6.9 | 3.30 |

* Previous year's figures have been regrouped/ rearranged/ reclassified wherever required.

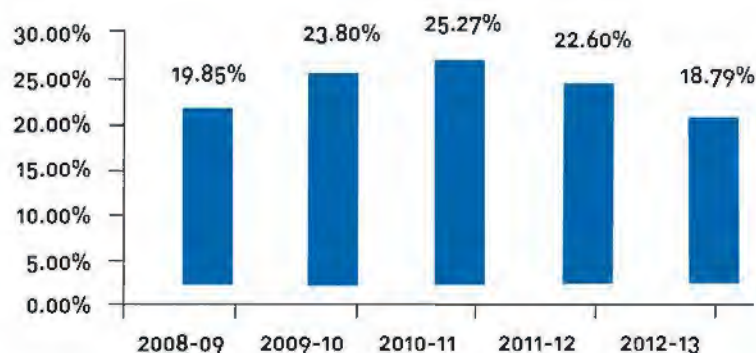
* EPS is calculated after considering the effect of Goodwill and Minority Interest.

** Consolidated figures, which includes figures of subsidiary viz. Artefact Infrastructure Ltd.

Net Receipts from Operations

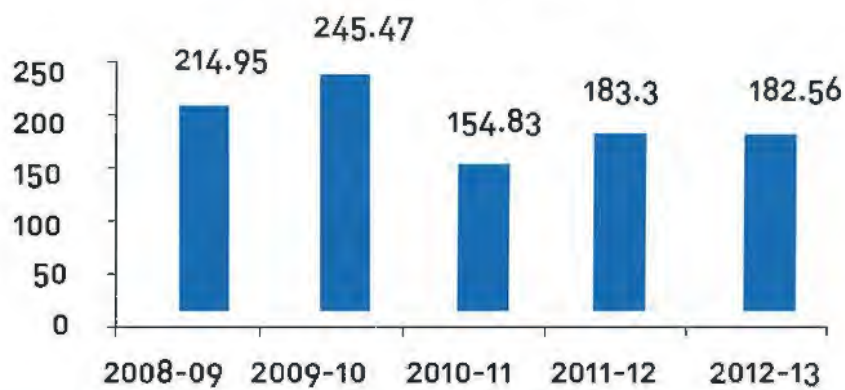


Operating Ratio

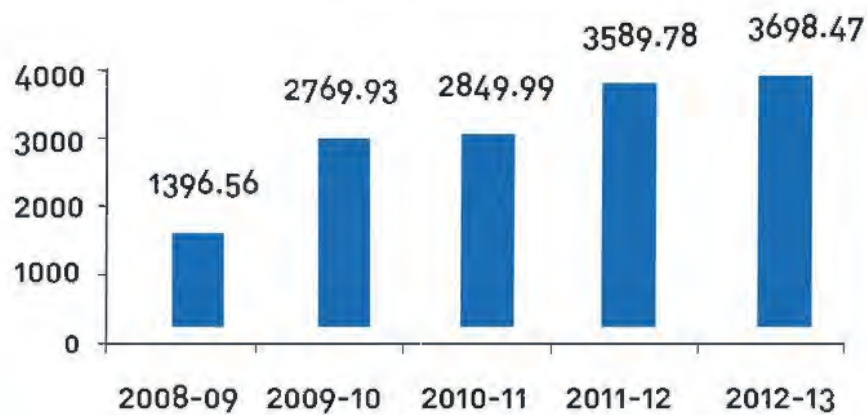




Profit after Tax



Net Worth





NOTICE

Notice is hereby given that the 25th Annual General Meeting of the members of the Company will be held on Friday, 27th September, 2013 at 11.00 A.M. at the registered office of the Company at "Artefact Towers", 54/3, Chhatrapati Square, Wardha Road, Nagpur – 440 025 to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2013, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon.
2. To declare dividend on Equity Shares for the financial year ended on 31st March, 2013.
3. To appoint a Director in place of Mr. Ashok Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Girish R. Dhabalia, who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint M/s. Chaturvedi & Shah, Chartered Accountants and M/s. Naresh Patadia & Co., Chartered Accountants, as Joint Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Chaturvedi & Shah, Chartered Accountants, Mumbai (Firm Registration No. 101720W) and M/s. Naresh Patadia & Co., Chartered Accountants, Nagpur (Firm Registration No. 106936W), be and are hereby re-appointed as Joint Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be determined by the Board of Directors of the Company in their consultation."

Special Business:

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Siddharth P. Shah, who was appointed as an Additional Director by the Board of Directors of the Company w. e. f. 6th July, 2013 in terms of Article 148 of the Articles of Association of the Company and pursuant to the provisions of Section 260 of the Companies Act, 1956 holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice along with requisite deposit under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to provisions of Sections 198, 269, 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 ('the Act') (including any modification(s) or reenactment(s) thereof for the time being in force), the appointment of Mr. Siddharth P. Shah as Executive Director of the Company for a period of 3 years w.e.f. 6th July, 2013, on the terms and conditions as set out in the Explanatory Statement attached to this Notice, be and is hereby approved, with the liberty to the Board of Directors of the Company to revise the terms with regard to remuneration from time to time, within the limits provided in the Schedule XIII of the Act.



RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the currency of tenure of Mr. Siddharth P. Shah as Executive Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration to him.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, things and deeds as may be necessary to give effect to the above resolution."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 ('the Act') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the revision in remuneration payable to Mr. Manoj B. Shah, Managing Director of the Company for a period of 3 years w.e.f. 1st January, 2013 as detailed in the Explanatory Statement attached to this Notice be and is hereby approved, with the liberty to the Board of Directors to revise the terms with regard to remuneration from time to time within the limits provided in the Schedule XIII of the Act.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Manoj B. Shah as Managing Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, things and deeds as may be necessary to give effect to the above resolution."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 ('the Act') (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the revision in remuneration payable to Mr. Pankaj B. Shah, Whole time Director of the Company for a period of 3 years w.e.f. 1st January, 2013 as detailed in the Explanatory Statement attached to this Notice be and is hereby approved, with the liberty to the Board of Directors to revise the terms with regard to remuneration from time to time within the limits provided in the Schedule XIII of the Act.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Pankaj B. Shah as Whole time Director of the Company, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, things and deeds as may be necessary to give effect to the above resolution."

By Order of the Board of Directors

Sd/-

**Lucky A. Popli
Company Secretary**

**Place: Nagpur
Date: 13th August, 2013**

REGISTERED OFFICE:

"Artefact Towers", 54/3, Chhatrapati Square,
Wardha Road, Nagpur- 440 025