

ASAHI INFRASTRUCTURE & PROJECTS LIMITED

ASAHI

INFRASTRUCTURE & PROJECTS LIMITED

19TH ANNUAL REPORT

 **FOR THE YEAR ENDED 31ST MARCH, 2007**

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ASAHI INFRASTRUCTURE & PROJECTS LIMITED

BOARD OF DIRECTORS:

Mr. Laxminarayan Rathi	:	Chairman & Managing Director
Mr. Paresh Rathi	:	Whole Time Director.
Mr. Venkatarao Karri	:	Whole Time Director.
Mr. Hemendra Shah	:	Independent Non-Ex. Director.
Mr. Ramesh Jogi	:	Independent Non-Ex. Director.
Mr. Kirit Gosher	:	Independent Non-Ex. Director.
Mr. Vilas Wakil	:	Independent Non-Ex. Director.

AUDITORS:

B. M. Gattani & Co.,
Chartered Accountants,
Mumbai.

BANKERS:

Punjab National Bank, Akola
Syndicate Bank, Mumbai,
Oriental Bank of Commerce, Mumbai.
Central Bank of India, Mumbai.

REGISTRARS & SHARE TRANSFER AGENTS:

Purva Sharegistry (India Private Limited.
33, Printing House, 28-D, Police Court Lane,
Behind Old Handloom House, Fort,
Mumbai. - 400 001.

REGISTERED OFFICE:

2nd Floor, Vinayak Sankul,
Tapdia Nagar,
Akola - 444 005.

SHARES LISTED AT:

The Stock Exchange - Mumbai

19th ANNUAL GENERAL MEETING

Date: 29th September, 2007.

Day: Saturday

Time: 11.00 a.m.

Place: 2nd Floor, Vinayak Sankul,
Tapdia Nagar,
Akola - 444 005.

ASAHI INFRASTRUCTURE & PROJECTS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 19TH ANNUAL GENERAL MEETING OF THE MEMBERS OF ASAHI INFRASTRUCTURE & PROJECTS LIMITED WILL BE HELD ON **SATURDAY THE 29TH SEPTEMBER, 2007** AT 11.00 A.M. AT REGISTERED OFFICE OF THE COMPANY SITUATED AT 2ND FLOOR, VINAYAK SANKUL, TAPDIA NAGAR, AKOLA - 444 005 TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited accounts for the year ended **31st March 2007** along with notes and schedules thereon as on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Ramesh Jogi**, Director of the company who retires by rotation and being eligible offers himself for re-appointment.
2. To appoint a Director in place of **Mr. Kirit Gosher**, Director of the company who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion next Annual General Meeting and to fix their remuneration.

**BY ORDER OF THE BOARD
ASAHI INFRASTRUCTURE & PROJECTS LIMITED**

DATE: 15th June, 2007

PLACE: AKOLA

**Sd/-
L. J. Rathie
(CHAIRMAN & MANAGING DIRECTOR)**

ASAHI INFRASTRUCTURE & PROJECTS LIMITED

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. The proxies, in order to be effective should be deposited with the company not less than 48 hours before the time fixed for the commencement of the meeting.
3. The Register of Members and Share Transfer Register shall remain closed from Saturday the Saturday the 27th October, 2007 to Wednesday the 31st October, 2007 (both days inclusive).
4. As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting.
5. Explanatory statement under section 173(2) of the Companies Act, 1956 in respect of the Special Business set above is annexed.
6. Members are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
7. Members who are holding shares in identical order or names in more than one folio are requested to write to the company to enable the company to consolidation their holdings in one folio.
8. Any member requiring further information on accounts at the meeting is requested to send their queries in writing to the Managing Director of the Company at least 7 days before AGM.

EXPLANATORY STATEMENT**As required by section 173(2) of the Companies Act, 1956****Item No. 4.**

Mr. Ramesh Jogi, who was appointed as an additional Director w.e.f. 31st December, 2005 under section 260 of the Companies Act, 1956. The said Directors will hold office upto the date of the Annual General Meeting. The company has received a notice in writing from member proposing the candidature of Mr. Ramesh Jogi for the office of the Director under section 257 of the Companies Act, 1956.

1	Name of the director	Mr. Ramesh Jogi.
2	Age	50
3	Qualification	M.Com, L.L.B.
4	Experience	A renounced Income Tax and Sales Tax consultant Since last 25 years at Akola City. Well conversant with all Income Tax and Sales Tax and VAT Laws, audit rules etc.
5	Number of directorship in other companies	NIL

Mr. Ramesh Jogi is not having any shareholding in the Company.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors, are concerned or interested in the said Resolution except Mr. Ramesh Jogi.

ASAHI INFRASTRUCTURE & PROJECTS LIMITED

Item No. 5.

Mr. Kirit Gosher, who was appointed as an additional Director w.e.f. 31st December, 2005 under section 260 of the Companies Act, 1956. The said Directors will hold office upto the date of the Annual General Meeting. The company has received a notice in writing from member proposing the candidature of Mr. Kirit Gosher for the office of the Director under section 257 of the Companies Act, 1956.

1	Name of the director	Mr. Kirit Gosher
2	Age	50
3	Qualification	Diploma in civil Engineering.
4	Experience	Having 25 years experience in the civil line.
5	Number of directorship in other companies	NIL

Mr. Kirit Gosher is not having any shareholding in the Company.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors are concerned or interested in the said Resolution except Mr. Kirit Gosher.

Item No. 6.

Mr. Vilas Wakil, who was appointed as an additional Director w.e.f. 31st December, 2005 under section 260 of the Companies Act, 1956. The said Directors will hold office upto the date of the Annual General Meeting. The company has received a notice in writing from member proposing the candidature of Mr. Vilas Wakil for the office of the Director under section 257 of the Companies Act, 1956.

1	Name of the director	Mr. Vilas Wakil
2	Age	48 years.
3	Qualification	Diploma in Armaments Engineering & Production Technology.
4	Experience	Ex JCO of Indian Army. 28 years exp. of Gen & Office Administration.
5	Number of directorship in other companies	NIL

Mr. Vilas Wakil is not having any shareholding in the Company.

The Board of Directors recommends the resolution for approval of the members.

None of the Directors are concerned or interested in the said Resolution except Mr. Vilas Wakil

**BY ORDER OF THE BOARD
ASAHI INFRASTRUCTURE & PROJECTS LIMITED**

DATE: 15th June, 2007

Sd/-

PLACE: Akola

**L. J. RATHI
(CHAIRMAN & MANAGING DIRECTOR)**

ASAHI INFRASTRUCTURE & PROJECTS LIMITED

DIRECTORS' REPORT:

To,
The Members,
ASAHI INFRASTRUCTURE & PROJECTS LIMITED,
Akola.

Your Directors have great pleasure in presenting **19th ANNUAL REPORT** along with the Audited Balance Sheet and Profit And Loss Account, for the year ended 31st March, 2007.

1. FINANCIAL RESULTS:

PARTICULARS	(Amt. In Rs.)	
	Year ended	
	2007	2006
Total Income	20,40,65,412	20,89,64,148
Depreciation	13,10,426	13,10,426
Profit/(Loss) before Taxation	13,36,688	8,34,071
Provision for Taxation	44,993	69,278
Deferred Tax Liabilities	2,90,440	10,808
Appropriations		
Profit after Tax	9,87,245	4,63,546
Amt. available for Appropriation	1,19,52,543	1,09,65,298

2. OPERATIONS:

During the year Companies performance was satisfactory in comparison to previous year as net profit before tax is increased from Rs. 8,34, 071.00 to 13,36,688.00 in spite of same sales.

3. DIVIDEND:

In the absence of sufficient profits, your Directors did not recommend any dividend for the current year.

4. DIRECTORS:

During the year Mr. Kirit Gosher and Mr. Ramesh Jogi, Director of the company are retiring by rotation & being eligible offers themselves for reappointment.

5. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors hereby confirms:

- i. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation 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 at the end of the financial year and of the financial year and of the Profit or Loss of the Company for that period.
- iii. That the Directors have taken proper and sufficient care for the maintenances of adequate accounting records in accordance with the provision of this 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.

6. DEPOISTS:

During the year your company has not accepted any deposits from the public.

7. AUDITORS:

M/s. B. M. Gattani & Co., Chartered Accountants, Mumbai holds office until the conclusion of the forthcoming Annual General Meeting. He has signified his willingness to accept re-appointment and has further confirmed his eligibility under Section 224 (1B) of the Companies Act, 1956.

8. SUBSIDIARIES:

Since the Company has no subsidiaries, provision of section 212 of the Companies Act, 1956 is not applicable.

9. CORPORATE GOVERNANCE CODE:

The Board had implemented Corporate Governance Code in pursuance of clause 49 of Listing Agreement during the year. The report on Corporate Governance is annexed hereto forming part of this report. The requisite certificate from Statutory Auditors of the Company on implementation of requirements of the Corporate Governance is also annexed herewith forming part of this report.

10. PARTICULARS OF EMPLOYEES:

Particulars of employees, as required by section 217 (2A) of the Companies Act, 1956 read with companies (Particulars of Employees) Rules, 1975 as amended, are not given as no employees are drawing salary in excess of the limits of the section 217 (2A).

ASAHI INFRASTRUCTURE & PROJECTS LIMITED

11. CONSERVATION OF ENERGY:

Even though, the major activity of your company does not involve high consumption of energy, your company is making all efforts to optimize usage of energy.

12. TECHNOLOGY ABSORPTION:

Your Company have not imported any technology, hence no details are given.

13. APPRECIATION:

The Directors wish to take this opportunity to thank all the Shareholders, Banks & Customers for their Co-Operation & support extended to the company.

**BY ORDER OF THE BOARD
ASAHI INFRASTRUCTURE & PROJECTS LIMITED**

DATE: 15th June, 2007

Sd/-

PLACE: Akola

**L. J. RATHI
(CHAIRMAN & MANAGING DIRECTOR)**

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT**A) INDUSTRY STRUCTURE AND DEVELOPMENT:**

The Indian Construction Industry is an integral part of the Indian economy and an important part of investment into development of the Indian economy takes place through the construction industry. The construction industry is expected to grow with further economic development, industrialization, urbanization and improvements in the standard of living. A report by the Confederation of International Contractors Association and the United Nations Environment Programme in 2002 estimated the annual output for the construction sector worldwide at US\$ 400 billion. Currently India ranks 12th and accounts for 1.75% of worldwide construction sector output.

According to Indian Infrastructure, the Indian Construction Industry accounts for more than 5% of India's GDP and is the second largest employer after agriculture employing nearly 32 Million people. In the course of liberalization of Indian economy the Government has placed a priority on infrastructure development and emphasized involvement of private capital and management in order to respond to the growing demand for new infrastructure projects. Accordingly, the financing of infrastructure development has largely shifted to the private sector, primarily through the use of Public Private Partnership (PPP), which are based on a partnership between public and the private sectors for the purpose of delivering a project or service traditionally provided by the public sector. According to the Indian Central Statistical Organization, investments in construction in India grew at a compounded annual growth rate of 12% during the last ten years.

ROADS

India has the second largest highway and roads network in the world after the United States. The total length of roads in the country is about 3.3 Million Kilometers. Roads account for approximately 85% of passenger-related and 70% of freight related land transport in India. Although the National Highways grid comprises only 1.8% of the Country's roads network, it accounts for approximately 40% of total traffic.

URBAN INFRASTRUCTURE

Over the last 50 years, India's population has grown 2.5 times while its urban population has increased five-fold. Today, the country's urban population comprises of around 30% of the total population and contributes over 60% of the country's GDP. The Central Public Health and Environment Engineering Organisation (the "CPHEEO") estimated that the urban population of India will reach 360 million by the end of 2007. Essential infrastructure facilities are thus of critical importance for the growing urban population. The urban infrastructure sector includes urban housing, sanitation, water supply and wastewater and sewage management and also covers software parks and special economic zones.