



**INFRA INDUSTRIES LIMITED**

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**ANNUAL REPORT 2003-2004**

**INFRA INDUSTRIES LIMITED**

**BOARD OF DIRECTORS**

**Bhupendra J. Ambani**  
Non- Executive Chairman

**Mukesh B. Ambani**  
Executive Director

**Chandresh B. Ambani**  
Executive Director

**R.K. Sundaram**  
Director

**Sharadkumar K. Parekh**  
Director

**REGISTERED OFFICE**  
Dhiraj Chambers, 7<sup>th</sup> Floor,  
9, Hazarimal Somani Marg,  
Mumbai – 400 001.

**REPORT JUNCTION**  
**factories**  
Arav, Maharashtra  
Pukkathurai, Tamil Nadu  
Dadra, U/T of Dadra & Nagar Haveli

**SALES OFFICES**  
Bangalore, Belgaum  
Chennai, Cochin  
Renigunta

**AUDITORS**  
M/s. Chaturvedi & Shah

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**REGISTRARS & TRANSFER AGENTS**  
Purva Sharegistry (India) Private Limited,  
33, Printing House,  
28-D, Police Court Lane, Fort,  
Mumbai – 400 001.  
Phone No. (022) 22617957 / 22632967  
Fax No. (022) 22626407  
Email.[busicomp@vsnl.com](mailto:busicomp@vsnl.com)

## NOTICE

**NOTICE** is hereby given that the Fifteenth Annual General Meeting of the members of **INFRA INDUSTRIES LIMITED** will be on Tuesday, 28th December, 2004 at 10.30 a.m. will be held on WIAA Club Ltd, Ridge Road, Malabar Hill, Mumbai - 400 006 to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt the Balance Sheet as at 30th September 2004 and the Profit and Loss Account for the Period ended on that date and the Directors' Report thereon and Auditors' Report thereto.
2. To appoint Director in place of Mr. Mukesh B. Ambani who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Mr. Chandresh B. Ambani who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Chaturvedi & Shah, Chartered Accountants, as auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS :**

5. To consider and if thought fit, to pass the following resolution with or without modification as a Special resolution:

"RESOLVED pursuant to the provisions of Section 163 and all other applicable provisions, if any of the Companies Act, 1956 that consent of the Company be and is hereby given to keep the Register of Members, Indexes, Share Transfer Forms and Registers, instead of being kept at the Registered Office of the Company at 7th Floor, Dhiraj Chambers, 9, Hazarimal Somani Marg, Mumbai - 400 001 to be kept at the Office of the Company's Share Transfer Agents, M/s. Purva Share Registry (India) Private Limited, 33, Printing House, 28-D, Police Court Lane, Fort, Mumbai - 400 001 where the Register and Indexes as mentioned above shall remain open for inspection on all working days except on Saturdays from 11.00 a.m. to 5.00 p.m."

**For and on behalf of the Board of Directors**

**Bhupendra J. Ambani**  
**(Non-Executive Chairman)**

**Place : Mumbai**  
**Dated : 29th November, 2004**  
**REGISTERED OFFICE:**  
7<sup>th</sup> Floor, Dhiraj Chambers,  
9, Hazarimal Somani marg,  
Mumbai - 400 001.

### **NOTES:**

- 1) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote instead of himself and Proxy need not be a member.
- 2) A Proxy in order to be effective must be lodged with the Company at least 48 hours before the meeting.

- 3) The explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of Special Business under item No.5 as set out above is annexed hereto.
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 16<sup>th</sup> day of December, 2004 to Tuesday, 28<sup>th</sup> day of December, 2004 (Both Days Inclusive).
- 5) In all correspondence with the Company, members are requested to quote their Folio.
- 6) Members should quote Folio Numbers and in case the shares are held in the dematerialised Form, they should quote their client ID Number and DP ID Number.
- 7) Members, who hold shares in Dematerialised Form, are requested to bring their client ID and DP numbers for Easier Identification of Attendance at the meeting.

#### **EXPLANATORY STATEMENTS**

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE NOTICE DATED 25<sup>TH</sup> NOVEMBER 2004.**

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The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in accompanying Notice dated 15<sup>th</sup> November, 2004 and shall be taken as forming part of the Notice.

#### **IN RESPECT OF ITEM NO. 5 :**

The Company had to change the Registrar and Transfer Agents due to distance from the Registered Office of the Company. So, to save the cost and nearness of the Purva Sharegistry (India) Private Limited the Company appointed them as the Registrar and Transfer Agents.

Section 163 of the Companies Act, 1956 requires the approval of the members by a Special Resolution to keep the above Registers in a place other than the Registered Office of the Company and hence the proposed Resolution.

Your Board recommends the resolution for your approval.

None of the Directors of the Company is concerned or interested in the resolution.

**For and on behalf of the Board of Directors**

**Bhupendra J. Ambani**  
**(Non-Executive Chairman)**

**Place : Mumbai**  
**Dated : 29th November, 2004**  
**REGISTERED OFFICE:**  
7<sup>th</sup> Floor, Dhiraj Chambers,  
9, Hazarimal Somani marg,  
Mumbai - 400 001.

## DIRECTORS' REPORT

To  
The Members,

Your Directors have pleasure in presenting their Fifteenth Annual Report, and the Audited Statement of Accounts of the Company for the period ended 30<sup>th</sup> September, 2004.

### FINANCIAL PERFORMANCE:

	(Rs.)	
	Period Ended 30.09.2004	Year Ended 31.03.2003
Profit/(Loss) before Interest, Depreciation and Tax	(54225)	3803957
Less: Interest	547896	164313
Gross Profit/(Loss)	(602121)	3639644
Less: Depreciation	6406255	4144625
Profit/(Loss) before Tax	(7008376)	(504981)
Add: Deferred Tax Credit	1187365	1547473
Profit/(Loss) after Tax	(5821011)	1042492
Add: Balance Brought from Pervious year	(91555203)	(92597695)
Transferred from General Reserve	21500000	0
Transferred from Capital Reserve	88000	0
Transferred from Shares Premium Accounts	73742000	0
Excess Provision for Taxation Written Back	152083	0
Balance available for Appropriation	(1894131)	(91555203)
<b>APPROPRIATION</b>		
General Reserve	0	17500000
Balance Carried forward to next year	(1894131)	(74055203)

### DIVIDEND:

In the absence of inadequate profit for the period under review your Directors are unable to recommend any dividend on the Equity Capital.

### OPERATIONS:

During the period under review the sales has increased by 6.75% over the previous year. But due to increase in cost of raw material & other inputs the Company incurred Loss of Rs. 58,21,011/- compared to Net Profit of Rs.10,42,492/- in the previous year. Net worth of the Company includes the unamortised portion of Deferred Tax Liability. And the accounts are prepared on a going concern basis.

The Management has been putting all its efforts to improve the workings of the Company and expects to have better performance in the current year and a bright future.

**WRITING OFF THE ACCUMULATED LOSS:**

The Company with the consent of the Members and Honorable High Court at Bombay has written off the Rs.7,38,30,000/- (comprising of Capital Reserves of Rs.88,000/- and Share Premium Account of Rs.73,742,000/-), Rs.40,00,000/- Special Capital Incentive Account and Rs.1,75,00,000/- General Reserve Account against the Debit Balance in the Profit & Loss Account in order to reflect the realistic net worth.

**FINANCE:**

During the period under review the Company has not made any new major financial commitment.

**FUTURE OUTLOOK:**

The Company has successfully increased its sales during the period under review and selling and administrative expenses were brought down under control. The Company will also now look at adding new business lines thereby increasing its business in the market and en-cashing on its strong brand value.

**EXTENSION OF ACCOUNTING PERIOD :**

As per Section 210 (4) of the Companies Act, 1956 The Registrar of Companies Maharashtra, Mumbai granted permission for extension of Accounting Period up to 30<sup>th</sup> September, 2004 and Extension of time for holding of Annual General Meeting up to 31<sup>st</sup> December, 2004.

**FIXED DEPOSITS:**

During the year the Company has not accepted any fixed deposits from the Public.

**PARTICULARS OF EMPLOYEES:**

The information as required by Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is not given, as no employee of the Company was in receipt of remuneration exceeding the limits as laid down in this respect.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

A statement giving information regarding Conservation of Energy, Technology Absorption, Foreign Exchange earnings and outgo required under Section 217(1)(e) of the Companies Act, 1956 are annexed and form part of the report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial period ended 30<sup>th</sup> September, 2004; the applicable accounting standards have been followed along with explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 period and of the loss of the Company for the period under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting record in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the accounts for the financial period ended 30<sup>th</sup> September, 2004 on a 'going concern' basis.

#### **DIRECTORS:**

Mr. Mukesh B. Ambani and Mr. Chandresh B. Ambani, who retire by rotation and being eligible offers themselves for re-appointments in accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association.

#### **AUDITORS AND AUDITORS' REPORT:**

M/s. Chaturvedi & Shah, Chartered Accountants, retire as auditor of the Company and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment as Auditor of the Company.

The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

#### **ADDITION OF NEW OBJECTS:**

The New Objects as approved by the Members in the Last Annual General Meeting by postal ballot have been approved by the Registrar of Companies, Maharashtra and the Certificate of Registration of same have been issued.

#### **DELSTING OF SHARES FROM CHENNAI STOCK EXCHANGE:**

The Shares of the Company during the period under review have been delisted from the Madras Stock Exchange Ltd.

**ACKNOWLEDGEMENTS:**

The Board of Directors wishes to place on record their appreciation of dedicated efforts by the staff of the Company at all levels in their drive to enhance the Company's operation.

We would also like to express our gratitude to all Shareholders for their wholehearted support.

**For and on behalf of the Board Directors**

**PLACE : MUMBAI**  
**DATED : 29<sup>th</sup> November, 2004.**

**Bhupendra J. Ambani**  
**(Non-Executive Chairman)**





## ANNEXURE – I

Statement appended to Directors' report pursuant to the Companies (disclosure of particulars in the report of Board of Directors) rules 1998 under section 217 (1) (e) of the Companies Act 1956 and forming part of Directors' report for the period ended 30<sup>th</sup> September 2004.

## 1. FORM A – ENERGY CONSUMPTION

<b>a) POWER &amp; FUEL CONSUMPTION</b>		
	<b>Period Ended 30.09.2004</b>	<b>Year Ended 31.03.2003</b>
<b>1. Electricity:</b>		
(a) Purchased Units (KWH)	1296435	960568
Total Amount (Rs.)	6812160	5156528
Rate / Unit (Rs.)	5.25	5.37
(b) Own Generation		
i) Through Diesel Generator Units	12144	31227
Units per Ltr. of diesel oil	1.08	2.32
Cost / Unit (Rs.)	22.85	10.90
ii) Through Steam Turbine/Generator	Not applicable	Not applicable
<b>2. Coal:</b> (Specify quality and where used)	Not applicable	Not applicable
<b>3. Fuel Oil:</b>		
Quantity (Litres)	399251	324600
Total Amount (Rs.)	7620148	5211601
Average Rate (Rs.)	19.09	16.06
<b>4. Others/Internal Generations:</b>	NIL	NIL
<b>b) CONSUMPTION PER UNIT OF PRODUCTION</b>		
<b>Products (with details)</b>		
Production (MT)	1347	858
Electricity (KwH/MT)	962	1120
Diesel oil for Oven (Ltrs./MT)	296	378
Coal (Special Quality)	N.A	N.A
Others (Specify)	N.A	N.A

**FORM B – TECHNOLOGY ABSORPTION**

1. **Specific areas in which R&D was carried out:** R & D efforts were made in development of value added products. This break through has been achieved due to efforts put by the management and technicians of the Company.
2. **Benefits Derived:** This will help the Company to develop an extended product range and moving away from its traditional single product facility to start manufacturing and establishing itself as marketed product facility.
3. **Future plan fixed:** The Company intends to market it's newly develop products and capture the market share as early as it can.
4. **Expenditure on R & D:** The Company has incurred expenditure of Rs.-NIL-- to carry out developmental activities.

**TECHNICAL ABSORPTION, TECHNOLOGY ADAPTION & INNOVATION**

1. **Efforts in brief:** The Company has made efforts in developing Customised Moulded Product for Rotomoulding division.
2. **Benefits Derived:** Better quality products are been made with cost effectiveness.
3. **Imported Technology:** N.A.

**FOREIGN EXCHANGE EARNINGS & OUTGO****OUTFLOW**

1.	Towards import of Raw materials	:	Rs.	NIL
2.	On account of Foreign Travel	:	Rs.	5,09,282
3.	On account of Technical Know-how fees	:	Rs.	NIL
4.	Towards Import of Capital Equipment	:	Rs.	NIL

**For and on behalf of the Board of Directors**

**Place : Mumbai**  
**Dated : 29th November, 2004**

**Bhupendra J. Ambani**  
**(Non-Executive Chairman)**