



INFRA INDUSTRIES LIMITED



ANNUAL REPORT 2008-2009

INFRA INDUSTRIES LIMITED

BOARD OF DIRECTORS

Mukesh B. Ambani	Chairman & Managing Director
Haresh P. Sanghvi	Director
Rajnikant N. Shah	Director

REGISTERED OFFICE

Dhiraj Chambers, 7th Floor,
9, Hazarimal Somani Marg,
Mumbai – 400 001
Telephone No.022-32946372

FACTORIES

Arav, Maharashtra
Pukkathurai, Tamil Nadu,
Dadra, U/T of Dadra & Nagar Haveli
Hubli, Karnataka

SALES OFFICES

Chennai, Renigunta

AUDITORS

M/s. Chaturvedi & Shah
Chartered Accountants

BANKER

Indian Overseas Bank

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REGISTRARS & TRANSFER AGENTS

Purva Sharegistry (India) Private Limited,
9, Shiv Shakti Industrial Estate,
Ground Floor, Sitaram Mill Compound,
J. R. Boricha Marg, Lower Parel,
Mumbai – 400 011.
Phone No. (022) 23016761 / 23018261
Email.busicomp@mtnl.net.in

INFRA INDUSTRIES LIMITED**NOTICE**

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of **INFRA INDUSTRIES LIMITED** will be on Tuesday, 22nd September, 2009 at 10.00 a.m. at Malabar Hill Club Ltd, B. G. Kher Marg, Malabar Hill, Mumbai - 400 006 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date and the Directors' Report thereon and Auditors' Report thereto.
2. To appoint Director in place of Mr. Haresh P. Sanghvi who retires by rotation and being eligible, offers himself for re-appointment.
3. 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 :

4. To pass with or without modification the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Rajnikant N. Shah, in respect of whom the Company has received notice in writing along with a deposit of Rs.500/- for notice, from a member proposing him as a candidate for the office of director under the provisions of Section 257 of the Companies Act, 1956, and who is eligible for appointment to the office of director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

5. To pass with or without modification the following Resolution as an Ordinary Resolution:

"RESOLVED pursuant to the provisions of Section 198, 269, 310, 311, Schedule XIII & other applicable provisions if any, of the Companies Act, 1956 that Mr. Mukesh B. Ambani be and is hereby re-appointed as Managing Director of the Company with effect from 1st October, 2009 and he be paid remuneration as detailed hereunder and he be entitled to commission of 5% of the net profit inclusive of his salary and perquisites and his remuneration be structured as detailed hereunder:

PART A

1. Basic Salary:	Rs. 50,000/- per month.
2. Commission:	5% of net profit inclusive of Salary as prescribed under the Companies Act, 1956

PART B

1. House Rent Allowance	30% of the Salary
2. Electricity Charges	Actual Reimbursement
3. Medical Reimbursement	Reimbursement of the expenses actually incurred subject to ceiling of one month salary in a year or three months salary over a period of three years.
4. Leave Travel Concession	Leave Travel Concessions for Mr. Mukesh B. Ambani and his family once in year incurred in accordance with the rules of the company for the time being in force.
5. Club Fees	Fees of two clubs.
6. Personal Accident Insurance	Premium not exceeding Rs. 1,000/- per month.
7. Car with Driver for office use	--
8. Telephone at residence	Subject to personal long distance calls to be reimbursed to the Company.

FURTHER RESOLVED THAT the entitlement of Mr. Mukesh B. Ambani, Managing Director to usual benefits such as provident fund, bonus, gratuity (subject to a ceiling of Rs.2,50,000/-), privilege leave etc., as available to other executives of the Company is also approved."

By Order of the Board of Directors

PLACE: Mumbai
DATED: 23rd June, 2009
REGISTERED OFFICE:
 7th FLOOR, DHIRAJ CHAMBERS,
 9, HAZARIMAL SOMANI MARG,
 MUMBAI - 400 001

Mukesh B. Ambani
(Chairman & Managing Director)

INFRA INDUSTRIES LIMITED**NOTES**

- 1) The relative explanatory statement pursuant to Section 173 of the Companies Act, 1956 in regard to the business as set out in Item Nos. 4 and 5 above and relevant details in respect of Item No. 4 and 5 pursuant to Clause 49 of the Listing Agreement with the Stock Exchange are annexed hereto.
- 2) 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.
- 3) A Proxy in order to be effective must be lodged with the Company at least 48 hours before the meeting.
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 16th day of September, 2009 to Tuesday, 22nd day of September, 2009 (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 23rd June, 2009.**

The following Explanatory Statement sets out all material facts relating to Special Business mentioned in accompanying Notice dated 23rd June, 2009 and shall be taken as forming part of the Notice.

ITEM NO. 4:

Mr. Rajnikant N. Shah, who has been appointed as an Additional Director under Section 260 of the Companies Act, 1956 effective October, 8, 2008 holds office up to the date of the 20th Annual General Meeting of the Company as provided under provisions of Articles of Association and Companies Act, 1956 and is eligible for appointment. In terms of Section 257 of the Companies Act, 1956 the Company has received notice in writing along with a deposit of Rs.500/- from a member signifying his intention to propose the candidature of Mr. Rajnikant N. Shah for the Office of Director.

Mr. Rajnikant N. Shah has been a Commerce and Law Graduate and Fellow Member of Institute of Company Secretaries of India. He is having 29 years experience in the field of Secretarial and Legal works.

Your Board recommends the resolution for your approval.

Mr. Rajnikant N. Shah deemed to be concerned or interested in the resolution at Item No.4.

ITEM NO. 5:

Mr. Mukesh B. Ambani was appointed as a Managing Director of the Company for a period of 5 years. It is now proposed to re-appoint him for further period of 5 years with effect from 1st October, 2009 in accordance with the provisions of Section 198, 269, 309, 310 and Schedule XIII of the Companies Act, 1956. The Act requires the approval of Members of the Company for the said appointment.

The Profile of Mr. Mukesh B. Ambani, who is a B.Com graduate and having knowledge and expertise in Plastic and Rotomolded products. The terms of appointment of Mr. Mukesh B. Ambani are as under:

1. Period of appointment: 1st October, 2009 to 30th September, 2014.
2. Remuneration: As given in the Resolution under Item No.5.
3. Other terms: Managing Director shall be entitled to compensation for loss of Office as provided in Section 318 of the Companies Act, 1956.

No sitting fees shall be paid to the Managing Director for attending the meetings of the Board of Directors or any committee of the Board.

INFRA INDUSTRIES LIMITED

The Contract of the appointment of Mr. Mukesh B. Ambani is terminable by either Board of directors or by Mr. Mukesh B. Ambani giving to other 90 days notice in writing.

The Board believes that the Company has grown extensively under the guidance of Mr. Mukesh B. Ambani and that he possesses the necessary expertise and experience to accelerate the Company's operations and achieve its vision and hence recommends the resolution appearing in the Item No.5 of the Notice for your approval.

The draft service agreement proposed to be entered into between the Company and Mr. Mukesh B. Ambani is available for inspection by the Members at the Registered Office of the Company on all working days between 11.00 a.m. to 1.00 p.m. up to the date of the ensuing Annual General Meeting.

Mr. Mukesh B. Ambani is interested in his appointment.

By Order of the Board of Directors

PLACE: Mumbai

DATED: 23rd June, 2009

REGISTERED OFFICE:

7th FLOOR, DHIRAJ CHAMBERS,
9, HAZARIMAL SOMANI MARG,
MUMBAI - 400 001

Mukesh B. Ambani
(Chairman & Managing Director)



INFRA INDUSTRIES LIMITED**DIRECTORS' REPORT**

To
The Members,

Your Directors have pleasure in presenting their Twentieth Annual Report, and the Audited Statement of Accounts of the Company for the year ended 31st March, 2009.

FINANCIAL PERFORMANCE**(Rs.)**

	Year Ended 31.03.2009	Year Ended 31.03.2008
Profit/(Loss) before Interest, Depreciation and Tax	9,630,062	(1,260,539)
Less: Interest	6,228,555	4,500,650
Profit/(Loss) before Depreciation	3,401,507	(5,761,189)
Less: Depreciation	3,349,266	2,582,023
Profit/(Loss) before Tax	52,240	(8,343,212)
Less: Provision for Fringe Benefit Tax	2,60,000	240,000
Add: Deferred Tax Assets	(2,460,162)	(1,987,506)
Profit/(Loss) after Tax	2,252,403	(6,595,706)
Add: Balance Brought from Previous year	(17,764,300)	(11,168,594)
Balance Carried forward to next year	(15,511,897)	(17,764,300)

DIVIDEND :

Due to carry forward losses of Rs.15,511,897/-, your directors regret their inability to recommend any dividend for declaration.

OPERATIONS :

The Sales during the year under review was Rs.96,328,771/- as against Rs.90,414,040/- in the previous year reflecting a growth of 6.54% over the previous year. Company has Earned Profit before Interest, Depreciation and Tax of Rs. 9,630,062/- during the current year as against the Loss before Interest, Depreciation and Tax of Rs.12,60,539/- in the previous year. The Margins were increased due to decrease in the Manufacturing expenses and other input cost.

FUTURE OUTLOOK :

The Company has ventured into the manufacturing of Industrial Products for OEMs with advance processing technology. These being the value added product having higher margins which has improved and will improve the performance in future

FIXED DEPOSITS :

During the year the Company has not accepted any fixed deposits from the public under Section 58A.

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:

INFRA INDUSTRIES LIMITED

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2009; 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 year and of the profit of the Company for the year 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 year ended 31st March, 2009 on a 'going concern' basis.

DIRECTORS :

Mr. Haresh P. Sanghvi, who retires by rotation and being eligible, offers himself for re-appointment in accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association.

Mr. A. P. Abraham has resigned and ceased to be director w.e.f. 8th October, 2008. Mr. Bhupendra J. Ambani has resigned and ceased to be director w.e.f. 10th December, 2008. The Board has placed on record appreciation of their services to the Company and look forward for their continuance support in future.

Mr. Rajnikant N. Shah was appointed as an Additional Director w. e. f. 8th October, 2008 in accordance with Article 123 of the Articles of Association of the Company and Section 260 of the Act. Mr. Rajnikant N. Shah holds the office only upto the date of the forth coming A.G.M. and a Notice under section 257 of the Act has been received from a member signifying his intention to propose Mr. Rajnikant N. Shah appointment as a Director.

The Board also re-appointed Mr. Mukesh B. Ambani as Managing Director with effect from 1st October, 2009 for a period of 5 years pursuant to Articles 145 to 149 of the Articles of Association of the Company and Section 198, 269, 309, 310 and Schedule XIII of the Companies Act, 1956. The Board recommends his re-appointment for your approval.

CORPORATE GOVERNANCE :

As per the amended Listing Agreement with the stock exchange, the Company has complied with the requirements of Corporate Governance. A report on Corporate Governance is attached.

AUDITORS AND AUDITORS' REPORT:

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

ACKNOWLEDGEMENTS:

The Board of Directors wishes to place on record their appreciation of the 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: 23rd June, 2009

Mukesh B. Ambani
(Chairman & Managing Director)

INFRA INDUSTRIES LIMITED

ANN XURE - 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) (c) of the Companies Act 1956 and forming part of Directors' report for the year ended 31st March 2009.

1. FORM A - ENERGY CONSUMPTION :

A) POWER & FUEL CONSUMPTION :

	Year Ended 31.03.2009	Year Ended 31.03.2008
1. Electricity:		
(a) Purchased Units (KWH)	406897	597125
Total Amount (Rs.)	2471101	3876339
Rate / Unit (Rs.)	6.07	6.49
(b) Own Generation		
i) Through Diesel Generator Units	19149	7575
Units per ltr. of diesel oil	2.38	1.82
Cost / Unit (Rs.)	31.83	34.05
ii) Through Steam Turbine/Generator	Not applicable	Not applicable
2. Coal: (Specify quality and where used)	Not applicable	Not applicable
3. Fuel Oil:		
Quantity (Litres)	198718	231421
Total Amount (Rs.)	7110029	7758590
Average Rate (Rs.)	35.78	33.53
4. Others/Internal Generations:	NIL	NIL
B) CONSUMPTION PER UNIT OF PRODUCTION		
Products (with details)		
Production (MT)	636	679
Electricity (Kwh/MT)	640	890
Diesel oil for Oven (Ltrs./MT)	312	340
Coal (Special Quality)	NIL	N.A
Others (Specify)	NIL	N.A

FORM B - TECHNOLOGY ABSORPTION :

- 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 technical team of the Company.
- Benefits Derived:** This will help the Company to develop an extended product range and also manufacture existing products at economical cost and better products.
- Future plan:** The Company intends to cater to the growing non conventional products marketed specifically for the OEM of various industries.
- Expenditure on R & D:** The technical team of the Company has been able to achieve the required innovations and introduce new product without affecting any expenses due to experience in the production system.

TECHNICAL ABSORPTION, TECHNOLOGY ADAPTION & INNOVATION :

- Efforts in brief:** The Company has made efforts in developing Customized Moulded Products for Rotomoulding division.
- Benefits Derived:** Better quality products are been made with cost effectiveness.
- Imported Technology:** N.A.

INFRA INDUSTRIES LIMITED**FOREIGN EXCHANGE EARNINGS & OUTGO OUTFLOW**

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

For and on behalf of the Board of Directors

PLACE: MUMBAI
DATED: 23rd June, 2009

Mukesh B. Ambani
(Chairman & Managing Director)

MANAGEMENT DISCUSSION AND ANALYSIS**OVERVIEW :**

Infra is recognized brand in the western and southern parts of India mainly due to its quality consciousness and services rendered. The Company has expanded product portfolio and ventured in manufacturing products for Industrial applications which have been well accepted by the customers.

The growth in industry and economy will provide opportunity to excel its performance in future. The boom in the housing sector will also contribute as the main business of Infra being in water storage tanks.

INDUSTRIAL OUTLOOK :

Infra with experience of more than 18 years in the field of rotational moulding, by this process western countries service many industrial and various other applications including OEMs. Being a versatile process, Infra has ventured in catering the new application markets.

The advantage of Infra having multi location production facilities which gives the benefit of availability of products to its customers and assurance to OEMs to serve their requirements in time.

OPPORTUNITIES & THREATS :

With the new materials and compounds being available in the market place, various conventional materials can be replaced by plastic processing which has advantages of standardization, accuracy and availability at multiple location and the awareness and recognition by the buyers has been a positive sign for the plastic process.

The Plastic water storage tank manufacturing industries are under pressure due to the competition from unorganized sectors and also the raw material prices which can increase due to uncertainty of petrochemical industries.

CAUTIONARY STATEMENT :

Statement in the Management Discussions and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply, price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes.

INTERNAL CONTROL SYSTEM :

The Company has adequate internal control system to safeguard its assets and prevention of misappropriation and detection of fraud and or unauthorized use of assets and it has been designed to ensure preparation of reliable financial statement and maintaining all the assets.

The Audit Committee of the Board deals with the significant issues relating to control raised by the Statutory Auditors.

INFRA INDUSTRIES LIMITED**REPORT ON CORPORATE GOVERNANCE**

Your Directors submit their report on the Corporate Governance of the Company for the Financial Year 2008-2009.

COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE :

Infra Industries Limited marks its Corporate Governance with the prevalent practices and it confirms the mandatory requirements.

The Company's vision is to maximize shareholders value and compliance & adherence to regulatory procedures, implicit rules & voluntary practices.

The Company's philosophy on Corporate Governance is founded on transparent governance practices to safeguard the interest of investors, stakeholders and society at large.

The Company has adopted the code of conduct for prevention of insider trading and code of corporate disclosure practices in pursuance to the SEBI regulation in this regard.

BOARD OF DIRECTORS:

The Board of Directors comprises of 1 Executive Promoter Director and 2 Non-executive - Independent Directors.

During the financial year 1st April, 2008 to 31st March, 2009, Nine Board Meetings were held on 21st April, 2008; 27th June, 2008; 31st July, 2008; 26th September, 2008; 8th October, 2008; 31st October, 2008 ; 10th December, 2008; 28th January, 2009 and 14th March, 2009.

The Composition of the Board of Directors and their attendance at the meetings during the year and at the last Annual General Meeting as also number of the other Directorship / Membership of Committees are as follows:

Category of Directorship	Name of the Director	Designation
NED-Promotor	Mr. Bhupendra J. Ambani	Non-Executive Chairman (Resigned - w. e. f. 10-12-2008)
MD-Promotor	Mr. Mukesh B. Ambani	Chairman & Managing Director
NED-IND	Mr. Haresh P. Sanghvi	Director
NED-IND	Mr. A. P. Abraham	Director (Resigned w.e.f. 8-10-2008)
NED-IND	Mr. Rajnikant N. Shah	Director(Appointed w.e.f 08.10.2008)

Attendance at Board Meeting and Last Annual General Meeting

Name of the Director	No. of Board Meetings attendance	Attended of last AGM attendance
Mr. Bhupendra J. Ambani	7	YES
Mr. Mukesh B. Ambani	9	YES
Mr. Haresh P. Sanghvi	9	YES
Mr. A. P. Abraham	2	NO
Mr. Rajnikant N. Shah	5	N.A.

Other Board or Committee in Public Limited Companies in which each Director is a Member or Chairman

Name of the Director	No. of Other Directorship	Committee Membership	
		Member	Chairman
Mr. Mukesh B. Ambani	NIL	NIL	NIL
Mr. Haresh P. Sanghvi	NIL	NIL	NIL
Mr. Rajnikant N. Shah	NIL	NIL	NIL

Brief profile of Director seeking re-election/election

Mr. Haresh P. Sanghvi is a Practising Company Secretary with management background. He has total experience in management about 21 years.

He is neither the Director(s) on the Board of other Public Companies nor the trustee of any charitable trust.