

INFRA INDUSTRIES LIMITED

ANNUAL REPORT 2012 – 2013

INFRA INDUSTRIES LIMITED

BOARD OF DIRECTORS

Bhupendra J Ambani	Chairman
Mukesh B. Ambani	Managing Director
Haresh P. Sanghvi	Non-Executive Director
Rajnikant N. Shah	Non-Executive Director

REGISTERED OFFICE

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

FACTORIES

Arav, Maharashtra
Pukkathurai, Tamil Nadu,
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) Pvt. Ltd,
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@vsnl.com

INFRA INDUSTRIES LIMITED

NOTICE

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the members of INFRA INDUSTRIES LIMITED will be on Thursday, 19th September, 2013 at 10.30 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, 2013 and the Statement of Profit and Loss for the year ended on that date and the Directors' Report thereon and Auditors' Report thereto.
2. To appoint Director in place of Mr. Bhupendra J. Ambani 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.

By Order of the Board of Directors

PLACE: Mumbai
DATED: 30th May, 2013
REGISTERED OFFICE:
7th Floor, Dhiraj Chambers,
9, Hazarimal Somani Marg,
Mumbai - 400 001

(Bhupendra J. Ambani)
Chairman

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 Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 11th day of September, 2013 to Thursday, 19th day of September, 2013 (Both Days Inclusive).
- 4) In all correspondence with the Company, members are requested to quote their Folio.
- 5) 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.
- 6) 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.

INFRA INDUSTRIES LIMITED

- 7) Ministry of Corporate Affairs (MCA) has come out with circular Nos. 17/2011 dt.21-04-2011 and 18/2011 dt.29-04-2011 propagating 'Green Initiative' encouraging Corporate to serve documents through electronic mode. Inorder to further our environment friendly agenda and to participate in MCA's Green Initiative, your company proposes to send Annual Report to all its members through electronic mode. We request all those who have not yet registered their e-mail addresses with their DP to do so at the earliest. Please note that in case you have already registered your e-mail address, you are not required to re-register unless there is change in your e-mail address. The members who are holding share in physical form should send e-mail at investors@infra.co.in to update their e-mail address. (These members are also requested to convert their physical holdings to demat).

INFRA INDUSTRIES LIMITED

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 24th Annual Report, and the audited accounts for the financial year ended March 31, 2013.

FINANCIAL RESULTS

	(Amount in ₹)	
	Year Ended 31.03.2013	Year Ended 31.03.2012
Profit/(Loss) before Finance Cost, Depreciation and Tax	7,642,616	(1,399,310)
Less: Finance Cost	4,452,921	3,819,171
Profit/(Loss) before Depreciation	3,189,695	(5,218,481)
Less: Depreciation	4,028,171	3,497,470
Profit/(Loss) before Tax	(838,476)	(8,715,951)
Less: Current Tax	Nil	Nil
Profit/(Loss) after Tax	(838,476)	(8,715,951)
Add: Balance Brought from Previous year	(30,201,431)	(21,485,480)
Balance Carried forward to next year	(31,039,907)	(30,201,431)

DIVIDEND

Due to carry forward loss of ₹ 31,039,907 our directors regret their inability to recommend any dividend for declaration.

OPERATIONS

The Revenue from operation during the year under review was ₹ 99,532,964 as against ₹ 91,961,999 in the previous year reflecting a growth of 8.23% over the previous year. Company has earned profit before Finance Cost, Depreciation and Tax of ₹ 7,642,616 during the current year as compared to loss of ₹ 1,399,310 in the previous year. The Company incurred net loss of ₹ 838,476 after making provision for Finance Cost, Depreciation and Tax as compared to Net Loss of ₹ 8,715,951 in the previous year.

FUTURE OUTLOOK

Company is introducing new range of products under Leisure and Home Division which will be in the launched in market very soon. These products are designed as per international standards and also first of its kind to be available in the Indian market with variety of design and colours. The modern trend of Building Construction and Architecture requires new products than the conventional one. We foresee acceptance and market potential for these products.

INFRA INDUSTRIES LIMITED

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 that:

- (i) in the preparation of the accounts for the financial year ended March 31, 2013; the applicable accounting standards read with requirement set out under Schedule VI to the Companies Act, 1956 have been followed along with explanation relating to material departures;
- (ii) 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 as at March 31, 2013 and of the loss of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records 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) the Directors have prepared the accounts for the financial year ended 31st March, 2013 on a 'going concern' basis.

DIRECTORS

Mr. Bhupendra J. Ambani, 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.

INFRA INDUSTRIES LIMITED

CONSOLIDATED ACCOUNTS

During the previous year the Company promoted Infra Fenestation Private Limited (IFPL) and made an investment of ₹ 98,000/- towards initial subscription. The Company holds 49% of the equity of IFPL. IFPL has not started the commercial activities, but have incurred loss of ₹ 31,384 for the year 2012-13 due to filing and audit fees. Company's share in losses of IFPL is ₹ 15,064. Company intends to dispose the investment in near future. Since there is no other subsidiary or associate and there is no material impact of Company's share in losses of IFPL on consolidated financial statements, hence the separate Consolidated Financial Statements have not been prepared. Carrying amount of investment in IFPL as on 31st March, 2013 is ₹ 82,936.

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 on Financial Statement referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

COST AUDITORS

The Company has appointed M/s. Jitendrakumar and Associates, Cost Accountants as Cost Auditors for the F.Y. 2012-13 as per section 233B (2) of the Companies Act, 1956.

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: 30th May, 2013

(Bhupendra J. Ambani)
Chairman

INFRA INDUSTRIES LIMITED

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 year ended 31st March 2013.

1. FORM A – ENERGY CONSUMPTION

A) POWER & FUEL CONSUMPTION

	Current Year	Previous year
1. Electricity:		
(a) Purchased Units (KWH)	371259	275309
Total Amount (₹)	3105404	2034809
Rate / Unit (₹)	8.36	7.39
(b) Own Generation		
i) Through Diesel Generator Units	48048	39254
Units per Ltr. of diesel oil	2.28	2.73
Cost / Unit (₹)	41.25	40.39
ii) Through Steam Turbine/Generator	Not Applicable	Not Applicable
Coal: (Specify quality and where used)	Not Applicable	Not Applicable
2. Fuel Oil/Gas :		
Quantity (Litres)	191025	196587
Total Amount (₹)	10634581	9298681
Average Rate (₹)	55.67	47.30
4. Others/Internal Generations:	NIL	NIL
B) CONSUMPTION PER UNIT OF PRODUCTION		
Products (with details)		
Production (MT)	597	653
Electricity (KwH/MT)	622	422
Diesel oil for Oven (Ltrs./MT)	320	301
Coal (Special Quality)	NIL	NIL
Others (Specify)	NIL	NIL

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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 technical team of the Company.
2. Benefits Derived: This will help the Company to develop an extended product range and also manufacture existing products at economical cost and better products.
3. Future plan: The Company intends to cater to the growing non conventional products marketed specifically for the OEM of various industries.
4. 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

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

FOREIGN EXCHANGE EARNINGS & OUTGO

EARNINGS

NIL

OUTFLOW

1. Towards Finished Goods Purchase : ₹ 713,520
2. On account of Foreign Travel : ₹ 369,585

For and on behalf of the Board of Directors

Place: Mumbai
Dated: 30th May, 2013

(Bhupendra J. Ambani)
Chairman

INFRA INDUSTRIES LIMITED

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 22 years in the field of rotational moulding, by this process in 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 statute.

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.