



# **SANCIA GLOBAL INFRAPROJECTS LTD.**

**ANNUAL REPORT  
2012-2013**

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**22<sup>nd</sup> Annual General Meeting will be held on Monday,  
September 30, 2013 at 4.00 p.m. at O2 Hotel & Restaurant,  
Near Airport, Kaikhali, VIP Road,  
Kolkata -700052**

**22<sup>nd</sup> Annual Report 2012-13**

**SANCIA GLOBAL INFRAPROJECTS LTD.**

**Board of Directors**

Mr. Arun Kumar Ray	Director
Mr. Johnny Fernandes	Managing Director
Mr. Pradeep Sutodiya	Director
Mr. Kishore Kumar Damani	Director
Mr. Mukesh Chandra Sharma	Director

**BANKERS**

State Bank of India  
Bank of India  
Jammu & Kashmir Bank

**AUDITORS**

Mr. M. M. Mukherjee (proprietor)  
M. Mukherjee & Associates  
Flat No-64-1  
Mousami Co-operative Housing society Ltd  
15B, Ballygunge Circular Road  
Kolkata - 700019

**REGISTERED OFFICE:**

32, Ezra Street, Todi Mension, Unit No: 1060, 10<sup>th</sup> Floor,  
Kolkata: 700 001

**CORPORATE OFFICE**

Unit No: 5, Ground Floor, Nel Gagan Society CHS,  
Building No: 4, D. N. Nagar, J. P. Road, Near Wadia School,  
Andheri (West), Mumbai: 400053

**REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound, L.B.S. Marg,  
Bhandup (W), Mumbai - 400078

## MANAGING DIRECTOR'S MESSAGE

Dear Shareholders,

On behalf of the Board of Directors, I have pleasure in welcoming you all today to the 22<sup>nd</sup> Annual General Meeting of your Company.

We are undergoing a difficult phase with a volatile market situation and some slowing down in the Industry. This has led to reduction of economic growth curve. In the wake of the India as well as global financial meltdown, it was hard for businesses to raise resources and maintain the high trend growth rate of the last few years, especially for Infrastructure Industry.

### Performance Review:

India is also affected by the financial crises all over the world. Almost every sectors were affected by the same specially Infrastructure Sector is affected badly. Due to which the performance of the company has been reduced.

During the year under review, Revenue and Net Loss for the year was Rs. 387.27 Lacs and Rs. (1949.17) Lacs as compared to the previous year Rs.678.95 Lacs and Rs.(24871.03) Lacs.

The accumulated loss of the Company as on 31.03.2013 is more than 100% of its net worth during the year and immediately preceding the financial year and as such falls within the definition of "sick industrial Company" under section 46(AA) (i) of the Companies (Second Amendment) Act, 2002. The Net Worth of the company had also been eroded during the financial year 2011-12 itself resulting, the Company had become a sick industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985.

The company has made a reference during the financial year 2012-13 to the "Board for Industrial & Financial Reconstruction" under section 15(1) of Sick Industrial Companies (Special Provisions) Act 1985 however the same reference has been declined by BIFR.

Presently the management is trying their best to revive the company.

### Management Review:

The present directors are having adequate knowledge and experience to run the Company more professionally and strategically. In order to leverage their knowledge and vide experience in the Infrastructure sector, Directors are trying their best for getting hiring projects in various parts of the Country.

During the previous year 2011-12 the company has taken over the **saw pipe division of Sancia Infra Global Private Limited** with its full assets and liabilities on a going concern basis however the same project is not take-off till date due to lack of working capital.

### Corporate Governance

As such we have adopted the Group's Corporate Governance Practices and Code of Conduct. These guidelines prescribe a set of systems, processes and principles that conform to the best global standards, and are aimed at promoting the interests of all our stakeholders.

### Commitments

Powered by the experience and expertise of the Sancia Global group in project management, we will seek to achieve the highest performance standards in the industry.

I am Grateful to the Board of Directors for their unwavering support and guidance. I also take this opportunity to express my gratitude to all our shareowners, who have reposed trust in us and extended their constant support.

Sd/-  
**Johnny Fernandes**  
 Managing Director

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 22<sup>ND</sup> ANNUAL GENERAL MEETING OF SANCIA GLOBAL INFRAPROJECTS LIMITED WILL BE HELD ON MONDAY SEPTEMBER 30, 2013 AT 04.00 P.M. AT O2 HOTEL & RESTAURANT, NEAR AIRPORT, KAIKHALI, VIP ROAD, KOLKATA-700 052 TO TRANSACT THE FOLLOWING BUSINESS:-**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2013 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pradeep Sutodiya, who retires by Rotation, at the Annual General Meeting and being eligible, offers him for reappointment.
3. To appoint M/S M. Mukherjee & Associates as a Statutory Auditor of the Company to hold office from conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting of the company and fix their Remuneration.
4. **Sale of share of subsidiary Company Including out of India:**

To consider if thought fit, to pass with or without modification(s) if any, the following resolution as Ordinary resolution

"RESOLVED THAT the board is hereby authorized to sell of company's investment in Subsidiary companies equity shares including that of outside India.

RESOLVED FURTHER THAT the Board or any other person authorized by the board in this regard, be and is hereby authorized to do all such acts, deeds and things as may be necessary, desirable or expedient for giving effect to this resolution & Subjects to approval from the Share holders.

**SPECIAL BUSINESS:**

**5. Appointment of Mr. Johnny Fernandes as a Managing Director**

To consider, if thought fit, to pass with or without modification(s), if any, the following resolution as Ordinary resolution:

"RESOLVED THAT pursuant to the provisions of the Section 198, 269,309 and other applicable provisions, if any, of the Companies Act, 1956 (including any Statutory Modification(s) or re-enactments thereof, for the time being in force) read with Schedule XIII of the Act thereto, consent of the Company be and is hereby accorded to the appointment of Mr. Johnny Fernandes as the Managing Director of the Company for a period of 3 years with effect from September 3, 2013 to till September 2, 2016 on the terms and conditions including remuneration as set out hereunder with the liberty to Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee which the Board may constitute to exercise its powers, including the power conferred by this resolution) to alter and vary the terms and conditions of the said appointment and or remuneration within the parameters of the applicable laws or any amendment thereto:

"RESOLVED FURTHER THAT wherein a financial year during the currency of his tenure, the Company has no profits or its profits are inadequate the remuneration payable to him shall not exceed the ceiling limit prescribed in Section 198 of Part III of Schedule XIII to the Companies Act, 1956, or his present remuneration whichever is less for that year.

"RESOLVED FURTHER THAT the Board or any other person authorized by the Board in this regard, be and is hereby authorized to do all such acts, deeds and things as may be necessary, desirable or expedient for giving effect to this resolution.

**6. Appointment of Shri MUKESH CHANDRA SHARMA as Executive Director:**

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

**“RESOLVED THAT** Shri MUKESH CHANDRA SHARMA, who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 read with the Articles of Association of the Company and who would vacate his office at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 along with necessary deposit from a Shareholder proposing the candidature of Shri MUKESH CHANDRA SHARMA as a Director of the Company, be and is hereby appointed as a Director of the Company whose office shall be liable to retirement by rotation.”

**RESOLVED FURTHER THAT** Shri MUKESH CHANDRA SHARMA be and is hereby authorized to do, execute & sign all the documents, deeds and things as and when necessary, in the absence of Mr. Johnny Fernandes (Managing Director) of the Company.

**RESOLVED FURTHER THAT** the Board or any other person authorized by the Board in this regard, be and is hereby authorized to do all such acts, deeds and things as may be necessary, desirable or expedient for giving effect to this resolution”

By the order of the Board  
For **SANCIA GLOBAL INFRAPROJECTS LIMITED**

Date : September 03, 2013  
Place : Mumbai

**JOHNNY FERNANDES**  
(Managing Director)

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND TO VOTE ON A POLL, INSTEAD OF VOTING HIMSELF AT THE MEETING.

A PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.

2. The instrument(s) appointing the proxy, if any, shall be deposited at the Registered office of the company at 32, Ezra Street, Todi Mension, Unit No: 1060, 10th Floor, Kolkata:700001 .

3. An explanatory statement pursuant to section 173(2) of the companies Act, 1956, relating to the Special Business to be transacted at the Annual General Meeting is attached.

4. The Register of Members and the Share Transfer Books of the company will remain closed from 26.09.2013 to 30.09.2013 (both days inclusive).

5. Members (those holding shares in the physical form only) are requested to inform the changes if any, in their registered address to the company's Share Transfer Agent.

6. For the convenience of the Members, an Attendance Slip is annexed to the Proxy Form. Members are requested to affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the Meeting.

7. Members desiring any information on the Accounts are requested to write to the Company at least one week before the meeting so as to enable the Management to keep the information ready & replies will be provided at the meeting.

By the order of the Board  
For **SANCIA GLOBAL INFRAPROJECTS LIMITED**

Sd/-

Date: September 03, 2013

**JOHNNY FERNANDES**  
(Managing Director)

Place: Mumbai

**EXPLANATORY STATEMENT**

**Pursuant to Section 173(2) of the Companies Act, 1956**

**Item No. 1:**

To receive, consider and adopt the Audited Balance Sheet as on March 31, 2013 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.

Your Directors recommends this resolution for your approval.

None of the Directors of the Company are interested in this resolution

**Item No. 2:**

To appoint a Director in place of Mr. Pradeep Sutodiya, who retires by Rotation, at the Annual General Meeting and being eligible, offers him for reappointment.

Your Directors recommends this resolution for your approval.

None of the Directors of the Company are interested in this resolution except Mr pradeep sutodiya.

**Item No. 3:**

To appoint M/S M. Mukherjee & Associates as a Statutory Auditor of the Company to hold office from conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting of the company and fix their Remuneration

Your Directors recommends this resolution for your approval.

None of the Directors of the Company are interested in this resolution Except Auditor M/S M. Mukherjee & Associates.

**Item No. 4:**

The Board of Directors has decided to sale to sell of company's investment in Subsidiary companies equity shares including that of outside India subjects to approval from share holders.

Your Directors recommends this resolution for your approval.

None of the Directors of the Company are interested in this resolution

**Item No. 5:**

The Board of Directors at its meeting held on September 3, 2013 had appointed of Mr.Johnny Fernandes as the Managing Director of the company for a period of 3 years with effect from September 3, 2013 in accordance with the provisions of Schedule XIII to the Companies Act, which requires approval of the members of the Company.

**A. Tenure of appointment:** The appointment of the Managing Director is for a period of 3 years with effect from September 3, 2013 to September 2,2016.

**B. Nature of Duties:** The Managing Director Shall devote his Managing attention to the business of the company and carryout such duties as may be entrusted to him by the Board, and exercise such powers as may be assigned to him subject to the superintendence, control & directions of the board in connection with and in the best interest of the business of the company.

**C. Remuneration:** Subject to overall limit on remuneration payable to all managerial personnel taken together, as laid down in The Companies Act 1956, read with Schedule XIII thereto, Mr.Johnny Fernandes shall be paid Rs. 480,000/-(Rupees Four Lacs Eighty Thousand only) per year and the above remuneration payable to him shall be inclusive of allowances and perquisites etc. as may be determined by the Board from time to time and may be payable monthly or otherwise provided that the perquisites shall be evaluated as per Income Tax Act and Rules wherever applicable. The remuneration for a part of the year shall be computed on pro-rata basis.

**D. Sitting Fees:** Mr. Johnny Fernandes shall not be entitled to any sitting fees.  
 The Board of Directors recommends the proposed resolution for your approval.  
 None of the directors except Mr. Johnny Fernandes is in any way concerned or interested in the resolution.  
 The Board recommends the special resolution for acceptance by the members.  
 Your Directors recommend this resolution for your approval.

Your Directors recommends this resolution for your approval.

None of the Directors of the Company Except Johnny Fernandes are interested in this resolution

#### **Item No.6**

Shri MUKESH CHANDRA SHARMA was appointed as an Additional Director of the Company with effect from 19<sup>th</sup> August, 2013 and will hold office upto the date of the ensuing Annual General Meeting of the Company. The Company has received a notice under Section 257 of the Companies Act, 1956 from a member signifying his intention for appointment of Shri MUKESH CHANDRA SHARMA as a Director of the Company. Considering varied experience of Shri MUKESH CHANDRA SHARMA in field of handling commercial and management aspects of the organisation it will be in the interest of the company to appoint him as a director. Your Director recommends the appointment of Shri MUKESH CHANDRA SHARMA as a Director.

None of the director is concerned and interested except Shri MUKESH CHANDRA SHARMA in this resolution.

Your Directors recommends this resolution for your approval.

By the order of the Board  
**For SANCIA GLOBAL INFRAPROJECTS LIMITED**

sd/-

Date : September 03, 2013

**JOHNNY FERNANDES**  
**(Managing Director)**

Place : Mumbai



## DIRECTORS' REPORT

To

The members

Your Directors are pleased to present herewith 22<sup>nd</sup> Annual Report of the Company together with the audited statement of accounts for the Financial Year ended 31st March, 2013.

# 1. Financial Results

(Rs. in Lacs)

PARTICULARS	31.03.2013	31.03.2012
<b>REVENUE</b>		
Income from Operations	387.27	678.95
Sale of Goods		-
Other Income	29.64	40.84
Increase/ Decrease in Inventory/ Stores & Spares	-	-
<b>Total Income</b>	416.91	719.79
<b>EXPENDITURE</b>		
(a) Purchase of Goods	-	-
(b) Operating Expenses/Cost of Sales	270.64	327.53
(c) Employment Cost	31.53	68.01
(d) Administrative, Selling & Other Expenses	349.05	25,612.41
<b>Total Expenditure</b>	651.22	26,007.95
<b>Profit before Interest and Depreciation and Tax</b>	(234.31)	(25,288.16)
Interest & Finance Charges	42.47	132.35
Depreciation & amortization of Assets	1,571.76	1,091.70
<b>Profit before Tax</b>	(1,848.54)	(26,512.21)
Current Tax	-	-
Deferred Tax	(100.61)	1,641.19
<b>Net Profit After Tax</b>	(1,949.16)	(24,871.02)
Add: Balance brought forward from previous year	(23,257.34)	1,613.68
<b>Profit Available for Appropriation</b>	(25,206.50)	(23,257.34)
<b>Balance carried to Balance Sheet</b>	(25,206.50)	(23,257.34)
<b>Earning Per Share (Rs.) Basic</b>	(4.49)	(57.31)
<b>Earning per share (Rs.) Diluted</b>	(4.49)	(57.31)
Paid-up Equity Share Capital (Rs. 10/- per share)	4,339.88	4,339.88

**b) Financial Restructuring:**

During the year under review, Revenue and Net Loss for the year was Rs. 387.27 Lacs and Rs. (1949.17) Lacs as compared to the previous year Rs.678.95 Lacs and Rs.(24871.03) Lacs.

The accumulated loss of the Company as on 31.03.2013 is more than 100% of its net worth during the year and immediately preceding the financial year and as such falls within the definition of "sick industrial Company" under section 46(AA) (i) of the Companies (Second Amendment) Act, 2002. The Net Worth of the company had also been eroded during the financial year 2011-12 itself resulting, the Company had become a sick industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985.

The company has made a reference during the financial year 2012-13 to the "Board for Industrial & Financial Reconstruction" under section 15(1) of Sick Industrial Companies (Special Provisions) Act 1985 however the same reference has been declined by BIFR.

Presently the management is taking all possible steps for revival/restructuring of the company.

**3. DIVIDEND**

For the financial year 2012-13 your directors have decided not to declare any dividend.

**4. OPERATIONS**

Construction and infrastructure is in a "momentum" growth phase and with an excellent business model coupled with strong execution capabilities and thriving order book position. The Management is expecting growth in Revenue as well as in profitability.

**5. DIRECTORS' RESPONSIBILITY STATEMENT**

As required under section 217(2AA) of the Companies Act, 1956, your Directors would like to confirm that:

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) That we 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 2012-2013 and the profit / Loss of the Company.
- (iii) That we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That we have prepared the annual accounts on a going concern basis.

**6. TERM DEPOSITS**

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits as per section 58A of the Companies Act 1956, was outstanding on the date of the Balance Sheet.

**7. SUBSIDIARIES**

The accounts of its overseas subsidiary i.e. Petrogrema Overseas PTE Ltd., has been consolidated on the basis of Unaudited financial statements for the period ended on 31st March, 2013. During the financial year 2012-13 the wholly owned subsidiary company i.e. Petrogrema Overseas Pte. Ltd has incurred heavy losses due to written-off of various loans & advances (Rs.103.31 Crores) which could not be recovered as per the view of the management and become bad due to various reasons mentioned in the notes to accounts.

The requisite statement pursuant to Section 212 of the Companies Act, 1956, related to the subsidiary company is also attached.

**8. PERFORMANCE**

During the year under review, Revenue and Net Loss for the year was Rs. 387.27 Lacs and Rs. (1949.17) Lacs as compared to the previous year Rs.678.95 Lacs and Rs. (24871.03) Lacs. The Decrease in the Turnover is due to lack of orders, poor capacity utilization, heavy financial crises and impairment of old equipments/machineries in the business.