

**INFRA**

**INFRA INDUSTRIES LIMITED**

**ANNUAL REPORT 2011-2012**

# 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](mailto:Email.busicomp@vsnl.com)

# INFRA INDUSTRIES LIMITED

## NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the members of INFRA INDUSTRIES LIMITED will be on Friday 31<sup>st</sup> day of August, 2012 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, 2012, 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. Rajnikant N. Shah 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

(Bhupendra J. Ambani)  
Chairman

Place : Mumbai  
Dated : 21<sup>st</sup> July, 2012  
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 Register of Members and Share Transfer Books of the Company will remain closed from Friday, 24<sup>th</sup> day of August, 2012 to Friday, 31<sup>st</sup> day of August, 2012 (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. In order 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 shares in physical form should send e-mail at [investors@infra.co.in](mailto:investors@infra.co.in) to update their e-mail address. (These members are also requested to convert their physical holding to demat).

BALANCE SHEET	
As at 31st March 2011	
Profit/(Loss) after interest, Depreciation and Tax	11,00,00,000
Less: Dividend	(1,00,00,000)
Profit/(Loss) before Distribution	10,00,00,000
Less: Distribution	(10,00,00,000)
Profit/(Loss) after Distribution	0
Less: Provision for Future Income Tax Reserve	(10,00,00,000)
Profit/(Loss) after Tax	(10,00,00,000)
Add: Balance brought forward from previous year	10,00,00,000
Balance Carried forward to next year	0

**DIVIDEND** - The Board has recommended a dividend of 10% on the face value of the equity shares of the Company for the financial year 2010-11. The dividend is payable to the shareholders who have submitted their share certificates to the Registrar of Companies, India, by the due date of 31st March 2011.

**OPERATIONS** - The operations of the Company during the financial year 2010-11 were satisfactory. The revenue has increased by 10% over the previous year. The expenses have also increased by 10% over the previous year. The net profit has increased by 10% over the previous year.

**FINANCIAL STATEMENTS** - The financial statements of the Company for the financial year 2010-11 have been audited by the Chartered Accountants. The auditors have issued a clean audit report. The financial statements show a net profit of ₹ 10,00,00,000 for the financial year 2010-11.

**FUTURE OUTLOOK** - The Company is optimistic about the future prospects. The demand for infrastructure projects is expected to increase in the coming years. The Company is planning to invest in new projects and expand its operations. The management expects a steady growth in the coming years.

**FIXED DEPOSITS** - The Company has invested in fixed deposits for a period of 12 months. The interest rate is 10% per annum. The maturity date is 31st March 2012. The amount invested is ₹ 10,00,00,000.

**CORPORATE GOVERNANCE** - The Company is committed to high standards of corporate governance. The Board of Directors is responsible for the overall management of the Company. The management is committed to transparency and accountability.

# INFRA INDUSTRIES LIMITED

## DIRECTORS' REPORT

To  
The Members,

Your Directors have pleasure in presenting their Twenty Third Annual Report, and the Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2012.

### FINANCIAL PERFORMANCE

(Amount in ₹)

	Year Ended 31.03.2012	Year Ended 31.03.2011
Profit/(Loss) before Interest, Depreciation and Tax	(13,99,310)	36,71,100
Less: Interest	38,19,171	27,56,612
Profit/(Loss) before Depreciation	(52,18,481)	9,14,488
Less: Depreciation	34,97,470	31,09,806
Profit/(Loss) before Tax	(87,15,951)	(21,95,318)
Less: Provision for Fringe Benefit Tax Reverse	-	2,22,088
Profit/(Loss) after Tax	(87,15,951)	(19,73,230)
Add: Balance Brought from Previous year	(2,14,85,480)	(1,95,12,250)
Balance Carried forward to next year	(3,02,01,431)	(2,14,85,480)

### DIVIDEND

Due to carry forward losses of ₹ 3,02,01,431 our directors regret their inability to recommend any dividend for declaration.

### OPERATIONS

The Sales during the year under review was ₹ 10,15,48,440 as against ₹ 10,38,91,588 in the previous year reflecting a reduction of 2.26% over the previous year. Company has incurred loss before Interest, Depreciation and Tax of ₹ 13,99,310 during the current year as compared to Profit of ₹ 36,71,100 in the previous year. The Company incurred net loss of ₹ 87,15,951 after making provision for Interest and Depreciation compare to Net Loss of ₹ 19,73,230 in the previous year.

### FUTURE OUTLOOK

Company is introducing new range of products under Leisure and Home Division which will be in the production 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 colors. The modern trend of Building Construction and Architecture requires new products than the conventional one. We foresee acceptance and market potential for these product.

### FIXED DEPOSITS

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

# INFRA INDUSTRIES LIMITED

## 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 year ended 31<sup>st</sup> March, 2012; 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 loss 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 31<sup>st</sup> March, 2012 on a 'going concern' basis.

## DIRECTORS

Mr. Rajnikant N. Shah, 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.

## CONSOLIDATED ACCOUNTS

During the year, company promoted Infra Fenestation Pvt. Ltd. and has made an investment of ₹ 98000 towards initial subscription. Company hold 49% of the equity of Infra Fenestation Pvt. Ltd. has not carried out any transaction in the financial year 2011-12. Since there are no other subsidiary or associated, there is no impact of the financial statement of consolidated account, hence the separate Consolidated Financial Statement has not been prepared.

## 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.

# INFRA INDUSTRIES LIMITED

## 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.

## COST AUDITORS:

The Company has appointed M/s. N. Ritesh & Associates, Cost Accountants for preparing necessary compliance report for the F.Y. 2011-12 as per section 209(1) (d) 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 : 21<sup>st</sup> July, 2012

(Bhupendra J. Ambani)  
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 year ended 31<sup>st</sup> March 2012.

1. FORM A - ENERGY CONSUMPTION

A) POWER & FUEL CONSUMPTION

	Current Year	Previous Year
<b>1. Electricity:</b>		
(a) Purchased Units (KWH)	275309	403199
Total Amount (₹)	2034809	2544117
Rate / Unit (₹)	7.39	6.31
(b) Own Generation		
i) Through Diesel Generator Units	39254	46554
Units per Ltr. of diesel oil	2.73	2.89
Cost / Unit (₹)	40.39	28.43
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 /Gas:</b>		
Quantity (Litres)	196587	214998
Total Amount (₹)	9298681	7886707
Average Rate (₹)	47.30	36.68
<b>4. Others/Internal Generations:</b>	NIL	NIL
<b>B) CONSUMPTION PER UNIT OF PRODUCTION</b>		
Products (with details)		
Production (MT)	653	667
Electricity (Kwh/MT)	422	605
Diesel/oil/Gas for Oven (Ltrs./MT)	301	257
Coal (Special Quality)	NIL	NIL
Others (Specify)	NIL	NIL

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.



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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 are been made with cost effectiveness.
3. Imported Technology: N.A.

## FOREIGN EXCHANGE EARNINGS & OUTGO

### EARNINGS

NIL

### OUTFLOW

- |    |                                 |   |             |
|----|---------------------------------|---|-------------|
| 1. | Towards import of Raw materials | : | ₹ 6,21,113  |
| 2. | On account of Foreign Travel    | : | ₹ 15,69,147 |

For and on behalf of the Board of Directors

Place : Mumbai  
Dated : 21<sup>st</sup> July, 2012

(Bhupendra J. Ambani)  
Chairman

603	633		
602	432		
321	101		
NIL	NIL		
NIL	NIL		

FORM B - TECHNOLOGY ABSORPTION

Specific areas in which R&D was carried out: R & D efforts were made in development of value added products. The break through has been achieved due to efforts put by the management and technical team of the Company.

# 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 has experience of more than 21 years in the field of rotational moulding. 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.

# INFRA INDUSTRIES LIMITED

## REPORT ON CORPORATE GOVERNANCE

Your Directors submit their report on the Corporate Governance of the Company for the Financial Year 2011-2012.

### 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, 1 Non-Executive Promoter Director and 2 Non-executive - Independent Directors.

During the financial year 1<sup>st</sup> April, 2011 to 31<sup>st</sup> March, 2012, Eight Board Meetings were held on 3<sup>rd</sup> May, 2011; 30<sup>th</sup> May, 2011; 23<sup>rd</sup> June, 2011; 12<sup>th</sup> August, 2011; 24<sup>th</sup> October, 2011; 12<sup>th</sup> November, 2011; 16<sup>th</sup> November, 2011 and 14<sup>th</sup> February, 2012.

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- Promoter	Mr. Bhupendra J. Ambani	Non-Executive Chairman.
MD-Promoter	Mr. Mukesh B. Ambani	Managing Director
NED-IND	Mr. Haresh P. Sanghvi	Director
NED-IND	Mr. Rajnikant N. Shah	Director

(NED :- Non-Executive Director)  
(NED-IND :- Non-Executive Independent Director)

### Attendance at Board Meeting and Last Annual General Meeting

Name of the Director	No. of Board Meetings attendance	Attended of last AGM
Mr. Bhupendra J. Ambani	8	YES
Mr. Mukesh B. Ambani	8	YES
Mr. Haresh P. Sanghvi	8	YES
Mr. Rajnikant N. Shah	8	YES

# INFRA INDUSTRIES LIMITED

## 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. Bhupendra J. Ambani	NIL	NIL	NIL
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. Rajnikant N. Shah is B.Com. (Hons); LL.B. (Gen); F.C.S. He is Practicing Company Secretary for last 27 years and has wide experience in Corporate law, finance and legal.

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

### Details of Directorship in other public limited Companies

#### Name of Directors

Mr. Bhupendra J. Ambani  
 Mr. Mukesh B. Ambani  
 Mr. Haresh P. Sanghvi  
 Mr. Rajnikant N. Shah

None of the above Directors holds any Directorship or Membership in committee of any other Public Limited Companies.

#### Promoter Directors

Mr. Bhupendra Ambani	Chairman - Shareholder/Investor Grievance Committee Member-Audit Committee
Mr. Mukesh B. Ambani	Member - Shareholder/Investor Grievance Committee

#### Independent Directors

Mr. Haresh P. Sanghvi	Chairman - Audit Committee and Remuneration Committee.
Mr. Rajnikant N. Shah	Member - Audit Committee and Remuneration Committee.

#### Responsibilities:

The Board of Directors responsibilities include review of:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Business risk analysis
- Appointment of senior executives
- Compliance with statutory / regulatory requirements and review of major legal issues, if any
- Adoption of quarterly /half-yearly / annual results
- Transactions pertaining to purchase / disposal of property, major provisions and write offs.

# INFRA INDUSTRIES LIMITED

## Code of Conduct for Board of Directors

The Company has in place a Code of Conduct for the Board of Directors of the Company. The same shall be posted on the Company's website shortly. A declaration by Mr. Mukesh B. Ambani, Managing Director regarding compliance by the Board Members with the Code of Conduct is given as under: -

The Board of Directors has approved the Code of Conduct for the Directors. As stipulated required under Clause 49(I) (D) of the Listing Agreement with the Stock Exchanges, all the Directors of the Company have affirmed compliance with the Code for the financial year ended 31<sup>st</sup> March, 2012.

## BOARD COMMITTEE

### (a) Audit Committee

#### Terms of Reference

The Terms of Reference of this committee cover the matters specified for Audit Committees under Clause 49 of the Listing Agreement as well as in Section 292A of the Companies Act, 1956 and are as follows:

- (A) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (B) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- (C) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
  - (a) Any changes in accounting policies and practices.
  - (b) Major accounting entries based on exercise of judgment by management.
  - (c) Qualifications in draft audit report, if any.
  - (d) The going concern assumption.
  - (e) Compliance with accounting standards.
  - (f) Compliance with Stock Exchange and legal requirements concerning financial statements.
  - (g) Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.
  - (h) Reviewing with the management, External and Internal auditors the adequacy of Internal Control System.
  - (i) The Company has in place its own in house internal audit department to review the adequacy of internal audit function, including the structure of internal audit department, staff and seniority of official's heading the department, reporting structure, coverage and frequency of internal audit.
  - (j) Reviewing the findings of any internal investigations in the matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
  - (k) Discussion with external auditors before the audit commences nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - (l) Reviewing the Company's financial and risk management policies.
  - (m) To look into the reasons for substantial defaults in the payment to the depositors, debentures holders, shareholders (in case of no non-payment of declared dividends) and creditors.

## INFRA INDUSTRIES LIMITED

### Composition and Meeting during the year

The Audit Committee represents:

1. Mr. Haresh P. Sanghvi
2. Mr. Bhupendra J. Ambani
3. Mr. Rajnikant N. Shah

The Audit Committee met Four times in the financial year on 30<sup>th</sup> May 2011; 12<sup>th</sup> August 2011; 12<sup>th</sup> November 2011 and 14<sup>th</sup> February 2012 where all the members of the Committee, Executive Director, and the Statutory Auditors were present. Meetings reviewed the Annual Accounts; and Quarterly results and approved the same. The Audit Committee oversees the general accounting practices and other management policies.

### (b) Remuneration Committee:

No Remuneration Committee Meeting held in the financial year 2011-2012.

### (c) Details of Remuneration to the Directors during the year

(Amount in ₹.)

Name of the Director	Salary	Commission	Perquisite	Sitting Fees
Mr. Bhupendra J. Ambani	NIL	NIL	NIL	NIL
Mr. Mukesh B. Ambani	2,40,000	NIL	2,55,252	NIL
Mr. Haresh P. Sanghvi	NIL	NIL	NIL	NIL
Mr. Rajnikant N. Shah	NIL	NIL	NIL	NIL

### (d) Insider Trading

Pursuant of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992, the Company has prescribed a Code of Conduct for prevention of Insider Trading.

Details of the shareholdings of the Non-Executive Directors as on March 31, 2012 are as under:

Name of the Non-Executive Director	No. of shares of ₹10 each
Mr. Bhupendra J. Ambani	50,082
Mr. Haresh P Sanghvi	NIL
Mr. Rajnikant N. Shah	NIL

### (d) Share Transfer Committee/Investor Grievance Committee

The Board has constituted the Share Transfer Committee, with the one Executive Director as members to consider and approve Transfers of shares in the physical form and allied matters. The Shareholder/Investor Grievance Committee has been constituted under the Chairmanship of Mr. Mukesh B. Ambani and Mr. Haresh P. Sanghvi as member.

The Board of Directors has delegated the power to the Executives of the Company/Share Transfer Agent to process share transfer and other investor allied matters.

# INFRA INDUSTRIES LIMITED

## Composition and Meeting during the year

The committee comprises of one Executive Chairman and one Independent Director. During the year ended 31<sup>st</sup> March 2012 the Committee met two times on 12<sup>th</sup> August, 2011 and 14<sup>th</sup> February, 2012.

## Shareholder/Investor Service

Mr. Mukesh B. Ambani handles Shareholders/Investor Services, who provides timely services. There is no case/complaint pending.

## Name and Designation of Compliance Officer

Mr. Mukesh B. Ambani, Managing Director

## General Body Meetings

Financial Year	Date	Venue
1 <sup>st</sup> April, 2008 to 31 <sup>st</sup> March, 2009	22-09-2009	Malabar Hill Club Ltd., B.G. Kher Marg, Malabar Hill, Mumbai - 400 006.
1 <sup>st</sup> April, 2009 to 31 <sup>st</sup> March, 2010	15-09-2010	Malabar Hill Club Ltd., B.G. Kher Marg, Malabar Hill, Mumbai - 400 006.
1 <sup>st</sup> April, 2010 to 31 <sup>st</sup> March, 2011	28-09-2011	Malabar Hill Club Ltd., B.G. Kher Marg, Malabar Hill, Mumbai - 400 006.

## Disclosures

There are no materially significant related party transactions made by the Company with its promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large, except ₹ 1,26,000 made to M/s. Fenita Corporate Service, a firm in which relative of Mr. Haresh P. Sanghvi, Director for Professional Advices from time to time; and ₹ 11,915 Made to Mr. Rajnikant N. Shah, FCS for Professional Certificates from time to time. The Register of the Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

Commercial transactions with the related parties are disclosed in the accounting part of this report.

The Company has complied with the requirements of the Stock Exchanges and SEBI on all the Capital Markets related activities as applicable from time to time.

During the last three years, there were no strictures or penalties by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

## Means of Communication

Quarterly, half-yearly and annual results have been communicated to Bombay Stock Exchange Ltd. where the shares of the Company's are listed and Published in the Business Standard (English) & Mumbai Lakshadeep (Marathi). Annual Reports are dispatched to all the shareholders. No presentation to institutional investors or analysts was made during the year. Management discussion and Analysis is part of the Annual Report.

## INFRA INDUSTRIES LIMITED

**The CEO Certification under Clause 49V of the Companies Act, 1956 is as under: -**

I, Mukesh B. Ambani Managing Director, to the best of our knowledge and belief certify that:

- (a) I have reviewed the financial statements and cash flow statement for the year and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any materials fact or contain statements that might be misleading:
  - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any of which we are aware and the steps I have taken to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee that there is
- i. No significant change in internal control over financial reporting during the year.
  - ii. No significant change in accounting policies during the year under review and
  - iii. No instance of any fraud in the Company in which the management has any role.

For INFRA INDUSTRIES LIMITED

Place : Mumbai

Date : 21<sup>st</sup> July, 2012

(Mukesh B. Ambani)

Managing Director

### GENERAL SHAREHOLDING INFORMATION

- |  |   |
|--|---|
| 1 Annual General Meeting to be held on   | : 31 <sup>st</sup> Day of August, 2012                            |
| 2 Financial Year                         | : 1 <sup>st</sup> April, 2011 to 31 <sup>st</sup> March, 2012.    |
| 3 Book Closure Date                      | : 24 <sup>th</sup> August, 2012 to 31 <sup>st</sup> August, 2012. |
| 4 Dividend Payment Date                  | : NIL   |
| 5 Listing in Stock Exchanges             | : Mumbai Stock Exchange   |
| 6 Stock Code                             | : 530777  |
| 7 Stock Market Price Data for the period |   |

	BSE			BSE	
	HIGH (₹)	LOW (₹)		HIGH (₹)	LOW (₹)
April, 2011	8.16	4.47	October, 2011	8.65	4.42
May, 2011	7.72	3.96	November, 2011	8.34	6.21
June, 2011	7.99	4.15	December, 2011	6.30	4.44
July, 2011	8.68	6.49	January, 2012	5.42	3.95
August, 2011	7.29	6.28	February, 2012	4.72	3.67
September, 2011	6.98	4.76	March, 2012	3.69	3.35



# INFRA INDUSTRIES LIMITED

## 8. Share Transfer Systems

Transfers of physical shares are affected by the Share Transfer Agents after approval by the Share Transfer Committee.

## 9. Distributions of Share Holdings as on 31-03-2012

Category	No. of Shares held	% of Shareholding
Promoters	42,45,722	70.96
Banks, Financial Institutions	74,500	1.25
Others	16,62,878	27.79

10. The shares are compulsorily dematerialized and connectivity as been established with both the Depositories. The total number of shares de-matted at the end of the financial year under report was 31,43,190 representing 52.53%. The ISIN issued to the shares of the Company is INE287D01019.

11. The Company has not issued GDR/ADR/Warrants or any convertible instruments.

12. The Company's Plants are located at: Village Arav in Maharashtra, Pukkathurai in Tamil Nadu and Hubli in Karnataka.

## 13. Address of Correspondence

The Company's Registered Office at Dhiraj Chambers, 7<sup>th</sup> Floor, 9, Hazarimal Somani Marg, Mumbai-400 001

Shareholder Correspondence in relation to Transfer of Shares queries should be addressed to:

Purva Sharegistry (India) Private Limited,  
9, Shiv Shakti Industrial Estate,  
Ground Floor, Sitaram Mill Compound,  
J. R. Boricha Marg, Lower Parel  
Mumbai - 400 011.

Date	Share Price (₹)		Date	Share Price (₹)	
	LOW	HIGH		LOW	HIGH
September 2011	2.08	4.76	March 2012	2.69	4.72
August 2011	1.39	4.28	February 2012	4.72	4.87
July 2011	4.68	8.49	January 2012	2.62	4.92
June 2011	1.99	4.12	December 2011	3.70	4.98
May 2011	2.72	4.08	November 2011	4.74	5.02
April 2011	4.18	4.87	October 2011	4.82	5.02

# INFRA INDUSTRIES LIMITED

## AUDITOR'S REPORT ON CORPORATE GOVERNANCE

To,

**The Members of  
Infra Industries Limited**

We have examined the compliance of conditions of corporate governance by Infra Industries Limited, for the financial year ended on 31st March 2012, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For CHATURVEDI & SHAH**  
Chartered Accountants  
Firm Registration No. 101720W

**Jignesh Mehta**  
Partner  
Membership No. 102749  
Place: Mumbai  
Date: 21<sup>st</sup> July, 2011

# INFRA INDUSTRIES LIMITED

## Auditors' Report

To

**The Members,  
Infra Industries Limited**

We have audited the attached Balance Sheet of **Infra Industries Limited** as at 31st March 2012 and the Statement of Profit and Loss and the Cash flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to in paragraph 2 above, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956;
  - e) On the basis of written representation received from the directors as on March 31, 2011 and taken on record by the board of Directors, we report that none of director is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as directors in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956;

## INFRA INDUSTRIES LIMITED

- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India:
- (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2012.
  - (ii) In so far as it relates to the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date. and
  - (iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**For Chaturvedi & Shah**  
Firm Registration No. 101720W  
Chartered Accountants

**Jignesh Mehta**  
Partner  
Membership No.102749  
Place: Mumbai  
Date: 21<sup>st</sup> July, 2012

# INFRA INDUSTRIES LIMITED

## ANNEXURE TO AUDITOR'S REPORT

*Referred to in Paragraph 2 of our report of even date*

1. In respect of its fixed assets:
  - a. The Company has maintained records showing full particulars including quantitative details and situation of fixed assets on the basis of the available information but the same are not regularly updated.
  - b. As explained to us, the fixed assets have been physically verified by the management during the period at reasonable intervals and no material discrepancies were noticed on such physical verification.
  - c. In our opinion, the Company has not disposed off substantial part of fixed assets during the period and the going concern status of the Company is not affected.
  
2. In respect of its inventories:
  - a. As explained to us, inventories have been physically verified by the management at reasonable intervals.
  - b. In our opinion and according to information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of Inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
  
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
  - a) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firm or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Therefore, sub-clause (b), (c) and (d) are not applicable.
  - b) The Company has taken loans during the year from two parties covered in the register maintained under section 301 of the Companies Act 1956 during the year. In respect of the said loan, the maximum amount outstanding at any time during the year was ₹ 21,438 and year-end balance is ₹ Nil.
  - c) In our opinion and according to the information and explanation given to us, the aforesaid loans are interest free and other terms and conditions are not prima facie prejudicial to the interest of the Company.

## INFRA INDUSTRIES LIMITED

- d) In respect of loans taken by the Company, these are already repaid by year end and therefore the question of overdue amount does not arise.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. In respect of contract or arrangements referred to in section 301 of the Companies Act, 1956:
- a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of the contracts or arrangements that need to be entered into the register maintained under section 301 have been so entered.
- b) In our opinion and according to the information and explanation given to us, there are no transaction made in pursuance of contracts/arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5, 00,000 in respect of each party during the year.
6. According to the information and explanation given to us, the Company has not accepted any deposits from the public and therefore the provision of clause (vi) of paragraph 4 of the order is not applicable to the company.
7. The Company does not have a formal internal audit system, commensurate with size of the Company and nature of its business, management does not think necessary, establishing an internal audit system, However according to information and explanation given to us, its internal control systems provides reasonable internal checking of its financial transactions.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. In respect of statutory dues:
- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth Tax, Service tax, custom duty, Excise duty, Cess and other statutory dues wherever applicable have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2012 for a period of more than six months from the date of becoming payable *except in respect of Sales Tax/ Vat ₹ 10,35,696 and repayment of sales tax deferral loan aggregating to ₹ 56,20,848*

## INFRA INDUSTRIES LIMITED

- b) There are no disputed statutory dues, which are not deposited on account of matters pending before appropriate authorities.
10. The Company has an accumulated loss of ₹ 3,02,01,431 at the end of the year, which is not more than 50% of the net worth of the Company. Further the Company has incurred cash loss of ₹ 52,18,481 during the financial year covered by our audit and has incurred cash profit in the immediately preceding financial year.
  11. Based on our audit procedure and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and bank.
  12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
  13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, clause (xiii) of paragraph 4 of the order is not applicable to the Company.
  14. The company has maintained proper records of the transactions and contract in respect of dealing or trading in shares, securities, and other investments and timely entries have been made therein. All shares, securities and other investment have been held by the company in its own name.
  15. According to the information and explanation given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, clause (xv) of paragraph 4 of the order is not applicable to the Company.
  16. The Company has raised new term loan during the year and the same have been applied for the purposes for which they were raised.
  17. According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company as at the year end, we are of the opinion that the no short term funds raised by the Company are applied for long term investments.
  18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
  19. The Company has not issued any debentures. Accordingly clause (xix) of paragraph 4 of the order is not applicable to the company.
  20. The company has not raised any monies by way of public issue during the year.

# INFRA INDUSTRIES LIMITED

21: In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period that can have a material bearing on the financial position of the Company.

**For Chaturvedi & Shah**  
 Firm Registration No. 101720W  
 Chartered Accountants

**Jignesh Mehta**  
 Partner  
 Membership No.102749  
 Place: Mumbai  
 Date: 21<sup>st</sup> July, 2012

As at 31 <sup>st</sup> July 2012		1	Notes on Financial Statements	
22,54,81,812	22,54,81,812	22	TOTAL	
17,80,33,333	17,80,33,333	23	Equity and Liabilities	
11,02,20,000	11,02,20,000	24	Share Capital	
1,50,00,000	1,50,00,000	25	Reserves and Surplus	
1,00,00,000	1,00,00,000	26	Long Term Borrowings	
50,00,000	50,00,000	27	Short Term Borrowings	
1,00,00,000	1,00,00,000	28	Provisions	
1,00,00,000	1,00,00,000	29	Other Equity	
1,00,00,000	1,00,00,000	30	Other Liabilities	
1,00,00,000	1,00,00,000	31	Assets	
1,00,00,000	1,00,00,000	32	Fixed Assets	
1,00,00,000	1,00,00,000	33	Current Assets	
1,00,00,000	1,00,00,000	34	Other Assets	
1,00,00,000	1,00,00,000	35	Other Current Assets	
1,00,00,000	1,00,00,000	36	Other Current Liabilities	
1,00,00,000	1,00,00,000	37	Other Current Liabilities	
1,00,00,000	1,00,00,000	38	Other Current Liabilities	
1,00,00,000	1,00,00,000	39	Other Current Liabilities	
1,00,00,000	1,00,00,000	40	Other Current Liabilities	
1,00,00,000	1,00,00,000	41	Other Current Liabilities	
1,00,00,000	1,00,00,000	42	Other Current Liabilities	
1,00,00,000	1,00,00,000	43	Other Current Liabilities	
1,00,00,000	1,00,00,000	44	Other Current Liabilities	
1,00,00,000	1,00,00,000	45	Other Current Liabilities	
1,00,00,000	1,00,00,000	46	Other Current Liabilities	
1,00,00,000	1,00,00,000	47	Other Current Liabilities	
1,00,00,000	1,00,00,000	48	Other Current Liabilities	
1,00,00,000	1,00,00,000	49	Other Current Liabilities	
1,00,00,000	1,00,00,000	50	Other Current Liabilities	
1,00,00,000	1,00,00,000	51	Other Current Liabilities	
1,00,00,000	1,00,00,000	52	Other Current Liabilities	
1,00,00,000	1,00,00,000	53	Other Current Liabilities	
1,00,00,000	1,00,00,000	54	Other Current Liabilities	
1,00,00,000	1,00,00,000	55	Other Current Liabilities	
1,00,00,000	1,00,00,000	56	Other Current Liabilities	
1,00,00,000	1,00,00,000	57	Other Current Liabilities	
1,00,00,000	1,00,00,000	58	Other Current Liabilities	
1,00,00,000	1,00,00,000	59	Other Current Liabilities	
1,00,00,000	1,00,00,000	60	Other Current Liabilities	
1,00,00,000	1,00,00,000	61	Other Current Liabilities	
1,00,00,000	1,00,00,000	62	Other Current Liabilities	
1,00,00,000	1,00,00,000	63	Other Current Liabilities	
1,00,00,000	1,00,00,000	64	Other Current Liabilities	
1,00,00,000	1,00,00,000	65	Other Current Liabilities	
1,00,00,000	1,00,00,000	66	Other Current Liabilities	
1,00,00,000	1,00,00,000	67	Other Current Liabilities	
1,00,00,000	1,00,00,000	68	Other Current Liabilities	
1,00,00,000	1,00,00,000	69	Other Current Liabilities	
1,00,00,000	1,00,00,000	70	Other Current Liabilities	
1,00,00,000	1,00,00,000	71	Other Current Liabilities	
1,00,00,000	1,00,00,000	72	Other Current Liabilities	
1,00,00,000	1,00,00,000	73	Other Current Liabilities	
1,00,00,000	1,00,00,000	74	Other Current Liabilities	
1,00,00,000	1,00,00,000	75	Other Current Liabilities	
1,00,00,000	1,00,00,000	76	Other Current Liabilities	
1,00,00,000	1,00,00,000	77	Other Current Liabilities	
1,00,00,000	1,00,00,000	78	Other Current Liabilities	
1,00,00,000	1,00,00,000	79	Other Current Liabilities	
1,00,00,000	1,00,00,000	80	Other Current Liabilities	
1,00,00,000	1,00,00,000	81	Other Current Liabilities	
1,00,00,000	1,00,00,000	82	Other Current Liabilities	
1,00,00,000	1,00,00,000	83	Other Current Liabilities	
1,00,00,000	1,00,00,000	84	Other Current Liabilities	
1,00,00,000	1,00,00,000	85	Other Current Liabilities	
1,00,00,000	1,00,00,000	86	Other Current Liabilities	
1,00,00,000	1,00,00,000	87	Other Current Liabilities	
1,00,00,000	1,00,00,000	88	Other Current Liabilities	
1,00,00,000	1,00,00,000	89	Other Current Liabilities	
1,00,00,000	1,00,00,000	90	Other Current Liabilities	
1,00,00,000	1,00,00,000	91	Other Current Liabilities	
1,00,00,000	1,00,00,000	92	Other Current Liabilities	
1,00,00,000	1,00,00,000	93	Other Current Liabilities	
1,00,00,000	1,00,00,000	94	Other Current Liabilities	
1,00,00,000	1,00,00,000	95	Other Current Liabilities	
1,00,00,000	1,00,00,000	96	Other Current Liabilities	
1,00,00,000	1,00,00,000	97	Other Current Liabilities	
1,00,00,000	1,00,00,000	98	Other Current Liabilities	
1,00,00,000	1,00,00,000	99	Other Current Liabilities	
1,00,00,000	1,00,00,000	100	Other Current Liabilities	



# INFRA INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2012

( Amount in ₹ )

PARTICULARS	NOTE	As at 31st March, 2012	As at 31st March, 2011
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	1	59,875,000	59,875,000
Reserves and Surplus	2	(30,201,431)	(21,485,480)
Sub Total		29,673,569	38,389,520
<b>Non - Current Liabilities</b>			
Long Term Borrowings	3	2,963,564	5,086,135
Long Term Provisions	4	1,105,473	978,116
Sub Total		4,069,037	6,064,251
<b>Current Liabilities</b>			
Short Term Borrowings	5	20,238,406	13,589,276
Trade Payables	6	15,883,983	10,581,420
Other Current Liabilities	7	22,561,606	21,166,026
Short Term Provisions	8	388,463	26,418
Sub Total		59,072,458	45,363,141
<b>TOTAL</b>		<b>92,815,065</b>	<b>89,816,913</b>
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Fixed Assets	9	49,322,695	47,199,811
Tangible Assets	10	98,000	18,749,917
Non-Current Investments	11	17,808,285	
Long Term Loans and Advances			
		67,228,980	65,949,733
<b>Current Assets</b>			
Inventories	12	9,133,549	9,198,700
Trade Receivables	13	12,401,813	11,084,035
Cash and Cash Equivalents	14	2,745,915	1,868,901
Short-Term Loans and Advances	15	1,304,808	1,715,544
		25,586,085	23,867,180
<b>TOTAL</b>		<b>92,815,065</b>	<b>89,816,913</b>

Significant Accounting Policies  
Notes on Financial Statement

1 to 26

As per our Report of even date

For Chaturvedi & Shah  
Chartered Accountants  
Firm Registration No.101720W

Jignesh Mehta  
Partner  
Membership No.102749  
Date : 21st July, 2012  
Place : Mumbai

For and on behalf of the Board

Mukesh B. Ambani  
Managing Director

Bhupendra J. Ambani  
Chairman

## INFRA INDUSTRIES LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

( Amount in ₹ )

PARTICULARS	NOTE	For the Year Ended 31st March, 2012	For the Year Ended 31st March, 2011
<b>INCOME</b>			
Revenue from Operations	16	101,548,440	103,891,588
Less: Excise Duty		9,586,440	9,734,097
Other Income	17	91,961,999	94,157,490
		3,773,959	1,122,238
<b>Total Revenue</b>		<b>95,735,958</b>	<b>95,279,729</b>
<b>EXPENDITURE</b>			
Cost of Materials Consumed	18	53,661,915	54,180,317
Change in Inventories of Finished Goods and Work-in-Progress	19	804,598	(2,946,908)
Employees Benefits Expense	20	14,266,061	12,413,077
Finance Costs	21	3,819,171	2,756,612
Depreciation and Amortisation Expense		3,497,470	3,109,806
Other Expenses	22	28,402,693	27,962,143
<b>Total Expenses</b>		<b>104,451,909</b>	<b>97,475,047</b>
<b>Profit/(Loss) before Tax</b>		<b>(8,715,951)</b>	<b>(2,195,318)</b>
<b>Tax Expenses</b>			
Current Tax		-	-
Excess provision of FBT for earlier Year		-	(222,088)
<b>Profit/(Loss) for the year</b>		<b>(8,715,951)</b>	<b>(1,973,230)</b>
<b>Earning per Equity Shares of face value of ₹ 10 each</b>			
Basic and Diluted (in ₹)	23	(1.46)	(0.33)
<b>Significant Accounting Policies</b>			
<b>Notes on Financial Statement</b>	1 to 26		

As per our Report of even date

**For Chaturvedi & Shah**  
Chartered Accountants  
Firm Registration No. 101720W

For and on behalf of the Board

**Jignesh Mehta**  
Partner  
Membership No. 102749  
Date : 21st July, 2012  
Place : Mumbai

**Mukesh B. Ambani**  
Managing Director

**Bhupendra J. Ambani**  
Chairman

# INFRA INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR 2011-2012

( Amount in ₹ )

		2011-2012	2010-2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
NET PROFIT/(LOSS) AFTER TAX		(8,715,951)	(1,973,230)
ADJUSTMENTS FOR			
-Depreciation	3,497,470		3,109,806
Loss on sale of asset		3,497,470	(9,794)
			3,100,012
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		(5,218,480)	1,126,782
ADJUSTMENTS FOR			
-Receivables	(1,317,778)		2,377,805
-Inventories	65,151		(767,279)
-Other Assets (Loans & Advances)	1,352,369		1,479,375
-Trade and Other Payables	5,747,913		2,234,541
		5,847,655	5,324,442
<b>CASH GENERATED FROM OPERATIONS</b>		629,175	6,451,224
-Direct Taxes Paid Net			60,000
<b>NET CASH FROM/(USED IN) OPERATING ACTIVITIES</b>		629,175	6,511,224
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Additions to Fixed Assets		(5,620,354)	(3,837,493)
Sales of Fixed Assets			145,000
Purchase of Investments		(98,000)	
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>		(5,718,354)	(3,692,493)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Short Term Borrowings		8,088,762	641,511
Proceeds from Long Term Borrowings		(2,122,571)	(3,978,788)
Loan Received from Directors		21,438	512,275
Loan Repayment to Directors		(21,438)	(650,125)
<b>NET CASH FROM/(USED IN) FOR FINANCING ACTIVITIES</b>		5,966,191	(3,475,127)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		877,011	(656,396)
<b>CASH AND CASH EQUIVALENTS AS AT 31.03.2011</b>		1,868,901	2,525,302
<b>CASH AND CASH EQUIVALENTS AS AT 31.03.2012</b>		2,745,915	1,868,901

**Notes:**

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 "Cash Flow Statement" issued by the Institute of Chartered Accountant of India
- Figures in brackets represent outflows.

As per our Report of even date

For Chaturvedi & Shah  
Chartered Accountants  
Firm Registration No.101720W

Jignesh Mehta  
Partner  
Membership No.102749

Place : Mumbai  
Date : 21st July, 2012

For and on behalf of the Board

Mukesh B. Ambani  
Managing Director

Bhupendra J. Ambani  
Chairman

**Significant Accounting Policies****A Basis of Preparation of Financial Statements**

The financial statements have been prepared on the historical cost convention except certain fixed assets which are stated at revalued amounts, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

**B Use of Estimates**

Certain estimates and assumptions have been made in preparation of financial statement. The difference between the actual results and estimates are recognised in the year in which the results are known / materialised.

**C Fixed Assets**

Fixed Assets are valued at cost/ revalued amount (net of cervat) less accumulated depreciation. All costs including financial costs till commencement of commercial production attributable to fixed assets are capitalised.

**D Depreciation**

Depreciation on Fixed Assets is provided on straight-line method at the rates and in the manner prescribed in the schedule XIV to the Companies Act, 1956.

**E Investment**

Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

**F Inventories**

Inventories are valued at lower of cost or Net Realisable Value except for scrap/damaged stock, which are valued at Net Realisable Value. Cost of Inventories of Finished Goods and Work in Progress includes material cost, cost of conversion and other cost. Cost of inventories is determined on FIFO basis.

**G Foreign Currency Transactions**

- (i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currency at the year end are translated at year end rates.
- (iii) Any income or expense on account of exchange differences either on settlement or on translation is recognised in the profit or loss account.

**H Employee Benefits**

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- (ii) Post employment and other long term employee benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation technique. Actuarial gains and losses in the respect of post employment and other long term benefits are charged to the profit and loss account.

**I Borrowing Costs**

Borrowing cost attributable to the construction of qualifying assets are capitalised as part of such assets up to the date when such assets are ready for intended use. Other Borrowing Cost are charged as expense in the year in which they are incurred.

**J Sales**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Sales net of excise duty and is recognised on accrual basis, net of sales returns, sales tax and Vat.

**K Provision for Current and Deferred Tax**

Tax on income for the current period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of the Income Tax Act 1961.

Deferred tax is recognised on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

# INFRA INDUSTRIES LIMITED

## L Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable Value. An impairment loss is charged to Profit and Loss Account in the year in which an Asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

## M Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

## Notes on Financial Statements for the year ended 31st March, 2012

The Previous year's figures have been regrouped/re-classified, wherever necessary to confirm to current year presentation.

(Amount in ₹)

### 1 Share Capital

	As at 31st March, 2012	As at 31st March, 2011
<b>Authorised Share Capital :</b>		
7,000,000 Equity Shares of ₹ 10 each (7,000,000)	70,000,000	70,000,000
300,000 Cumulative Redeemable (300,000) Preference Share of ₹ 100 each	30,000,000	30,000,000
	<u>100,000,000</u>	<u>100,000,000</u>
<b>Issued, Subscribed and Paid up:</b>		
5,983,100 Equity Shares of ₹ 10 each fully paid up (5,983,100)	59,831,000	59,831,000
Add : Amount originally Paid up on Forfeited Shares	44,000	44,000
<b>TOTAL</b>	<u>59,875,000</u>	<u>59,875,000</u>

### 1.1 The details of shareholders holding more than 5% shares:

#### Equity Shares:

Name of the Shareholder	As at 31st March, 2012		As at 31st March, 2011	
	No. of Shares	% held	No. of Shares	% held
Mukesh B. Ambani	1323990	22.13	1323990	22.13
Infra leasefinance Pvt. Ltd.	1555100	25.99	1555100	25.99
Springfield Investment Ltd.	1200000	20.06	1200000	20.06
Chandresh B. Ambani	841884	14.07	841884	14.07

### 1.2 The reconciliation of number of shares outstanding is set out below:

Particulars	As at 31st March, 2012	As at 31st March, 2011
	No. of Shares	No. of Shares
Equity Shares at the beginning	5,983,100	5,983,100
Add : Shares issued during the year	5,983,100	5,983,100
Equity Shares at the end of the year		

1.3 Terms : The company has only one class of equity shares having face value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. Equity shareholders are also entitled to dividend as and when proposed by the Board of Directors and approved by Share holders in Annual General Meeting. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts which shall be in proportion to the number of shares held by the Shareholders.

# INFRA INDUSTRIES LIMITED

2 Reserves and Surplus	(Amount in ₹)	
	As at 31st March, 2012	As at 31st March, 2011
<b>Profit and Loss Account</b>		
As per last Balance Sheet	(21,485,480)	(19,512,250)
Add: Transferred from Profit and Loss Account	<u>(8,715,951)</u>	<u>(1,973,230)</u>
	(30,201,431)	(21,485,480)
<b>TOTAL</b>	<u><u>(30,201,431)</u></u>	<u><u>(21,485,480)</u></u>
<b>3 Long Term Borrowing</b>	(Amount in ₹)	
	As at	As at
	31st March, 2012	31st March, 2011
<b>Secured Loan</b>		
Term Loan From Bank	2,452,593	431,351
<small>(Working Capital Loan &amp; Term Loan from bank are secured against hypothecation of raw material, finished goods, WIP, consumables stores at factories of the Company at Arav, Pukkathurai &amp; Hubli godowns and receivable books debts and further secured by collateral security by registered mortgage of the factory land &amp; building at Arav, Pukkathurai and hypothecation of fixed assets of the Company including machinery installation in the Company factories at Arav, Pukkathurai &amp; Hubli and furnitures &amp; fixtures)</small>		
Hire Purchase Car Loan	510,971	317,612
<small>(Secured by Hypothecation of Vehicle)</small>		
<b>TOTAL</b>	<u><u>2,963,564</u></u>	<u><u>748,963</u></u>
<b>Un-Secured Loan</b>		
Sales Tax Deferred	-	4,337,172
<b>TOTAL</b>	<u><u>-</u></u>	<u><u>4,337,172</u></u>
<b>3.1 Term Loan</b>		
a) Term Loan from bank are secured against hypothecation of raw material, finished goods, WIP, consumables stores at factories of the Company at Arav, Pukkathurai & Hubli and receivable books debts and further secured by collateral security by registered mortgage of the factory land & building at Arav, Pukkathurai and hypothecation of fixed assets of the Company including machinery installation in the Company factories at Arav, Pukkathurai & Hubli and furnitures & fixtures		
b) Term Loan are repayable for the period of 3 to 5 years		
<b>3.2 Hire purchase car loan Secured by Hypothecation of Vehicle and repayable for the period of 3 years</b>	( Amount in ₹ )	
<b>3.3 Repayment Schedule</b>	2013-14	2014-15
a) Term Loan Banks	1,206,240	1,186,737
b) Hire purchase car Loan	290,751	220,220
<b>4 Long Term Provisions</b>	(Amount in ₹)	
	As at	As at
	31st March, 2012	31st March, 2011
Provision for employee benefits		
Provision for Leave Encashment	67,163	32,626
Provision for Grauity	1,038,310	945,490
<b>TOTAL</b>	<u><u>1,105,473</u></u>	<u><u>978,116</u></u>

# INFRA INDUSTRIES LIMITED

5 Short Term Borrowings	(Amount in ₹)	
	As at 31st March, 2012	As at 31st March, 2011
Secured		
Working Capital Loan From Bank	20,238,406	13,589,276
<b>TOTAL</b>	<b>20,238,406</b>	<b>13,589,276</b>

5.1 Working capital loan from bank are secured against hypothecation of raw material, finished goods, WIP, consumables stores at factories of the Company at Arav, Pukkathurai & Hubli and receivable books debts and further secured by collateral security by registered mortgage of the factory land & building at Arav, Pukkathurai and hypothecation of fixed assets of the Company including machinery installation in the Company factories at Arav, Pukkathurai & Hubli and furnitures & fixtures

6 Trade Payables	(Amount in ₹)	
	As at 31st March, 2012	As at 31st March, 2011
Micro, Small, and Medium Enterprise		
Others	15,883,983	10,581,420
<b>TOTAL</b>	<b>15,883,983</b>	<b>10,581,420</b>

6.1 The company has not received the required information from the vendors regarding their status under the Micro, Small and Medium Enterprises development Act, 2006. Hence disclosures , if any relating to amounts unpaid as at the year end together with interest paid/payable as required under the said act have not been made.

7 Other Current Liabilities	(Amount in ₹)	
	As at 31st March, 2012	As at 31st March, 2011
Current maturities of long term debts (Refer Note No.3)		
Term Loan From Bank	1,206,240	1,451,136
Hire Purchase Car Loan	531,386	267,623
Sales Tax Deferred	9,857,920	8,437,155
Creditors for Capital Expenditure	105,327	495,168
Other Payables	10,860,733	10,514,944
<b>TOTAL</b>	<b>22,561,606</b>	<b>21,166,026</b>

7.1 Other Payables includes Statutory dues, Security Deposit and advance from customers.

8 Short Term Provisions	(Amount in ₹)	
	As at 31st March, 2012	As at 31st March, 2011
Provision for Employee Benefits		
Provision for Leave Encashment	372,590	26,418
Provision for Grativity	15,873	-
<b>TOTAL</b>	<b>388,463</b>	<b>26,418</b>





# INFRA INDUSTRIES LIMITED

	As at 31st March, 2012	(Amount in ₹) As at 31st March, 2011
<b>10 Non-Current Investments</b>		
Other Investments (Unquoted) In Equity shares 9,800 Infra Fenestation Pvt. Ltd of ₹ 10 each fully paid (-)	98,000	-
<b>TOTAL</b>	<b>98,000.00</b>	<b>-</b>
<b>11 Long-term Loans and Advances</b> (unsecured considered good subject to confirmation)	As at 31st March, 2012	(Amount in ₹) As at 31st March, 2011
Security Deposits	2,078,051	2,065,470
Deposit with related parties (Refer Note No.26)	15,622,126	16,557,126
Advance Income Tax (Net of Provision)	108,108	127,322
<b>TOTAL</b>	<b>17,808,285</b>	<b>18,749,917</b>
<b>12 Inventories</b>	As at 31st March, 2012	(Amount in ₹) As at 31st March, 2011
Raw Materials	2,083,184	1,219,366
Stores & Spares	273,893	273,472
Fuel	164,378	289,170
Work in Progress	5,244,098	5,338,836
Finished Goods	1,367,996	2,077,856
<b>TOTAL</b>	<b>9,133,549</b>	<b>9,198,700</b>
12.1 Inventories are valued at lower of cost and net realisable value.		
<b>13 Trade Receivable</b>	As at 31st March, 2012	(Amount in ₹) As at 31st March, 2011
(unsecured considered good subject to confirmation)		
Over six months	1,444,764	1,506,225
Consider Doubtful	317,568	317,568
	1,762,332	1,823,793
Less : Provision for Doubtful Debts	317,568	317,568
Others	10,957,049	9,577,810
<b>TOTAL</b>	<b>12,401,813</b>	<b>11,084,035</b>
<b>14 Cash and Cash Equivalents</b>	As at 31st March, 2012	(Amount in ₹) As at 31st March, 2011
Cash on Hand	277,727	753,698
Balance with Banks	2,468,187	1,078,204
Fixed Deposit	-	37,000
<b>TOTAL</b>	<b>2,745,915</b>	<b>1,868,901</b>

# INFRA INDUSTRIES LIMITED

<b>15 Short-term loans and advances</b> (Unsecured considered good)	As at 31st March, 2012	(Amount in ₹) As at 31st March, 2011		
Balance with customs, central Excise and Sales Tax authorities	372,246	552,472		
Others *	932,562	1,163,072		
* Other includes prepaid expenses, sales tax receivable and advances to staff				
<b>TOTAL</b>	<b>1,304,808</b>	<b>1,715,544</b>		
<b>16 Revenue from Operations</b>	2011-12	(Amount in ₹) 2010-11		
Sale of Products	101,548,440	103,891,588		
Less: Excise duty	(9,586,440)	(9,734,097)		
<b>TOTAL</b>	<b>91,961,999</b>	<b>94,157,490</b>		
<b>16.1 Broad Category of Product</b> Rotomoulded Plastic Products	2011-12	2010-11		
	101,548,440	103,891,588		
<b>17 Other Income</b>	2011-12	(Amount in ₹) 2010-11		
Profit on Sale of assets		9,794		
Miscellaneous income	60,997	586,630		
Foreign Exchange Gain/Loss	18,115	62,320		
Miscellaneous balance written back	2,222,322	376,510		
Interest from IOB, I.T.Refund & Elec.Deposit	1,472,524	86,984		
<b>TOTAL</b>	<b>3,773,959</b>	<b>1,122,238</b>		
<b>18 Cost of Raw Material Consumed</b>	2011-12	(Amount in ₹) 2010-11		
Opening Stock	1,219,366	3,531,842		
Add: Purchases	54,525,733	51,867,841		
Less: Closing Stock	55,745,099	55,399,683		
<b>TOTAL</b>	<b>53,661,915</b>	<b>54,180,317</b>		
<b>18.1 Particulars of Raw Material Consumed</b>	( Amount in ₹ )	2011-12 % of Consumption	( Amount in ₹ )	2010-11 % of Consumption
Imported	622,291	1.16	851,456	1.57
Indegeneous	53,039,624	98.84	53,328,861	98.43
	<b>53,661,915</b>	<b>100.00</b>	<b>54,180,317</b>	<b>100.00</b>
<b>18.2 Broad Category of Material Consumed</b> Polymers	2011-12	(Amount in ₹) 2010-11		
	53,661,915	54,180,317		
<b>19 Change in Inventories of Finished Goods and Work-in-Progress</b>	2011-12	(Amount in ₹) 2010-11		
Opening Stock of Finished Goods & Work-in-Progress	7,416,692	4,469,784		
Less: Closing Stock of Finished Goods & Work-in-Progress	6,612,094	7,416,692		
	<b>804,598</b>	<b>(2,946,908)</b>		

# INFRA INDUSTRIES LIMITED

20 Employee Benefit Expense	(Amount in ₹)	
	2011-12	2010-11
Salaries, Wages and Bonus	12,818,651	11,238,945
Contribution to Provident Fund, Gratuity Etc.	524,545	467,549
Staff Welfare Expenses	922,865	706,583
<b>TOTAL</b>	<b>14,266,061</b>	<b>12,413,077</b>

20.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are Given below:

## Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised as expense for the year is as under

	(Amount in ₹)	
	2011-12	2010-11
Employers Contribution to Provident Fund	435,802	381,592
Employers Contribution to ESIC	88,743	85,957

Company makes contributions toward provident fund and pension fund for qualifying employees to the Regional Provident Fund Commissioner and ESIC to Regional Director of ESIC

## Defined Benefit Plan

The company provides gratuity benefit to its employees which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

### I Reconciliation of Opening and closing balances of Defined Benefit obligation

	(Amount in ₹)			
	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2011-12	2010-11	2011-12	2010-11
Defined Benefit obligation at beginning of the year	945,490	741,271	59,044	38,560
Current Service Cost	145,534	950,761	72,327	74,580
Interest cost	75,639	59,302	3,667	3,085
Actuarial (gain) / loss on obligations	(112,480)	(805,844)	(40,436)	(57,181)
Benefits paid	-	-	(26,418)	-
Defined Benefit obligation at end of the year	1,054,183	945,490	68,184	59,044

### II Reconciliation of fair value of assets and obligations

	(Amount in ₹)			
	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2011-12	2010-11	2011-12	2010-11
Present Value of obligation	1,054,183	945,490	68,184	59,044
Amount recognised in Balance Sheet	(1,054,183)	(945,490)	(68,184)	(59,044)

### III Expense recognised during the year

	(Amount in ₹)			
	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2011-12	2010-11	2011-12	2010-11
Current Service Cost	145,534	950,761	72,327	74,580
Interest Cost	75,639	59,302	3,667	3,085
Actuarial (gain) / loss	(112,480)	(805,844)	(40,436)	(57,181)
Net cost	108,693	204,219	35,558	20,484

# INFRA INDUSTRIES LIMITED

## IV Actuarial Assumptions

	(Amount in ₹)			
	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2011-12 (Ultimate)	2010-11 (Ultimate)	2011-12 (Ultimate)	2010-11 (Ultimate)
Mortality Table(LIC)	8%	8%	8%	8%
Interest/Discount rate (per annum)	5%	5%	5%	5%
Rate of increase in Compensation	0.50%	0.50%	0.50%	0.50%
Employee Attrition Rate	LIC 1994-96	LIC 1994-96	LIC 1994-96	LIC 1994-96
Mortality	ULTIMATE	ULTIMATE	ULTIMATE	ULTIMATE
Expected average remaining Services	20.47	22.97	20.48	20.97

The estimates of rate of escalation in salary considered in actuarial valuation, take in account inflation, seniority, promotuin and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

21 Finance costs	(Amount in ₹)	
	2011-12	2010-11
Interest on Term Loan	283,315	258,791
Interest on Working Capital	2,427,108	1,534,567
Interest on Others	890,655	866,254
Finance Cost	218,093	97,001
<b>TOTAL</b>	<b>3,819,171</b>	<b>2,756,612</b>

22 Other Expenses	(Amount in ₹)	
	2011-12	2010-11
Stores Consumed	1,149,021	1,210,923
Power and Fuel	11,347,695	10,445,517
Repairs and Maintenance -Building	1,945	28,523
-Machinery	115,538	179,427
-Others	378,718	160,644
Labour Charges	564,018	532,704
Factory Expenses	1,908,997	2,009,588
Excise Duty	314,232	498,897
Rent, Rates and Taxes	747,513	774,980
Electricity Expenses	185,622	196,244
Freight, Transport and Octroi	1,044,639	883,215
Inspection Charges	133,941	102,937
Insurance	379,642	299,648
Travelling and Conveyance Expenses	3,999,235	4,326,345
Telephone, Printing, Postage & Subscription	1,321,765	1,386,649
Miscellaneous Expenses	832,152	844,581
Payment to Auditors		
Audit Fees	400,000	400,000
Tax Audit Fees	100,000	100,000
Advertisement and Sales Promotion	2,702,945	2,928,191
Legal and Professional Fees	626,793	324,165
Sundry Balances Write Off	148,282	328,965
<b>TOTAL</b>	<b>28,402,693</b>	<b>27,962,143</b>

# INFRA INDUSTRIES LIMITED

22.1	Particulars of Stores and Spares Consumed	(Amount in ₹)	% of Consumption	(Amount in ₹)	% of Consumption
	Indegenous	1,149,021	100.00	1,210,923	100.00
		1,149,021	100.00	1,210,923	100.00

22.2	Expenditure In Foreign Currency	(Amount in ₹)
		2011-12
		2010-11
	Travelling Expenses	1,569,147
	Technical know-how fees	396,710
	<b>TOTAL</b>	<b>2,357,714</b>

23	Earning Per Share :	(Amount in ₹)
		2011-12
		2010-11
	Net Profit after tax as per statement of profit and loss (Amount in ₹)	(8,715,951)
	Weighted Average number of equity shares used as denominator for Basic and Diluted Earnings per share of face value of ₹ 10 each	5,983,100
		(1.46)
		(1,973,230)
		5,983,100
		(0.33)

24 In the opinion of the management the company is mainly engaged in the business of plastic processing in India. All other activities of the Company revolve around the main business, and as such, there are no separate reportable segments.

25 Deferred tax Asset consist mainly of carried forward loss, and depreciation. As a matter of prudence, the Company has not recognised Deferred Tax Asset in Accounts.

## 26 Related Party Disclosures

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

SNo.	Name of the Related Party	Relationship
1	Associates	
a	Ambani Sales Organisation	Enterprises in which Directors are interested
b	Infra Fenestation Pvt. Ltd.	Enterprises in which Directors are interested
2	Key Managerial Personnel & Relative	
a	Bhupendra J. Ambani	Chairman
b	Mukesh B. Ambani	Managing Director
c	Pratik M. Ambani	Relative of Director

(ii) Transactions during the year with related parties:

		(Amount in ₹)		
		Enterprises in which Directors are interested	Key Management Personnel	Relative of Key Management Personnel
<b>Advance</b>				
(a)	Amount received during the year		21,438	-
	Amount received previous the year		512,275	-
(b)	Amount paid during the year	20,000	21,438	-
	Amount paid previous the year	-	650,125	-
(c)	Balance as at 31st March 2012	20,000	-	-
	Balance as at 31st March 2011	-	-	-
<b>Investment</b>				
	Purchase of Investments	98,000	-	-
	Previous year investmests	-	-	-
	Balance as at 31st March 2012	98,000	-	-

# INFRA INDUSTRIES LIMITED

	Registered Office: Dabraj Chambers	Enterprises in which Directors are interested	Key Management Personnel	Relative of Key Management Personnel
<b>Deposit</b>				
(a)	Received / Adjustment during the year	935,000	-	-
	Received / Adjustment Previous the year	308,073	-	-
(b)	Balance as at 31st March 2012	15,622,126	-	-
	Balance as at 31st March 2011	16,557,126	-	-
<b>Expenditure</b>				
(a)	Managerial Remuneration during the year	-	495,252	-
	Managerial Remuneration previous the year	-	625,404	-
(b)	Remuneration during the year	-	-	120,000
	Remuneration previous the year	-	-	80,000

*Note :- Figure in Italic represent previous year figures*

**Disclosures in respect of Material Related Party Transactions during the year**

- 1 Advance paid include ₹ 20000 related to Incorporation expenses incurred on behalf of Infra Fenestation Pvt. Ltd. (Previous Year ₹ NIL)
- 2 Purchase of Investment include to Infra Fenestation Pvt. Ltd. ₹ 98000 (Previous Year ₹ NIL)
- 3 Deposit paid during the year include Ambani Sales Organisation ₹ 935000 (Previous Year ₹ 308073)
- 4 Payment to Key Management Personnel include to Shri Mukesh B. Ambani ₹ 495252 (Previous Year ₹ 625404)
- 5 Payment to Relative of Key Management Personnel include to Shri Pratik M. Ambani ₹ 120000 (Previous Year ₹ 80000)

As per our Report of even date

For and on behalf of the Board

For Chaturvedi & Shah  
Chartered Accountants  
Firm Registration No.101720W

Jignesh Mehta  
Partner  
Membership No.102749

Mukesh B. Ambani  
Managing Director

Bhupendra J. Ambani  
Chairman

Date : 21st July, 2012  
Place : Mumbai

Date of Rec. I  
Revenue  
Stamp

Signature(s) of the Shareholder(s)

Note: The proxy must be received at least 48 hours before the time for holding the annual meeting.