



SANCIA GLOBAL Infraprojects Ltd.

(Formerly known as Gremach Infrastructure Equipment and Projects Limited)

ANNUAL REPORT
2010-2011



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**20th Annual General Meeting will be held on Friday,
September 30, 2011 at 3.00 p.m. at O2 Hotel & Restaurant,
Near Airport, Kaikhali, VIP Road,
Kolkata - 700 052**

**20th Annual Report 2010-11
SANCIA GLOBAL INFRAPROJECTS LTD.**

Board of Directors

Mr. Ratan Lal Tamakhuwala

Mr. Johnny Fernandes

Mr. Hariharan Ramalingam Nurani

Mr. Pradip Sutodia

Mr. Kishor Kumar Damani

Chairman

Whole-Time Director

Director

Director

Director

Bankers

State Bank of India

Bank of India

Jammu & Kashmir Bank

Registered Office

Diamond Chambers,

4 Chowringhee Lane,

Kolkata - 700016

Tel.No. : 033-22521799

E-mail : contact@sanciaglobal.com

Website : www.sanciaglobal.com

Auditors

M/s. T.N. Datta & Associates

Mr. T.N. Datta

Chartered Accountants

87/B, Cossipore Road

Kolkata - 700002

Corporate Office

Killedar Building No.1, 1st &

2nd Floor, Opp. MTNL Office,

Nr. 24 Karat Cinema, S.V. Road,

Jogeshwari (W), Mumbai -400102

Tel. No. : 022-26794390

Registrar & Share Transfer Agents

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (W), Mumbai - 400078

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 20TH ANNUAL GENERAL MEETING OF SANCIA GLOBAL INFRAPROJECTS LIMITED WILL BE HELD ON FRIDAY 30TH SEPTEMBER, 2011 AT 3.00 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, 2011 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 Ratan Lal Tamakhuwala since 17, August, 2010, who retires by Rotation at the Annual General Meeting and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

3. **Appointment of M/S Rahul Bansal & Associates as a New Statutory Auditor of the Company:**
To appointed M/S Rahul Bansal & Associates as a new 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.

"WHEREAS M/S T.N.Dutta & Associates., Chartered Accountants, the retiring auditor of the company has express his unwillingness to get himself re-appointed as Statutory Auditors of the Company due to his personal reasons and requested the Board to relieve him from his responsibilities with the conclusion of ensuing Annual General Meeting of the Company.

"RESOLVED that M/s. Rahul Bansal & Associates, Chartered Accountants, be and are hereby appointed Auditors of the Company in place of retiring Auditors to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of the next Annual General Meeting at the remuneration to be fixed by the Board of Directors of the Company and said appointment was by way of resolution subject to confirmation at the AGM".

"RESOLVED FURTHER that the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution your directors recommend this resolution for your approval."

4. **Change of Name of the Company**

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

"RESOLVED THAT pursuant to Section 21 and other applicable provisions of the Companies Act, 1956, the name of the Company be and is hereby changed from 'Sancia Global InfraProjects Limited' to 'MEL Infrastructure Limited or any other name as suggested by the Board as follows:-

The proposed name(s) are as follows which requires the due approval of the Registrar of Companies:

- 1) Macneill Infrastructure Ltd
- 2) Macneill Infra Ltd
- 3) Macneill Global Infra projects Ltd
- 4) Macneill Infracprojects Ltd

"RESOLVED FURTHER THAT the name 'Sancia Global InfraProjects Limited' wherever it appears in the Memorandum and Articles of Association of the Company be substituted by the new name "MEL Infrastructure Limited or any other name as suggested by the Board.

“RESOLVED FURTHER that the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

5. SHIFTING OF REGISTERED OFFICE OF THE COMPANY WITHIN THE CITY.

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

“RESOLVED THAT approval of the Board of Directors of the Company be and are hereby granted for the shifting of the Registered Office of the Company from Diamond Chambers, 4, Chowringhee Lane, Block No. 2, 7th floor, Unit 7-I, Kolkata-700016 (WB) to 26, Chowringhee Road, 2nd Floor, Suit No.23,Kolkata-700087 (WB),

“RESOLVED FURTHER that the Board or a Committee thereof be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution your directors recommend this resolution for your approval.”

6. The Issue of preferential warrant of the Company

“RESOLVED THAT pursuant to section 81(1A) and other applicable provisions of the Companies Act, 1956, relevant guidelines of the Securities & Exchange Board of India, Listing Agreements entered into with the Stock Exchanges and the Memorandum & Articles of Association of the Company and any other applicable laws / rules / regulation and subject to the consent / approval of any other authorities / institutions, consent of the Company be and is hereby accorded to create, offer, issue and allot up to 30,000,000 (Three Crore) Convertible Warrants on a preferential basis and at the rate of Rs. 10/- per warrants of Rs. 10 each to non-promoter groups mainly consisting of Mono Herbicides Pvt Ltd,Swagatam Tradevin Ltd,Knowledge Trading and Investments services Pvt Ltd.,Thomas Trade Link Pvt Ltd,Mukkadar Vanijya Pvt Ltd.,Mariyada Commotrade Ltd,Starmark Financial Consultants Pvt Ltd,Gentle Commodeal Pvt Ltd,Convertible Warrants on a preferential basis to non-promoter Group with each warrant convertible into one equity share of the Company of nominal value of Rs. 10/- each per share so that the total number of equity shares to be issued by the Company upon the conversion of the Warrants does not exceed 300,000,000(Three Cores) Equity shares, on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the “Board” which shall be deemed to include any duly authorized Committee thereof) at the time of issue or allotment.

RESOLVED FURTHER THAT the “Relevant Date” in relation to the issue of warrants in accordance with the Securities & Exchange Board of India (Issue of Capital And Disclosure Requirement) Regulation 2009 would be 31st August 2011 being the date 30 days prior to the date of passing of this resolution.

- a. The Warrants shall be convertible (at the sole option of the warrant holders) at any time within a period of 18 months from the date of allotment of Warrants;
- b. Each Warrant shall be convertible into one equity Share of nominal value of Rs.10/- each of the Company;
- c. * The Warrant holder(s) shall on the date of allotment of Warrants, pay an amount equivalent to 25% of the total consideration per Warrant viz., Rs. 2.5 only per warrant;
- d. * The Warrant holder (s) shall, before the date of conversion of the Warrants into Equity Shares, pay the balance 75% viz., Rs. 7.5./- Per Warrant , of the consideration towards the subscription to each Equity Share.
- e. * The amount referred to in (c) above shall be forfeited, if the option to acquire shares within stipulated period is not exercised;
- f. The lock in period of the shares on conversion will be in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital And Disclosure Requirement) Regulation 2009 ;and

- g. The number of Warrants and the price per Warrant shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI Guidelines, for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring.
- h. On conversion of the warrants , the shares will rank pari passu with the existing shares.

RESOLVED FURTHER THAT the Company shall ensure that whilst any Warrants remain exercisable, it will at all times keep available and reserved such part of its authorized but unissued share capital as would enable all outstanding Warrants to be satisfied in full.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the Warrants, to finalize the list of allottee (s), including the size and relative components of the same, and for the purpose of giving effect to this issue or allotment of Warrants or Shares, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including without limitation, appointment of consultants, solicitors, merchant bankers, or any other agencies as may be required and entering into arrangements for listing of the equity shares representing the same in any Indian Stock Exchanges with power on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of Warrants and in complying with any Regulations, as may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of the Warrants and that the said Equity Shares shall be subject to the Memorandum and Article of Association of the Company and shall rank in all respects pari passu with the existing equity shares of the Company.

”RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Officer(s) of the Company to give effect to this resolution.”

By Order of the Board of Directors
For Sancia Global Infraprojects Limited

Place: Mumbai
Date: September 3, 2011

Johnny Fernandes
(Wholetime 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 Diamond Chambers, 4 Chowringhee Lane, Block No. 2, 7th Floor, Unit No. 7 I, Kolkata-700 016.
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 27.09.2011 to 30.09.2011 (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 Order of the Board of Directors
For Sancia Global Infraprojects Limited

Place: Mumbai
Date: September 3, 2011

Johnny Fernandes
(Wholetime Director)

EXPLANATORY STATEMENT

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

Item No. 3

The Board has proposed the appointment of M/s Rahul Bansal & Associates as a New Statutory Auditor of the Company in place of existing Auditor M/s T.N.Datta & Associates who expressed their inability to continue because of their pre-occupation, subject to the approval of the shareholders in the Annual General Meeting of the company;

To appointed M/s Rahul Bansal & Associates as a comes first new 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 recommend this resolution for your approval.

Item No.4

In view of the prevailing economic and financial environment and more specifically the government policies, particularly to encourage the infrastructure industry in the country, the Company envisage tremendous opportunity in these fields and therefore is proposed to expand its activity in this area which is well covered under the main objects of the Company. The present name does not reflect its operation and as such it was suggested by the Board to suitably change the name of the Company, subject to necessary approvals, by substituting the words "MEL Infrastructure Limited" in place of "Sancia Global Infraprojects Limit or any other name as suggested by the Board in the name of the Company

Further, the promoters have some more companies with the names starting from the word "MEL" which, at times, create operational confusion and difficulties for all concerned and as such it was suggested that to avoid such unnecessary confusions, it would be better to alter the names of such companies.

Your directors recommend this resolution for your approval.

Item No. 5

The matter of shifting of Registered Office of the Company from Diamond Chambers, 4, Chowringhee Lane, Block No. 2, Unit 7-I 7TH Floor, Kolkata-700016 (WB) to 26, Chowringhee Road,2nd Floor, Suit No.23,Kolkata-700087 (WB).

Your directors recommend this resolution for your approval.

Item No.6

Your company in compliance with the applicable provisions of the Securities and Exchange Board of India (Issue of Capital And Disclosure Requirement) Regulation 2009, Companies Act, 1956 and other applicable provisions, is proposing to offer and issue not exceeding 30,000,000 (Three Crore) convertible warrants of Face value of Rs.10/- (Rs. Ten only) each . As per the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulation 2009 the required details in reference of the above said proposed preferential allotment of 30,000,000 convertible warrants is furnished as under:

Objects of the issue:

The Company as part of its future growth strategy aims to enlarge as focused and strong Company. The company plans to enlarge its business . To pursue the explanation plans and in order to meet growing demand as well as for general corporate purposes it is thought prudent for the company to raise capital by way of private placement of Equity shares and warrants convertible into equity shares.

The funds shall also be utilized for meeting the following requirements:

- 1.) Working Capital, Performance Guarantee, Bank Guarantee , etc ;
- 2.) Plant and Machinery; and
- 3.) Repayment of part of Existing Loans;

Pricing and relevant date:

- 1.) The issue price of Rs.40 Per convertible warrants is in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulation 2009 and for

the purpose of the above guidelines the Relevant Date is 31st August 2011 i.e. 30 days prior to the proposed Extra- Ordinary General Meeting.

Intention of the Promoters/Directors/Key Management persons to subscribe the offer:

The proposed allottees of shares to be issued on preferential basis include persons other than promoters whereas allottees of Preferential Warrants consist of M/S. Mono Herbicides Pvt Ltd, Swagatam Tradevin Ltd, Knowledge Trading and Investments services Pvt Ltd., Thomas Trade Link Pvt Ltd, Mukkadar Vanijya Pvt Ltd., Mariyada Commotrade Ltd, Starmark Financial Consultants Pvt Ltd, Gentle Commodeal Pvt Ltd, a non promoter group company and others.

Identity of the subscribers to the preferential issue:

The Identity of the proposed allottees for preferential issue of Equity Shares / Warrants is as follows:

No.	Name and Address of Allottee	PAN No.	Pre-preferential Holding	% of Pre-preferential Holding	Preferential allotment of Warrants	Total Post-preferential Holding after conversion	% of Post-preferential Holding-after conversion of the warrants
Public							
1.	Silverice Multitrading Private Limited	AAOCS7967D	Nil	Nil	2,25,0000	2,25,0000	3.06545
2.	Knowledge Trading And Investments Services Private Limited	AADCK7982M	Nil	NIL	20,00,000	20,00,000	2.72484
3.	Mono Herbicides Pvt Ltd	AADCM2725L	Nil	Nil	52,50,000	52,50,000	7.15271
4.	Swagatam Tradevin Limited	AAMCS6771M	Nil	Nil	55,00,000	55,00,000	7.49331
5.	Mukkadar Vanijya Private Limited	AAHCM3617M	Nil	Nil	2,750,000	2,750,000	3.74666
6.	Thomas Tradelink Private Limited	AADCT8873A	Nil	Nil	3,750,000	3,750,000	5.10908
7.	Mariyada Commotrade Limited	AAGCM7250D	Nil	Nil	3,750,000	3,750,000	5.10908
8.	Starmark Financial Consultants Private Limited	AAPCS9014G	Nil	Nil	2,500,000	2,500,000	3.40605
9.	Gentle Commodeal Private Limited	AAECG3755B	Nil	Nil	2,250,000	2,250,000	3.06545
Total No. of Shares / Warrants allotted on Preferential basis					30,000,000	30,000,000	40.87260

(The above percentage is calculated taking the post issue paid- up capital as Rs. 733988040/- arrived as follows:

- 1.) Present Paid – up Capital – Rs. 433988040- plus Paid – up Value of shares to be issued on Preferential basis (after conversion of preferential warrants into equity shares(30,000,000 shares) of Rs 10/-each) Rs.300,000,000/- . Total capital will be Rs.733988040/- consisting of 73398804 equity shares of Rs 10/- each.

Note: 1. The aforesaid post issue capital is based on the assumption that all the proposed allottees shall subscribe and there shall not be any change in the holding of other category investors.

Proposed time within which allotment shall be completed:

Within 15 days from the date of passing this resolution or in compliance with any statutory requirement including receipt of the in principle approval from the Stock Exchange.

Identity of the proposed allottee(s) and percentage of preferential issue capital that may be held by them:

The Company has obtained copies of the Permanent Account Number(PAN) as well as identity proof and D-mat Account No. which are available at the registered office of the Company.

Auditor's certificate:

A certificate as required under Securities and Exchange Board of India (Issue of Capital And Disclosure Requirement) Regulation 2009, certifying that the proposed issues is in accordance with the said Regulations has been obtained from the Auditors of the company and shall be placed before the shareholders.

Lock in:

The Convertible Warrants to be allotted on preferential basis shall be subject to lock- in as per applicable Securities and Exchange Board of India (Issue of Capital And Disclosure Requirement) Regulation 2009 in this behalf.

i) Consequential changes in the shareholding pattern/voting rights pursuant to issue of shares and warrants on convertible basis:

Sr. No.	Category	Pre-issue equity shareholding		Post-Issue after Warrant issue	
		No.	%	No.	%
A.	Promoters	17036681	39.2561	17036681	23.21111527
	Total (A)				
I.	Promoters holding in combination of shares & Convertible Warrants				
B.	Mutual Funds/ Foreign Institutional Investors/ Financial Institutions/ Nationalised Bank	10,199,720 8,508 199,855	23.5023 0.0196 0.4605	10,199,720 8,508 199,855	13.89630272 0.01159147 0.272286453
	Total (B)				
C.	Public				
	(a) Body Corporate	3,308,173	07.6227	33,308,173	45.37972172
	Individual	11,932,183	27.4943	11,932,183	16.256645
	(b) N.R.I	263,689	00.6076	263,689	0.359255173
	Others	449,995	01.0369	449,995	0.613082197
	Total (C)				
II.	Holdings in combination of shares and warrants	43,398,804	100	73,398,804	100

Note that the holding pattern is calculated after taking both equity and the convertible portion of the warrants into equity. After the combination of the same the equity capital will be 73,398,804 equity shares of Rs. 10/- each.

Changes in Management:

The issue of the Convertible Warrants will not result in any change in the management or control of the Company.

The approval of the Shareholders is sought pursuant to Section 81(1A) of the Companies Act, 1956 and in term of the listing agreement with Stock Exchanges to the issue of the above Shares/Warrants as set out in the resolution.

The Board of directors recommends the resolution for your approval. None of the Directors of your Company are concerned or interested in this resolution, save and except to the extent of their shareholding and holdings of the promoter group.

Place: Mumbai
Date: September 3, 2011

By Order of the Board of Directors
For Sancia Global Infraprojects Limited
Johnny Fernandes
(Wholetime Director)

DIRECTORS' REPORT

To

The members

Your Directors are pleased to present herewith 20th Annual Report of the Company together with the audited statement of accounts for the Financial Year ended 31st March, 2011.

1. Financial Results

(In Rs.)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
REVENUE		
Income from Operations	30,71,55,433	1,99,00,86,514
Sale of Goods	35,26,16,624	1,19,58,33,640
Other Income	25,50,115	3,65,00,414
Increase/ Decrease in Stores & Spares	(7,14,920)	(4,17,762)
Total Income	66,16,07,253	3,22,20,02,806
EXPENDITURE		
(a) Purchase of Goods	36,62,65,000	1,12,89,43,460
(b) Operating Expenses	26,06,62,347	1,68,10,71,245
(c) Employment Cost	2,21,42,100	1,66,37,669
(d) Administrative, Selling & Other Expenses	33,66,60,475	7,08,05,037
Total Expenditure	98,57,29,923	2,89,74,57,411
Profit before Interest and Depreciation and Tax	(32,41,22,670)	32,45,45,395
Interest & Finance Charges	12,57,39,463	13,30,04,999
Depreciation	17,87,50,215	18,16,25,743
Profit before Tax	(62,86,12,348)	99,14,653
Current Tax	-	(63,76,411)
Deferred Tax	1,58,39,604	2,06,37,901
Fringe Benefit Tax	-	-
Net Profit After Tax	(61,27,72,744)	2,41,76,143
Add: Balance brought forward from previous year	77,41,57,081	75,50,39,388
Profit Available for Appropriation	16,13,84,336	77,92,15,531
Dividend-Short Provision (F.Y. : 2008-09)	-	43,23,462
Tax on Dividend-Short Provision (F.Y. : 2008-09)	-	7,34,988
Balance carried to Balance Sheet	16,13,84,336	77,41,57,081
Earning Per Share (Rs.) Basic	(14.12)	0.11
Earning per share (Rs.) Diluted		-
Paid Up Equity Share Capital (Rs. 10/- per share)	43,39,88,040	43,04,88,040
Reserve Excluding Revaluation Reserve	1,84,65,34,834	2,44,73,07,579

2. DIVIDEND

For the financial year 2010-11 your directors have decided not to declare any dividend.

3. 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 company is expected to have robust growth in income and profitability.

Considering the immense potential in the field, your company has entered into trading in steel and coal. Going forward we anticipate consistent revenues from this sphere as well.

4. 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 2010-2011 and the profit / Loss of the Company for that year.

(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.

5. 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.

6. SUBSIDIARIES

The Report of Directors and Statement of Accounts of subsidiary Petrogrema Overseas PTE Ltd. together with the Auditors' Report thereon, are attached. The requisite statement pursuant to Section 212 of the Companies Act, 1956, related to these subsidiary companies is also attached herewith.

7. PERFORMANCE

The performance of your company during the year under review has been encouraging. During the year under review, Turnover and Net Profit for the year was Rs. 659,057,137/- and Rs. (612,772,744)/- as compared to the previous year Rs. 3,185,502,392/- and Rs.24,176,143/-. The increase in the Turnover is due to better capacity utilization, good customer relationship and introduction of new machineries in the business.

8. INTERNAL CONTROLS & ADEQUACY

Your Company has adequate system of internal controls to ensure that all assets are safeguard, transactions are authorized, optimum utilization of resources, costs are controlled, reporting of financial transactions and compliance with applicable law and regulations.

9. DIRECTORS

Mrs. Mridula Krishna a Director of the Company had resigned w.e.f. August 17, 2011. Mr. Johnny Fernandes was appointed as the Additional Director and subsequently appointed as Whole-Time Director of the Company w.e.f. May 15, 2010. Mr. Suni Jawaharlal Mandloi was appointed as the Additional Director and subsequently as a Managing Director of the Company w.e.f. September 05,

2010 and has resigned w.e.f. May 13, 2011. Mr.Hariharan Ramalingam Nurani was appointed as a Director w.e.f. May 13, 2011. Mr.Pradip Sutodia and Mr. Kishore Kumar Sutodia have been appointed as a Directors of the Company w.e.f. August 17, 2011.

10. AUDITORS

M/s. T.N. Datta & Associates, Chartered Accountants, who are statutory auditors of the Company, retire from the company as he expressed

11. AUDITOR'S REPORT

Most of the adverse remarks and qualifications in the Auditors Report are due to non availability of documents and information all of which were destroyed due to an accident and is beyond the control of the company and its directors. Your directors are of the view that Notes to the Accounts adequately provide the necessary information and answer the observations of the Auditors in their Report.

12. MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with the listing agreement, the management discussions and analysis report is annexed hereto and forms part of this report.

13. CORPORATE GOVERNANCE

A report on Corporate Governance, along with a certificate from the Statutory Auditors and a certificate from the Managing Director has been included in the Annual Report, detailing the compliances of corporate governance norms as enumerated in Clause 49 of the Listing Agreement with the stock exchange.

14. CHANGE IN MANAGEMENT

Company has also change the management and and awaiting result of postal ballot which result is going to declare on 27th September,2011.

15. CONSERVATION OF ENEREGY, RESEARCH & DEVELOPMENT, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 is given as per Annexure 'A' and forms part of Director's Report.

16. ACKNOWLEDGEMENTS

The Directors thank the Company's customers, vendors, investors, business associates, bankers for their support to the company. The Directors appreciate and value the contributions made by every member of the "Sancia Global" family across the country.

Place: Mumbai

Date: September 3, 2011

By Order of the Board of Directors
For Sancia Global Infraprojects Limited
Johnny Fernandes
(Wholetime Director)

ANNEXURE TO A DIRECTORS REPORT

INFORMATION REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

Particulars with respect to Conservation of Energy, Technology Absorption as per section 217(1)(e) of the Companies Act, 1956 read with Company's (Disclosure of particulars in the Board of Directors) Rule, 1988 for the year ended 31st March 2011 are annexed to this report.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) CONSERVATION OF ENERGY

The operations of the company are not energy intensive. However wherever possible the company strives to curtail the consumption of energy on continued basis. Further company has absorbed latest technology which is helpful in conserving energy.

(B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The company over the years through its experience has also developed techniques to create the spares parts which is used to buy from OEMs at a very high rates by getting them produced locally at much economical cost.

The Company over a period of time has developed around hundreds of these critical components which enabled it to save substantial cost and in certain cases, the performance of the in-house developed parts have proved to be better than the parts procured from OEMs.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earnings and outgo during the year 2010-2011 are as under.

Particulars	2010-11	2009-10
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

By Order of the Board of Directors

Sd/-

Place : Mumbai

Date : September 3,2011

Johnny Fernandes

Whole Time Director

Management Discussion & Analysis Report

1. INDUSTRY STRUCTURE DEVELOPMENTS AND OUTLOOK

Over the past several years, the Indian economy grew faster than average global growth rate. The strong economic growth in India was largely due to factors such as increasing level of domestic demand, solid economic growth in all spheres of economic activity, the emergence of India as a low cost manufacturing destination and so on.

The main business of our company is to give on hire, equipments to companies engaged in construction activities particularly in construction of road, building and port. Thus the activities of the company are affected by the conditions in the infrastructure industry. Construction activity is an integral part of a country's infrastructure and industrial development. It includes hospitals, schools, townships, offices, houses and other buildings; urban infrastructure (including water supply, sewerage, and drainage), highways, roads, ports, railways, airports, power systems; irrigation and agriculture systems; telecommunications etc.

The construction equipment cost particularly in the road projects, bridges / dam construction and port projects constitutes a major cost of the projects. Further, with rapid technological developments, the cost of replacement of these equipments is also very high and can have a major impact on the profitability of a project. This is where the companies with a facility of providing equipments on hire have started coming in. At present there are not many big companies in this sector, which is largely unorganized. However now these unorganized sector have started pooling in there equipments so that they are able to get better returns of their investment by way of maximum utilization of the equipment, better rental value and better maintenance of the same.

However as the project location are diverse and the equipment requirement at various sites may vary the sector has recently seen consolidation. As development of infrastructure at various geographical location all over India will involve huge funds outlays which can be only managed by the companies in the organized sector who have access to the funds easily and are able to develop the infrastructure.

2. RISKS CONCERNS AND RISK MITIGATION

Objective

Sancia Global Infraprojects Limited has successfully implemented risk management framework to achieve the following objectives:

- a. Strategic: High-Level goals, aligned with and supporting its mission.
- b. Operations: Effective and efficient use of its resources.
- c. Reporting: Reliability of financial reporting.
- d. Compliance: Compliance with applicable laws and regulations.

Risks are assessed and ranked according to the likelihood and impact of them occurring. Existing controls are assessed and mitigation measures discussed.

Risk are assessed and reviewed regularly at top level and risk mitigation measures taken promptly to address any adverse situation.

The company's activities comprise of providing equipment(s) on rental basis to entities which provide for levy of penalty normally for time-over-run cases. In case the Company is unable to meet the performance criteria as prescribed by the respective client and if penalties are levied, the financial performance of the company may be adversely affected. However, company has its own work-force which operates the machines and has a stock base of spare parts / its own workshop which ensures the minimal disruption of equipments etc.

3. THE EXCHANGE RATE FLUCTUATIONS MAY HAVE IMPACT ON THE PERFORMANCE OF THE COMPANY

The Company is exposed to exchange rate fluctuations, uncertainties in the global financial market may have an impact on the exchange rate between Rupees vis-à-vis other currencies and we feel that the impact is negligible. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in the future. Such fluctuations can have an impact on revenue patterns are only in rupee denomination.

The company has significant insurance policy consists of a comprehensive coverage for risks relating to physical loss. In addition, we have obtained separate insurance coverage for workmen related risks, motor vehicle risks and loss of movable assets risks. While we believe that the Insurance coverage maintained, would reasonably be adequate to cover all normal risks associated with the operation of our business, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time. To the extent that we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, or the insurance policy covering such risk is not honored, our results of operation and cash flow may be adversely affected.

4. FINANCIAL PERFORMANCE

The Company's financial position continues to remain healthy. A summary of the financial performance of Sancia Global Infra Projects Ltd for 2010-2011 and 2009-2010 is presented below.

Particulars	31.03.2011 In. Rs.	31.03.2010 In. Rs.
Income		
Income from operations	30,71,55,433	1,99,00,86,514
Sales of Goods	35,26,16,624	1,19,58,33,640
Other Income	25,50,115	3,65,00,414
Increase/ Decrease in stores & spares	(7,14,920)	(4,17,762)
Total Income	66,16,07,253	3,22,20,02,806
Expenditure		
Purchase of Goods	36,62,65,000	1,12,89,43,460
Operating Expenditure	26,06,62,347	1,68,10,71,245
Employment Cost	2,21,42,100	1,66,37,669
Administrative, Selling and Other Expenses	33,66,60,475	7,08,05,037
Total Expenditure	98,57,29,923	2,89,74,57,411
Profit before depreciation interest and tax	32,41,22,670	32,45,45,395
Interest & Finance charges	12,57,39,463	13,30,04,999
Depreciation	17,87,50,215	18,16,25,743
Profit before taxes	(62,86,12,348)	99,14,653
Provision for Taxation	(62,86,12,348)	
Current Tax	-	(63,76,411)
Deferred Tax	1,58,39,604	2,06,37,901
Fringe Benefit Tax	-	-
Net Profit for the year	(61,27,72,744)	2,41,76,143
Balance brought forward from previous year	77,41,57,081	75,50,39,388
Amount available for appropriation	16,13,84,336	77,92,15,531
Appropriations		
Proposed Final Dividend/Short Provision	-	43,23,462
Tax on Dividends/Short Provision	-	7,34,988
Balance carried to Balance Sheet	16,13,84,336	77,41,57,081

The performance of your company during the year under review has been encouraging. During the year under review, Turnover and Net Profit for the year was Rs. 659,057,137 /-and Rs. (612,772,744) /- as compared to the previous year Rs. 3,185,602,392 /- and Rs.24,176,143 /-.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an in-house internal audit department which examines and ensures adequate internal checks and control procedures. It also ensures proper accounting, records authorization, control of operations and compliance with law. The Company has a strong reporting system which evaluates and forewarns the management on issues related to compliance. Further the Company is continuously working to improve and strengthen internal check and control system to align with the expected growth in operations.

6. DEVELOPMENTS IN HUMAN RESOURCES:

Our employees continue to be our biggest source of strength. Past success of Sancia Global Infra Projects Ltd., have come as much because of the soundness of its strategies as due to the determination and commitment of all its employees – who turned these strategies into action. Going forward, the Company's ability to enhance its human resource competencies will be even more critical. It is challenge that is being addressed through several structured initiatives.

During the year, the Company implemented several human resource and organizational development initiatives, including in areas such as job induction, job definition, policies and reward management. The Company has also instituted a well-structured variable pay plan and Performance Management System (PMS). Training and constant enhancement of skill-levels continued during the year.

7. CAUTIONARY STATEMENT:

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates, etc may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc, whether express or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities, etc over which the company does not have any direct control.

CORPORATE GOVERNANCE

A report on Corporate Governance, along with a certificate from the Statutory Auditors and a certificate from the Managing Director, have been included in the Annual Report, detailing the compliances of corporate governance norms as enumerated in Clause 49 of the Listing Agreement with the stock exchange.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Sancia Global Infraprojects Limited believes that "Corporate Governance" refers to the processes and structure by which the business and affairs of the Company are directed and managed, in order to enhance long term shareholder value through enhancing corporate performance and accountability, whilst taking into account the interests of all stakeholders. Good corporate governance, therefore, embodies both enterprise (performance) and accountability (conformance).

The company strives to adopt the best governance and disclosure practices with the following principles in mind:

- a. Satisfaction of the spirit of the law through ethical business conduct.
- b. Transparency and a high degree of disclosure levels.
- c. Truthful communication about how the company is run internally.
- d. A simple and transparent corporate structure driven solely by the business needs.
- e. Strict compliance with Clause 49 of the Listing Agreement as amended from time to time.
- f. Establishment of an efficient Corporate Structure for the management of the Company's affairs.
- g. Management is the trustee of the shareholders' capital and not the owner.

2. COMPOSITION OF BOARD OF DIRECTORS

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Non Executive Directors with their diverse knowledge, experience and expertise bring in their independent judgment in the deliberations and decisions of the Board.

The composition of the Board is in accordance with the requirements of the corporate Governance code of Listing Agreement with the stock exchanges. The Board of Directors consists of optimal combination of Non-Executive and Independent directors during the year.. The Chairman of the Board is a Non-Executive Director.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified in clause 49 of the Listing Agreement), across all the Companies in which he is a Director.

(a) Attendance of Board of Directors

Our Board of Directors comprises of the following members and the details of meeting attended by directors are as under:-

Name of the Directors	Number of Board Meetings held during his tenure	Number of Board Meetings attended	Whether attended last AGM
Mr. Rishi Raj Agarwal (Resigned on 17/08/2010)	3	3	NO
Mr. Ratan Lal Tamakhuwala (Appointed w.e.f. 17/08/2010)	4	4	YES
Mr. Johnny Fernandes (Appointed on 15/5/2010)	6	6	YES
Ms. Mridula Krishna	7	4	NO
Mr. Sunil Kumar Mandio (Appointed w.e.f. 5/09/2010)	3	3	YES

(b) Board Procedure

During the financial year 2010-2011, The Board of Directors met on the following dates: 15/05/2010, 10/08/2010, 14/08/2010, 05/09/2010, 15/11/2010, 08/12/2010, 14/02/2011. The gap between any two meetings did not exceed four months, as mentioned in clause 49 of the listing agreement. The dates of the meeting were generally decided in advance. Key information is placed before Board of Directors to appraise corporate governance.

(c) Directors seeking Appointment / Re-Appointment

During the year director retires by rotation and being eligible offer himself for re-appointment.

3. BOARD COMMITTEES

Presently the Board has three Committees Audit Committee, Investor Grievances/ Share Transfer Committee and Remuneration Committee. Members of Audit Committee, investor grievances / share transfer committee, and Remuneration Committee consist of two non-executive directors & one executive director.

The following committees have been formed in compliance with the Corporate Governance norms:

AUDIT COMMITTEE

Audit committee of the Board was constituted in compliance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.. Audit Committee is, inter alia, responsible for the financial reporting and ensuring compliance with the Accounting Standard and reviewing the financial policies of our company and to recommend the appointment of statutory auditors and internal auditors and to fix their remuneration. The Committee is responsible for reviewing the reports from internal auditors as well as the group Companies. The Committee will review all quarterly reports before submission of the same to the Board. Name of the directors who are members of the Committee and the details of meeting attended by directors are as under:

Members of Committee

1.	Ms. Mridula Krishana	Chairman
2.	Mr. Rishi Raj Agarwal	Member (Resigned w.e.f. August 19, 2010)
3.	Mr. Ratan Lal Tamakhuwala	Member
4.	Mr. Johnny Menino Fernandes	Member
5.	Mr. Sunil Jawaharlal Mandloi	Member (Resigned w.e.f. May 13, 2011)

Attendance at the audit committee meeting

The committee met Four times during the year and quorum was present for every meeting The Audit Committee meetings during the financial year 2010-11 were held as on the following dates:

- 15th May, 2010
- 5th September, 2010
- 15th November, 2010
- 14th February, 2011

The following areas are referred to the Audit Committee

- a. Overall assessment of the company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending the appointment of external auditor, fixation of audit fees 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:
 - (i) Changes, if any, in accounting policies and practices.
 - (ii) Major accounting entries based on exercise of judgment by management.
 - (iii) Observations, if any, in draft audit report.
 - (iv) Significant changes/amendments, if any, arising out of audit.
 - (v) The going concern assumption.
 - (vi) Compliance with accounting standards.
 - (vii) Compliance with Stock Exchanges and Legal requirements concerning financial statements.
 - (viii) 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.
- d. Reviewing with the management, external and internal auditors and adequacy of internal

control systems.

- e. Reviewing the adequacy of internal audit function, coverage and frequency of internal audit.
- f. Discussion with internal auditors any significant findings and follow up there on.
- g. Reviewing the findings, if any, of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- (h) Discussions with external auditors before the audit commencement nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- (i) Reviewing the company's financial and risk management policies.
- (j) To look into the reasons for substantial defaults, if any, in the payments to the creditors etc.

The Audit Committee shall exercise the following additional powers;

- a. To investigate any activity within its terms of reference;
- b. To seek information from any employee;
- c. To obtain outside legal or other professional advice; and
- d. To secure attendance of outsiders with relevant expertise, if any, if it considers necessary.

SHARE/DEBENTURE TRANSFER & INVESTORS' GRIEVANCE COMMITTEE:

Our Company has constituted an investors relations committee comprising of 3 directors for speedy disposal of the share transfer requests received by our company. The committee along with overseeing share transfer work looks into the complaints received from investors. The Name of the directors who are members of the Committee and the details of meeting attended by directors is as under:-

- (1) Mrs. Mridula Krishana Chairman (Resigned w.e.f. August 17, 2011)
- (2) Mr. Rishi Raj Agarwal Member (Resigned w.e.f. August 17, 2011)
- 3) Mr. Ratan Lal Tamakhuwala Member
- 4) Mr. Johnny Fernandes Member

Share/Debenture Transfer & Investors' Grievance Committee meetings were held during 2010-2011, on

- 15th May, 2010
- 5th September, 2010
- 15th November, 2010
- 14th February, 2011

4. COMPLIANCE WITH LISTING AGREEMENT

Our company in terms of this Prospectus intends to list its equity shares on BSE and has complied with the requirements under the respective Listing Agreement of the above-mentioned stock exchanges. Further, we are in compliance with clause 49 of the listing agreement to the extent applicable to a company seeking listing for the first time.

5. SHAREHOLDING OF THE DIRECTORS IN OUR COMPANY

The Articles of Association do not require the directors to hold any qualification shares. The present shareholding of Directors as on 31st March 2011 is detailed below:

Name of the Director	Designation	No. of Shares held
Mr. Ratan Lal Tamakhuwala	Non Executive Chairman	105000
Mrs. Mridula Krishna	Non Executive Director	NIL
Mr. Johnny Fernandes	Whole - Time Director	NIL
Mr. Sunil Jawaharlal Mandloi	Managing Director	NIL

6. INTEREST OF DIRECTORS

All Directors of our company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them under the Articles of Association of our company. All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our company or that may be subscribed for and allotted to them, out of present issue in terms of the Prospectus and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held by or that may be subscribed by and allotted to the Companies, firms and trust, in which they are interested as Directors, members, partners or trustees.

8. GENERAL BODY MEETINGS

Details of last four Annual General Meetings are as follows

AGM	AGM Date	Location	Time	No. of Special Resolution Passed
19th	30/09/2010	O2 Hotel, Near Airport, Kaikhali, Kolkata - 700052	01:00pm	3
18th	26/12/2009	O2 Hotel, Near Airport, Kaikhali, Kolkata - 700052	01:00pm	1
17th	30/09/2008	O2 Hotel, Near Airport, Kaikhali, Kolkata - 700052	2:45 pm	1
16th	06/08/2007	O2 Hotel, Near Airport, Kaikhali, Kolkata - 700052	11:30 am	2

9. DISCLOSURES

- There are no transactions, which have a potential conflict with the interests of the Company at large.
- The Company has complied with the requirements of the Stock Exchanges/SEBI/any other Statutory Authority on all the matters related to capital markets. There are no penalties or strictures imposed on the Company by the Stock Exchanges/SEBI/any other Statutory Authority relating to the above.
- The company affirms that no employee has been denied access to the Audit Committee.
- The company has complied with all mandatory requirements as stipulated in clause 49 of the listing agreement with stock exchange.
- The Company does not have a Whistle Blower policy.

10. MEANS OF COMMUNICATION

Information like quarterly / half yearly / annual financial results and press releases on significant developments in the company that has been made available from time to time, has been submitted to the stock exchanges to enable them to put them on their websites and communicate to their members. The quarterly / half yearly / annual financial results are published in English and Regional newspapers. Moreover, a report on management discussion and analysis has been given elsewhere in this report. Annual Report 2010-11

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis forms part of this Annual Report

12. GENERAL SHAREHOLDERS INFORMATION

- Listing of shares on stock exchanges and stock code

SR. No.	Name of the Stock Exchange/ Date	Stock code
1.	The Bombay Stock Exchange Limited	532836 Sancial Global

(b) Market Price Data – BSE

Month	BSE 100 Index			SANCIA GLOBAL Share Price		
	High	Low	Close	High	Low	Volume
April – 10	9571.52	9165.74	9379.04	28.8	24	11629
May – 10	9350.60	8509.80	9041.23	28	19	5238
June – 10	9499.81	8790.83	9442.58	30.7	18.85	18216
July – 10	9732.12	9310.58	9556.67	28.5	20	13070
August – 10	9895.08	9544.93	9627.72	20.95	17.8	5470
September – 10	10,742.39	9665.59	10627.35	21.65	16	8203
October – 10	11090.93	10512.99	10639.96	20.5	16.2	3994
November – 10	11192.91	9909.67	10280.81	19.5	12.3	3879
December – 10	10692.87	9979.19	10675.02	15.5	11.2	2988
January – 11	10761.95	9407.92	9569.01	12.95	7.78	3888
February – 11	9730.50	8981.79	9259.48	8.25	5.52	2586
March – 11	10153.83	9298.77	10095.74	7.48	5.82	1499

(c) Distribution of Shareholding

The shareholding distribution of Equity shares as on 31.03.11 is given hereunder: Nominal Value of each share Rs. 10.00

Shareholding of Nominal Shares	Number of Shareholders	% of Total	Share Amount (Rs.)	% of Total
1 - 5000	15293	83.2317	22907770	5.3213
5001-10000	1562	8.5011	12814780	2.9768
10001-20000	742	4.0383	11360030	2.6389
20001-30000	256	1.3933	6652740	1.5454
30001-40000	135	0.7347	4881900	1.1340
40001-50000	111	0.6041	5308380	1.2331
50001-100000	132	0.7184	9430890	2.1907
100001-*****	143	0.7783	357131550	82.9597
Total	18374	100.0000	430488040	100.000

(c) Distribution of Shareholding

The shareholding distribution of Equity shares as on 31.03.11 is given hereunder: Nominal Value of each share Rs. 10.00

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

The Board members have confirmed compliance with code of conduct and ethics for the period ended March 31st, 2011 as provided under clause 49 of the listing agreement with the stock exchange.

By Order of the Board of Directors
Sd/-

Place : Mumbai
Date : September 3, 2011

Johnny Fernandes
Whole Time Director

Auditors Certificate on Corporate Governance

To,

The Members,

Sancia Global Infraprojects Limited

We have examined the compliance of conditions of corporate governance by Sancia Global Infraprojects Limited for the year ended 31st March, 2010, 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 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, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company. We state that no investor grievances are pending for a period exceeding 3 days against the company, as per the records maintained by the Company.

For and on behalf of

T. N. Datta & Associates

Chartered Accountants

Sd/-

T.N. Datta

(Proprietor)

Membership No. 056676

Place: Mumbai

Date: September 3, 2011

AUDITORS' REPORT

To,
The Members of
Sancia Global Infraprojects Limited
Kolkata

- 1) We have audited the attached Balance Sheet of **M/s Sancia Global Infraprojects Limited** as at **31st March, 2011** and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. 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.
- 2) 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 from any material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government in terms of sub-section (4A) of Section 227 of "The Companies Act, 1956" we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 4) Further to our comments in the Annexure referred to 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 purpose of the audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company;
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of representations made by the Directors of the Company and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f) We further report that :-
During the Financial Year 2010-11, company has written-off miscellaneous Balances & sundry Debtors amounting to Rs. 1547.87 Lacs, since in the view of the management

recovery of same is considered Bad/doubtful, having consequential effect on the profit for the year.

Balances of unsecured Loan, Sundry Debtors, Sundry Creditors, Loans & Advances and deposits are subject to confirmation, reconciliation and adjustments if any.

- g) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with Significant Accounting Policies and Notes on Accounts forming part thereof, 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 the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2011
- II. In the case of Profit and Loss Account, of the Profit or Loss for the year ended on that date; and
- III. In the case of Cash Flow Statement of the cash flows for the year ended on that date.

For T.N. Datta & Associates
(Chartered Accountants)

T.N. Datta
Proprietor
Membership No. 056676

Place: Kolkata

Date: 03.09.2011

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 3 our report of even date

On the basis of such checks as we considered appropriate and on the basis of examination of records and in terms of the information and explanations given to us, we state that:

- I (a) The company is maintaining proper records to show full particulars, including quantitative details and situation of fixed assets *subject to the annexure to the Auditors Report for the previous financial year 2009-10.*
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company has not disposed off substantial part of fixed assets so as to affect its going concern status.
- II (a) As explained to us company is not engaged in manufacturing activities and its hold only the stores & spares as inventories and the same were physically verified during the year by management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification *subject to the annexure to the Auditors Report for the previous financial year 2009-10.*
- III (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the companies Act 1956, Clause 4(iii) (b) of the order relating to the rate of interest and other terms and conditions, whether prima facie prejudicial to the interest of the company and clause 4(iii) (c) relating to regularity of receipt of the Principal amount and interest, are not applicable.
- (d) The company has taken unsecured loans from two parties, on call basis, covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year was Rs. 8154.32 lacs and the year end balance was Rs. 8072.82 Lacs.
- (e) The other terms and conditions on which the loans have been taken is prima facie, not prejudicial to the interest of the company.
- (f) In view of our comments in Para III (d) and (e) above, clause III (g) of the said order is not applicable to the company.
- IV. In our opinion, there are generally adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of coal, consumables, stores, spares and fixed assets. We have not come across any instance of major weakness in the said internal controls.
- V. (a) On the basis of audit procedures performed by us, we are of the opinion that the transactions in which directors were interested and which were required to be entered in the register maintained under section 301 of the Companies Act, 1956, have been so entered *subject to the annexure to the Auditors Report for the previous financial year 2009-10.*
- (b) Based on the information and explanation given to us, in our opinion, these transactions have been made at reasonable prices having regard to the prevailing market prices at the relevant time.
- VI. The Company has not accepted any deposits from public; hence clause (vi) of the Order does not apply.

- VII. In our opinion, the internal audit system is commensurate with the size of the Company and the nature of its business.
- VIII. The Company is not required to maintain cost records under section 209(1) (d) of the Companies Act, 1956.
- IX. The Company is regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Customs Duty and other material statutory dues with appropriate authorities. As per information and explanations given to us, no such undisputed statutory dues were in arrears as on 31st March 2011 for a period of more than six months from the date they became payable except income tax payable for the financial year 2008-09
- X. The Company has incurred cash loss of Rs. 4232.09 Lacs(Previous Year :Nil) during the year and its accumulated losses at the end of the financial year are not more than 50% of its net worth.
- XI. *The Company has defaulted in repayment of its dues to Financial Institution or bank however we are unable to comment due to lack of requisite information and supporting documents.*
- XII. The Company has not granted any loans or advances on the pledge of any securities; hence clause (xii) of the order does not apply.
- XIII. In our opinion and according to the information and explanation given to us, the company is not a Chit fund or nidhi /mutual benefit fund/ society. Therefore, the provisions of clause (xiii) of paragraph 4 of the companies (Auditor's Report) order, 2003 are not applicable to the Company.
- XIV. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments, the requirements of clause 4(xiv) of the order relating to the maintenance of the proper records of the transactions are not applicable.
- XV. In our opinion and according to the information and explanation given to us, the terms & conditions of the guarantees given by the company for loans taken by others from banks and financial institutions, are not prima facie prejudicial to the interest of the company.
- XVI. In our opinion and according to the information and explanation given to us, the term loans obtained during the year have been prima facie applied for the purpose for which they were taken.
- XVII. According to the information and explanation given to us and an overall examination of the Balance Sheet of the company, funds raised on short-term basis, have not been used for long-term investments.
- XVIII. During the year under review, the Company did not make any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- XIX. The Company has not issued any secured debentures during the year, hence the question of creation of security or charge in respect of debenture issued does not apply.
- XX. The company has not raised any money by public issues during the year under review.
- XXI. According to the information and explanations given to us and to the best of our knowledge and belief, no fraud on or by the Company has been noticed or reported by the Company during the year.

For **T.N. Datta & Associates**
(Chartered Accountants)

T.N. Datta
Proprietor
Membership No. 056676

Place: Kolkata

Date: 03.09.2011

BALANCE SHEET AS AT 31.03.2011

Particulars	Schedule	31.03.2011 (Rs.)	31.03.2010 (Rs.)
SOURCES OF FUNDS			
SHAREHOLDERS' FUND :			
Share Capital	1	433,988,040	430,488,040
Reserves & Surplus	2	1,846,534,834	2,447,307,579
Share Application Money (Pending Allotment)		-	15,500,000.00
LOAN FUNDS			
Secured Loans	3	489,902,048	624,482,887
Unsecured Loans	4	2,332,999,768	2,273,201,231
Deferred Tax Liability		170,372,774	186,212,378
TOTAL		5,273,797,464	5,977,192,115
APPLICATION OF FUNDS			
Gross Block	5	1,963,981,661	2,140,529,012
Less: Depreciation		608,151,488	522,815,167
Net Block		1,355,830,173	1,617,713,845
Investments	6	2,278,995,440	2,277,495,440
CURRENT ASSETS , LOANS & ADVANCES			
Closing Stock	7	8,430,943	9,145,863
Cash and Bank Balances	8	45,168,477	357,184,032
Sundry Debtors	9	818,671,791	1,011,570,277
Loans & Advances	10	1,975,857,485	1,942,511,773
		2,848,128,697	3,320,411,945
LESS: CURRENT LIABILITIES & PROVISIONS	11	1,248,716,137	1,304,641,186
NET CURRENT ASSETS		1,599,412,560	2,015,770,759
MISCELLANEOUS EXPENDITURE	12	39,559,291	66,212,071
(To the extent not written off or adjusted)			
TOTAL		5,273,797,464	5,977,192,115
Significant Accounting Policies	18		
Notes to Accounts	19		
Balance sheet Abstract & Business Profile	20		

As Per our Report of even date attached
For T. N. Datta & Associates
(Chartered Accountants)

For and on behalf of the Board

Sd/-

N. R. Hariharan
Executive Director

Sd/-

Johnny Fernandes
Whole-Time Director

Sd/-
T.N.Datta
Proprietor
Membership No.056676
Place: Kolkata
Date: 03.09.2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2011

Particulars	Schedule	31.03.2011 (Rs.)	31.03.2010 (Rs.)
INCOME			
Income from Operations		307,155,433	1,990,086,514
Sale of Goods		352,616,624	1,195,833,640
Other Income	13	2,550,115	36,500,414
Increase/(decrease) in Stores & Spares		<u>(714,920)</u>	<u>(417,762)</u>
TOTAL INCOME		<u>661,607,253</u>	<u>3,222,002,806</u>
EXPENDITURE			
Purchase of Goods		366,265,000	1,128,943,460
Operating Expenses	14	260,662,347	1,681,071,245
Employment Cost	15	22,142,100	16,637,669
Administrative, Selling & Other Expenses	16	<u>336,660,475</u>	<u>70,805,038</u>
TOTAL EXPENDITURE		<u>985,729,923</u>	<u>2,897,457,411</u>
Profit before Interest and Depreciation and Tax		(324,122,670)	324,545,395
Interest & Finance Charges	17	125,739,463	133,004,999
Depreciation	5	<u>178,750,215</u>	<u>181,625,743</u>
Profit before Tax		(628,612,348)	9,914,653
Exceptional Itmes/Depreciation written Back		<u>-</u>	<u>-</u>
		(628,612,348)	9,914,653
Provision for Taxation			
Current Tax		-	(6,376,411)
Deferred Tax Assets (Liability)		<u>15,839,604</u>	<u>20,637,901</u>
Net Profit After Tax		(612,772,744)	24,176,143
Add :Balance brought forward from previous Year		<u>774,157,081</u>	<u>755,039,388</u>
Profit Available for Appropriation		161,384,336	779,215,531
Dividend (F.Y. : 2008-09)		-	4,323,462
Tax on Dividend (F.Y. : 2008-09)		-	734,988
Balance carried to Balance Sheet		<u>161,384,336</u>	<u>774,157,081</u>
Earnings per share (Rs.) Basic		(14.12)	0.11
Significant Accounting Policies	18		
Notes to Accounts	19		
Balance sheet Abstract & Business Profile	20		

As Per our Report of even date attached

For and on behalf of the Board

For T. N. Datta & Associates

(Chartered Accountants)

Sd/-

N. R. Hariharan
Executive Director

Sd/-

Johnny Fernandes
Whole-Time Director

Sd/-

T.N.Datta

Proprietor

Membership No.056676

Place: Kolkata

Date: 03.09.2011

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2011
PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT**

Particulars	31.03.2011 (Rs. In Lacs)	31.03.2010 (Rs. In Lacs)
A. CASH FROM OPERATING ACTIVITIES		
Net Profit before extra ordinary items and Tax	(6,286.12)	99.15
Adjustment for:		
Depreciation	1,787.50	1,816.26
Preliminary Expenses written off	266.53	266.53
Interest debited to Profit and loss account	1,257.39	1,330.05
Other Non Operating (incomes)	-	(24.75)
(Profit)/ Loss on sale of Assets(Net)	1,402.20	-
Interest Credit to Profit and Loss Account	(25.50)	(77.13)
Operating Profit Before Working Capital Changes	(1,598.00)	3,410.10
Adjustment for:		
(Increase)/Decrease in Trade and other Receivables	1,928.98	630.88
(Increase)/Decrease in Inventories	7.15	4.18
(Increase)/Decrease in other Current Assets	(333.46)	(8,443.87)
Increase/(Decrease) Current Liabilities and Provisions	(559.25)	1,804.52
Cash Generated From Other Operations	(554.57)	(2,594.18)
Less : Income Tax Paid	-	(36.02)
Cash Flow Before Extraordinary Items	(554.57)	(2,630.21)
Extraordinary Items	-	-
Net Cash from Operating Activities	(554.57)	(2,630.21)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed asset	(1,389.89)	(2,519.77)
Sale of Fixed Asset	819.02	-
Investment Purchased	(15.00)	-
Net Cash Used in Investing activities	(585.87)	(2,519.77)
C. CASH FROM FINANCING ACTIVITIES		
Proceeds From Issue of Equity Shares	-	2,783.10
Security Premium	-	10,646.38
Share Application Pending Allotment	-	155.00
Repayment / Conversion of Borrowings	(747.82)	(5,615.26)
Interest/Dividend received	25.50	77.13
Interest paid	(1,257.39)	(1,330.05)
Dividend paid and tax thereon	-	(215.24)
Net Cash used in Financing Activities	(1,979.72)	6,501.07
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)	(3,120.16)	1,351.09
Cash & Cash Equivalents (Opening Balance)	3,571.83	2,220.75
Cash & Cash Equivalents (Closing Balance)	451.68	3,571.83

As Per our Report of even date attached
For T. N. Datta & Associates
(Chartered Accountants)

For and on behalf of the Board

Sd/-
N. R. Hariharan
Executive Director

Sd/-
Johnny Fernandes
Whole-Time Director

Sd/-
T.N.Datta
Proprietor
Membership No.056676
Place: Kolkata
Date: 03.09.2011

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Particulars	31.03.2011 (Rs.)	31.03.2010 (Rs.)
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SCHEDULE - 1**SHARE CAPITAL
AUTHORISED**

7,50,00,000 Equity share of Rs. 10/- each (P.Y. 7,50,00,000 Equity share of Rs. 10/- each)	750,000,000	750,000,000
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ISSUED CAPITAL

4,33,98,804 Equity Shares at Rs. 10/- each (P.Y. 4,30,48,804 Equity Shares at Rs. 10/- each)	433,988,040	430,488,040
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SUBSCRIBED, CALLED UP & PAID UP

4,33,98,804 Equity Shares at Rs. 10/- each fully paid-up (P.Y. 4,30,48,804 Equity Shares at Rs. 10/- each fully paid-up)	433,988,040	430,488,040
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SCHEDULE - 2**RESERVE & SURPLUS**

Capital Reserve	4,650,000	-
Profit & Loss Account (Balance as per Profit & Loss Account)	161,384,336	774,157,081
Less: Provision For Deferred Tax Liability 2005	(6,253,758)	(6,253,758)
	159,780,578	767,903,323
Securities Premium Account As per Last Balance Sheet	1,679,404,256	614,765,916
Add: Premium on issue of Equity Shares (3,50,000 Equity shares @ 21/-per share)	7,350,000	1,064,638,340
	1,846,534,834	2,447,307,579

SCHEDULE - 3**SECURED LOANS****a) TERM LOANS**

From Banks Term Loan Secured by hypothecation charges on the Machineries /Equipments besides being collaterally secured by Mortgage of Land & Building & personal guarantee of Directors of the company along with the corporate guarantee of Group companies	353,620,139	484,437,246
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b) WORKING CAPITAL LOANS

From Banks Secured by hypothecation of entire current assets consisting of Book Debts, Stores & Spares besides collaterally secured by Mortgage of Land & Building & personal guarantee of Directors of the company along with the corporate guarantee of Group companies	136,281,909	140,045,641
	489,902,048	624,482,887

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Particulars	31.03.2011 (Rs.)	31.03.2010 (Rs.)
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SCHEDULE - 4

UNSECURED LOANS

Foreign Currency Convertible Bond	1,455,571,280	1,455,571,280
Others	877,428,488	817,629,951
	<u>2,332,999,768</u>	<u>2,273,201,231</u>

SCHEDULE - 5

FIXED ASSETS

Amount in Rs.

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 31.03.10	Additions During the year	Deduction and /or Transfers	As At 31.03.11	As At 31.03.10	During the year	Deduction and /or	ASAT 31.03.11	ASAT 31.03.11	ASAT 31.03.10
Tangible Assets:										
Freehold Land	85,895,957	-	-	85,895,957	-	-	-	-	85,895,957	85,895,957
Building (Workshop)	1,501,650	-	-	1,501,650	501,550	50,155	-	551,705	949,945	1,000,100
Earth Moving Equipments	1,589,202,431	138,812,026	(315,536,000)	1,412,478,457	466,739,484	156,144,295	(93,413,893)	529,469,886	883,008,571	1,122,462,947
Machinery & Equipments	447,269,354	-	-	447,269,354	50,410,600	21,245,294	-	71,655,894	375,613,460	396,858,754
Computers	3,392,940	66,600	-	3,459,540	1,487,620	558,100	-	2,045,720	1,413,820	1,905,320
Office Equipment	8,636,409	-	-	8,636,409	1,476,798	410,229	-	1,887,027	6,749,382	7,159,611
Furniture & Fixtures	3,204,698	110,023	-	3,314,721	1,739,314	206,712	-	1,946,026	1,368,695	1,465,384
Motor Vehicles	1,425,573	-	-	1,425,573	459,800	135,429	-	595,229	830,344	965,773
TOTAL	2,140,529,012	138,988,649	(315,536,000)	1,963,981,661	522,815,167	178,750,215	(93,413,893)	608,151,488	1,355,830,173	1,617,713,845
PREVIOUS YEAR	1,888,551,636	251,977,376	-	2,140,529,012	341,189,424	181,625,743	-	522,815,167	1,617,713,845	1,547,362,212

SCHEDULE - 6

INVESTMENTS

LONG TERM INVESTMENTS

Unquoted

Investment in Subsidiary

Petrogrema Overseas Pte Ltd. (Wholly owned subsidiary)	1,638,645,440	1,638,645,440
Gremach Infrastructure Private Limited (1,950,000 Equity Shares @ Rs. 325/- per share) (10,000 Equity Shares @ Rs. 10/- per share)	633,850,000	633,850,000

Current Investments

Quoted

Units of Mutual Funds

UTI Infrastructure Advantage Fund Series 1 (500,000 units) (Market Value Rs. 8.53 per unit)	5,000,000	5,000,000
SBI PSU Fund (Market Value Rs.9.84 per unit)	1,500,000	-

2,278,995,4402,277,495,440

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Particulars	31.03.2011 (Rs.)	31.03.2010 (Rs.)
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SCHEDULE - 7

CLOSING STOCK	8,430,943	9,145,863
(At Cost taken as Valued & Certified by the Management)		
(Stores & Spares)	<u>8,430,943</u>	<u>9,145,863</u>

SCHEDULE - 8**CASH & BANK BALANCES**

Cash in hand	735,891	4,214,581
Balance with schedule Banks :		
On Current Accounts	36,261,128	75,059,719
On Fixed Deposits	7,445,835	277,184,109
Balance with Foreign Banks and Overseas		
Branches of Schedule Banks :		
On Current Account	725,624	725,624
On Fixed Deposits	--	
	<u>45,168,477</u>	<u>357,184,032</u>

SCHEDULE - 9**SUNDRY DEBTORS**

(Unsecured, considered good)		
Debtors outstanding for a period exceeding six months	696,589,119	
Others	122,082,672	1,011,570,277
	<u>818,671,791</u>	<u>1,011,570,277</u>

SCHEDULE - 10**LOANS & ADVANCES**

(Unsecured, considered good)		
Loans to Subsidiaries	624,184,690	624,184,690
Advance recoverable in cash or kind or for value to be received	994,189,425	894,558,068
Advance Against Capital Goods	256,778,588	328,432,380
Deposits	4,334,555	4,416,660
Tax Deduction at Source & Payment of Income Tax	96,370,227	90,114,630
Interest Receivable	-	805,345
	<u>1,975,857,485</u>	<u>1,942,511,773</u>

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Particulars	31.03.2011 (Rs.)	31.03.2010 (Rs.)
SCHEDULE - 11		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	1,077,698,827	1,118,519,841
Unpaid / Unclaimed Dividend	167,224	196,985
Other Liabilities	78,802,558	93,876,831
PROVISIONS		
Provisions for Income Tax and Fringe Benefit Tax	88,388,380	88,388,380
Provision for Tax on Dividend	3,659,148	3,659,148
	<u>1,248,716,137</u>	<u>1,304,641,186</u>

SCHEDULE - 12**MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)

Share Issue Expenses	66,212,071	92,864,851
Less: Amount Written off	26,652,780	26,652,780
	<u>39,559,291</u>	<u>66,212,071</u>

SCHEDULE - 13**OTHER INCOME**

Interest	2,550,115	7,713,102
Exchange Difference (Net)	-	26,312,471
Other Misc. Income	-	2,474,841
	<u>2,550,115</u>	<u>36,500,414</u>

SCHEDULE - 14**OPERATING EXPENSES**

Sub-Contract & Hire Charges	219,652,648	1,656,470,083
Diesel, Oil & Lubricant Expenses	62,401	673,794
Repair & Maintenance : Machineries / Equipments	13,068,865	5,467,489
Transportation Expenses	6,627,898	4,319,311
Rent, Rates & Taxes & Insurances	10,738,298	9,424,688
Labour Expenses	10,512,238	4,715,880
	<u>260,662,347</u>	<u>1,681,071,245</u>

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Particulars	31.03.2011 (Rs.)	31.03.2010 (Rs.)
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SCHEDULE - 15**EMPLOYMENT COST**

Directors Remuneration	-	900,000
Salary wages & Bonus	21,002,857	15,298,090
Welfare Expenses	1,139,243	439,579
	<u>22,142,100</u>	<u>16,637,669</u>

SCHEDULE - 16**ADMINISTRATIVE , SELLING & OTHER EXPENSES**

Traveling & Conveyance Expenses	6,285,745	5,093,873
Telephone Expenses	995,781	1,009,141
Legal & Professional Fees	3,289,369	21,384,201
Bad Debts Written-off	-	9,630,092
Repair & Maintenance	628,956	867,770
Power & Fuel	826,041	1,174,026
Loss on sale of Machineries	140,220,145	-
Postage & Courier Expenses	430,524	362,252
Printing & Stationery	801,772	2,161,601
Advertisement & Business Promotion Expenses	713,072	986,973
General Expenses	979,103	1,410,689
Director's Sitting Fees	-	20,000
Auditors Remuneration	50,000	50,000
Misc. Balance Written off	154,787,187	1,641
Miscellaneous Expenditure written off	26,652,780	26,652,780
	<u>336,660,475</u>	<u>70,805,038</u>

SCHEDULE - 17**INTEREST & FINANCE CHARGES**

On Term Loan	58,058,153	73,852,851
On Cash Credit	37,435,672	19,133,024
Interest on FCCB	17,447,007	20,681,189
Bank and Finance charges	12,798,632	19,337,935
	<u>125,739,463</u>	<u>133,004,999</u>

SCHEDULES TO THE ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

SCHEDULE - 18

1. Basis of preparation of financial statements:

- a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company except where otherwise stated.
- b) The financial statements are prepared to comply in all material respects with the accounting standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.
- c) The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.
- d) During the financial year 2010-11; figures related to previous financial year 2009-10 had been presented on the basis of regenerated and /or reconstructed records prepared on the basis of bank statements, residuary information's and on the basis of management representations due to the loss of financials and other records while shifting of office documents and furniture from Corporate office (Mumbai) to Registered office (Kolkata).

2. Fixed Assets:

- a) Fixed Assets are stated at cost, less accumulated depreciation, less impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.
- b) Depreciation on the fixed assets has been provided on straight line method at the rates prescribed and in the manner specified in schedule XIV to the Companies Act, 1956.

3. Investments:

Investments are classified as current and long term investments. Current investments are stated at lower of cost or market value. Long term investments are stated at cost. A Provision for diminution is made to recognize a decline, other than temporary in the value of long term investments.

4. Foreign Currency Transactions:

- a) Initial Recognition – Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- b) Conversion – Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate on the date of transaction.
- c) Exchange differences - Exchange differences arising on the settlement or conversion of monetary current assets and liabilities are recognized as income or as expense in the year in which they arise.
- d) Forward Exchange Contracts – The Company enters into Forward Exchange Contracts which are not intended for trading or speculation purposes. The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of foreign exchange contract is recognised as income or expense for the year.

5. Inventories (Store & Spares)

- a) Inventories i.e. stores & spares are valued at cost or net realizable value whichever is lower.

6. Revenue Recognition:

- a) Revenue from Rental / Hiring of Equipments / Machineries is recognized, when the said assets are deployed and such revenue are contractually earned.
- b) Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyers. Sales revenue is net of sales return, discounts and rebates.
- c) Rebates / Discounts on Sales are accounted for in the year of settlement.
- d) The Company generally follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties when such revenue is recognized on their realization.
- e) Receipts for Performance which are yet to be given or cost yet to be incurred in subsequent periods are classified as unearned revenue.
- f) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

7. Employees' Retirement Benefits:

Contribution to Provident Fund is accounted when accrued. The companies have the policy of encashing unutilized leave however there is no unutilized leave at the end of the year.

8. Borrowing Cost :-

Interest and other borrowing cost on specific borrowings, relating to qualifying assets are capitalised as part of the cost of such assets upto the date when such asset is ready for its intended use. All other borrowing cost is charged to the profit and Loss Account.

9. Earnings per Share:

- a) The basic earnings per share are calculated by dividing the profit after Tax for the period attributable to equity shareholders by the Weighted average number of Equity Shares.
- b) For the purpose of calculating diluted earnings per share, the profit after tax for the period and the weighted average number of Equity Shares are adjusted for the effects of all dilutive Equity Shares.

10. Taxes on Income:

Tax expense comprises of current tax and deferred tax.

- a) Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.
- b) Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognised, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognised only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

11. Provisions, Contingent Liabilities and Contingent Assets

- a) A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.
- b) Contingent Liabilities are not provided for in the accounts and are shown separately in the Notes on Account.

12. Miscellaneous Expenditure:

Miscellaneous expenditure represents ancillary cost incurred in connection with the arrangement of borrowings (FCCB) and share issue expenses. It is decided to write off share issue expenses over the lower of a period of five years and the bond issue expenses are being amortized over the period of arrangement on a pro-rata basis.

SCHEDULE - 19**NOTES TO ACCOUNTS****1. FCCB Bond issued:-**

The Company had issued Foreign Currency Convertible Bonds (FCCB) of the nominal value of US\$ 50.00 million having maturity period of 5 years.

As per the terms and conditions of the Offering Circular issued by the Company for FCCB, the Bonds are convertible by the Bondholders into fully paid equity shares of the Company at any time on or after 27th February 2008 and up to 29th January 2013, unless previously redeemed, converted or repurchased and cancelled.

In accordance with the Offering Circular dated February 01, 2008 issued by the Company, under Condition 6(C) (xxix) of the said Offering Circular with effect from February 12, 2009 the Conversion Price of the Bonds is reset at Rs 282.27 from Rs. 376.36

2. Some of the Balances of Sundry Debtors, sundry creditors, Advances and Deposits are subject to confirmation, reconciliation and adjustment if any.

3. During the financial year 2010-11 company has written-off miscellaneous Balances & Sundry Debtors amounting to Rs. 1547.87 lacs as the recovery of the same is considered Bad/doubtful.

4. Contingent Liabilities:-

Particulars	As at March 31,2011 (Rs. in Lacs)	As at March 31,2010 (Rs. in Lacs)
(a) Contingent Liability not provided for :		
Bank Guarantees	29.00	67.60
Corporate Guarantee	57965.00	57965.00
Disputed Dues under Income Tax Act pending in Appeal	87.57	87.57
During the year search and seizure action u/s132 of the income tax act 1961 have been conducted by income tax department as on 23rd June,2009; However directors o the company do not anticipate any major income tax demand.	--	--

5. The company does not possess information as to which of its suppliers are ancillary industrial undertakings/small scale industrial undertaking holding permanent registration certificates Issued by the Directorate of Industries of a state or Union Territory. Consequently:-

The Total outstanding dues of small scale Industrial undertaking can not be ascertained.

The Names of the small scale Industrial Undertaking to whom the company owed sums for more than 45 days can not be ascertained.

6. Details of Managerial remuneration under section 198 of the companies Act, 1956

Salaries and Allowances Rs.Nil (P.Y. Rs. 9.00 Lacs)

Sitting Fees to Non executive Directors Rs.Nil (P.Y. Rs 0.20 Lacs)

7. The Company has the following wholly owned Subsidiary, the details are as under:

Name of the subsidiary	Petrogrema Overseas PTE Limited
Country of incorporation or residence	Singapore
Proportion of ownership interest	100%

8. Auditors' Remuneration includes

(Rs. in lacs)

Particulars	2010-11	2009-10
a) Audit Fees	0.40	0.40
b) Tax Audit Fees	0.10	0.10
Total	0.50	0.50

9. Segment Reporting:

The Company has the following reporting segments:

Sr.No.	Particulars	Revenue	Profit before Tax & Interest	Capital Employed
1.	Equipment Rental / Project & Others	3071.55	(4892.25)	48674.77
2.	Traded Goods: Coal/Coke	3526.17	(136.48)	1963.88

Since the Company does not have any material earnings emanating outside India, the Company is considered to operate only in the domestic segment.

10. **Related Party Disclosures:**

A. Key Management personnel of the company

Key Management Personnel	Nature of Relationship
Mr. Ratan Lal Tamakhuwala	Non Executive Chairman
Mr. Sunil Kumar Mandloi	Managing Director
Mr. Johnny Fernandes	Whole-Time Director

B. Enterprises under the control of Key Management Personnel

- 1) Greenearth Resources & Projects Limited
- 2) Newsaw Infraprojects Limited
- 3) Anarcon Resources Private Limited
- 4) Shri Hanuman Investment Private Limited
- 5) Wallford India Infrastructure Reality Private Limited
- 6) Sancia Infraglobal Private Limited

C. Subsidiary

Petrogrema Overseas Pvt Limited Wholly Owned Subsidiary
(Singapore)

Following transaction were carried out in the ordinary course of business with the parties referred to above:

(Rs. in lacs)

Particulars	Enterprise of which the Company is an associate	Key management personnel	Enterprise in which key management personnel has significant influence
Sales : Traded Goods: Coal/Coke	---	---	610.00
Investment in shares	22724.95	--	--
Corporate Guarantee given on behalf of Group Concerns	---	---	57965.00
Unsecured Loans : Taken during the year	--	--	799.84

11. Earnings per Share (EPS):

The basic earning per share ("EPS") is computed by dividing the Net Profit after tax for the year by the Weighted average number of equity shares. For the purpose of calculating diluted earnings per share, Adjusted Net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. however we have not reported diluted "EPS" since the potential equity shares are Anti dilutive in nature.

12. Components of Deferred Tax Liability as per AS-22, "Accounting for Taxes on Income" is as under:

(Rs. in lacs)

Particulars	As at 31st March 2010	Charge/credit for the period	As at 31st March,2011
(a)Deferred Tax Liability (due to Depreciation)	2068.50	(158.40)	1910.10
(b)Deferred Tax Assets Others	206.38	--	206.38
Net Deferred Tax Liability (a – b)	1862.12	(158.40)	1703.72

13. Additional information pursuant to provisions of Para 3 & 4 of Part II of Schedule VI to the Companies Act, 1956:

Quantitative Details of the coal traded during the year:

Particulars	Quantity Purchased	Quantity Sold
Coal (MT)	5000	5000

14. Expenditure in Foreign Currency:-

(Rs. in Lacs)

Particulars	31.03.2011	31.03.2010
Interest on FCCB	174.47	206.81
Bank Charges	--	0.42
Total	174.47	207.23

15. Previous year's figures have been re-grouped, re-classified and rearranged wherever necessary.

As Per our Report of even date attached
For T. N. Datta & Associates
(Chartered Accountants)

For and on behalf of the Board

Sd/-
N. R. Hariharan
Executive Director

Sd/-
Johnny Fernandes
Whole-Time Director

Sd/-
T.N.Datta
Proprietor
Membership No.056676
Place: Kolkata
Date: 03.09.2011

CONSOLIDATED ACCOUNTS

AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF SANCIA GLOBAL INFRA PROJECTS LIMITED AND ITS SUBSIDIARY

To,

The Board of Directors of M/s Sancia Global Infra Projects Limited

Kolkata

We have examined the attached Consolidated Balance Sheet of **M/s Sancia Global Infra Projects Limited** and its subsidiary as at **31st March, 2011**. The Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto in which are incorporated the accounts of the subsidiary, audited by other auditor. These financial statements are the responsibility of the company management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conduct 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 the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the subsidiary for the year ended on 31st Dec.2010. These financial statements have been audited by other auditors. The accounts of its Overseas subsidiary i.e. "Petrogrema Overseas Pvt. Ltd" has been consolidated on the basis of Unaudited financial statements for the period ended 31st March, 2011.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (AS-21) on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.

On the basis of the information and explanations given to us we are of the opinion that the said consolidated financial statements read together with Independent Auditors' Report, significant Accounting Policies and notes to Accounts forming part thereof, give a true and fair view in conformity with the accounting principles generally accepted.

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company and its subsidiary as at 31st March 2011;
- b) in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Company and its subsidiary for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Company and its subsidiary for the year ended on that date.

For **T.N. Datta & Associates**
(Chartered Accountants)

T.N. Datta

Proprietor

Membership No. 056676

Place: Kolkata

Date: 03.09.2011

CONSOLIDATED BALANCE SHEET AS AT 31.03.2011

Particulars	Schedule	31.03.2011 (Rs.)	31.03.2010 (Rs.)
SOURCES OF FUNDS			
SHAREHOLDERS' FUND :			
Share Capital	1	433,988,040	430,488,040
Reserves & Surplus	2	1,890,455,160	2,503,223,937
Share Application Money (Pending Allotment)		-	15,500,000.00
LOAN FUNDS			
Secured Loans	3	489,902,048	624,482,887
Unsecured Loans	4	2,332,999,768	2,273,201,231
Deferred Tax Liability (Net)		170,372,774	186,212,378
TOTAL		5,317,717,789	6,033,108,473
APPLICATION OF FUNDS			
Gross Block	5	1,963,981,661	2,140,529,012
Less: Depreciation		608,151,488	522,815,167
Net Block		1,355,830,173	1,617,713,845
Investments	6	640,350,000	638,850,000
CURRENT ASSETS , LOANS & ADVANCES			
Closing Stock	7	8,430,943	9,145,863
Cash and Bank Balances	8	45,956,338	357,608,606
Sundry Debtors	9	818,671,791	1,011,570,277
Loans & Advances	10	4,551,989,479	3,854,328,407
		5,425,048,552	5,232,653,154
LESS: CURRENT LIABILITIES & PROVISIONS	11	2,143,070,227	1,522,320,597
NET CURRENT ASSETS		3,281,978,325	3,710,332,557
MISCELLANEOUS EXPENDITURE	12	39,559,291	66,212,071
(To the extent not written off or adjusted)			
TOTAL		5,317,717,789	6,033,108,473
Significant Accounting Policies	18		
Notes to Accounts	19		
Balance sheet Abstract & Business Profile	20		

As Per our Report of even date attached
For T. N. Datta & Associates
(Chartered Accountants)

For and on behalf of the Board

Sd/-

N. R. Hariharan
Executive Director

Sd/-

Johnny Fernandes
Whole-Time Director

Sd/-
T.N.Datta
Proprietor
Membership No.056676
Place: Kolkata
Date: 03.09.2011

CASH FLOW STATEMENT ANNEXED TO THE CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2011

Particulars	31.03.2011 (Rs. In Lacs)	31.03.2010 (Rs. In Lacs)
A. CASH FROM OPERATING ACTIVITIES		
Net Profit before extra ordinary items and Tax	(6,289.91)	84.33
Adjustment for:		
Depreciation	1,787.50	1,816.26
Preliminary Expenses written off	266.53	266.53
Interest debited to Profit and loss account	1,257.39	1,330.05
Other Non Operating (incomes)	-	(24.75)
Foreign currency Fluctuation on translation	(116.17)	(3,081.45)
(Profit)/ Loss on sale of Assets(Net)	1,402.20	-
Interest Credit to Profit and Loss Account	(25.50)	(77.13)
Operating Profit Before Working Capital Changes	(1,717.96)	313.84
Adjustment for:		
(Increase)/Decrease in Trade and other Receivables	1,928.98	630.88
(Increase)/Decrease in Inventories	7.15	4.18
(Increase)/Decrease in other Current Assets	(734.76)	(5,514.85)
Increase/(Decrease) Current Liabilities and Provisions	(34.35)	1,210.79
Cash Generated From Other Operations	(550.94)	(3,355.15)
Less : Income Tax Paid	-	(36.02)
Cash Flow Before Extraordinary Items	(550.94)	(3,391.17)
Extraordinary Items	-	-
Net Cash from Operating Activities	(550.94)	(3,391.17)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed asset	(1,389.89)	(2,519.77)
Sale of Fixed Asset	819.02	-
Investment Purchased	(15.00)	-
Net Cash Used in Investing activities	(585.87)	(2,519.77)
C. CASH FROM FINANCING ACTIVITIES		
Proceeds From Issue of Equity Shares	-	2,783.10
Security Premium	-	10,646.38
Share Application Pending Allotment	-	155.00
Repayment / Conversion of Borrowings	(747.82)	(5,615.26)
Interest/Dividend received	25.50	77.13
Interest paid	(1,257.39)	(1,330.05)
Dividend paid and tax thereon	-	(215.24)
Net Cash used in Financing Activities	(1,979.72)	6,501.07
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)	(3,116.52)	590.12
Cash & Cash Equivalents (Opening Balance)	3,576.09	2,985.97
Cash & Cash Equivalents (Closing Balance)	459.57	3,576.09

As Per our Report of even date attached
For T. N. Datta & Associates
(Chartered Accountants)

For and on behalf of the Board

Sd/-
N. R. Hariharan
Executive Director

Sd/-
Johnny Fernandes
Whole-Time Director

Sd/-
T.N.Datta
Proprietor
Membership No.056676
Place: Kolkata
Date: 03.09.2011

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Particulars	31.03.2011 (Rs.)	31.03.2010 (Rs.)
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SCHEDULE - 1**SHARE CAPITAL
AUTHORISED**

7,50,00,000 Equity share of Rs. 10/- each (P.Y. 7,50,00,000 Equity share of Rs. 10/- each)	750,000,000	750,000,000
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ISSUED CAPITAL

4,33,98,804 Equity Shares at Rs.10/- each (P.Y.4,30,48,804 Equity Shares at Rs.10/- each)	433,988,040	430,488,040
--	--------------------	-------------

SUBSCRIBED, CALLED UP & PAID UP

4,33,98,804 Equity Shares at Rs.10/- each fully paid-up (P.Y. 4,30,48,804 Equity Shares at Rs.10/- each fully paid-up)	433,988,040	430,488,040
---	--------------------	-------------

SCHEDULE - 2**RESERVE & SURPLUS**

Capital Reserve on consolidation	417,408,743	417408743
Capital Reserve	4,650,000	-
Foreign currency translation reserve	(327,003,516)	(315,386,122)
Profit & Loss Account (Balance as per Profit & Loss Account)	114,899,435	728,050,818
Less: Provision For Deferred Tax Liability 2005	(6,253,758)	(6,253,758)
	203,700,904	823,819,681
Securities Premium Account As per Last Balance Sheet	1,679,404,256	614,765,916
Add: Premium on issue of Equity Shares (3,50,000 Equity shares @ 21/-per share)	7,350,000	1,064,638,340
	1,890,455,160	2,503,223,937

SCHEDULE - 3**SECURED LOANS****a) TERM LOANS**

From Banks		
Term Loan Secured by hypothecation charges on the Machineries /Equipments besides being collaterally secured by Mortgage of Land & Building & personal guarantee of Directors of the company along with the corporate guarantee of Group companies	353,620,139	484,437,246

b) WORKING CAPITAL LOANS

From Banks		
Secured by hypothecation of entire current assets consisting of Book Debts, Stores & Spares besides collaterally secured by Mortgage of Land & Building & personal guarantee of Directors of the company along with the corporate guarantee of Group companies	136,281,909	140,045,641
	489,902,048	624,482,887

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Particulars	31.03.2011 (Rs.)	31.03.2010 (Rs.)
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SCHEDULE - 4

UNSECURED LOANS

Foreign Currency Convertible Bond	1,455,571,280	1,455,571,280
Others	877,428,488	817,629,951
	<u>2,332,999,768</u>	<u>2,273,201,231</u>

SCHEDULE - 5

FIXED ASSETS

Amount in Rs.

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AsAt 31.03.10	Additions During the year	Deduction and /or Transfers	AsAt 31.03.11	AsAt 31.03.10	During the year	Deduction and/or	ASAT 31.03.11	ASAT 31.03.11	ASAT 31.03.10
Tangible Assets:										
Freehold Land	85,895,957	-	-	85,895,957	-	-	-	-	85,895,957	85,895,957
Building (Workshop)	1,501,650	-	-	1,501,650	501,550	50,155	-	551,705	949,945	1,000,100
Earth Moving Equipments	1,589,202,431	138,812,026	(315,536,000)	1,412,478,457	466,739,484	156,144,295	(93,413,893)	529,469,886	883,008,571	1,122,462,947
Machinery & Equipments	447,269,354	-	-	447,269,354	50,410,600	21,245,294	-	71,655,894	375,613,460	396,858,754
Computers	3,392,940	66,600	-	3,459,540	1,487,620	558,100	-	2,045,720	1,413,820	1,905,320
Office Equipment	8,636,409	-	-	8,636,409	1,476,798	410,229	-	1,887,027	6,749,382	7,159,611
Furniture & Fixtures	3,204,698	110,023	-	3,314,721	1,739,314	206,712	-	1,946,026	1,368,695	1,465,384
Motor Vehicles	1,425,573	-	-	1,425,573	459,800	135,429	-	595,229	830,344	965,773
TOTAL	2,140,529,012	138,988,649	(315,536,000)	1,963,981,661	522,815,167	178,750,215	(93,413,893)	608,151,488	1,355,830,173	1,617,713,845
PREVIOUS YEAR	1,888,551,636	251,977,376	-	2,140,529,012	341,189,424	181,625,743	-	522,815,167	1,617,713,845	1,547,362,212

SCHEDULE - 6

LONG TERM INVESTMENTS

Unquoted

Sancia Infraglobal Private Limited (1,950,000 Equity Shares @ Rs. 325/- per share) (10,000 Equity Shares @ Rs. 10/- per share)	633,850,000	633,850,000
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Current Investments

Quoted

Units of Mutual Funds

UTI Infrastructure Advantage Fund Series 1 (500,000 units) (Market Value Rs. 8.53 per unit)	5,000,000	5,000,000
SBI PSU Fund (Market Value Rs.9.84 per unit)	1,500,000	-

	<u>640,350,000</u>	<u>638,850,000</u>
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SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Particulars	31.03.2011 (Rs.)	31.03.2010 (Rs.)
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SCHEDULE - 7

CLOSING STOCK	8,430,943	9,145,863
(At Cost, taken as Valued & Certified by the Management)		
(Stores & Spares)	<u>8,430,943</u>	<u>9,145,863</u>

SCHEDULE - 8**CASH & BANK BALANCES**

Cash in hand	786,497	4,265,537
Balance with schedule Banks :		
On CurrentAccounts	36,261,128	75,059,719
On Fixed Deposits	7,445,835	277,184,109
Balance with Foreign Banks and Overseas		
Branches of Schedule Banks :		
On CurrentAccount	1,462,879	1,099,242
	<u>45,956,338</u>	<u>357,608,606</u>

SCHEDULE - 9**SUNDRY DEBTORS**

(Unsecured, considered good)		
Debtors outstanding for a period exceeding six months	696,589,119	-
Others	122,082,672	1,011,570,277
	<u>818,671,791</u>	<u>1,011,570,277</u>

SCHEDULE - 10**LOANS & ADVANCES**

(Unsecured, considered good)		
Advance recoverable in cash or kind or for value to be received	4,194,506,109	3430543365
Advance Against Capital Goods	256,778,588	328,432,380
Deposits	4,334,555	4,432,688
Tax Deduction at Source & Payment of Income Tax	96,370,227	90,114,630
Interest Receivable	-	805,345
	<u>4,551,989,479</u>	<u>3,854,328,407</u>

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Particulars	31.03.2011 (Rs.)	31.03.2010 (Rs.)
SCHEDULE - 11		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors	1,077,698,827	1,118,519,841
Unpaid / Unclaimed Dividend	167,224	196,985
Other Liabilities	973,156,648	311,556,241
PROVISIONS		
Provisions for Income Tax and Fringe Benefit Tax	88,388,380	88,388,380
Provision for Tax on Dividend	3,659,148	3,659,148
	<u>2,143,070,227</u>	<u>1,522,320,597</u>

SCHEDULE - 12**MISCELLANEOUS EXPENDITURE**

(To the extent not written off or adjusted)

Share Issue Expenses	66,212,071	92,864,851
Less: Amount Written off	26,652,780	26,652,780
	<u>39,559,291</u>	<u>66,212,071</u>

SCHEDULE - 13**OTHER INCOME**

Interest	2,550,115	7,713,102
Exchange Difference (Net)	-	26,312,471
Other Misc. Income	-	2,474,841
	<u>2,550,115</u>	<u>36,500,414</u>

SCHEDULE - 14**OPERATING EXPENSES**

Sub-Contract & Hire Charges	219,652,648	1,656,470,083
Diesel, Oil & Lubricant Expenses	62,401	673,794
Repair & Maintenance : Machineries / Equipments	13,068,865	5,467,489
Transportation Expenses	6,627,898	4,319,311
Rent, Rates & Taxes & Insurances	10,738,298	9,424,688
Labour Expenses	10,512,238	4,715,880
	<u>260,662,347</u>	<u>1,681,071,245</u>

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT & LOSS ACCOUNT

Particulars	31.03.2011 (Rs.)	31.03.2010 (Rs.)
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SCHEDULE - 15**EMPLOYMENT COST**

Directors Remuneration	-	900,000
Salary wages & Bonus	21,002,857	15,298,090
Welfare Expenses	1,139,243	439,579
	<u>22,142,100</u>	<u>16,637,669</u>

SCHEDULE - 16**ADMINISTRATIVE , SELLING & OTHER EXPENSES**

Traveling & Conveyance Expenses	6,285,745	5,093,872
Telephone Expenses	995,781	1,009,141
Legal & Professional Fees	3,289,369	22,338,851
Bad Debts Written-off	-	9,630,092
Repair & Maintenance	628,956	867,770
Power & Fuel	826,041	1,174,026
Loss on sale of Machineries	140,220,145	-
Postage & Courier Expenses	430,524	362,252
Printing & Stationery	944,632	2,161,601
Advertisement & Business Promotion Expenses	713,072	986,973
General Expenses	1,069,015	1,825,962
Director's Sitting Fees	-	20,000
Auditors Remuneration	116,965	121,599
Misc. Balance Written off	154,787,187	1,641
Miscellaneous Expenditure written off	26,652,780	26,652,780
	<u>336,960,212</u>	<u>72,246,558</u>

SCHEDULE - 17**INTEREST & FINANCE CHARGES**

On Term Loan	58,058,153	73,852,851
On Cash Credit	37,435,672	19,133,024
Interest on FCCB	17,447,007	20,681,189
Bank and Finance charges	12,877,514	19,377,983
	<u>125,818,345</u>	<u>133,045,047</u>

SCHEDULE ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011 AND CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

SCHEDULE - 18

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Consolidation

- a) The consolidated financial statements relate to Sancial Global Infra Projects Limited and its subsidiary Petrogrema Overseas Pte. Ltd. which is a Wholly Owned subsidiary.
- (b) The consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 issued by Institute of Chartered Accountants of India:
 - i) The financial statements of the Company and its subsidiary have been combined on a line to line basis by adding together like items of assets, liabilities, income and expenses.
 - ii) Intergroup balances, intergroup transactions and resulting unrealized profits /losses have been eliminated in full.
 - iii) No Minority Interest arises during the course of Consolidation as the Parent Company holds 100% shares of its subsidiary.
- (c) Figures pertaining to the subsidiary have been reclassified to bring them in line with parent Company's financial statements.

2. Basis of preparation of financial statements:

- a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company except where otherwise stated.
- b) The financial statements are prepared to comply in all material respects with the accounting standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.
- c) The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.
- d) During the financial year 2010-11; figures related to previous financial year 2009-10 had been presented on the basis of regenerated and /or reconstructed records prepared on the basis of bank statements, residuary information's and on the basis of management representations due to the loss of financials and other records while shifting of office documents and furniture from Corporate office (Mumbai) to Registered office (Kolkata).

3. Fixed Assets:

- a) Fixed Assets are stated at cost, less accumulated depreciation, less impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.
- b) Depreciation on the fixed assets has been provided on straight line method at the rates prescribed and in the manner specified in schedule XIV to the Companies Act, 1956.

4. Investments:

Investments are classified as current and long term investments. Current investments are stated at lower of cost or market value. Long term investments are stated at cost. A Provision for diminution is

made to recognize a decline, other than temporary in the value of long term investments.

5. **Foreign Currency Transactions:**

- a) Initial Recognition – Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- b) Conversion – Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate on the date of transaction.
- c) Exchange differences - Exchange differences arising as a result of translation has been accumulated as "Foreign Currency Translation Reserve".

6. **Inventories (Store & Spares)**

Inventories i.e. stores & spares are valued at cost or net realizable value whichever is lower.

7. **Revenue Recognition:**

- a) Revenue from Rental / Hiring of Equipments / Machineries is recognized, when the said assets are deployed and such revenue are contractually earned.
- b) Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyers. Sales revenue is net of sales return, discounts and rebates.
- c) Rebates / Discounts on Sales are accounted for in the year of settlement.
- d) The Company generally follows the mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties when such revenue is recognized on their realization.
- e) Receipts for Performance which are yet to be given or cost yet to be incurred in subsequent periods are classified as unearned revenue.
- f) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

8. **Employees' Retirement Benefits:**

Contribution to Provident Fund is accounted when accrued. The companies have the policy of encashing unutilized leave however there is no unutilized leave at the end of the year.

9. **Borrowing Cost :-**

Interest and other borrowing cost on specific borrowings, relating to qualifying assets are capitalised as part of the cost of such assets upto the date when such asset is ready for its intended use. All other borrowing cost is charged to the profit and Loss Account.

10. **Earnings per Share:**

- a) The basic earnings per share are calculated by dividing the profit after Tax for the period attributable to equity shareholders by the Weighted average number of Equity Shares.
- b) For the purpose of calculating diluted earnings per share, the profit after tax for the period and the weighted average number of Equity Shares are adjusted for the effects of all dilutive Equity Shares.

11. **Taxes on Income:**

Tax expense comprises of current tax and deferred tax.

- a) Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.
- b) Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognised, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognised only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

12. Provisions, Contingent Liabilities and Contingent Assets

- a) A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.
- b) Contingent Liabilities are not provided for in the accounts and are shown separately in the Notes on Account.

13. Miscellaneous Expenditure:

Miscellaneous expenditure represents ancillary cost incurred in connection with the arrangement of borrowings (FCCB) and share issue expenses. It is decided to write off share issue expenses over the lower of a period of five years and the bond issue expenses are being amortized over the period of arrangement on a pro-rata basis.

SCHEDULE - 19**NOTES TO ACCOUNTS****1. FCCB Bond issued:-**

The Company had issued Foreign Currency Convertible Bonds (FCCB) of the nominal value of US\$ 50.00 million having maturity period of 5 years.

As per the terms and conditions of the Offering Circular issued by the Company for FCCB, the Bonds are convertible by the Bondholders into fully paid equity shares of the Company at any time on or after 27th February 2008 and up to 29th January 2013, unless previously redeemed, converted or repurchased and cancelled.

In accordance with the Offering Circular dated February 01, 2008 issued by the Company, under Condition 6(C) (xxix) of the said Offering Circular with effect from February 12, 2009 the Conversion Price of the Bonds is reset at Rs 282.27 from Rs. 376.36

2. Balances of Sundry Debtors, sundry creditors, Advances and Deposits are subject to confirmation, reconciliation and adjustment if any.**3. During the financial year 2010-11 company has written-off miscellaneous Balances & Sundry Debtors amounting to Rs. 1547.87 lacs as the recovery of the same is considered Bad/doubtful.****4. Contingent Liabilities:-**

Particulars	As at March 31,2011 (Rs. in Lacs)	As at March 31,2010 (Rs. in Lacs)
(a) Contingent Liability not provided for :		
Bank Guarantees	29.00	67.60
Corporate Guarantee	57965.00	57965.00
Disputed Dues under Income Tax Act pending in Appeal	87.57	87.57
During the year search and seizure action u/s 132 of the income tax act 1961 have been conducted by income tax department as on 23rd June, 2009; However directors of the company do not anticipate any major income tax demand.	--	--

5. The company does not possess information as to which of its suppliers are ancillary industrial undertakings/small scale industrial undertaking holding permanent registration certificates Issued by the Directorate of Industries of a state or Union Territory. Consequently:-

The Total outstanding dues of small scale Industrial undertaking can not be ascertained.

The Names of the small scale Industrial Undertaking to whom the company owed sums for more than 45 days can not be ascertained.

6. Details of Managerial remuneration under section 198 of the companies Act, 1956

Salaries and Allowances	Rs.Nil (P.Y. Rs. 9.00 Lacs)
Sitting Fees to Non executive Directors	Rs.Nil (P.Y. Rs 0.20 Lacs)

7. The Company has the following wholly owned Subsidiary, the details are as under:

Name of the subsidiary	Petrogrema Overseas PTE Limited
Country of incorporation or residence	Singapore
Proportion of ownership interest	100%

8. Auditors' Remuneration includes

(Rs. in lacs)

Particulars	2010-11	2009-10
a) Audit Fees	1.07	1.11
b) Tax Audit Fees	0.10	0.10
Total	1.17	1.21

9. Segment Reporting:

The Company has the following reporting segments:

Sr.No.	Particulars	Revenue	Profit before Tax & Interest	Capital Employed
1.	Equipment Rental / Project & Others	3071.55	(4892.25)	48674.77
2.	Traded Goods: Coal/Coke	3526.17	(136.48)	1963.88

Since the Company does not have any material earnings emanating outside India, the Company is considered to operate only in the domestic segment.

10. **Related Party Disclosures:**

A. Key Management personnel of the company

Key Management Personnel	Nature of Relationship
Mr. Ratan Lal Tamakhuwala	Non Executive Chairman
Mr. Sunil Kumar Mandloi	Managing Director
Mr. Johnny Fernandes	Whole-Time Director

B. Enterprises under the control of Key Management Personnel

- 1) Greenearth Resources & Projects Limited
- 2) Newsaw Infraprojects Limited
- 3) Anarcon Resources Private Limited
- 4) Shri Hanuman Investment Private Limited
- 5) Wallford India Infrastructure Reality Private Limited
- 6) Sancia Infraglobal Private Limited

C. Subsidiary

Petrogrema Overseas Pvt Limited Wholly Owned Subsidiary
(Singapore)

Following transactions were carried out in the ordinary course of business with the parties referred to above:

(Rs. in lacs)

Particulars	Enterprise of which the Company is an associate	Key management personnel	Enterprise in which key management personnel has significant influence
Sales : Traded Goods: Coal/Coke	---	---	610.00
Investment in shares	22724.95	--	--
Corporate Guarantee given on behalf of Group Concerns	---	---	57965.00
Unsecured Loans : Taken during the year	--	--	799.84

11. Earnings per Share (EPS):

The basic earning per share ("EPS") is computed by dividing the Net Profit after tax for the year by the Weighted average number of equity shares. For the purpose of calculating diluted earnings per share, Adjusted Net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. However, we have not reported diluted "EPS" since the potential equity shares are Anti dilutive in nature.

12. Components of Deferred Tax Liability as per AS-22, "Accounting for Taxes on Income" is as under:

(Rs. in lacs)

Particulars	As at 31st March 2010	Charge/credit for the period	As at 31st March, 2011
(a) Deferred Tax Liability (due to Depreciation)	2068.50	(158.40)	1910.10
(b) Deferred Tax Assets Others	206.38	--	206.38
Net Deferred Tax Liability (a – b)	1862.12	(158.40)	1703.72

13. Additional information pursuant to provisions of Para 3 & 4 of Part II of Schedule VI to the Companies Act, 1956:

Quantitative Details of the coal traded during the year:

Particulars	Quantity Purchased	Quantity Sold
Coal (MT)	5000	5000

14. Expenditure in Foreign Currency:-

(Rs. in Lacs)

Particulars	31.03.2011	31.03.2010
Interest on FCCB	174.47	206.81
Bank Charges	--	0.42
Total	174.47	207.23

15. Previous year's figures have been re-grouped, re-classified and rearranged wherever necessary.

As Per our Report of even date attached
For T. N. Datta & Associates
(Chartered Accountants)

For and on behalf of the Board

Sd/-

N. R. Hariharan
Executive Director

Sd/-

Johnny Fernandes
Whole-Time Director

Sd/-
T.N.Datta
Proprietor
Membership No.056676
Place: Kolkata
Date: 03.09.2011

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO THE INTEREST IN THE SUBSIDIARY COMPANIES

1.	Name of the Subsidiary Company	PETROGRAMA OVERSAS PTE LTD.
2.	The financial year of the Subsidiary Company ended on	31.12.2010
3.	Date from which it became subsidiary	30.01.2008
4.	a) No of Shares held by Sancia Global Infra Projects Ltd. (Holding Company) in the subsidiary company	60,413,688 Equity Shares of SGD 1 Each fully paid up.
	(b) Extent of interest of Holding Company At the end of the financial year of the Subsidiary Company	100.00%
5.	Net aggregate amount, so far as it concerns the members of Sancia Global Infra and is not dealt with in the Company's accounts, of the Subsidiary's profits	
	(a) Profit/(loss) for the Subsidiary's previous financial year	Rs. (15,39,549)
	(b) Profit/(loss) for the previous financial years of the subsidiary since it became the subsidiary of Sancia Global Infra Projects Ltd.	Rs. (4,61,64,243)
6.	Net Aggregate amount of the Profits of the subsidiary so far as those Profits are dealt with in Sancia Global Infra Projects Ltd.	
	(a) For the Subsidiary's financial year	Nil
	(b) For the previous financial years, since it became the Subsidiary of Sancia Global Infra Projects Ltd.	Nil

As Per our Report of even date attached
For T. N. Datta & Associates
(Chartered Accountants)

Sd/-
T.N.Datta
Proprietor
Membership No.056676
Place: Kolkata
Date: 03.09.2011

For and on behalf of the Board

Sd/-
N. R. Hariharan
Executive Director

Sd/-
Johnny Fernandes
Whole-Time Director

SANCIA GLOBAL INFRAPROJECTS LIMITED**Regd. Office:** Diamond Chambers, 4 Chowringhee Lane, Block No. 2, 7th Floor, Unit 7-I, Kolkata - 700 016**20th Annual General Meeting****PROXY FORM**

DP ID.....

Folio No.....

Client ID.....

No. of Shares.....

(Applicable for investor holding shares in electronic form)

I/We of in the district of being a Member / Members hereby appoint of in the district of of failing him..... of in the district of as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the company to be held on Friday, The **30th September, 2011 at 4:30 P.M. at O2 Hotel & Restaurant, Near Airport, Kaikhali, VIP Road, Kolkata 700 052.**

Signed this..... day of, 2011

For Office use:

Proxy No..... Date of Receipt: No. of Shares:

N.B. : The instrument appointing proxy shall be deposited at the Secretarial Department of the Company not later than 48 hours before the commencement of the meeting..

Affix Rupee One Revenue

SANCIA GLOBAL INFRAPROJECTS LIMITED**Regd. Office:** Diamond Chambers, 4 Chowringhee Lane, Block No. 2, 7th Floor, Unit 7-I, Kolkata - 700 016**20th Annual General Meeting****ATTENDANCE SLIP**

DP ID.....

Folio No.....

Client ID.....

No. of Shares.....

(Applicable for investor holding shares in electronic form)

Name of the Member..... No. of Shares held..... Name of the Proxy

(to be filed only where a proxy attends the meeting)

I hereby record my presence at the **20th Annual General Meeting of the Company on Friday, The 30th September, 2011 at 4:30 P.M. at O2 Hotel & Restaurant, Near Airport, Kaikhali, Vip Road, Kolkata - 700 052**

Signature of Member / Proxy

*This slip may please be handed over at the entrance of the meeting hall.

If undelivered, please return to:

SANCIA GLOBAL INFRAPROJECTS LIMITED
Diamond Chambers, 4 Chowringhee Lane,
Block No. 2, 7th Floor, Unit 7-I, Kolkata - 700 016
Ph. : 033 - 2252 1799
E-mail : contact@sanciaglobal.com
Website : www.sanciaglobal.com