



SANCIA GLOBAL INFRAPROJECTS LTD.

**ANNUAL REPORT
2013-2014**

Contents

Notice of the Meeting	2
Directors Report	8
Management Discussion and Analysis Report	13
Corporate Governance Report	16
Independent Auditors' Report	23
Stand Alone Balance Sheet	28
Stand Alone Profit & Loss Account	29
Cash Flow Statement	30
Schedules	31
Consolidated Auditors' Report	42
Consolidated Balance Sheet	43
Consolidated Profit & Loss Account	44
Consolidated Cash Flow Statement	45
Consolidated Schedules	46
Statement of Subsidiary	56

**23rd Annual General Meeting will be held on Friday,
September 26, 2014 at 11.00 a.m. at Nandanam
Garden & Banquet , 138 Bakra Hat Road,
Near Khalpole, Kolkata-700104**

23rd Annual Report 2013-14**SANCIA GLOBAL INFRAPROJECTS LTD.****Board of Directors**

Mr. Arun Kumar Ray	Director
Mr. Johnny Fernandes	Managing Director
Mr. Pradeep Sutodiya	Director
Mr. Rabi kumar Gupta	Director
Mr. Yashwant T. Shukla	Director

BANKERS

State Bank of India
Bank of India
Jammu & Kashmir Bank

AUDITORS

ARUP KUMAR DAS
ARUP & ASSOCIATES
CHARTERED ACCOUNTANTS
61, BHUPEN BOSE AVENUE
KOLKATA- 700004

REGISTERED OFFICE:

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

CORPORATE OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

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

MANAGING DIRECTOR'S MESSAGE

It's my privilege to present the 23rd Annual Report of the Company for the year ended on 31st March, 2014. During the period ended 31st March, 2014 the company has suffered total loss of Rs. 15,188.65 lacs.

I appreciate the cooperation of our employees, customers, partners and business associates. Our Board of Directors as usual have been very supportive and provided requisite guidance in steering through these difficult times.

Like everyone else I look forward to better and more upbeat times when the full potentials of the company can be actualized. We would continue to play a significant role in the construction industry.

Finally I would like to thank all shareholders, and well-wishers for their continued support and trust in the Company.

With Best wishes
SD/-
Johnny Fernandes
Managing Director

SANCIA GLOBAL INFRAPROJECTS LIMITED

Registered Office: - 32 Ezra street, Todi Mension, Room No.1060, 10th Floor,
Kolkata – 700001.

CIN: L65921WB1991PLC052026

Tel no.033-40676220 Fax No. 033-40676220

Email Id: contact@sanciaglobal.com Website: www.sanciaglobal.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 23RD ANNUAL GENERAL MEETING OF SANCIA GLOBAL INFRAPROJECTS LIMITED WILL BE HELD ON FRIDAY 26TH SEPTEMBER, 2014 AT 11.00A.M. AT NANDANAM GARDEN & BANQUET, 138 BAKRAHAT ROAD, NEAR KHALPOLE, KOLKATA-700104.

TO TRANSACT THE FOLLOWING BUSINESS: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2014 and Profit and Loss Account for the period ended on that date and the Reports of the Directors and Auditors thereon.
2. To Closure of the Subsidiaries companies an application to be made U/s. 560 to Registrar of Companies, to strike off the name of the Subsidiary Company.
3. To appoint a Director in place of Mr. Arun Kumar Ray, who retires by Rotation, at the Annual General Meeting and being eligible, offers him for reappointment.
4. To appoint a Director in place of Mr. Pradeep Kumar Sutodiya, who retires by Rotation, at the Annual General Meeting and being eligible, offers him for reappointment.

SPECIAL BUSINESS:**5. Appointment of New Statutory Auditor of the Company**

Appointment of M/S Arup & Associates as a New Statutory Auditor of the Company:

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

"RESOLVED THAT" M/S Arup & Associates, Chartered Accountants (Membership No. 053564)" be and is hereby appointed as a Statutory Auditors of the company in the place of M/S M.Mukherjee & Associates to fill up the Vacancy cause by death of Mr.M.M.Mukherjee (proprietor) The Chartered Accountant, until the conclusion of Next Annual General Meeting of the company at a remuneration as the Board of Directors may determine."

"RESOLVED THAT M/S Arup & Associates, Chartered Accountants, be and are hereby appointed Auditors of the Company in place of M/S M.Mukherjee & Associates 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."

6. Increase in borrowing power in terms of Section 180 (1) (c) of the Companies Act, 2013.

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

“RESOLVED THAT in pursuant to Section 180 (1) (c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 / Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, for the purpose of the Company's business, such sum or sums of money, as they in their absolute discretion think fit, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company and remaining outstanding shall be in excess of the aggregate of the paid-up share capital and free reserves, over and above the paid up share capital and free reserves for the time being of the Company.”

7. Appointment of Mr. Yashwant Tulsiram Shukla as an Executive Director of the Company.

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

RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 and all other applicable provisions, if any, of the Companies Act, 1956 or any re-enactment thereof and subject to the approval of the Financial Institutions and other Statutory authorities if any as may be required, consent of the Company be and is hereby accorded to the Board for the appointment of Mr. Yashwant Tulsiram Shukla as a Executive Director of the Company, for a period of three years with effect from 24th June 2014 on and other terms and conditions as set out in the Explanatory Statement annexed hereto as approved by the Remuneration Committee and the Board Meeting held on 24th June, 2014.

“RESOLVED FURTHER THAT in the year in which adequate profits are available, the Board of Directors/Remuneration Committee constituted by the Board be and are hereby authorized to vary the terms of remuneration and perquisites with liberty to revise the remuneration payable to Mr. Yashwant Tulsiram Shukla if it in its absolute discretion thinks fit in accordance with the provisions of Section 198 read with Section 309 and Schedule XIII calculated in the manner specified in the Companies Act without further reference to or approval from the shareholders of the Company.

“RESOLVED FURTHER THAT the Board of Directors/Remuneration Committee constituted by the Board be and are hereby authorized to revise the remuneration payable to Mr. Yashwant Tulsiram Shukla, if it in its absolute discretion thinks fit, in accordance with the provisions of the new Companies Act, 2013 as and when it is made applicable and comes into effect without further reference to or approval from the shareholders of the Company.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its power herein conferred to any Committee of Directors or Director(s).

“RESOLVED FURTHER THAT the information provided above shall be treated as an Abstract under Section 302 of the Companies Act, 1956.

8. Appointment of Mr. Rabi Kumar Gupta as Non Executive Director of the Company.

To consider and, if thought fit, to pass, with or without modifications, the following resolution, as an Ordinary Resolution : **“RESOLVED THAT** pursuant to Sections 149, 150 and 152 of the Companies Act, 2013 (the 'Act') read with Companies (Appointment and qualification of Directors) Rules, 2014 along with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Rabi Kumar Gupta (DIN06706451), Non-executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Nonexecutive Independent Director on the Board of Directors of the Company to hold office for five (5) consecutive years with effect from 26th September, 2014.”

By Order of the Board of Directors
Sd/-
Johnny Fernandes
Managing Director

Place: Mumbai
Date: August 13, 2014

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AT THE MEETING AND A PROXY NEED NOT BE A MEMBER. HOWEVER, A PERSON APPOINTED AS A PROXY SHALL ACT ON BEHALF OF SUCH MEMBERS NOT EXCEEDING FIFTY IN NUMBER AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE AT 32 EZRA STREET, TODI MENSION, ROOM NO.1060,10TH FLOOR,KOLKATA – 700001 NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENTS OF THE MEETING.
2. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is appended hereto.
3. The Register of, Members and the Share Transfer Books of the company will remain closed from 23.09.2014 to 26.09.2014 (both days inclusive).
4. The payment of dividend, for the financial year 2013-14 your directors have decided not to declare any dividend,
 - a) To all those beneficial owners holding shares in electronic form as per the beneficial ownership data as may be available to the Company by National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”) as at the end of the day on September 22, 2014.
 - b) To all those members holding shares in physical form after giving effect to all the valid share transfers lodged with the Company before the closing hours on September 22, 2014.
5. Shareholders are requested to intimate, indicating their folio number, the changes, if any, of their registered addresses to the Company at its registered office or to the Company's Registrar and Share Transfer Agents (“RTA”) viz. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078, in case shares are held in physical form or to their respective Depository Participant (“DP”) in case the shares are in dematerialized form. The particulars recorded with the DPs will be considered for making the payment of Dividend either by issuing physical instruments or through Electronic Clearing System (“ECS”). The Shareholders are requested to take appropriate action in the matter, in their own interest, to avoid delay in receiving the payment of dividend. Where dividend payments are made through ECS, intimations regarding such remittances would be sent separately to the shareholders.
6. Trading in the Company's shares through stock exchanges is permitted only in dematerialized/electronic form. The equity shares of the Company have been registered with both NSDL as well as CDSL to enable shareholders to hold and trade the securities in dematerialized/electronic form. In view of the numerous advantages offered by the depository system, members holding shares in the Company in physical form are requested to avail of the facility of dematerialization.
7. Shareholders desiring any information regarding the accounts are requested to write to the Company Secretary at least 7 days prior to the Annual General Meeting, so as to enable the Company to keep the information ready.
8. In accordance with the provisions of Section 205A of the Companies Act, 1956, the Company has maintain under the provision & rules of “Investor Education and Protection Fund” (IEPF), constituted by the Central Government.
9. The Ministry of Corporate Affairs (MCA) on 10th May,2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc.

10. In terms of Sections 205A and 205C of the Companies Act, 1956, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to the IEPF. Members, who have not en cashed their final dividend warrants for any year or thereafter, are requested to write to the Company or the RTA.

In case of non-receipt of the dividend warrants, the shareholders are requested to contact the Company's RTA/the Registrar of Companies as under

Dividend for the financial year	Contact	Action by shareholder
If Any Year	Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078.	Request letter on plain paper.

11. Share Transfer documents and all correspondence relating There to , should be address to the Registrar & Share Transfer Agents ("RTA") of the company viz. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S Marg, Bhandup (W), Mumbai - 400 078
12. Members who hold shares in physical form are requested to notify immediately any change in their addresses to the Registrars and Share Transfer Agents of the Company at the above address and to their respective Depository Participants, in case shares are held in electronic mode.
13. The Company, consequent upon the introduction of the Depository System ('DS'), entered into agreements with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). The Members, therefore, have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL.
14. The DS envisages elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, mutilation of share certificates, etc. Simultaneously, DS offer several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.
15. To prevent fraudulent transactions, we urge the Members to exercise due diligence and notify the Company of any change in address/stay abroad or demise of any shareholder as soon as possible. Members are requested not to leave their demat account dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
16. The Company has designated an exclusive e-mail ID called contact@sanciaglobal.com for redressal of shareholders' complaints/grievances. In case you have any queries/complaints or grievances, then please write to us at www.sanciaglobal.com
17. 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.
18. 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 and replies will be provided at the meeting.
19. At the ensuing Annual General Meeting, Mr. Pradeep Kumar Sutodiya & Mr. Arun Kumar Ray shall retire by rotation and being eligible, offers himself for re-appointment. Pursuant to Clause 49 of the Listing Agreement.

20. Voting through electronic means :

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, members can exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting facility made available by the Company through Central Depository Services Limited (CDSL) :

The instructions for e-Voting are as under :

In case of members receiving e-mail:

- i. Log on to the e-voting website www.evotingindia.com
- ii. Click on "Shareholders" tab.
- iii. Now, select "SANCIA GLOBAL INFRAPROJECTS LIMITED" from the drop down menu and click on "SUBMIT".
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - v. Next enter the Image Verification as displayed and Click on Login.
 - vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - vii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not up to dated of their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the Folio number is less then 8 digit enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Rajesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p><input type="checkbox"/> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</p>

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then reach directly the company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the Company Name 'SANCIA GLOBAL INFRAPROJECTS LIMITED on which you choose to vote.

- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.co.in and register themselves as Corporate.
 - They should submit a scan copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The List of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scan copy of Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

(B) The voting period begins on September 20, 2014 at 9 a.m. and ends on September 23, 2014 at 6 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 22, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

II. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 22, 2014.

III. Mr. Rantu Kumar Das, Company secretary in practice (Membership No.26997) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

IV. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

V. The results shall be declared at or after the Annual General Meeting of the Company. The results declared along with The Scrutinizer's Report shall be placed on the Company's website www.sanciaglobal.com and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.

Electronic copy of the Notice of the 23rd Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the 23rd Annual General Meeting of the Company.

14. The shareholders holding shares in physical form can avail of the nomination facility by filing Form SH-13 (in duplicate) pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debenture) Rules, 2014 with the Company or its RTA and, in case of shares held in demat form, the nomination has to be lodged with their DP. For convenience, nomination form is attached at the end of the Annual Report.

Pursuant to amended Clause 5A of the listing agreement, shares held physically and remaining unclaimed by shareholders due to insufficient/incorrect information or any other reason, have been transferred (in the demat mode) to one folio in name of 'Unclaimed Suspense Account' with one of the depository participants

15. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for F.Y. 2013-14 will also be available on the Company's website www.sanciaglobal.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Kolkata for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post, free of cost. For any communication, the shareholders may also send requests to the Company's investor email: contact@sanciaglobal.com

16. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the 23rd Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

By Order of the Board of Directors

Sd/-
Johnny Fernandes
Managing Director

Place: Mumbai
Date: August 13, 2014

Annexure to the Notice**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

As required by Section 102 of the Companies Act, 2013 (the "Act"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 8 of the accompanying Notice:

Item No. 5:

The Board has proposed the appointment of M/S Arup & Associates, Chartered as a New Statutory Auditor of the Company in place of existing Auditor M/S M. Mukherjee & Associates, The Chartered Accountant to fill up the Vacancy cause by death of Mr. M.M. Mukherjee, until the conclusion of Next Annual General Meeting of the company at a remuneration as the Board of Directors may determine"subject to the approval of the shareholders in the Annual General Meeting of the company;

To appoint M/S Arup & 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.

Your Directors recommend this resolution for your approval.

Item No.6

The Company would be borrowing monies by way of debentures, bonds, loans, hire purchase finance either in rupee or in foreign currency from Financial Institutions / Banks / Insurance Companies and other Corporate Bodies apart from working capital facilities from banks in ordinary course of business. This in turn would necessitate further creation of securities by suitable mortgages and / or charges on all or some of the immovable and movable properties of the Company, both present and future, in favour of the lenders / trustees.

To create mortgage and / or charge upto the said limit, approval of the Members is required to be obtained pursuant to Section 180 (1) (a) of the Companies Act, 2013 authorizing the Board of Directors of the Company in this regard. Hence the resolution is placed before the Members for their approval.

Your Directors recommend passing the above resolution.

None of the Directors is concerned or interested in the said resolution.

Item No.7

Appointment of Mr. Yashwant Tulsiram Shukla as an Executive Director of the Company

Mr. Yashwant Tulsiram Shukla was appointed as an Additional Director by the Board at its Meeting held on 24th June, 2014, to assume responsibility of Executive Director with immediate effect. In accordance with Section 260 of the Companies Act, 1956, Mr. Yashwant Tulsiram Shukla holds office till the conclusion of the Annual General Meeting of the Company scheduled to be held on 26th September, 2014. Notices have been received pursuant to the Section 257 of the Companies Act, 1956, together with the requisite deposit proposing Mr. Yashwant Tulsiram Shukla as a Director of a Company.

The Board of Directors of your Company after considering his qualifications and experience as well as the substantial increase in the activities/operations of the Company and the additional responsibilities undertaken by him, it is thought it fit to appoint Mr. Yashwant Tulsiram Shukla as Executive Director with the designation of executive Director for a period of three years with effect from 24th June, 2014.

In terms of Part II Section II (B) (iv) of Schedule XIII of the Companies Act 1956, approval of the shareholders by way of Special Resolution is required for payment of the proposed remuneration.

The necessary details required to be disclosed under clause (iv) of proviso to paragraph 1(B) of Section II of Part II of Schedule XIII to the Companies Act, 1956 are furnished hereunder:

II. Information about the appointee: MR. YASHWANT TULSIRAM SHUKLA

Mr. Yashwant Tulsiram Shukla aged 55 years, is a commerce Graduate from University of Bombay, Having regard to his experience and qualification as set herein above, in the opinion of the Board, he is eminently suited for the above mentioned position. He has more than 30 years of experience in various manufacturing units:

(A) Tenure: Three Years with effect from 24TH June, 2014

(B) Remuneration:

I. Basic Salary

The Executive Director shall be paid a salary of Rs.21000/- per month.

II. Perquisites:

The Executive Director shall be eligible for perquisites including Medical Reimbursement, Leave Travel Allowance, Staff Conveyance and such other perquisites as may be permissible in accordance with the Company's Employment Rules from time to time the aggregate of which in a financial year shall not exceed 10% of Salary of the Executive Director for such financial year.

III. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained where in any financial year closing on and after 31st March 2014, the company has no profits or its profits are inadequate in any financial year. The company may pay to the Executive Director, a minimum remuneration at the same substantive level, as mentioned in Clause I and II above and in additions thereto the perquisites/benefits expressly exempt from the aforesaid limits as specified under section II of Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof, for the time being in force, and passed on the prevailing Effective Capital of the Company from time to time.

IV. Disclosures

Mr. Yashwant Tulsiram Shukla is directly deemed to be concerned / interested in the subject.

No other Director is concerned or interested in the subject.

Mr. Yashwant Tulsiram Shukla does not hold any share in the Company and is not related to any other director of the Company. The information contained in the foregoing paragraphs may also be treated as a notice to be issued to the Members of the Company under Section 302 of the Companies Act, 1956

Item No. 8

Pursuant to provision of Sections 149, 150 and 152 of the Companies Act, 2013 The Board of Director of the company , subject to approval of members at the general meeting appoint the existing Non-Executive Independent Director of the company for a consecutive period of five(5) years on the board of the company as Non-Executive Independent directors effective from 26th september,2014.

Mr. Rabi Kumar Gupta

Mr. Rabi Kumar Gupta, who retires by Rotation at the Annual General Meeting and being eligible, offers himself for re-appointment.

Your Directors recommends this resolution for your approval.

None of the Directors of the Company except Mr. Rabi Kumar Gupta are interested in this resolution.

This statement may also be regarded as a disclosure under 49 of the Listing agreement with the Stock Exchange.

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice /documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to give their consent by providing their e - mail Id to the Company or to the Link Intime(India)Private Limited, Registrar and Share Transfer Agent of the Company.

By Order of the Board of Directors

Sd/-

**Johnny Fernandes
Managing Director**

Place: Mumbai

Date: August 13, 2014

Report of the Directors

To,
The Members
Sancia Global Infraprojects Limited

Your Directors have presenting their Report and Audited Accounts of the Company for the year ended March 31, 2014.

1. Financial Results:

Turnover:

Current Period (In Rs.)	Previous Year (In Rs.)
4,24,75,512	3,87,27,039

The financials for the financial year 2013-14 is as follows:-

PARTICULARS	CURRENT YEAR 31.03.2014 (IN RS.)	PREVIOUS YEAR 31.03.2013 (IN RS.)
Total Revenue (a+b+c)	4,24,88,012	4,16,91,189
Sales (a)	4,24,75,512	3,87,27,039
Other Operating Revenue (b)	-	-
Other Income (c)	12,500	29,64,150
Profit from operations before Depreciation, Interest & Preliminary Exp. w/off.	(1,29,81,42,859)	(2,34,32,173)
Interest and financial charges	8,927	42,47,357
Depreciation	22,07,13,663	15,71,75,743
Preliminary Exp. w/off.	-	-
Profit after interest and depreciation	(1,51,88,65,449)	(18,48,55,273)
Exceptional Items (Impairment Loss)	-	-
loss before taxes	(1,51,88,65,449)	(18,48,55,273)
Tax Expenses (Deferred Tax Assets)	-	(1,00,61,310)
Net loss for the Period	(1,51,88,65,449)	(19,49,16,583)

2. Financial Restructuring:

During the year under review, Revenue and net loss for the year was Rs.424.75 Lacs and Rs. 15188.65 Lacs as compared to the previous year Rs.387.27 and Rs. 1949.17Lacs.

The accumulated loss of the company as on 31st March, 2014 is more than 100% of its net worth during the year and immediately preceding the financial year and as such falls within the definition of "Sick industrial company" under section 46 (AA) (i) of the companies (Second Amendment) Act, 2002. The net worth of the company had also been eroded during the financial year financial year 2011-12 itself resulting, the company had become a sick industrial company within the meaning of section 3(s) (o) of the sick industrial companies (Specials Provisions) Act, 1985.

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

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

3. Dividend:

In view of losses the directors of company has not recommended any dividend for the current Period.

4. Term Deposits:

During the Period under review, your Company has not accepted any deposit under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

5. Information under Section 217(2a) Of the Companies Act, 1956:

None of the employees was in receipt of remuneration exceeding the limit specified under section 217(2A) of the Companies Act, 1956.

6. Directors

Pursuant to Section 152 of the Companies Act, 2013 (the 'Act') and under Article (Article No., if any) of the Company's Articles of Association, Mr. Arun Kumar Ray & Mr. Pradeep kumar Sutodiya retires by rotation at the ensuing 23rd Annual General Meeting and, being eligible, offers himself for re-appointment.

Pursuant to Sections 149, 150 and 152 of the Act, read with Companies (Appointment and qualification of Directors) Rules, 2014 along with NOTE IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the Independent Directors can hold office for a term of five consecutive years on the Board of Directors of your Company.

During the year:

Mr. Kishore Kumar Damani, who was appointed as director of the company on 17th August, 2011 resigned from the office of the Director of the company on 24th June, 2014. The board has place on record their deep appreciation for the services rendered by him during his tenure on the Board.

Mr. Mukesh Kumar Sharma, who was appointed as director of the company on 19th August, 2013 resigned from the office of the Director of the company on 24th June, 2014. The board has place on record their deep appreciation for the services rendered by him during his tenure on the Board.

7. Director's Responsibility Statement:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representations received from the Management, confirm:

That in the preparation of the annual accounts, the applicable accounting standards have been followed. 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 March 2014 and the profit / Loss of the Company for that period.

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.

That we have prepared the annual accounts on a going concern basis.

8. Auditors

The Board has proposed the appointment of M/S Arup & Associates, Chartered as a New Statutory Auditor of the Company in place of existing Auditor M/S M. Mukherjee & Associates, The Chartered Accountant to fill up the Vacancy cause by death of Mr. M. M. Mukherjee, until the conclusion of Next Annual General Meeting of the company at a remuneration as the Board of Directors may determine." subject to the approval of the shareholders in the Annual General Meeting of the company;

9. Conservation of Energy, Research and Development, Technology, Absorption and Foreign Exchange Earning & Outgo

The information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Directors) Rules, 1988 with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is appended hereto as Annexure : "A" and it forms part of this Report.

10. Employee Relations

The employee relations in the Company continued to be positive. Information as per Section 217(2A) of the Companies Act, 1956 (the 'Act') read with the Companies (Particulars of Employees) Rules, 1975 forms part of this Report. As per the provisions of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the shareholders of the Company excluding the statement on particulars of employees under Section 217(2A) of the Act. Any shareholder interested in obtaining a copy of the said statement may write to the Secretarial Department at the Registered Office of the Company.

11. Subsidiaries

To Closure of the Subsidiaries companies an application is to be made U/s. 560 to Registrar of Companies, to strike off the name of the Subsidiary Company.

12. Trade Relations

Your Directors wish to record appreciation of the continued unstinted support and co-operation from its Customers, suppliers of goods/services, clearing and forwarding agents and all others associated with it. Your Company will continue to build and maintain strong association with its business partners.

Your Company also has a Policy on Prevention of Sexual Harassment which is reviewed by the Internal Complaints Committee at regular intervals. Your Company recognizes its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination and to boost their confidence, morale and performance.

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. 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" family across the country.

For and On Behalf of the Board of Directors
SD/-

Johnny Fernandes
Managing Director

Place: Mumbai

Date: June 24, 2014

ANNEXURE 'A' TO 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 2014 - are annexed to this report.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**(A) CONSERVATION OF ENERGY**

Presently 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.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earnings and outgo during the year 2013-2014 are as under.

Particulars	2013-14	2012-13
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

By Order of the Board of Directors

Sd/-

Place: Mumbai
Date: June 24, 2014

Johnny Fernandes
Managing Director

Management Discussion & Analysis Report

1. INDUSTRY STRUCTURE DEVELOPMENTS AND OUTLOOK

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. 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 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 COMPANYThe 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. 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.

4. FINANCIAL PERFORMANCE

Particulars	As at 31.03.14 (In Rs.)	As at 31.03.13 (In Rs.)
Balance Sheet		
a. Share Capital	43,39,88,040	43,39,88,040
b. Reserves and Surplus	1,69,39,04,256	1,69,39,04,256
c. Profit & Loss (Debit)	(4,03,95,16,517)	(2,52,06,51,067)
d. Long Term Borrowings	2,27,85,45,477	2,27,85,45,477
e. Net Fixed Assets	50,77,36,649	78,60,22,376
f. Non-Current Investments	2478734	82,67,68,555
g. Net Current Assets	(13,32,32,816)	28,30,57,085
Profit and Loss Account		
1. Sales	4,24,75,512	3,87,27,039
2. Increase/(Decrease) in Stocks	2,86,400	2,54,150
2. Other Income	12,500	29,64,150
3. Profit Before Interest, Depreciation and	(1,29,81,42,859)	(2,34,32,173)
4. Net Profit After Tax	(1,51,88,65,449)	(19,49,16,583)
5. Earnings Per Share	(35.00)	(4.49)

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 human resource and organizational development initiatives.

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.

8. CHANGE IN MANAGEMENT:

The management and day to day operations of the Company are controlled by the Current Directors having adequate knowledge and experiences required to run the Company professionally and strategically and there is no role of the past directors and promoters in the company.

Presently they have been able to get orders for deploying construction equipments on rental basis to various construction companies.

By Order of the Board of Directors
Sd/-

Johnny Fernandes
Managing Director

Place : Mumbai
Date : June 24, 2014

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 Board of Directors consists of optimal combination of Non-Executive and Independent directors during the year.

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. Pradeep Kumar Sutodiya	10	8	YES
Mr. Kishore Kumar Damani	10	7	YES
Mr. Johnny Fernandes	12	10	YES
Mr. Arun Kumar Ray	6	4	YES
Mr. Rabi kumar Gupta	3	3	NO
Mr. Yashwant T. Shukla	1	1	NO

(b) Board Procedure

During the financial year 2013-2014, The Board of Directors met on the following dates: May 14, 2013, August 14, 2013, September 03, 2013, November 14, 2013, February 13, 2014. 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 three non-executive directors & two 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)	Mr. Johnny Menino Fernandes	Chairman
2)	Mr. Arun Kumar Ray	Member
3)	Mr. Pradeep Sutodiya	Member
4)	Mr. Ravi Kumar Gupta	Member
5)	Mr. Yashwant T Shukla	Member

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 2013-14 were held as on the following dates:

- 14th May, 2013
- 14th August, 2013
- 14th November, 2013
- 13th February, 2014

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 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 constitute in compliance 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)	Mr. Johnny Fernandes	Chairman
(2)	Mr. Arun Kumar Ray	Member
(3)	Mr. Pradeep Sutodiya	Member
(4)	Mr. Ravi Kumar Gupta	Member
(5)	Mr. yashwant T Shukla	Member

Share/Debenture Transfer & Investors' Grievance Committee meetings were held during 2013-2014, on:

- 14th May, 2013
- 14th August, 2013
- 14th November, 2013
- 13th February, 2014

REMUNERATION COMMITTEE

- (i) The Company has constituted a Remuneration Committee of Directors. The broad terms of reference of the Remuneration Committee are as under
 - (a) To approve the Annual Remuneration Plan of the Company
 - (b) To approve the remuneration payable to the Managing Director
 - (c) Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend / approve.
- (ii) The composition of the Remuneration and the details of the meeting attended by the members of the Remuneration Committee are given below:

Name	Category	No. of Meetings during 2013-14	
		Held during the Tenure of Director	Attended by the Director
Mr. Johnny Fernandes	Chairman	3	3
Mr. Yashwant T shukla	Member	1	0
Mr. Ravi Kumar Mandal	Member	1	1
Mr. Pradeep Sutodia	Member	2	2
Mr. Arun Kumar Ray	Member	1	1

- (iii) The Company does not have any Employee Stock Option Scheme.
- (iv) The company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director. Annual increments are decided by the Remuneration Committee within the salary scale approved by the Members and are effective April 1, each year. The remuneration Committee decides on the commission payable if any to the Managing Director out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 2013, based on the performance of the Company as well as that of the Managing Director. During the year, the Company paid Sitting Fee of Rs.5,000/- per meeting to its Non-Executive Directors (NEDs) for attending meetings of the Board and Rs.3,000/- per meeting for attending meeting of other Committees of the Board.

The company also reimburses any out-of-pocket expenses incurred by the Directors for attending meetings.

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 2014 is detailed below:

Name of the Director	Designation	No. of Shares held
Mr. Johnny Fernandes	Managing Director	NIL
Mr. Arun Kumar Ray	Director	NIL
Mr. Pradeep Kumar Sutodiya	Director	NIL
Mr. Ravi Kumar Gupta	Director	NIL
Mr. Yashwant T Shukla	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.

7. DIRECTORS SITTING FEES FOR THE YEAR ENDED MARCH 31, 2014

Directors Sitting fees incurred during the period ended 31st March, 2014 is Rs.40000/-.

8. GENERAL BODY MEETINGS

Details of Last four Annual General Meetings are as follows:

AGM	AGM Date	Location	Time	No. of Special Resolution Passed
22nd	30/09/2013	O2 Hotel, Near Airport, Kaikhali, Kolkata - 700052	5.00 pm	1
21st	18/06/2012	O2 Hotel, Near Airport, Kaikhali, Kolkata - 700052	03.00 pm	2
20 th	30/09/2011	O2 Hotel, Near Airport, Kaikhali, Kolkata - 700052	03.00 pm	3
19 th	30/09/2010	O2 Hotel, Near Airport, Kaikhali, Kolkata - 700052	01:00 pm	3

9. DISCLOSURES

- There are no transactions, which have a potential conflict with the interests of the Company at large subject to the notes mentioned with the notes to accounts
- 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 in this report.

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

SI. NO.	Name of the Stock Exchange	Stock code
1.	The Bombay Stock Exchange Limited	532836 , SANCIA GLOBAL

(b) Market Price Data – BSE

Period: April 2013 to March 2014

All Prices in ₹

Month	High Price	Low Price	Close Price	No. of Shares	Total Turnover
Month	High	Low	Close	No. of shares	Total Turnover
Apr 13	2.28	1.73	1.80	1,77,077	3,54,065
May 13	2.24	1.52	1.74	1,23,043	2,22,059
Jun 13	1.98	1.32	1.82	98,396	1,59,742
Jul 13	2.06	1.15	1.20	51,488	81,386
Aug 13	1.25	0.89	1.14	1,59,106	1,69,568
Sep 13	1.14	0.90	0.90	54,230	55,459
Oct 13	1.03	0.73	0.84	4,89,050	3,99,929
Nov 13	0.92	0.69	0.73	3,36,290	2,82,049
Dec 13	0.76	0.59	0.68	8,34,531	5,54,320
Jan 14	0.80	0.62	0.67	8,39,558	6,11,224
Feb 14	0.70	0.55	0.61	4,45,261	2,74,157
Mar 14	0.90	0.64	0.73	1,68,226	1,31,588

(c) Distribution of Shareholding

The shareholding distribution of Equity shares as on 31.03.2014 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	12593	77.4668	19655470.00	4.5290
5001-10000	1559	9.5903	12901140.00	2.9727
10001-20000	889	5.4688	13860870.00	3.1938
20001-30000	342	2.1038	8861750.00	2.0419
30001-40000	181	1.1134	6537310.00	1.5063
40001-50000	151	0.9289	7240270.00	1.6683
50001-100000	261	1.6056	19077660.00	4.3959
100001-*****	280	1.7224	345853570.00	79.6920
Total	16256	100	433988040.00	100

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 31, 2014 as provided under clause 49 of the listing agreement with the stock exchange.

By Order of the Board of Directors

Place : Mumbai
Date : August 13, 2014

Sd/
Johnny Fernandes
Managing Director

Independent Auditor's Report

To,
The Members,
Sancia Global Infraprojects Limited
Kolkata.

We have audited the accompanying financial statements of **M/s Sancia Global Infraprojects Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, subject to our report as required under section 227(3) of the Act and annexure to our report:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date.
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
 1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
 2. Further to our comments in the Annexure referred to above, and as required by section 227(3) of the Act, 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 our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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:
- *As Stated in Note no.21.1 regarding FCCB, the maturity date of said FCCB was 13th day of February 2013. The Company has given proposals to the FCCB holders to convert their bonds into fully paid equity shares and the same is under the process of negotiations. However the company has become defaulted in making payment of interest installments to FCCB holders which were due on 12th August 2013 & 12th February, 2014 during the year and total amount of interest overdue is Rs.306.08Lacs (P.y.197.28 Lakhs).*
 - *As stated in Note no.21.2 there was a search and seizure action u/s 132 of the Income Tax Act 1961 had been conducted by the Income Tax Department as on 23rd day of June, 2009 and presently the matter is pending with the Income Tax Appellate Tribunal, Kolkata pursuant to Appeal filed by DCIT, Kolkata under section 253 of the Income Tax Act, 1961. However the company has not made any provision towards liability of income tax for the period covered under the aforesaid search and seizure since the management did not foresee any major income tax liability. Further the company has received the notice of demand dated 08th June, 2014 under section 156 of the income tax Act, 1961 for the assessment year 2004-05, 2005-06, 2007-08, 2008-09, and 2009-10 with the demand of Rs.24982/-, 852001/-, 6,73,130/-, 59,49,227/- and 2,18,62,624/- respectively. However the management has decided to file appeal against the said orders.*
 - *As stated in Note No. 21.8 there was an inquiry operation on 4th day of June, 2014 was conducted by the DGCEI, Zonal Unit, Mumbai to ascertain facts regarding evasion of service tax under central excise act, 1944 read with section 83 of the finance act, 1994. However the company has not made any provision towards liability of service tax for the period covered under the aforesaid search and seizure since the management did not foresee any major service tax liability.*
 - *As stated in Note No. 21.3 the wholly owned subsidiary company i.e. Petrogrema Overseas Pte. Ltd has incurred heavy losses due to written-off of various loans & advances which could not be recovered as per the view of the management and become bad due to various reasons and consequently it will affect the going concern status of the subsidiary company. However the company has made provision for diminution of investments in subsidiary company as required by AS-13 on "Accounting on Investments" and to that extent the losses and Reserve of the company have been understated.*
 - *Bad Debts and sundry advances has been written off, as contained in Note no. 21.5 which is forming part of Balance Sheet and Profit & Loss Statement, the Company has written-off the debtors and advances, having consequential effect on the profit/loss of the reporting period.*

- *The Accumulated losses of the Company is Rs. 403.95 Crores (Previous year: Loss Rs. 252.06crores) and its net worth isnegative Rs.191.16 Crores(Previous period: Negative Rs. 39.28crores) at the end of the reporting period which indicates erosion of Net worth of the Company. The Company can be termed as“SICK” within the meaning of clause (O) of sub section (1) of section 3 of the Sick Industrial Companies (Special Provision) Act, 1985.As per the Note no.21.6; “The Company has made a reference during the financial year 2012-13 to the “Board for Industrial & Financial Reconstruction” under section 15(1) of Sick Industrial Companies (Special Provisions) Act 1985 however the same reference has been declined by BIFR.”Considering the same, the Company’s ability to continue as going concern is in doubt and will depend upon any revival programme by Bankers/Government.*
- *The Company has defaulted in making payments to secured creditors and also not provided for interest on the banking facilities availed from the banks. The secured creditors had declared the account as a Non Performing Asset (NPA) and initiated notice under Section 13(2) as per the SARFAESI Act 2002. Further Bank of India have assigned all the rights, title and interest in financial assistance in favour of “Edelweiss Asset Reconstruction Company Limited (EARC)”vide letter No. EdelIARC/3985-2014 dated April 30, 2014 received from “Edelweiss Asset Reconstruction Company Limited.*
- *During the Period under review M/s Suryoday Allo Metal Powders Limited, a company registered under the Companies Act 1956 and having its Registered Office at 302, B.Wing, Narayan Chambers, 555, Narayan Peth Pune-411030, (Maharashtra) filed a legal suit in the court at Kolkata for winding-up the company due to defaulting of payment of Rs.1,04,19,948/- by M/s Sancia Global Infraprojects Limited.*
- *Company has not made Provision for Interest on Working Capital Facility and Term Loan availed from Indian Overseas Bank, Punjab National Bank, Bank of India and State Bank of India, pursuant to classification of its account by the concerned Banks and Financial Institution as Non-performing Assets (NPA).*
- *Balances of Loans, Sundry Debtors, Loans and Advances, deposits and Current Liabilities, are subject to confirmation from the respective parties and reconciliation, if any.*

For Arup Das & Associates

(Chartered Accountants)

Firm Regn. No.:318034E

Sd/-

Arup Das

(Proprietor)

Membership No.: 053564

Place : Kolkata

Date : 24.06.2014

ANNEXURE TO THE AUDITORS' REPORT**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Sancia Global Infraprojects Limited on the accounts of the company for the year ended 31st March, 2014.**

On the basis of such checks as we considered appropriate and on the basis of examination of records and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, all fixed assets have not been physically verified by the management during the period 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) As per the information and explanations given to us, the company has impaired various tangible assets during the reporting period however, it has no effect on the going concern assumption.

2. (a) As explained to us, inventories have been physically verified during the reporting period by the 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 are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company had granted interest free unsecured loans, to companies and other parties listed in the register maintained under Section 301 of the Companies Act, 1956, repayable on call basis. The balances as at the close of the reporting period is Rs. 0.70crores.

In our opinion, other terms and conditions on which the loans have been granted is prima facie, not prejudicial to the interest of the company. The said parties are regular in repayment of the loan and company is taking reasonable steps to recover the same.

(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company had taken interest free unsecured loans from companies, and other parties listed in the register maintained under Section 301 of the Companies Act, 1956, repayable on call basis. The balances as at the close of the reporting period is Rs. 105.98crores.

In our opinion, the other terms and conditions on which the loans have been taken is prima facie, not prejudicial to the interest of the company.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act have been made at reasonable prices having regard to the prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has no internal audit system commensurate with its size and the nature of its business.
8. The Company is not required to maintain cost records under section 209(1) (d) of the Companies Act, 1956.
9. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable *except Professional tax, Sales tax and service tax and Income tax.*
10. The Company has accumulated loss of Rs. 403.95 crores (Previous period loss Rs.252.06 crores) and has incurred cash loss of Rs. 0.74 Crores during the reporting period covered by our audit and cash loss of Rs. 1.48 crores in the immediately preceding reporting period. The Company may be classified as sick Company within the meaning of section 3(1)(o) of SICA.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has defaulted in repayment of dues to a financial institution, banks or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is not dealing or trading in Shares, Securities, Debentures, Mutual funds & other Investments. Therefore, the requirements of clause 4(xiv) of the order relating to the maintenance of the proper records of the transactions are not applicable.
15. According to the information and explanations given to us, the Company has given guarantees for loan taken by others from a bank or financial institution. 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.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the reporting period.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the reporting period.
19. The Company has not issued any secured debentures during the period, hence the question of creation of security or charge in respect of debenture issued does not apply.
20. The Company has not raised any money by public issue during the reporting period.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported by the company during the period under review, nor have we been informed of such case by the management.

For Arup Das & Associates
(Chartered Accountants)
Firm Regn. No.:318034E

Sd/-

Arup Das
(Proprietor)

Membership No.: 053564

Place : Kolkata

Date : 24.06.2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014		(Amount in rupees)	
	Particulars	2013-14	2012-13
A.	Cash Flow From Operating Activities:		
	Net Loss Before Tax And Extra Ordinary Items	(1,518,865,449)	(184,855,275)
	Add :Depreciation	220,713,663	157,175,743
	Interest and Finance charges	8,927	4,247,357
	Loss on Sale of Machinery	38,665,245	-
	Less: Other Non operating income	(12,500)	(2,964,150)
	Operating Profit Before Working Capital Changes	(1,259,490,114)	(26,396,325)
	Adjustments for		
	Inventories	286,400	254,150
	Trade and other receivables	333,479,902	14,362,692
	Other Current Assets	526,242,966	25,059,371
	Trade and other payables	(415,993,110)	(23,338,959)
	Cash flow from Operations	(815,473,956)	(10,059,071)
	Less : Direct Taxes Paid	-	-
	Net cash flow from operating activities	(815,473,956)	(10,059,071)
B.	Cash Flow From Investments Activites:		
	Fixed Assets sold during the year	4,535,598	-
	Fixed Deposit adjust against CC account	3,195,897	-
	Investment Written off During the year	824,289,821	-
	Goodwill Written off During the year	14,371,220	-
	Interest Received	12,500	2,964,150
		846,405,036	2,964,150
C.	Cash Flow From Financing Activites:		
	Issue of share capital and share application money	-	-
	Share Application Money pending allotment	-	-
	Interest and Finance charges	(8,927)	(4,247,357)
	Increase/(Decrease) in Secured loans	-	1,101,353
	Increase/ (Decrease) in Unsecured loans	(34,182,546)	(1,718,103)
		(34,191,473)	(4,864,107)
	Net Increase/(Decrease) In Cash And Cash Equivalent (A+B+C)	(3,260,393)	(11,959,028)
	Cash And Cash Equivalents as at beginning of the year	10,828,721	22,787,749
	Cash and Cash Equivalents as at the end of the year	7,568,329	10,828,721
	Cash and Cash equivalents comprise of:		
	(i) Balances with banks		
	In current accounts	7,524,023	10,547,421
	(ii) Cash on hand	44,306	281,300
		7,568,329	10,828,721

As per our Report of Even date Attached
For Arup Das & Associates

For and on behalf of the Board

(Chartered Accountants)
Firm Regn. No.:318034E

Sd/-
Arup Das
(Proprietor)
Membership No.: 053564
Place : 24.06.2014

Sd/-
Johnny Fernandes
(Managing Director)

sd/-
Yashwant T Shukla
(Director)

NOTES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS STATEMENT

Amt. in Rs.

PARTICULARS	31.12.2014 (Rs.)	31.03.2013 (Rs.)
NOTE -1		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED</u>		
7,50,00,000 Equity Shares (P.Y. : 7,50,00,000) of Rs.10/- each	750,000,000	750,000,000
<u>Issued, Subscribed & Paid up</u>		
4,33,98,804 Equity Shares of Rs.10/- each fully paid in cash (Previous Year : 4,33,98,804)	433988040	433988040
NOTE -2		
<u>RESERVE & SURPLUS</u>		
Capital Reserve	71,50,000	71,50,000
Balance as per Profit & Loss Account	(1,51,88,65,449)	(19,49,16,583)
Loss Brought Forward	(2,52,06,51,068)	(2,32,57,34,484)
Share Premium A/c	1,68,67,54,256	1,68,67,54,256
	(2,34,56,12,260)	(82,67,46,812)
NOTE -3		
<u>LONG TERM BORROWINGS</u>		
A. Secured loans		
Term Loan	82,29,74,197	82,29,74,197
B. Other loans and advances (Unsecured Foreign Currency Convertible Bond)	1,45,55,71,280	1,45,55,71,280
	2,278,545,477	2,278,545,477
NOTE -4		
<u>Deferred tax liabilities (net)</u>		
Deferred tax liabilities On account of fixed assets	10,061,310	10,061,310
	10,061,310	10,061,310

NOTES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS STATEMENT

Amt. in Rs.

Particulars	As at 31.03.2014	As at 31.03.2013
NOTE – 5		
<u>SHORT -TERM BORROWINGS</u>		
A. Secured Loan repayable on demand	42,97,92,728	43,79,55,726
B. Unsecured Loan Received from Intercompany Group (Net off)	1,052,802,987	1,078,822,535
C. Other Borrowings	33,482,782	33,482,782
	1,516,078,497	1,550,261,043
NOTE – 6		
<u>TRADE PAYABLES</u>		
Sundry Creditors	27,489,929	441,498,071
	27,489,929	441,498,071
NOTE – 7		
<u>OTHER CURRENT LIABILITIES</u>		
a. Outstanding Liabilities	13,44,076	39,69,493
b. Duties & Taxes	4,03,12,992	3,96,72,543
	4,16,57,068	4,36,42,036
NOTE – 8		
<u>SHORT -TERM PROVISIONS</u>		
Provision for Income Tax	9,20,47,528	9,20,47,528
	9,20,47,528	9,20,47,528
NOTE – 10		
<u>Intangible Assets</u>		
Goodwill (Acquired on purchase of Undertaking of Associate Co.)	7,18,56,101	7,18,56,101
Less: Written off during the year	(1,43,71,220)	-
	5,74,84,881	7,18,56,101
NOTE – 11		
<u>NON -CURRENT INVESTMENTS</u>		
Unquoted		
Investment in Subsidiary Petrogrema Overseas Pte Ltd.(Wholly owned subsidiary)	-	81,93,22,720
Fixed Deposit with Banks	24,78,734	74,45,835
	24,78,734	82,67,68,555

NOTES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS STATEMENT

(Amount in rupees)

Description	Gross Block				Depreciation				Net Block		
	As at April 1, 2013	Additions	Deductions	As at March 31, 2014	As on April 1st 2013	During the year	Deductions and / or transfers	As at March 31, 2014	Impairment Loss	As at March 31, 2014	As at March 31, 2013
	Tangible										
Land - Freehold	80,382,505	-	-	80,382,505	-	-	-	-	-	-	80,382,505
Buildings (Workshop)	12,548,398	-	-	12,548,398	1,205,457	419,116	-	1,624,573	-	-	11,342,941
Earth Moving Equipments	839,902,618	-	155,278,200	684,624,418	543,150,044	77,431,022	112,077,357	908,503,709	68,462,442	-	296,752,574
Machinery & Equipments	342,195,470	-	-	342,195,470	24,381,428	16,254,285	-	40,635,713	51,329,321	-	317,814,042
Computers	3,560,000	-	-	3,560,000	3,191,730	368,270	-	3,560,000	-	-	368,270
Office Equipment	8,636,409	-	-	8,636,409	2,707,486	410,229	-	3,117,715	5,181,845	-	5,928,923
Furniture & Fixtures	3,377,413	-	-	3,377,413	2,371,622	213,790	-	2,585,412	506,612	-	1,005,791
Motor Vehicles	1,439,268	-	-	1,439,268	868,040	136,730	-	1,004,770	-	-	434,498
Total	1,292,042,081	-	155,278,200	1,136,765,881	577,875,807	95,233,443	112,077,357	561,031,893	125,480,220	450,251,768	714,166,274
Previous Year	1,331,725,424	-	-	1,331,725,424	460,383,407	117,492,400	-	577,875,807	39,683,343	-	871,342,017

Note : 9

NOTES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS STATEMENT

Amt. in Rs.

Particulars	As at 31.03.2014	As at 31.03.2013
NOTE – 12		
<u>INVENTORIES</u> (Valued at Lower of Cost or N.R.V.)		
a. Raw Material and Components	48919	48919
b. Finished Goods	618790	618790
c. Stores & Spares	250450	536850
	9,18,159	12,04,559
NOTE – 13		
<u>TRADE RECEIVABLES</u>		
(Unsecured, Considered Good)		
a. Debts due for period more than 6 months	6,96,53,530	41,81,55,230
b. Other Debts	2,12,89,268	62,67,470
	9,09,42,798	42,44,22,700
NOTE – 14		
<u>CASH AND BANK BALANCES</u>		
a. Cash in Hand	44306	281300
b. Balance with Banks		
1. On Current Accounts	67,98,399	98,21,797
2. In Balance with Foreign Banks and Overseas Branches of Schedule Banks	7,25,624	7,25,624
3. Fixed Deposits	-	31,95,897
	75,68,329	1,40,24,618
NOTE – 15		
<u>SHORT -TERM LOANS & ADVANCES</u>		
a. Deposits	15,99,501	16,99,501
b. Advance Against Capital Goods	1,34,30,79,734	1,34,88,43,234
c. Advance Recoverable in cash or in kind		20,87,25,659
d. TDS & Payment of Income Tax	9,99,31,685	9,94,93,147
e. Loans & Advances	-	31,20,92,345
	1,44,46,10,920	1,97,08,53,886

NOTES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS STATEMENT

Amt. in Rs.

Particulars	As at 31.03.2014	As at 31.03.2013
Note 16 : Cost of Sales		
Sub-Contract & Hire Charges	-	31,08,150
Repair & Maintenance : Machineries / Equipments	66,26,756	1,09,93,896
Transportation Expenses	18,64,068	24,16,630
Rent, Rates & Taxes & Insurances	29,80,353	29,64,797
Labour Expenses & Wages	65,04,333	73,26,846
Purchases of TMT Bar	99,23,760	-
(Increase)/Decrease in stores & Spares	2,86,400	2,54,150
	2,81,85,670	2,70,64,469
Note 17 : Employee benefits expense		
Salaries, Wages, Bonus and staff welfare	27,35,013	31,13,735
	27,35,013	31,13,735
Note 18 : Finance costs		
Interest		
on Term Loan	-	41,01,353
on Cash Credit	-	-
Interest on FCCB	-	-
Bank and Finance charges	8,927	1,46,004
	8,927	42,47,357
Note 19 :Other expenses		
Auditors Remuneration	56,180	56,180
Legal & Professional Fees	14,19,242	18,23,585
Repair & Maintenance office	3,51,169	3,15,476
Directors Sitting Fees	-	40,000
Loss on sale of Machineries / Equipments	3,86,65,245	-
Postage & Courier Expenses	72,209	1,18,502
Printing & Stationery	1,57,127	2,31,840
General Expenses	3,96,790	2,78,674
Rent, Rates and taxes	-	8,75,816
Power, fuel & Electricity Exp.	1,15,672	2,66,911
Advertisement & Sales promotion Exp.	5,66,729	2,84,008
Travelling & Conveyance Expenses	7,67,434	9,04,420
Telephone Expenses	2,14,360	1,71,136
Sundry Expenditure/Misc. Exp. written off	1,43,71,220	1,29,06,511
Sundry Loans & Advances written-off	92,36,33,381	91,71,455
Bad Debts Written-off	32,89,23,430	75,00,646
	1,30,97,10,188	3,49,45,160

*SIGNIFICANT ACCOUNTING POLICIES and NOTES ON ACCOUNTS:**NOTE: 20: SIGNIFICANT ACCOUNTING POLICIES***20.1 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 year. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

20.2. Fixed Assets:

- a) Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of purchase price and any directly attributable cost of bringing the assets to its present condition for 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 Note XIV to the Companies Act, 1956.

20.3. Impairment of Assets

At each balance sheet date if there is any indication of impairment of assets exists the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount. The carrying amount is reduced to its recoverable amount. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists. The recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

20.4. Investments:

Investments are classified as current and Non-current investments. Current investments are stated at lower of cost or market value. Non-current 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.

20.5. 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 on the settlement or conversion of monetary current assets and liabilities are recognized as income or as expense in the period 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 amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized 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 recognized as income or expense for the year.

20.6. Inventories

- a) Raw materials are valued at cost or net realizable value whichever is lower.
- b) Stores and spares are valued at cost or net realizable value whichever is lower.
- c) Finished goods are valued at cost value

20.7. 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.

20.8. Employees' Retirement Benefits:

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

20.9. Borrowing Cost:

Interest and other borrowing cost on specific borrowings, relating to qualifying assets are capitalized 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.

20.10 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

20.11 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 recognized, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

20.12 Provisions, Contingent Liabilities and Contingent Assets:

- a. A provision is recognized 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.

20.13 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.

NOTE: 21: NOTES TO ACCOUNTS

- 21.1. The company has issued Foreign Currency Convertible Bonds (FCCBs) of the nominal value of USD 50 million, having a maturity period of 5 years. As per the terms of the offering circular issued by the company for FCCBs the bonds carry interest on 1% payable half yearly on 12th February & 12th August respectively each year, and the Bonds are convertible into fully paid equity shares of the Company at any time on or after February 27, 2008 and up to January 29, 2013, unless previously redeemed, converted or re-purchased 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 Bond is re-set at Rs. 282.27 from Rs. 376.36. Further, during the year 2013-14, due to the stringent financial position, the Company has not been able to discharge its interest payment obligations of Rs. 306.08 Lacs (P.Y. 197.28 Lacs) on the said Bonds, which was due for payment on 12th August 2013 & 12th February 2014.

As per the Offering Circular, in the event of non-conversion of said Bonds into equity shares of the Company, the same shall be redeemed at 137.24 % of principal amount. The management has not made any provision in the books of account towards any liability that may fall on the Company, in the eventuality of redemption of the Bonds.

- 21.2. There was a search and seizure action u/s 132 of the Income Tax Act 1961 had been conducted by the Income Tax Department as on 23rd June, 2009 and presently the matter is pending with the Income Tax Appellate Tribunal, Kolkata pursuant to Appeal filed by DCIT, Kolkata under section 253 of the Income Tax Act, 1961. However the company has not made any provision towards liability of income tax for the period covered under the aforesaid search and seizure since the management did not foresee any major income tax liability. Further the company has received the notice of demand dated 08th June, 2014 under section 156 of the income tax Act, 1961 for the assessment year 2004-05, 2005-06, 2007-08, 2008-09, and 2009-10 with the demand of Rs.24982/-, 852001/-, 6,73,130/-, 59,49,227/- and 2,18,62,624/- respectively. However the management has decided to file appeal against the said orders.

- 21.3. Foreseeing the huge developments taking place in MENA market (Middle East, North Africa) the Company undertook huge expansion plans and had taken up multiple projects at the same time, and signed an agreement with CNPC's subsidiary in China named BOMCO for 40 rigs for a value of more than one billion US dollar, which business was to be taken up by the wholly owned subsidiary company i.e. Petrogrema overseas PTE. Ltd and substantial investment was made in the subsidiary to facilitate the overseas body to setup the business of Oil rigs and Mines. However, due to worldwide recession in the economy and tightening of financial resources in the world market, company could not size up funds that were required for 40 rigs which were committed to CNPC, as a result of which payments made to CNPC as well as various other suppliers got stuck and the monies advanced to them could not be recovered because of financial closure and also the project could not completed on time. The Company had signed mandates with 2 First Class Banks and 1 top M&A firm from U.K who were not able to raise the debt as required due to financial recession worldwide.

All the above has resulted in huge losses to its wholly owned subsidiary company i.e. Petrogrema Overseas Pte. Ltd. resulting in complete erosion of its Net worth. In view of the above, as a conservative approach and in line with the accounting policy on diminution of investment being followed by the Company, the management decided to write off the value of investments in its subsidiary as well as Loans by Rs. 8193.22 Lacs and Rs. 3120.92 Lacs respectively during the financial year 2011-12.

During the financial year 2012-13 the wholly owned subsidiary company i.e. Petrogrema Overseas Pte. Ltd has incurred heavy losses due to written-off of various loans & advances (Rs.103.31 Crores) which could not be recovered as per the view of the management and become bad due to various reasons mentioned hereinabove.

During the current financial year 2013-14 the management decided to write off the remaining value of investments in its subsidiary as well as Loans by Rs. 8193.22 Lacs and Rs. 3120.92 Lacs respectively with due reason that the wholly owned subsidiary company i.e. Petrogrema Overseas Pte. Ltd has incurred heavy losses due to written-off of various loans & advances (Rs.103.31 Crores) in past years which could not be recovered as per the view of the management and become bad due to various reasons mentioned hereinabove.

- 21.4. Loss for the year is inclusive of loss of Rs.1254.80 Lacs (P.Y. 396.83 Lacs) being loss on impairment of old machineries/equipments due to efflux of time, wear and tear and more so due to technological obsolescence, some of the machines have been rendered of no use and have very little or scrap value. Further, the cost of operations and maintenance of such old machines was very high as such could not withstand the competition from the similar modern machines/equipments in the market. The Company could not replace the said machines/equipments due to its financial crisis. Hence to avoid high maintenance cost of such equipment's, the same were scraped during the year, and impairment loss has been duly recorded as per the decision of the management.

During the financial Year, the Company has sold some Equipment / Scrap having gross block value of Rs.15.52 Crores and Accumulated Depreciation of Rs. 11.20 Crores with a loss of Rs. 3.87 Crores.

- 21.5. During the year, the Company has written-off Rs.3340.89 Lacs (P.Y. 75.01 Lacs) towards bad & doubtful debts, being disputed balances with Sundry Debtors, which are under various stages of negotiations and settlement however the management of the Company is not confident of recovery of these Debts. Based on analysis of each account by the management it has been decided to written off such debts.
- 21.6. The accumulated loss of the Company as on 31.03.2014 is more than 100% of its net worth during the year and immediately preceding the financial year and as such falls within the definition of "sick industrial Company" under section 46(AA) (i) of the Companies (Second Amendment) Act, 2002.

The Net Worth of the company had also been eroded during the financial year 2011-12 itself resulting, the Company had become a sick industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985.

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

- 21.7. There is an inquiry has been initiated by "office of Registrar of companies (West Bengal)" for contravention of provisions of the companies Act, 1956 however the company has filed the application for compounding of offences under the said Act.

21.8. Contingent Liabilities :-**(i) Liability towards Corporate and Bank guarantees:-**

Particulars	31.03.2014	31.03.2013
a) Contingent Liability not Provided for		
b) Bank Guarantee	29.00	29.00
c) Corporate Guarantee (As per the sanctioned Limit) given to and on behalf of the following Group Companies :- 1) Greenerth Resources & Projects Ltd. 2) New saw Infraprojects Ltd. 3) SanciaInfraglobal Private Limited	57965.00	57965.00

(ii) Service Tax Liability: - The inquiry/case against the service tax liability was initiated by the "Directorate General of Central Excise Intelligence, Ahmedabad Zonal Unit however the service tax liability is not materialize. Further there was an inquiry operation on 4th day of June, 2014 was conducted by the DGCEI, Zonal Unit, Mumbai to ascertain facts regarding evasion of service tax under central excise act, 1944 read with section 83 of the finance act, 1994. However the company has not made any provision towards liability of service tax for the period covered under the aforesaid search and seizure since the management does not foresee any major service tax liability

21.9. The company does not possess information as to which of its suppliers are ancillary industrial undertaking/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 cannot be ascertained.
- The names of the small scale industrial undertaking to whom the company owed sums for more than 45 days cannot be ascertained.

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

Salaries and Allowances	Rs. Nil (P.Y. Rs. 4.80Lacs)
Sitting Fees to Non-executive Directors	Rs. Nil (P.Y. Rs. 0.40 Lacs)

21.11. 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%

The Subsidiary of the Company has incurred heavy losses, which has also affect the assumption of going concern of Subsidiary company.

21.12. Auditors' Remuneration includes

(Rs. in lacs)

Particulars	2013-14	2012-13
a) Audit Fees	0.45	0.45
b) Tax Audit Fees	0.11	0.11
Total	0.56	0.56

21.13. Segment Reporting

During the financial year 2013-14 the company was primarily engaged in single business segment viz Rental/ Hiring of construction Equipments /machineries and further the Company does not have any material earnings emanating outside India, the Company is Considered to operate only in the domestic segment .

21.14. Related Party Disclosures :-

Key Managerial Personnel of the company:

Sr. No.	Name of Managerial Personnel	Nature of Relationship
1.	Mr. Arun Kumar Ray	Director
2.	Mr. Johnny Fernandes	Managing Director
3.	Mr. Kishor Kumar Damani	Director
4.	Mr. Pradeep Sutodia	Director

Enterprises under the control of Key Managerial Personnel of the company:-

- Sancialnfraglobal Private Limited
- Greenearth Resources & Projects Limited

Subsidiary Company

- Petrogrema Overseas Pte. Ltd. (Wholly owned subsidiary : Singapore)

21.15. Earnings per Share (EPS):

The basic earnings 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.

Computation of Earnings Per Share (AS-20): Basic & Diluted)

Amt. in Rs.

Particulars	31.03.2014	31.03.2013
Amounts used as numerator in calculating Basic EPS(Rs.)	1,51,88,65,449	19,49,16,583
No. of Equity shares used as denominator	4,33,98,804	4,33,98,804
Nominal value per Equity shares (Rs.)	10/-	10/-
Earnings/(Loss) per share (Basic and diluted) (Rs.)	(35.00)	(4.49)

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

(Rs. in Lacs)			
Particulars	As at 31.03.2013	Charge/Credit for the Period	As at 31.03.2014
(a) Deferred Tax Liability (Due to Depreciation)	(100.61)	-	(100.61)
(b) Deferred Tax Assets Others	-	-	-
Net Deferred tax liability (a-b)	(100.61)	-	(100.61)

As per AS-22 "Accounting for Taxes on Income", deferred tax assets should be recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The Net worth was fully eroded and the management was not expecting any taxable income in the near future and accordingly Deferred Tax Assets (DTA) is recognized to the extent of Deferred Tax Liability (DTL).

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

**As per our Report of Even date Attached
For Arup Das & Associates**
(Chartered Accountants)
Firm Regn. No.:318034E

For and on behalf of Board

Sd/-
Arup Das
Proprietor
Membership No.053564
Place: Kolkata
Date: 24.06.2014

Sd/-
Johnny Fernandes
(Managing Director)

Sd/-
Yashwant T. Shukla
(Director)

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 Infraprojects Limited

Kolkata

We have examined the attached Consolidated Balance Sheet of Sancia Global Infraprojects Ltd. and its subsidiaries as at 31st March, 2014. The Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement for the year ended as 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 subsidiaries for the year ended on 31st March, 2014. These financial statements have to be audited by other auditors. The accounts of its overseas subsidiary i.e. "Petrogrema Overseas PTE Ltd" has been consolidated on the basis of unaudited financial statements prepared for the year ended 31st March, 2014.

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 Consolidated Balance Sheet, of the state of affairs of the Company and its subsidiaries as at 31st March 2014
- b. In the case of Consolidated Profit and Loss Statement, of the Consolidated Loss for the year ended on that date; and
- c. In the case of Consolidated Cash Flow Statement of the Consolidated cash flows for the year ended on that date.

For Arup Das & Associates

(Chartered Accountants)

Firm Regn. No.: 318034E

Sd/-

Arup Das

Proprietor

Membership No. 053564

Place: Kolkata

Date: 24.06.2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014			
		Amount in Rs	
	Particulars	2013-14	2012-13
A.	Cash Flow From Operating Activities:		
	Net Loss Before Tax And Extra Ordinary Items	(1,519,541,420)	(1,218,935,926)
	Add :Depreciation	220,713,663	157,175,743
	Interest and Finance charges	24,040	4,272,017
	Loss on Sale of Machinery	38,665,245	-
	Foreign currency Fluctuation Reserve	(56,218,781)	(980,591,387)
	Capital Reserve on consolidation	1,180,306,324	1,883,975,557
	Less: Other Non operating income	(12,500)	(2,964,150)
	Operating Loss Before Working Capital Changes	(136,063,429)	(157,068,146)
	Adjustments for		
	Inventories	286,400	254,150
	Trade and other receivables	333,479,902	14,362,692
	Other Current Assets	215,171,225	884,049,849
	Trade and other payables	(423,175,016)	(20,771,258)
	Cash flow from Operations	(10,300,918)	720,827,287
	Less : Direct Taxes Paid	-	-
	Net cash flow from operating activities	(10,300,918)	720,827,287
B.	Cash Flow From Investments Activites:		
	Fixed Assets sold during the year	4,535,598	-
	Fixed Deposit adjust against CC account	4,967,101	-
	Investment Written off During the year	-	-
	Goodwill Written off During the year	14,371,220	-
	Interest Received	12,500	2,964,150
		23,886,419	2,964,150
C.	Cash Flow From Financing Activites:		
	Issue of share capital and share application money	-	-
	Share Application Money pending allotment	-	-
	Interest and Finance charges	(24,040)	(4,272,017)
	Increase/(Decrease) in Secured loans	-	1,101,353
	Increase/ (Decrease) in Unsecured loans	(18,921,343)	(732,026,853)
		(18,945,383)	(735,197,517)
	Net Increase/(Decrease) In Cash And Cash Equivalent (A+B+C)	(5,359,882)	(11,406,080)
	Cash And Cash Equivalents as at beginning of the year	13,071,151	24,477,230
	Cash and Cash Equivalents as at the end of the year	7,711,268	13,071,151
	Cash and Cash equivalents comprise of:		
	(i) Balances with banks		
	In current accounts	7,666,962	12,728,239
	(ii) Cash on hand	44,306	342,912
		7,711,268	13,071,151

**As per our Report of Even date Attached
For Arup Das & Associates**

For and on behalf of the Board

(Chartered Accountants)

Firm Regn. No.:318034E

Sd/-

Arup Das
(Proprietor)

Membership No.: 053564

Place : 24.06.2014

Sd/-

Johnny Fernandes
(Managing Director)

sd/-

Yashwant T Shukla
(Director)

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS STATEMENT

Amt. in Rs.

Particulars	As at 31.03.2014	As at 31.03.2013
Note 1 : Share Capital		
Authorised Share Capital	750,000,000	750,000,000
7,50,00,000 Equity Shares of Rs. 10/- each (P.Y. 7,50,00,000 Equity share of Rs. 10/ - each)	=====	=====
Issued, Subscribed & Paid up Share Capital		
4,33,98,804 Equity Shares of Rs. 10/- each (P.Y. 4,33,98,804 Equity share of Rs. 10/ - each)	----- 433,988,040	----- 433,988,040
Note 2 : Reserves and surplus		
Capital Reserve	71,50,000	71,50,000
Capital Reserve on Consolidation	3,01,01,04,443	1,82,97,98,119
Foreign Currency Translation Reserve	-64,34,70,401	-58,72,51,620
Securities Premium		
Balance at the beginning of the year	1,68,67,54,256	1,68,67,54,256
Add: Securities premium received during the year	-	-
Less: Share issue expenses incurred during the year	-	-
Balance at the end of the year	1,68,67,54,256	1,68,67,54,256
Surplus		
Balance at the beginning of the year	-5,03,04,00,287	-3,80,14,03,053
Add: Loss for the year	-1,51,95,41,420	-1,22,89,97,234
Balance at the end of the year	-6,54,99,41,707	-5,03,04,00,287
Total	-2,48,94,03,409	-2,09,39,49,532
Note 3 : Long term borrowings		
A. Secured term loans from banks	82,29,74,197	82,29,74,197
B. Other loans and advances		
Unsecured Foreign Currency Convertible Bond	1,45,55,71,280	1,45,55,71,280
Total	2,27,85,45,477	2,27,85,45,477
Notes: (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 alongwith the corporate guarantee of Group companies)		

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS STATEMENT

Amt. in Rs.

Particulars	As at 31.03.2014	As at 31.03.2013
Note 4 : Deferred tax liabilities (net)		
Deferred tax liabilities		
On account of fixed assets	10,061,310	10,061,310
Deferred tax assets		
On account of disallowances under the Income Tax Act, 1961	-	-
Total	10,061,310	10,061,310
Note 5 : Short term borrowings		
Secured		
Loan repayable on demand		
From banks	429,792,728	437,955,726
Unsecured		
Loan Received from Intercompany Group (Net off)	1,052,802,987	1,078,822,535
Other Borrowings	179,611,549	164,350,346
Notes: (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 alongwith the corporate guarantee of Group companies)		
Total	1,662,207,264	1,681,128,607
Note 6 : Trade payables		
Payable to Micro, Small and Medium Enterprises	-	-
Trade Payables	27,489,929	441,498,071
Total	27,489,929	441,498,071
Note 7: Other current liabilities		
Other Outstanding Liabilities	1,344,076	11,151,399
Duties and Taxes (Net off)	40,312,992	39,672,543
Total	41,657,068	50,823,942

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS STATEMENT

Amt. in Rs.

Particulars	As at 31.03.2014	As at 31.03.2013
Note 8 : Short term provisions		
Provision for Income Tax	92,047,528	92,047,528
Total	92,047,528	92,047,528

Note : 9

(Amount in rupees)

Description	Gross Block			Depreciation				Net Block			
	As at April 1, 2013	Additions	Deductions	As at March 31, 2014	As on April 1st 2013	During the year	Deductions and / or transfers	As at March 31, 2014	Impairment Loss	As at March 31, 2014	As at March 31, 2013
Tangible											
Land - Freehold	80,382,505	-	-	80,382,505	-	-	-	-	-	80,382,505	80,382,505
Buildings (Workshop)	12,548,398	-	-	12,548,398	1,205,457	419,116	-	1,624,573	-	10,923,825	11,342,941
Earth Moving Equipments	839,902,618	-	155,278,200	684,624,418	543,150,044	77,431,022	112,077,357	508,503,709	68,462,442	107,658,268	296,752,574
Machinery & Equipments	342,195,470	-	-	342,195,470	24,381,428	16,254,285	-	40,635,713	51,329,321	250,230,437	317,814,042
Computers	3,560,000	-	-	3,560,000	3,191,730	368,270	-	3,560,000	-	-	368,270
Office Equipment	8,636,409	-	-	8,636,409	2,707,486	410,229	-	3,117,715	5,181,845	336,848	5,928,923
Furniture & Fixtures	3,377,413	-	-	3,377,413	2,371,622	213,790	-	2,585,412	506,612	285,389	1,005,791
Motor Vehicles	1,439,268	-	-	1,439,268	868,040	136,730	-	1,004,770	-	434,498	571,228
Total	1,292,042,081	-	155,278,200	1,136,763,881	577,875,807	95,233,443	112,077,357	561,031,893	125,480,220	450,251,768	714,166,274
Previous Year	1,331,725,424	-	-	1,331,725,424	460,383,407	117,492,400	-	577,875,807	39,683,343	714,166,274	871,342,017

Note 10 : Intangible Assets		
Goodwill	71,856,101	71,856,101
(Acquired on purchase of Undertaking of Associate Co.)		
Less: Written off during the year	14,371,220	-
Total	57,484,881	71,856,101
Note 11 : Non-Current Investments		
Unquoted		
Investment in Subsidiary		
Petrogrema Overseas Pte Ltd. (Wholly owned subsidiary)	-	-
Fixed Deposit with Banks	2,478,734	7,445,835
Total	2,478,734	7,445,835
Note 12 : Inventories (valued at lower of cost and net realizable value)		
Raw materials and components	48,919	48,919
Finished goods	618,790	618,790
Stores and spares	250,450	536,850
Total	918,159	1,204,559

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS STATEMENT

Amt. in Rs.

Particulars	As at 31.03.2014	As at 31.03.2013
Note 13 : Trade receivables		
Unsecured, considered good	69,653,530	418,155,230
Other debts	21,289,268	6,267,470
Total	90,942,798	424,422,700
Note 14 : Cash and Bank balances		
Cash and cash equivalents		
(i) Balances with banks		
In Balance with Banks	6,941,338	12,002,615
In Balance with Foreign Banks and Overseas Branches of Schedule Banks	725,624	725,624
(ii) Cash on hand	44,306	342,912
Total	7,711,268	13,071,151
Note 15 : Short-term loans and advances		
Deposits	1,599,501	4,914,779
Advance Against Capital Goods	1,343,079,734	1,348,843,234
Advance recoverable in cash or kind	2,194,678	208,725,663
Tax Deduction at Source & Payment of Income Tax	99,931,685	99,493,147
Total	1,446,805,598	1,661,976,823

NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS STATEMENT Amt. in Rs.

Particulars	As at 31.03.2014	As at 31.03.2013
Note 16 : Cost of Sales		
Sub-Contract & Hire Charges	-	3,108,150
Repair & Maintenance : Machineries / Equipments	6,626,756	10,993,896
Transportation Expenses	1,864,068	2,416,630
Rent, Rates & Taxes & Insurances	2,980,353	2,964,797
Labour Expenses & Wages	6,504,333	7,326,846
Purchases of TMT Bar	9,923,760	-
(Increase)/Decrease in stores & Spares	286,400	254,150
Total	28,185,670	27,064,469
Note 17 : Employee benefits expense		
Salaries, Wages, Bonus and staff welfare	3,307,185	3,744,703
Total	3,307,185	3,744,703
Note 18 : Finance costs		
Interest		
on Term Loan	-	4,101,353
on Cash Credit	-	-
Interest on FCCB	-	-
Bank and Finance charges	24,040	170,664
Total	24,040	4,272,017
Note 19 : Other expenses		
Accounting charges	-	157,742
Auditors Remuneration	56,180	135,051
Legal & Professional Fees	1,419,242	1,823,585
Repair & Maintenance	351,169	315,476
Directors Sitting Fees		40,000
Loss on sale of Machineries / Equipments	38,665,245	
Postage & Courier Expenses	72,209	118,502
Printing & Stationery	159,988	242,356
General Expenses	454,007	304,964
Rent, Rates and taxes		875,816
Power, fuel & Electricity Exp.	115,672	266,911
Advertisement & Sales promotion Exp.	566,729	284,008
Travelling & Conveyance Expenses	796,042	957,001
Telephone Expenses	214,360	171,136
Sundry Expenditure/Misc Bal. written off	14,371,220	12,906,511
Sundry Loans & Advances written-off	923,633,381	1,042,270,478
Bad Debts Written-off	328,923,430	7,500,646
Total	1,309,798,874	1,068,370,183

NOTES ANNEX TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014 AND CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

Note: 20 SIGNIFICANT ACCOUNTING POLICIES

20.1. Basis of Consolidation

- a) The consolidated financial statements relate to the Sancia Global Infraprojects 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.

20.2. 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.

20.3. Fixed Assets:

- a) Fixed Assets are stated at cost, less accumulated depreciation, less impairment, if any. Cost comprises the purchase price and any attributed 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 Note XIV to the Companies Act, 1956.

20.4. Impairment of Assets

At each balance sheet date if there is any indication of impairment of assets exists the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belong is less than its carrying amount. The carrying amount is reduced to its recoverable amount. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists. The recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

20.5. Investments:

Investments are classified as current and Non-current investments. Current investments are stated at lower of cost or market value. Non-current 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.

20.6. 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 amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized 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 recognized as income or expense for the year.

20.7 Inventories

Raw materials are valued at cost or net realizable value whichever is lower.
Stores and spares are valued at cost or net realizable value whichever is lower.
Finished goods are valued at cost value.

20.8. 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.

20.3 Employees' Retirement Benefits:

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

20.4 Borrowing Cost :-

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

20.11. Earnings per Share:

- a. The basic earnings per share are calculated by dividing the profit/loss 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/loss after tax for the period and the
- c. Weighted average number of Equity Shares are adjusted for the effects of all dilutive Equity Shares.

20.12. 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 recognized, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

20.13. Provisions, Contingent Liabilities and Contingent Assets

- a. A provision is recognized 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.

20.14. 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.

Note: 21 NOTES TO ACCOUNTS

21.1 The company has issued Foreign Currency Convertible Bonds (FCCBs) of the nominal value of USD 50 million, having a maturity period of 5 years. As per the terms of the offering circular issued by the company for FCCBs the bonds carry interest on 1% payable half yearly on 12th February & 12th August respectively each year, and the Bonds are convertible into fully paid equity shares of the Company at any time on or after February 27, 2008 and up to January 29, 2013, unless previously redeemed, converted or re-purchased 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 Bond is re-set at Rs. 282.27 from Rs. 376.36. Further, during the year 2013-14, due to the stringent financial position, the Company has not been able to discharge its interest payment obligations of Rs. 306.08 Lacs (P.Y. 197.28 Lacs) on the said Bonds, which was due for payment on 12th August 2013 & 12th February 2014.

As per the Offering Circular, in the event of non-conversion of said Bonds into equity shares of the Company, the same shall be redeemed at 137.24 % of principal amount. The management has not made any provision in the books of account towards any liability that may fall on the Company, in the eventuality of redemption of the Bonds.

21.2 There was a search and seizure action u/s 132 of the Income Tax Act 1961 had been conducted by the Income Tax Department as on 23rd June, 2009 and presently the matter is pending with the Income Tax Appellate Tribunal, Kolkata pursuant to Appeal filed by DCIT, Kolkata under section 253 of the Income Tax Act, 1961. However the company has not made any provision towards liability of income tax for the period covered under the aforesaid search and seizure since the management did not foresee any major income tax liability. Further the company has received the notice of demand dated 08th June, 2014 under section 156 of the income tax Act, 1961 for the assessment year 2004-05, 2005-06, 2007-08, 2008-09, and 2009-10 with the demand of Rs.24982/-, 852001/-, 6,73,130/-, 59,49,227/- and 2,18,62,624/- respectively. However the management has decided to file appeal against the said orders.

21.3 Foreseeing the huge developments taking place in MENA market (Middle East, North Africa) the Company undertook huge expansion plans and had taken up multiple projects at the same time, and signed an agreement with CNPC's subsidiary in China named BOMCO for 40 rigs for a value of more than one billion US dollar, which business was to be taken up by the wholly owned subsidiary company i.e. Petrogrema overseas PTE. Ltd and substantial investment was made in the subsidiary to facilitate the overseas body to setup the business of Oil rigs and Mines. However, due to worldwide recession in the economy and tightening of financial resources in the world market, company could not size up funds that were required for 40 rigs which were committed to CNPC, as a result of which payments made to CNPC as well as various other suppliers got stuck and the monies advanced to them could not be recovered because of financial closure and also the project could not be completed on time. The Company had signed mandates with 2 First Class Banks and 1 top M&A firm from U.K who were not able to raise the debt as required due to financial recession worldwide.

All the above has resulted in huge losses to its wholly owned subsidiary company i.e. Petrogrema Overseas Pte. Ltd. resulting in complete erosion of its Net worth. In view of the above, as a conservative approach and in line with the accounting policy on diminution of investment being followed by the Company, the management decided to write off the value of investments in its subsidiary as well as Loans by Rs. 8193.22 Lacs and Rs. 3120.92 Lacs respectively during the financial year 2011-12.

During the financial year 2012-13 the wholly owned subsidiary company i.e. Petrogrema Overseas Pte. Ltd has incurred heavy losses due to written-off of various loans & advances (Rs.103.31 Crores) which could not be recovered as per the view of the management and become bad due to various reasons mentioned hereinabove.

During the current financial year 2013-14 the management decided to write off the remaining value of investments in its subsidiary as well as Loans by Rs. 8193.22 Lacs and Rs. 3120.92 Lacs respectively with due reason that the wholly owned subsidiary company i.e. Petrogrema Overseas Pte. Ltd has incurred heavy losses due to written-off of various loans & advances (Rs.103.31 Crores) in past years which could not be recovered as per the view of the management and become bad due to various reasons mentioned hereinabove.

- 21.4 Loss for the year is inclusive of loss of Rs.1254.80 Lacs (P.Y. 396.83 Lacs) being loss on impairment of old machineries/equipments due to efflux of time, wear and tear and more so due to technological obsolescence, some of the machines have been rendered of no use and have very little or scrap value. Further, the cost of operations and maintenance of such old machines was very high as such could not withstand the competition from the similar modern machines/equipments in the market. The Company could not replace the said machines/equipments due to its financial crisis. Hence to avoid high maintenance cost of such equipment's, the same were scraped during the year, and impairment loss has been duly recorded as per the decision of the management.

During the financial Year, the Company has sold some Equipment/Scrap having gross block value of Rs. 15.52 Crores and Accumulated Depreciation of Rs. 11.20 Crores with a loss of Rs. 3.87 Crores.

- 21.5 During the year, the Company has written-off Rs.3340.89 Lacs (P.Y. 75.01 Lacs) towards bad & doubtful debts, being disputed balances with Sundry Debtors which are outstanding for more than 1 year, which are under various stages of negotiations and settlement however the management of the Company is not confident of recovery of these Debts. Based on analysis of each account by the management is has been decided to written off such debts.

- 21.6 The accumulated loss of the Company as on 31.03.2014 is more than 100% of its net worth during the year and immediately preceding the financial year and as such falls within the definition of "sick industrial Company" under section 46(AA) (i) of the Companies (Second Amendment) Act, 2002 . The Net Worth of the company had also been eroded during the financial year 2011-12 itself resulting, the Company had become a sick industrial company within the meaning of section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985.

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

- 21.7 There is an inquiry has been initiated by "office of Registrar of companies (West Bengal)" for contravention of provisions of the companies Act, 1956 however the company has filed the application for compounding of offences under the said Act.

- 21.8 **Contingent Liabilities :-**

(i) Liability towards Corporate and Bank guarantees :-

Particulars	Rupees in Lacs	
	31.03.2014	31.03.2013
a) Contingent Liability not Provided for		
b) Bank Guarantee	29.00	29.00
c) Corporate Guarantee (As per the sanctioned Limit) given to and on behalf of the following Group Companies :-	57965.00	57965.00
4) Greenearth Resources & Projects Ltd.		
5) New saw Infraprojects Ltd.		
6) SanciaInfraglobal Private Limited		

(ii) Service Tax Liability: - The inquiry/case against the service tax liability was initiated by the "Directorate General of Central Excise Intelligence, Ahmedabad Zonal Unit however the service tax liability is not materialize. Further there was an inquiry operation on 4th day of June, 2014 was conducted by the DGCEI, Zonal Unit, Mumbai to ascertain facts regarding evasion of service tax under central excise act, 1944 read with section 83 of the finance act, 1994. However the company has not made any provision towards liability of service tax for the period covered under the aforesaid search and seizure since the management did not foresee any major service tax liability.

21.9 The company does not possess information as to which of its suppliers are ancillary industrial undertaking/small scale industrial undertaking holding permanent registration certificates issued by the Directorate of Industries of a state or union territory, consequently :-

- a) The total outstanding dues of small scale industrial undertaking cannot be ascertained.
- b) The names of the small scale industrial undertaking to whom the company owed sums for more than 45 days cannot be ascertained.

21.10 **Details of Managerial remuneration under section 198 of the companies Act, 1956 :-**

Salaries and Allowances Rs. Nil (P.Y. Rs. 4.80Lacs)

Sitting Fees to Non-executive Directors Rs. Nil (P.Y. Rs. 0.40 Lacs)

21.11 **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%

The Subsidiary of the Company has incurred heavy losses, which has also affect the assumption of going concern of Subsidiary company.

21.12 **Auditors' Remuneration includes :**

(Rs. in lacs)

Particulars	2013-14	2012-13
a) Audit Fees	0.45	1.24
b) Tax Audit Fees	0.11	0.11
Total	0.56	1.35

21.13 **Segment Reporting: -**

During the financial year 2013-14 the company was primarily engaged in single business segment viz Rental/ Hiring of construction Equipments /machineries and further the Company does not have any material earnings emanating outside India, the Company is Considered to operate only in the domestic segment .

21.14 Related Party Disclosures :-

Key Managerial Personnel of the company:

Sr. No.	Name of Managerial Personnel	Nature of Relationship
1.	Mr. Arun Kumar Ray	Director
2.	Mr. Johnny Fernandes	Managing Director
3.	Mr. Kishor Kumar Damani	Director
4.	Mr. Pradeep Sutodia	Director

Enterprises under the control of Key Managerial Personnel of the company:-

- Sancialnfraglobal Private Limited
- Greenearth Resources & Projects Limited

Subsidiary Company

- Petrogrema Overseas Pte. Ltd. (Wholly owned subsidiary : Singapore)

21.15 **Earnings per Share (EPS):-**

The basic earnings per share ("EPS") is computed by dividing the Net Profit/Loss 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.

Computation of Earnings Per Share (AS-20): Basic & Diluted)

(Amt. in Rs.)

Particulars	31.03.2014	31.03.2013
Amounts used as numerator in calculating Basic EPS(Rs.)	(1,51,88,65,449)	(1228997234)
No. of Equity shares used as denominator	4,33,98,804	4,33,98,804
Nominal value per Equity shares (Rs.)	10/-	10/-
Earnings/(Loss) per share (Basic and diluted) (Rs.)	(35.00)	(28.32)

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

(Rs. in Lacs)

Particulars	As at 31.03.2013	Charge/Credit for the Period	As at 31.03.2014
(c) Deferred Tax Liability (Due to Depreciation)	(100.61)	-	(100.61)
(d) Deferred Tax Assets Others	-	-	-
Net Deferred tax liability (a-b)	(100.61)	-	(100.61)

As per AS-22 "Accounting for Taxes on Income", deferred tax assets should be recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The Net worth was fully eroded and the management was not expecting any taxable income in the near future and accordingly Deferred Tax Assets (DTA) is recognized to the extent of Deferred Tax Liability (DTL).

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

Form No. SH-13 Nomination Form

[Pursuant to Section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To,

_____,
_____,
_____,
_____,
_____.

I/We _____

the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death:

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made):

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(1) PARTICULARS OF NOMINEE/S:

(a) Name	:
(b) Date of Birth	:
(c) Father's/Mother's/Spouse's name	:
(d) Occupation	:
(e) Nationality	:
(f) Address	:
(g) E-mail id	:
(h) Relationship with the security holder	:

(3) IN CASE NOMINEE IS A MINOR:

(a) Date of birth	:
(b) Date of attaining majority	:
(c) Name of guardian	:
(d) Address of guardian	:
Name	:
Address	:
Name of the Security Holder(s)	:
Signature	:
Witness with name and address	:

SANCIA GLOBAL INFRAPROJECTS LIMITED

Registered Office: - 32 Ezra street, Todi Mension, Room No.1060, 10th Floor,
Kolkata – 700001.

CIN: L65921WB1991PLC052026

Tel no.033-40676220 Fax No. 033-40676220

Email Id: contact@sanciaglobal.com Website: www.sanciaglobal.com

23rd Annual General Meeting

ATTENDANCE SLIP

**PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL
AND HAND IT OVER AT THE ENTRANCE**

I/we hereby record my/our presence at the 23rd Annual General meeting of Sancia Global Infraprojects Limited held at on Friday, September 26, 2014, at 11.00 a.m. at Nandanam Garden & Banquet, 138 Bakra Hat Road ,Near Khalpole, Kolkata-700104.

Sr. No.

{for office use only}

Name of the Share Holders

Registered Address of the share Holder

Ledger Folio No./CL./ID :

D.P.Id No. if any

Number of shares Held :

Name of the proxy/
Representative if any :

Signature of Member/s
Proxy :

Signature of the Representative :

FOR IMMEDIATE ATTENTION OF THE SHARE HOLDERS

Shareholders may please note that the user id and password given below for the purpose of e -voting in terms of section 108 of the companies Act,2013, read with rules 20 of the companies {Management and administration }Rules,2014 . detailed instructions for e-voting are given in the AGM Notice.

EVEN (E-VOTING EVENT NUMBER)	USER ID	PASSWORD/PIN

*USE YOUR PASSWORD SENT BY CDSL

Registered post/courier

If Undelivered please return to:
SANCIA GLOBAL INFRAPROJECTS LTD.
Registered Office
32, Ezra Street, Todi Mension,
Unit No: 1060, 10th Floor,
Kolkata:700 001