

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS:**

Mr. Zulfi Abdullah Ravdjee	-	Managing Director
Mr. Zain Ravdjee	-	Executive Director
Ms. Asima Khan	-	Director
Mr. Ali Syed Mohd Fazle	-	Director
Mr. Revant Sharan	-	Director
Mr. V. Venkata Ramanaiah	-	Director

### **AUDITORS:**

**M M REDDY & CO.,**  
Chartered Accountants  
G - 8, Amrutha Ville, Right Wing,  
Rajbhavan Road, Somajiguda  
Hyderabad - 500082.

### **BANKERS:**

AXIS BANK  
Road No.1  
Banjara Hills,  
Hyderabad– 500 034.

### **REGISTERED OFFICE:**

Office No. 11, 6-3-249/6,  
2nd Floor, Alcazar Plaza & Towers,  
Road No. 1,  
Banjara Hills,  
Hyderabad - 500034.

### **SHARE TRANSFER AGENTS:**

M/s. Aarathi Consultants Private Limited  
1-2-285, Domalguda, Hyderabad.

### **LISTED AT:**

Ahmedabad Stock Exchange Limited

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

Re-designation of Mr. Zain Ravdjee as an Executive Director:

**“RESOLVED THAT** pursuant to Sections 198, 268, 269, 309, 310, 311 read with Schedule XIII to the Companies Act, 1956, and other applicable provisions, if any, of the Companies Act, 1956, and other applicable enactments, as amended from time to time, approval of the members of the Company be and is hereby accorded for redesignating Mr. Zain Ravdjee as an Executive Director of the company for a period of five years with effect from 16.04.2013, on a monthly remuneration of Rs. 20,000/- ( Twenty thousand only) till such date during his tenure as may be decided by the Board and with liberty to the Board of directors to fix, alter or vary from time to time the terms and conditions of the said appointment including the remuneration in such manner as it may deem fit within the limits in that behalf contained in Schedule XIII of the said Act including any Statutory modifications(s) in force or that may hereinafter be made thereto by the Central Government in that behalf or any amendments thereto as may be agreed by the Board of Directors and Mr. Zain Ravdjee in this behalf.”

“RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. Zain Ravdjee, the remuneration, perquisites and other allowances, if any fixed by the Board of Directors shall be governed by the limits prescribed in Schedule XIII to the Act.”

“RESOLVED FURTHER THAT the Board of Directors is authorized to take necessary action in this regard including filing necessary returns with ROC.”

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

Appointment of Ms. Asima Khan as a Director:

“RESOLVED THAT Ms. Asima Khan, who was appointed as an additional director of the company pursuant to the provisions of section 260 of the Companies Act, 1956 by the board of directors w.e.f 09.08.2013 and who holds the office up-to date of the ensuing annual general meeting and in respect of whom the company has received a notice in writing under section 257 read with section 190 of the said Act, along with requisite deposit proposing her as candidate for the office of director of the company, be and is hereby appointed as a director of the company whose period of office is liable to be determined by retirement of directors by rotation.”

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

Increase in borrowing limits to Rs. 50 Crores:

**“RESOLVED THAT** pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the shareholders be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the Board which expression shall be deemed to include a committee of Directors duly authorised in this behalf) to borrow from time to time as they may think fit, any sum or sums of money for the purpose of business of the company notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans

obtained from the Company's Bankers in the ordinary course of business) and remaining undischarged at any given time, exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount which may be borrowed by the Directors shall not exceed Rs.50 Crores (Fifty Crores only)."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution."

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

Creation of charge on movable and immovable properties of the Company, both present and future:

**"RESOLVED THAT** pursuant to the provisions of Section 293(1)(a) and other applicable provisions of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), the consent of the shareholders be and is hereby accorded to Board of Directors (hereinafter called "the Board" which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to mortgage and/or charge any of its movable and / or immovable properties wherever situated both present and future and such charge to rank pari passu in all respects with or second, subsequent, subservient and subordinate to all mortgages / charges created / to be created by the company for all existing and future borrowings and facilities whatsoever in favour of the lender."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto."

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
**For ZR INFRA LIMITED**

Place: Hyderabad  
Date: 09.08.2013

Sd/-  
Zulfi Abdullah Ravdjee  
Managing Director

Sd/-  
Zain Ravdjee  
Executive Director

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting.
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will be closed from 02.09.2013 to 04.09.2013 (Both days inclusive).
4. Members are requested to produce the Attendance Slip duly signed as per the Specimen Signature recorded with the Company/Depository Participant for admission to the meeting hall.
5. Members are requested to notify immediately any change in their address to the Share Transfer Agents and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
6. A Member desirous of receiving any information on the accounts or operations of the company is requested to forward his/her queries to the company at least 7 working days prior to the meeting, so that the required information can be made available at the meeting.
7. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to send the same to the office of the Registrar and Transfer Agent of the Company.
8. Members holding shares in physical form are requested to notify immediately any change in their address along with address proof, i.e., Electric /Telephone Bill, Driving License or a copy of passport and Bank particulars to the company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the company/RTA without delay.
9. Members, who hold shares in de-materialized form, are requested to bring their Client ID and DP IDs for easier identification of attendance at the meeting.
10. It shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company/RTAs for registration of transfer of shares for securities market transactions and off market/private transaction involving transfer of shares in physical form of listed companies.
11. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.

12. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to M/s. Aarthi Consultants Pvt. Ltd., Share Transfer Agents of the Company for their doing the needful.
13. As part of Green Initiative in Corporate Governance the Ministry of Corporate Affairs (MCA), Government of India vide its Circular has allowed paperless compliances by Companies inter-alia stating that if the Company sends official documents to their shareholders electronically, it will be in compliance with the provisions of Section 53 of the Companies Act, 1956. Keeping in view shareholders are requested to update their E-Mail ID with their DP.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
**For ZR INFRA LIMITED**

Place: Hyderabad  
Date: 09.08.2013

Sd/-  
Zulfi Abdullah Ravdjee  
Managing Director

Sd/-  
Zain Ravdjee  
Executive Director

### **EXPLANATORY STATEMENT**

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

#### **ITEM NO.4**

The Board of Directors in its meeting held on 16.04.2013, appointed Mr. Zulfi Abdullah Ravdjee as Managing Director with effect from 16.04.2013 as per the terms and conditions explained in the resolution.

As per the provisions of Schedule XIII of the Companies Act, 1956, appointment of Mr. Zulfi Abdullah Ravdjee as Managing Director, requires the approval of the members in the General Meeting. Hence, the above resolution at item no.4 is submitted to the meeting for ratification by the members of the Company by passing Ordinary Resolution.

Mr. Zulfi Abdullah Ravdjee, aged 57 years has vast knowledge and experience in construction and infrastructure activities. His professional knowledge and expertise would be of immense use for the efficient functioning of the Company. He is on the Board of the Company since 12.03.2011. He is currently looking after day to day operations. He does not hold any committee Memberships in any Company.

The notice together with the explanatory statement attached herewith should be treated as an abstract of the terms of the agreement and memorandum of concern or interest under section 302 of the Companies Act, 1956.

The Board of Directors commends the above resolution at item no.4 for the members' approval in the Annual General Meeting.

None of the Directors of the Company except Mr. Zain Ravdjee and Mr. Zulfi Abdullah Ravdjee are concerned or interested in this resolution.

#### **ITEM NO.5**

The Board of Directors in its meeting held on 16.04.2013, redesignated Mr. Zain Ravdjee as an Executive Director with effect from 16.04.2013 as per the terms and conditions explained in the resolution.

As per the provisions of Schedule XIII of the Companies Act, 1956, re-designation of Mr. Zain Ravdjee as an Executive Director, requires the approval of the members in the General Meeting. Hence, the above resolution at item no.5 is submitted to the meeting for ratification by the members of the Company by passing Ordinary Resolution.

Mr. Zain Ravdjee, aged 29 years has done Masters in Business Administration. His professional knowledge and expertise would be of immense use for the efficient functioning of the technical department. He is on the Board of the Company since 12.11.2010. He is currently looking after day to day operations. He does not hold any committee Memberships in any Company.

The notice together with the explanatory statement attached herewith should be treated as an abstract of the terms of the agreement and memorandum of concern or interest under section 302 of the Companies Act, 1956.

The Board of Directors commends the above resolution at item no.5 for the members' approval in the Annual General Meeting.

None of the Directors of the Company except Mr. Zain Ravdjee and Mr. Zulfi Abdullah Ravdjee are concerned or interested in this resolution.

#### **ITEM NO.6**

The members may note that Ms. Asima Khan, was inducted into Board as Additional Director of the company, with effect from 09.08.2013 pursuant to the provisions of Section 260 of the Companies Act, 1956 and holds the office as such up to the date of ensuing Annual General Meeting. The company has received notice in writing from member of the company along with the requisite deposit under Section 257 read with section 190 of the Companies Act, 1956 proposing the candidature of the above said person for the Office of Director whose period of office is determinable by retirement of Directors by rotation.

As per the provisions of section 257 of the Act, any such proposal ought to be approved by the members in the General Meeting.

Hence, the Board recommends the resolution for your approval.

None of Directors except Ms. Asima Khan may be deemed to be concerned or interested in the resolution.

**ITEM NO.7**

As per Section 293(1)(d) of Companies Act, 1956, consent of members is required where the amount to be borrowed together with moneys already borrowed exceeds the aggregate of paid-up capital and free reserves.

In view of the growing operations the company requires additional funds as working capital to the tune of Rs. 50 crores.

Hence, the Board recommends the resolution for your approval.

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

**ITEM NO.8**

Looking into requirements of the business activities carried by the company, it may require additional funds. Hence, the Board be authorised to borrow moneys from banks, financial institutions and other sources. The company in order to raise the funds may require to give securities and creation of charge on the assets of the company, etc. for due repayment of loan amount and interest thereon to banks and financial institutions as per their stipulated terms and conditions with right to take possession of the assets in the event of default, if any.

In terms of provisions of section 293(1)(a) of Companies act,1956, it is required to provide necessary powers to the Board to lease, mortgage, create charge on the assets to the banks and other financial institutions.

Hence, the Board recommends the resolution for your approval.

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
**For ZR INFRA LIMITED**

Place: Hyderabad  
Date: 09.08.2013

Sd/-  
Zulfi Abdullah Ravdjee  
Managing Director

Sd/-  
Zain Ravdjee  
Executive Director

## **DIRECTORS' REPORT**

To

### **THE MEMBERS ZR INFRA LIMITED**

Your Directors have great pleasure in presenting this **16<sup>th</sup> Annual Report** together with the audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2013.

### **DIVIDEND:**

Your Directors have decided not to recommend dividend for the year.

### **PUBLIC DEPOSITS:**

Your Company has not accepted any deposits falling within the meaning of Sec.58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, during the financial year under review.

### **LISTING:**

The equity shares of your company are listed on the Ahmedabad Stock Exchange.

### **CAPITAL OF THE COMPANY:**

The authorized capital of the company stands at Rs. 7,00,00,000/- divided into 70,00,000 equity shares of Rs.10/- each. The Paid up capital of the company stands at Rs. 6,08,08,500/- divided in to 66,90,900 equity shares of Rs.10/- each.

### **AUDITORS**

The auditors, M/s. M M REDDY & CO., Chartered Accountants, be and are hereby appointed as Re-auditors of this company to hold office from the conclusion of this annual general meeting to the conclusion of the next annual general meeting of the company on such remuneration as may be mutually agreed upon between the Board of Directors or the Audit Committee and the Auditors.

### **ENERGY, TECHNOLOGY & FOREIGN EXCHANGE**

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 217 (1) (e) of the Companies Act, 1956 read with the Company (Disclosures of particulars in the report of Board of Directors) Rules, 1988.

### **Foreign Exchange Earnings & Out Go:**

#### **Earnings:**

FOB Value of Exports : Rs. Nil

#### **Out Go:**

CIF Value of Capital Goods : Rs. Nil

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors, is hereby confirming that:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) that the Directors had 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;
- d) that the Directors had prepared the annual accounts on a going concern basis.

## **DIRECTORS:**

In accordance with the Companies Act, 1956 read with Articles of Association of the company the Director namely Mr. Revant Sharan retires by rotation and is eligible for re-appointment. Your Board recommends the re-appointment of the Director above in the best interests of the company.

During the year, Mr. Zain Ravdjee was re-designated as an Executive Director w.e.f. 16.04.2013 and Mr. Zulfi Ravdjee Abdullah was appointed as Managing Director on 16.04.2013, subject to the approval of members.

Ms. Asima Khan was appointed as additional director w.e.f. 09.08.2013. The company has received notice proposing candidature of Ms. Asima Khan for the office of director. Mr. B. Appi Reddy resigned from the Board w.e.f. 09.08.2013. The Board places on record its sincere appreciation for the valuable services rendered by him during his tenure as Director on the Board.

## **BRIEF PROFILE OF MR. REVANT SHARAN:**

Particulars	Mr. Revant Sharan
Date of Birth	05.07.1984
Date of Appointment	12.11.2010
Qualifications	B.Tech
Directorships held in other companies (excluding private limited and foreign companies)	Nil

## **BRIEF PROFILE OF MR. ZAIN RAVDJEE:**

Particulars	Mr. Zain Ravdjee
Date of Birth	03.05.1984
Date of Appointment	12.11.2010
Qualifications	M.B.A.
Directorships held in other companies (excluding private limited and foreign)	ZR Power Holdings Limited

companies)	
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**BRIEF PROFILE OF MR. ZULFI ABDULLAH RAVDJEE:**

Particulars	Mr. Zulfi Ravdjee Abdullah
Date of Birth	17.08.1956
Date of Appointment	12.03.2011
Qualifications	Graduate
Directorships held in other companies (excluding private limited and foreign companies)	Atlas Builders Limited

**BRIEF PROFILE OF MS. ASIMA KHAN:**

Particulars	Ms. Asima Khan
Date of Birth	09.12.1979
Date of Appointment	09.08.2013
Qualifications	Graduate
Directorships held in other companies (excluding private limited and foreign companies)	Nil

**PERSONNEL**

There are no employees whose particulars are required to be furnished pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

**ACKNOWLEDGEMENT**

The Directors wish to place on record their appreciation of the continued co-operation and assistance of the Central Government, State Government of Andhra Pradesh, the Bankers, Customers and the valuable advice and support received from the shareholders.

The Directors thank the shareholders for their continued confidence and trust placed by them with the Company. The Board also records its deep appreciation for the committed services of its employees during the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
**For ZR INFRA LIMITED**

Place: Hyderabad  
Date: 09.08.2013

Sd/-  
Zulfi Abdullah Ravdjee  
Managing Director

Sd/-  
Zain Ravdjee  
Executive Director

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **1. Industry Structure and Developments:**

The Economic Survey 2011-2012 has thrown emphasis for Investments in infrastructure to the tune of over US \$ 1 trillion during the Twelfth Plan 2012-17. The Planning Commission also projected that at least 50% of this investment will come from the private sector as against the 36% anticipated in the Eleventh Plan. Inadequate infrastructure was recognised in the Eleventh Plan as a major constraint on rapid growth. The Plan had, therefore, emphasized the need for massive expansion in investment in infrastructure which was a combination of public and private investments. Substantial progress has been made in this respect.

With the consistent attention being given to infrastructure development and the increasing demand of housing in the country, the Construction sector has been growing at a compounded annual growth rate (CAGR) of about 11.1 per cent over the last eight years. The Construction sector accounts for around 9.0 per cent of GDP today. The Construction sector is critical for enhancing the productive capacity of the economy. It has strong linkages with various industries such as cement, steel, chemicals, paints, tiles, fixtures and fittings. While in the short term it serves as a demand booster, in the long term it contributes towards boosting the infrastructure capacity. This is also evident from the fact that infrastructure construction accounts for the maximum share (54.0 per cent) of construction activities. Industrial expansion contributes to 36.0 per cent of overall construction activity, and residential and commercial 5.0 per cent each. As India embarks upon an accelerated drive for infrastructure creation, it would be critical to enhance the capacity and capability of the construction sector.

### **2. Opportunities:**

Considering that the target of double digit growth of the economy will be difficult to achieve without infrastructure growth, ambitious plans for investment into various sectors of physical infrastructure are being prepared and the cumulative investment in infrastructure in the Twelfth Five Year Plan is targeted at around \$1 trillion. Nearly half of this investment will be channelized into construction projects.

Total construction opportunity (industrial and infrastructure) is expected to grow by 1.9 times over the next 5 years as compared to the last 5 years. This growth will be driven by investments in the infrastructure segment, which are expected to almost double over the next 5 years. The share of infrastructure investments in total construction investments is expected to increase from 81% in the period between 2006-07 and 2010-11 to about 85% in the period between 2011- 12 and 2015-16. This will be led by the Central government's focus on policies and schemes in the various segments such as roads, power, irrigation and urban infrastructure. Industrial investments will be driven by expansion plans, especially in oil and gas. Roads, power to present higher construction opportunity in next 5 years

### **3. Internal control system and their adequacy:**

The Company has a proper and adequate internal control system commensurate with its size and nature of business to meet the following objectives:

- a) Providing assurance regarding the effectiveness and efficiency of operations;
- b) Efficient use and safeguarding of resources;
- c) Compliance with policies, procedures and applicable laws and regulations; and
- d) These systems are IT enabled which facilitate effective checks and light monitoring of all parameters and control on continuous basis.
- e) The Audit Committee actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them time to time.
- f) Risk assessment reports received from various departments are reviewed periodically and steps are initiated for elimination whenever needed.

#### **4. Challenges, Risks , Concerns:**

The company has managed to sail through challenges in the past year, thanks to the unstinted support of its employees. With the worst of the economic crisis behind us we are poised for new challenges, increased productivity and profitability. Competition from the existing and emerging local and international players continues to pose challenges to the domestic markets. The company has to reckon with aggressive strategies from the new entrants in the market.

#### **5. Human Resource Development:**

The Company has a group of able and experienced employees. The Company believes that the quality of its employees is the key to its success in the long run. The Company continues to have cordial relations with its employees and provides personal development opportunities for allround exposure to them.

Further, we also encourage individual and team awards to sustain and institutionalize the various workforce practices. This helped in giving lots of encouragement to the workforce who have been striving hard to achieve various goals.

#### **6. Cautionary Statement:**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws and other statues and other incidental factor.

**REPORT ON CORPORATE GOVERNANCE**  
(Pursuance to clause 49 of the Listing Agreement)

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Your Company believes in providing highest transparency and ethical values in Corporate Governance. Your Company's basic philosophy is to achieve business excellence and enhance shareholder value keeping in view the interests of shareholders. The Company stands by transparency in all its dealings and strict regulatory compliance.

**2. BOARD OF DIRECTORS AND COMPOSITION:**

**(a) Composition:**

The Board of Directors comprises of 6 Directors of which 2 are Executive Directors and 5 are Non Executive Directors.

The Board of Directors met 5 times during the year on 24.05.2012, 28.06.2012, 31.07.2012, 09.11.2012 and 30.01.2013. The maximum gap between two meetings was less than 4 months, as stipulated under clause 49.

Attendance at the Board Meetings during the financial year 2012-2013, last Annual General Meeting and Number of other Directorship & Chairmanship /Membership of Committee of each Director in various Companies during the year is as follows:

<b>Name of the Director</b>	<b>Category</b>	<b>No. of other Directorships</b>	<b>No. of committees in Which he/she is a Member</b>	<b>No. of Meetings held during the tenure of the Director</b>	<b>No. of Board Meetings attended</b>	<b>Whether attended last AGM</b>
Zulfi Abdullah Ravidjee	Promoter Executive Director	1	Nil	5	5	Yes
Zain Ravidjee	Promoter Executive Director	1	Nil	5	5	Yes
Asima Khan*	Promoter Non-Executive Director	Nil	Nil	Nil	Nil	No
B. Appi Reddy **	Non Executive Independent Director	1	Nil	5	5	Yes
Ali Syed Mohd Fazle	Non Executive Independent Director	1	Nil	5	5	Yes
Revant Sharan	Non Executive Independent Director	Nil	Nil	5	5	Yes
V. Venkata Ramanaiah	Non Executive Independent Director	Nil	Nil	5	5	Yes

\* appointed w.e.f. 09.08.2013

\*\* resigned w.e.f. 09.08.2013

### 3. AUDIT COMMITTEE:

The audit committee acts as a link between the Management, the Statutory Auditors and the Board of Directors and oversees the financial operations and reporting process. The quorum for audit committee is two members.

During the year, Audit committee has met 4 times on 24.05.2012, 31.07.2012, 09.11.2012 and 30.01.2013. Mr. B. Appi Reddy, Mr. Revant Sharan & Mr. Ali Syed Mohd Fazle attended all the meetings.

The details of the composition of the committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No of meetings
Mr. B. Appi Reddy*	Chairman	Independent, non-executive	4
Mr. V. Venkata Ramanaiah#	Chairman	Independent, non-executive	Nil
Mr. Revant Sharan	Member	Independent, non-executive	4
Mr. Ali Syed Mohd Fazle	Member	Independent, non-executive	4

\* resigned w.e.f. 09.08.2013

# appointed w.e.f. 09.08.2013

### 4. REMUNERATION COMMITTEE:

The following is the composition of the remuneration committee:

Name	Designation	Category
Mr. B. Appi Reddy *	Chairman	Independent, non-executive
Mr. V. Venkata Ramanaiah#	Chairman	Independent, non-executive
Mr. Revant Sharan	Member	Independent, non-executive
Mr. Ali Syed Mohd Fazle	Member	Independent, non-executive

\* resigned w.e.f. 09.08.2013

# appointed w.e.f. 09.08.2013

### Details of remuneration to all the directors for the year:

During the year no remuneration was paid to Managing Director and other non-executive directors of the Company.

### 5. SHAREHOLDERS GRIEVENCE COMMITTEE:

Shareholders / Investors Grievance committee was formed by the Board of Directors in terms of clause 49 of the Listing Agreement.

The Share holders committee was constituted with the following persons:

Name	Designation	Category
Mr. B. Appi Reddy*	Chairman	Independent, non-executive
Mr. Revant Sharan **	Chairman	Independent, non-executive
Mr. V. Venkata Ramanaiah#	Member	Independent, non-executive
Mr. Ali Syed Mohd Fazle	Member	Independent, non-executive

\* resigned w.e.f. 09.08.2013  
# appointed w.e.f. 09.08.2013  
\*\* appointed w.e.f. 09.08.2013

The Committee oversees the performance of the Registrar and Share Transfer Agents of the Company, and recommends measures to improve the level of investor services.

The complaints, if received, are attended within required time from the date of receipt of the complaint as communicated by our Registrars and Share Transfer Agents M/s. Aarthi Consultants Pvt. Ltd.

The total number of complaints as at the beginning of the year, received and resolved during the year was Nil. The outstanding complaints as on 31st March, 2013 were Nil. The number of pending share transfers as on 31st March, 2013 was Nil.

## 6. GENERAL BODY MEETINGS:

Location and time for the last 3 Annual General Meetings:

Sl. No.	Year	Venue	Date	Time	Special resolutions
1.	2011-12	Office No. 11, 6-3-249/6, 2nd Floor, Alcazar Plaza & Towers, Road No.1, Banjara Hills, Hyderabad – 500034.	29.09.2012	11.00 A.M.	Nil
2.	2010-11	Office No. 11, 6-3-249/6, 2nd Floor, Alcazar Plaza & Towers, Road No.1, Banjara Hills, Hyderabad – 500034.	30.09.2011	11.00 A.M.	Nil
3.	2009-10	Cellar Floor, Shop No.2 & 3, 3-365 Liberty Plaza, Basheerbagh, Hyderabad - 500029.	30.09.2010	02.00 P.M	Change of name of Company from Zen Infraventures India Limited to ZR Infraventures India Limited

No postal ballot was conducted during the year.

## 7. DISCLOSURES:

**A. Disclosures on materially significant related transactions i.e. transactions of the Company of material nature with its promoters, the directors or the management, their subsidiaries or relative etc., that may have potential conflict with the interests of the company at large.**

None of the transactions with any of the related parties were in conflict with the interest of the Company and there are no any related party transactions.

**B. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years.**

There were no instances of non-compliance of any matter related to Capital Market during the last three years.

**C. CEO/CFO Certification**

The Managing Director of the Company have certified positively to the Board on the matters specified under Clause 49(V) of the Listing Agreement.

**8. MEANS OF COMMUNICATION:**

As per the listing requirements quarterly, half yearly and yearly financial results of the Company will be published in leading English Newspapers for public information.

**9. GENERAL SHAREHOLDER INFORMATION:**

**1. Annual General Meeting Date, Time & Venue** : 4 September, 2013, 11.00 A.M.  
Office No. 11, 6-3-249/6, 2nd Floor,  
Alcazar Plaza & Towers, Road No. 1,  
Banjara Hills, Hyderabad – 500034.

**2. Financial Calendar:** April – March (2013-14) tentative

Results for the quarter ending 30th June, 2013	: Already submitted on 09.08.2013
Results for the quarter ending 30th Sept, 2013	: On or before 14.11.2013
Results for the quarter ending 31st Dec, 2013	: On or before 14.02.2014
Audited Financial results for the year ended 31st March, 2014	: On or before 30.05.2014

**3. Book Closure Dates** 02.09.2013 to 04.09.2013 (Both days inclusive)

**4. Listing of equity shares on stock exchanges:**

a) Ahmedabad Stock Exchange Limited

**5. Stock Code:**

Name of the Stock Exchange: Ahmedabad Stock Exchange Limited  
Stock Code: 68072

**6. Demat ISIN numbers in NSDL & CDSL for Equity Shares:**

NSDL & CDSL: INE430B01019

**7. Stock Market Data:**

There was no trading in the shares of the company on Ahmedabad Stock Exchange and hence no stock data is available.

**8. Registrar and Share Transfer Agents:**

Aarathi Consultants Pvt. Ltd.,  
1-2-285, Domalguda,  
Hyderabad.

## 9. Share Transfer System:

The Share transfers are being affected physically by the Company's share transfer agents, Aarthi Consultants Pvt. Ltd., Hyderabad. The Company has entered into an agreement with NSDL and CDSL for dematerialization of its shares.

## 10. Shareholding Pattern as on 31<sup>st</sup> March, 2013:

Particulars	Category	No. of shares	Percentage of
<b>A</b>	Shareholding of Promoter and promoter group		
1.	Promoters & Persons acting in concert	4961700	74.38
	<b>Sub- Total A</b>	<b>4961700</b>	<b>74.38</b>
<b>B</b>	Public Shareholding		
1.	Institutions	NIL	NIL
2.	Non- Institutions		
a)	Bodies Corporate	124356	1.86
b)	Indian public and others	1584644	23.76
c)	Any others		
	i) NRI's	NIL	NIL
	ii) Clearing Members	NIL	NIL
	Sub Total B	<b>1709000</b>	<b>25.62</b>
	<b>Grand Total (A+B)</b>	<b>6670700</b>	<b>100.00</b>

## 11. Distribution of shareholding of the Company by number of shares held as on 31st March, 2013 is as follows:

Particulars	Shareholders		Shareholding	
	Number	%	Number	%
UPTO - 500	1193	82.90	269236	4.04
501-1000	79	5.49	69274	1.04
1001-2000	42	2.92	68548	1.03
2001-3000	43	2.99	110544	1.66
3001-4000	11	0.76	40701	0.61
4001-5000	25	1.74	123200	1.85
5001-10000	21	1.46	173488	2.6
10001 & ABOVE	25	1.74	5815709	87.18
Total	1439	100	6670700	100

## 12. Dematerialization of Shares and liquidity:

Since the Company has entered into an agreement with both the depositories namely NSDL and CDSL for dematerialization of its shares, the shareholders of the company are free to dematerialize their shares and keep them in dematerialized form with any depository participant. 92.59 % of shares have been dematerialized up to 31st March, 2013.

## 13. Outstanding GDR/Warrants and Convertible Bonds, Conversion date and likely impact on the Equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

**14. Office Location:** Office No. 11, 6-3-249/6, 2nd Floor,  
Alcazar Plaza & Towers, Road No. 1,  
Banjara Hills, Hyderabad – 500034.

**15. Address for Correspondence: ZR Infra Limited**  
Office No. 11, 6-3-249/6, 2nd Floor,  
Alcazar Plaza & Towers, Road No. 1,  
Banjara Hills, Hyderabad – 500034.

**16. CEO/MD Certification:**

As required by the clause 49 (V) of the Listing Agreement, the certificate from CEO is attached elsewhere in the annual report.

**17. Compliance Certificate of the Auditors:**

The Statutory Auditor has certified that the company has complied with the conditions of the Corporate Governance as stipulated in clause 49 of the listing agreement and the same forms part of the Annual Report. The Certificate from the statutory auditor will be sent to the stock exchange along with the Annual Report of the Company.

For and on behalf of the Board  
**ZR INFRA LIMITED**

Place: Hyderabad  
Date: 09.08.2013

Sd/-  
Zulfi Abdullah Ravdjee  
Managing Director

**DECLARATION**

To

The Members of ZR Infra Limited

This is to declare that the Code of Conduct envisaged by the Company for members of the Board and the Senior Management Personnel have been complied with by all the members of the Board and the Senior Management Personnel of the Company respectively

For and on behalf of the Board  
**ZR INFRA LIMITED**

Place: Hyderabad  
Date: 09.08.2013

Sd/-  
Zulfi Abdullah Ravdjee  
Managing Director

Dear Shareholder,

Please find below the Managing Director certificate as per Clause 49(V) of the Listing Agreement:

### **MANAGING DIRECTOR CERTIFICATE**

I, Zulfi Abdullah Ravdjee, Managing Director of ZR Infra Limited certify that:

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:

(a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) These statements present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of Company's code of conduct.

3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.

4. We indicate to the Auditors and to the Audit Committee:

- (a) Significant changes in internal controls over financial reporting during the year;
- (b) Significant changes in the accounting policies during the year;
- (c) No instances of significant fraud of which we have become aware of and which involve
- (d) the management or other employees who have significant role in the Company's internal control system over financial reporting.

However, during the year there were no such changes and instances.

For and on Behalf of the Board  
**ZR INFRA LIMITED**

Place: Hyderabad  
Date: 09.08.2013

Sd/-  
Zulfi Abdullah Ravdjee  
Managing Director

## **CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE**

**To  
The Members of  
ZR Infra Limited**

We have reviewed the compliance of conditions of Corporate Governance by M/s. ZR Infra Limited, for the year ended on March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

No investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

For M M REDDY & CO.,  
Chartered Accountants  
Firm Reg. No.010371S

Place: Hyderabad  
Date: 30.05.2013

(M. Madhusudhana Reddy)  
Partner  
Membership No.213077

## AUDITORS' REPORT

### To The Members of ZR INFRA LIMITED,

1. We have audited the attached Balance Sheet of **ZR INFRA LIMITED**, as at March 31, 2013, and also the related Profit and Loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 as amended ('the Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 ('the Act'), we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to in paragraph (3) above, we report that:

(i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

(ii) 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;

(iii) The Balance Sheet, Profit and Loss Account dealt with by this report are in agreement with the books of account;

(iv) In our opinion, the Balance Sheet, Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act.

(v) On the basis of written representations received from the directors, as on March 31, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

(vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon 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:

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013; AND

(b) In the case of the Profit and Loss Account, of the Loss for the year ended on that date;

For M M REDDY & CO.,  
Chartered Accountants  
Firm Reg. No.010371S

Place: Hyderabad  
Date: 30.05.2013

(M. Madhusudhana Reddy)  
Partner  
Membership No.213077

**Annexure to the Auditors' Report (referred to in paragraph 3 of our Report of even date to the Members of ZR INFRA LIMITED for the year ended March 31, 2013)**

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

(b) Fixed Assets have been physically verified by the management and, in our opinion, the verification is reasonable having regard to the size of the company and the nature of its assets. No discrepancies were noticed on such verification.

(c) No substantial part of fixed assets has been disposed off during the year.

2. In our opinion and according to the information and explanations given to us, the Company not having any inventory. Accordingly, the provisions of clause 4(ii) of the Order are not applicable to the Company.

3. As informed the Company has neither granted nor taken any loans, secured or unsecured to and from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clauses 4(III) (b) to (d) of the Order are not applicable.

4. On the basis of checks carried out during the course of audit and as per explanations given to us, we are of the opinion that there are adequate internal control procedures commensurate with the size of the company and the nature of its business; for the purchases of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.

5. a) In our opinion and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

b) In our opinion and according to the information and explanations given to us, transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rupees five lakhs in respect of each party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.

7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

8. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under Section 209 (i) (d) of the Companies Act, 1956 in respect of the Company's nature of business.

9. (a) According to the records of the company, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Income Tax, Wealth Tax, Customs Duty, Excise duty, cess and other material statutory dues applicable at the end of the year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no income tax, wealth tax, sales tax, customs duty and excise duty, which have not been deposited on account of any dispute. There were no dues on account of cess under 441A of the Companies Act 1956, since the date from which the aforesaid section comes into force has not yet been notified by the Central Government.

10. The company has the accumulated losses as at the end of the financial year Rs.5,04,05,607/- and it has incurred cash losses Rs. 28,701/- during the current financial year covered by our audit and Rs. 1,80,755/- the immediately preceding financial year.

11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company did not have any outstanding dues to financial institutions, 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. In our opinion, the Company is not a chit or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.

14. The company is not in the business of dealing or trading in shares, securities, debenture and other instruments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.

15. The company has not given any guarantee for loans taken by others from banks or financial institutions.

16. The company has not taken term loans from banks.

17. Based on our examination of the balance sheet of the company as at 31<sup>st</sup> March, 2013, since there is no loans availed by the company on the short term basis.

18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

19. During the year covered by our audit report, the Company does not have any outstanding debentures during the year.

20. During the year the company has not raised money through the Public Issue, the utilization of funds does not arise.

21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For M M REDDY & CO.,  
Chartered Accountants  
Firm Reg. No.010371S

Place: Hyderabad  
Date: 30.05.2013

(M. Madhusudhana Reddy)  
Partner  
Membership No.213077

**ZR INFRA LIMITED**

Balance Sheet As on 31.03.2013

(All amounts in Indian Rupees except for share data or otherwise stated)

		2012-13	2011-12
	Note No's	As at Mar' 31, 2013	As at Mar' 31, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	60,808,500	60,808,500
Reserves and Surplus	3	(50,715,484)	(50,562,322)
	<b>A</b>	<b>10,093,016</b>	<b>10,246,178</b>
<b>Non - current liabilities</b>			
Long - term borrowings	4	1,000,000	1,457,224
Deferred tax liabilities (Net)		-	-
Long term provisions		-	-
	<b>B</b>	<b>1,000,000</b>	<b>1,457,224</b>
<b>Current liabilities</b>			
Short - term borrowings		-	-
Trade Payables	5	536,804	401,946
Short - term provisions	6	460,000	460,000
	<b>C</b>	<b>996,803</b>	<b>861,945</b>
<b>Total</b>	<b>(A+B+C)</b>	<b>12,089,820</b>	<b>12,565,347</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
<b>Net block</b>			
Capital work- in- progress	7	2,153,306	2,277,767
	<b>A</b>	<b>2,153,306</b>	<b>2,277,767</b>
Deferred tax assets (Net)		-	-
Long - term loans and advances	8	143,653	143,653
Non-current investments	9	2,896,300	2,896,300
Other Non- Current Assets		-	-
	<b>B</b>	<b>3,039,953</b>	<b>3,039,953</b>
<b>Current assets</b>			
Inventories		-	-
Trade receivables	10	4,888,594	4,888,594
Cash and cash equivalents	11	65,511	416,578
Short - term loans and advances	12	1,942,455	1,942,455
Other current assets		-	-
	<b>C</b>	<b>6,896,560</b>	<b>7,247,627</b>
<b>Total</b>	<b>(A+B+C)</b>	<b>12,089,820</b>	<b>12,565,347</b>

The Notes referred to above and the notes to accounts form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date.

For **M M REDDY & CO.,**  
Chartered AccountantsFor and on behalf of the Board of Directors of  
**ZR INFRA LIMITED**M Madhusudhana Reddy  
Partner  
Membership No. 213077

Managing Director

Place : Hyderabad  
Date : 30-05-2013

Director

<b>ZR INFRA LIMITED</b>			
<b>Profit and Loss Account for the year ended 31.03.2013</b>			
(All amounts in Indian Rupees except for share data or otherwise stated)			
		<b>2012-13</b>	<b>2011-12</b>
	<b>Note No's</b>	<b>Year Ended Mar' 31, 2013</b>	<b>Year Ended Mar' 31, 2012</b>
<b>INCOME</b>			
<b>Turnover (Gross)</b>			
Revenue from operations		-	-
Other Income		-	-
<b>Total Revenue</b>		-	-
<b>EXPENDITURE</b>			
Operating Expenses		-	-
Administration expenses	13	28,701	180,755
Depreciation/amortization	7	124,461	133,054
<b>Total</b>		<b>153,162</b>	<b>313,809</b>
<b>Profit/ (Loss) before tax</b>		<b>(153,162)</b>	<b>(313,809)</b>
<b>Profit before tax</b>			
Provision for taxation			
- Current Year Tax		-	-
- Deferred tax		-	-
<b>Total tax expense</b>		-	-
Profit/(Loss) from continuing operations		(153,162)	(313,809)
Balance brought forward from previous year		(50,252,445)	(49,938,636)
<b>Balance carried to Balance Sheet</b>		<b>(50,405,607)</b>	<b>(50,252,445)</b>
<b>Earnings per share</b>			
Basic		(0.03)	(0.05)
Weighted Average Number of Shares		6,080,850	6,080,850
Nominal value		10	10
The Notes referred to above and the notes to accounts form an integral part of the Profit and Loss Account			
This is the Profit and Loss Account referred to in our report of even date.			
<b>For M M REDDY &amp; CO., Chartered Accountants</b>		<b>For and on behalf of the Board of Directors of ZR INFRA LIMITED</b>	
M Madhusudhana Reddy Partner Membership No. 213077		Managing Director	
Place : Hyderabad Date : 30-05-2013		Director	

**ZR INFRA LIMITED****Cash Flow Statement for the year ended March 31, 2013**

(All amounts in Indian Rupees except for share data or otherwise stated)

	2012-13	2011-12
	As at	As at
	Mar' 31, 2013	Mar' 31, 2012
<b>A. Cash flow from operating activities</b>		
Net profit / (Loss) before tax	(153,162)	(313,809)
<b>Adjustments for:</b>		
Depreciation	124,461	133,054
Dividend Income	-	-
Interest expense	-	-
<b>Operating profit before working capital changes</b>	<b>(28,701)</b>	<b>(180,755)</b>
<b>Movements in working capital :</b>		
Increase in sundry debtors	-	-
Increase in inventories	-	-
Increase / (Decrease) in loans and advances	-	-
Increase in other current assets	-	(479,130)
Decrease in current liabilities	134,858	(47,802)
<b>Cash generated from/(used in) operations</b>	<b>106,157</b>	<b>(707,687)</b>
Taxes paid	-	-
<b>Net cash used in/(generated from) operating activities</b>	<b>106,157</b>	<b>(707,686)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets	-	-
Sale of fixed assets	-	-
Fixed deposits	-	-
Dividends received	-	-
<b>Net cash used in investing activities</b>	<b>-</b>	<b>-</b>
<b>C. Cash flows from financing activities</b>		
Proceeds Share capital	-	-
Other Short term Borrowings(Net)	-	-
Long term borrowings	(457,224)	-
Interest received	-	-
Interest paid	-	-
<b>Net cash generated from/(used in) financing activities</b>	<b>(457,224)</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(351,067)</b>	<b>(707,686)</b>
Cash and cash equivalents at the beginning of the year	416,578	1,124,264
<b>Cash and cash equivalents at the end of the year</b>	<b>65,511</b>	<b>416,578</b>

This is the Cash Flow Statement referred to in our report of even date.

For M M REDDY & CO.,  
Firm Registration Number : 010371S  
Chartered Accountants

M Madhusudhana Reddy  
Partner  
Membership No. 213077

Place : Hyderabad  
Date : 30-05-2013

For and on behalf of the Board of Directors of  
**ZR INFRA LIMITED**

Managing Director

Director

**ZR INFRA LIMITED****Notes to Accounts**

(All amounts in Indian Rupees except for share data or otherwise stated)

	2012-13	2011-12
	As at Mar' 31, 2013	As at Mar' 31, 2012
<b>Note 2 : Share Capital</b>		
<b>Authorised:</b>		
7000000 EQUITY SHARES OF RS.10 EACH	70,000,000	70,000,000
<b>Issues, Subscribed and Paid up</b>		
66,70,700 Equity shares of Rs.10- each	66,707,000	66,707,000
<b>Calls in Arrears</b>	5,898,500	5,898,500
	<b>60,808,500</b>	<b>60,808,500</b>
<b>Note 3 : Reserves and Surplus</b>		
<b>General Reserve</b>		
Balance as per last account	-	-
<b>Capital Reserve</b>		
Forfeiture of shares on Capital Reduction	-	-
<b>Profit &amp; Loss A/c Surplus</b>		
Balance in the statement of profit & loss	(50,562,322)	(50,248,513)
Additions during the year	(153,162)	(313,809)
	<b>(50,715,484)</b>	<b>(50,562,322)</b>
<b>Note 4 : Long - term borrowings</b>		
<b>Loans and advances from banks</b>		
<b>Term loans</b>		
From banks	-	-
From others	-	-
Directors	1,000,000	1,000,000
Other Loans	-	457,224
	<b>1,000,000</b>	<b>1,457,224</b>
<b>Note 5 : Trade Payables</b>		
Sundry Creditors	516,530	99,128
Expenses payable	20,274	302,818
	<b>536,804</b>	<b>401,946</b>
<b>Note 6 : Short - term provisions</b>		
Provision for Income tax	460,000	460,000
Others Provisions	-	-
	<b>460,000</b>	<b>460,000</b>

**ZR INFRA LIMITED****Notes to Accounts**

(All amounts in Indian Rupees except for share data or otherwise stated)

	2012-13	2011-12
	As at Mar' 31, 2013	As at Mar' 31, 2012
<b>Note 8 : Long - term loans and advances</b>		
Capital advances	-	-
Security deposits	143,653	143,653
Others	-	-
	<b>143,653</b>	<b>143,653</b>
<b>Note 9 : Non-current investments</b>		
<b>UNQUOTED SHARES</b>		
2,88,000 Equity shares of Rs.10/- each of Bharathi E.Com Pvt.Ltd.,	2,880,000	2,880,000
163 Equity shares of Rs.100/- each of Seven Hills Co.operative Bank Ltd.,	16,300	16,300
	<b>2,896,300</b>	<b>2,896,300</b>
<b>Note 10 : Trade receivables (Unsecured, considered good, unless otherwise stated)</b>		
Debts outstanding for a period exceeding six months		
Considered good	4,888,594	4,888,594
Considered doubtful		
Other debts		
Considered good	-	-
	<b>4,888,594</b>	<b>4,888,594</b>
Less: Provision for doubtful debts	-	-
	<b>4,888,594</b>	<b>4,888,594</b>
<b>Note 11 : Cash and cash equivalents</b>		
Cash on hand	56,772	94,870
Balances with Noted banks		
On current accounts	8,739	321,708
On deposit accounts	-	-
	<b>65,511</b>	<b>416,578</b>
<b>Note 12 : Short - term loans and advances</b>		
Advance to creditors	1,729,130	1,729,130
Advance tax	190,640	190,640
Tds Receivable	22,685	22,685
	<b>1,942,455</b>	<b>1,942,455</b>

**ZR INFRA LIMITED****Notes to Accounts**

(All amounts in Indian Rupees except for share data or otherwise stated)

	2012-13	2011-12
	Year Ended Mar' 31, 2013	Year Ended Mar' 31, 2012
<b>Note : Operating Expenses</b>		
Software Development Expenses	-	-
Staff Cost and Other Direct Expense	-	-
	-	-
<b>Note 13 : Administration expenses</b>		
<b>Salaries</b>	-	55,050
Audit Fee	11,236	10,000
Advertisement Charges	-	-
Consultancy Charges	200	79,225
Printing and Stationery	500	-
CDSL	-	-
Filing Fees	-	-
Stock Exchange Fees	-	36,090
Office Expenses	16,765	390
	28,701	180,755

**ZR INFRA LIMITED****Notes to Accounts**

(All amounts in Indian Rupees except for share data or otherwise stated)

**Note 6 : Fixed Assets**

Particulars	Gross Block			Depreciation /amortization			Net Block	
	As at April 1, 2012	Additions	As at March 31, 2013	As at April 1, 2012	For the year	As at March 31, 2013	As at March 31, 2013	As at March 31, 2012
Furniture & Fixtures	1682434	-	1,682,434	1,098,390	36,970	1,135,360	547,074	584,044
Electrification	790677	-	790,677	508,442	17,865	526,307	264,370	282,235
Office Equipments	1246883	-	1,246,883	821,860	26,904	848,764	398,119	425,023
Air Conditioning	752658	-	752,658	488,629	16,713	505,342	247,316	264,029
Computers&Software	23984715	-	23,984,715	23,984,715	-	23,984,715	-	-
Buildings	666,865	-	666,865	127,449	8,792	136,241	530,624	539,416
Fire Extinguishers	14,250	-	14,250	8,853	342	9,195	5,055	5,397
Car	749,425	-	749,425	571,802	16,874	588,676	160,749	177,623
<b>Total</b>	29,887,907	-	29,887,907	27,610,140	124,461	27,734,601	2,153,306	2,277,767
<b>Previous year</b>	29,887,907	-	29,887,907	27,477,086	133,054	27,610,140	2,277,767	2,410,821

## **NOTE : 1 SIGNIFICANT ACCOUNTING POLICIES:**

### **1. Basis of preparation of financial statements**

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the basis of a going concern basis, while revenue, expenses, assets and Liabilities accounted/recognized on accrual basis. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI), the provisions of the Companies Act, 1956. Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Management evaluates all recently issued or revised accounting standards on an ongoing basis. The financial statements are prepared under the historical cost convention. Recognition of income and expenses, accrual basis of accounting is followed.

### **2. Use of Estimates**

The preparation of financial statements in conformity with GAAP requires Management to make estimates and assumptions that effect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed assets and intangible assets.

Management periodically assessed using external and internal sources whether there is an indication that an asset may be impaired. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Actual results could differ from those estimates.

### **3. Revenue Recognition**

Revenue from fixed price construction contracts is recognized by reference to the work certified as completed by the contractee.

Variations by way of escalation in price and quantum of work are recognized as revenue in the year in which claims are admitted as per the terms of contract. Other claims are recognized as revenue from contracts in the financial statements only upon final acceptance by the customer.

### **4. Expenditure**

Expenses are accounted on accrual basis and provisions are made for all known losses and liabilities.

### **5. Fixed Assets, intangible assets and capital work-in-progress**

Fixed Assets are stated at cost, less accumulated depreciation. All direct costs are capitalized until fixed assets are ready for use including taxes, duties, freight and other incidental expenses relating to acquisition and installation. Capital work-in-progress comprises outstanding advances paid to acquire fixed assets, and the cost of fixed assets that are not yet ready for their intended use at the balance sheet date. Intangible assets are recorded at the consideration paid for acquisition.

## **6. Depreciation and amortization**

Depreciation on fixed assets is applied on straight-line method, pro-rata for the period of usage, in accordance with the rates prescribed under schedule XIV of the Companies Act, 1956.

## **7. Income tax**

Income taxes are computed using the tax effect accounting method, in accordance with the Accounting Standard (AS 22) "Accounting for Taxes on Income" which includes current taxes and deferred taxes. Deferred income taxes reflect the impact if current year timing differences between taxable income and accounting income for the year and the relevant of timing difference of earlier years. Deferred tax asset and liabilities are measured at the tax rates that are expected to apply to the period when the asset / liability is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred Tax assets are 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.

## **8. Contract expenses**

The expenses incurred under natural head of accounts for execution of works are charged to Construction expenses.

## **9. Employee Benefits**

Liability for employee benefits, both short term and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) 15 (revised) "Employee Benefits " issued by the Institute of Chartered Accountants of India.

Contribution to Provident Fund (a defined contribution plan) made to Regional Provident Fund Commissioner is recognized as expenses.

## **NOTES ON ACCOUNTS:**

**14. Contingent Liabilities:** Nil

## **15. Quantitative details**

The Company is engaged in the business of development & maintenance of Infrastructure development and other related services. as required under paragraph 3,4C and 4D of Part II of Schedule VI to the Companies Act, 1956. The details of Conversation of Energy, Technology absorption are given in Directors Report. R&D expenditure is not separately accounted for.

## **15. Foreign Exchange earned and outgo**

### **Earnings:**

FOB Value of Exports : Rs. Nil

### **Out Go:**

CIF Value of Capital Goods : Rs. Nil

## **16. Dues to micro and small-scale industrial undertakings**

As at March 31, 2013 as per available information with the company, there are no dues to small scale Industrial Undertakings.

17. The previous year figures have been recast / restated, wherever necessary, to the current year's classification.

18. Financial figures have been rounded off to nearest rupee.

19. Notes 1 to 13 form part of Balance Sheet and have been authenticated.

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As per our report of even date attached

For and on behalf of the board of directors

**For M M REEDY & CO.,**

**ZR INFRA LIMITED**

Chartered Accountants

Firm Reg. No.010371S

Zulfi Abdullah Ravdjee

Zain Ravdjee

(M. Madhusudhana Reddy)

1. Director

2. Director

Partner

Membership No.213077

Place: Hyderabad.

Date: 30-05-2013

**ZR INFRA LIMITED**  
**Office No. 11, 6-3-249/6, 2nd Floor, Alcazar Plaza & Towers, Road No. 1, Banjara Hills, Hyderabad - 500 034.**

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**PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_ being a Member(s) of above named company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to attend and vote for me/us, on my/our behalf at the 16th Annual General Meeting of the Company to be held on Wednesday, the 4th day of September, 2013 at 11.00 A.M at Office No. 11, 6-3-249/6, 2nd Floor, Alcazar Plaza & Towers, Road No. 1, Banjara Hills, Hyderabad-500034 and at any adjourned meeting thereof:

As Witnessed Signed this \_\_\_\_\_ day of August/September 2013

Signed by the said \_\_\_\_\_

Folio No. /Client ID \_\_\_\_\_

No. of shares held \_\_\_\_\_

Affix  
Re.1/-  
Revenue  
Stamp.

Note:

The proxy in order to be effective should be duly stamped, completed, signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

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**ZR INFRA LIMITED**  
**Office No. 11, 6-3-249/6, 2nd Floor, Alcazar Plaza & Towers, Road No. 1, Banjara Hills, Hyderabad - 500 034.**

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**ATTENDANCE SLIP**

(Please present this slip at the Meeting venue)

I hereby record my presence at the 16<sup>th</sup> Annual General Meeting of the members of the company to be held on Wednesday, the 4th day of September, 2013 at 11.00 A.M at Office No. 11, 6-3-249/6, 2nd Floor, Alcazar Plaza & Towers, Road No. 1, Banjara Hills, Hyderabad-500034.

Shareholders/Proxy's Signature \_\_\_\_\_

Shareholders/Proxy's full name \_\_\_\_\_  
(In block letters)

Folio No. / Client ID \_\_\_\_\_

No. of shares held \_\_\_\_\_

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.