

HEC INFRA PROJECTS PRIVATE LIMITED
CIN: U45200GJ2005PLC04687

6TH
ANNUAL REPORT
2010-2011



INFRA PROJECTS PRIVATE LIMITED
ENGINEERING CONSULTANTS & CONTRACTORS

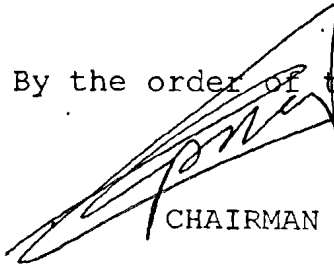
Sigma-1 Corporates, Corporate House No. 6, Sindhu Bhavan Road, Nr. Mann Party Plot Cross Road,
Bodakdev, Ahmedabad - 380 054. Gujarat, India. Telefax : +91 - 79 - 4008 6771-74.
E-mail : elect@hecproject.com, Web : www.hecprojects.in

NOTICE

Notice is hereby given that the Fourth Annual General Meeting of the Company will be held at 10.300 A.M. on 30th September, 2011 at the Registered Office of the Company at Sigma-1 Corporate House No-6 Sindhu Bhavan Road Near Mann Party Plot Cross Road Bodakdev Ahmedabad-380054 transact the following ordinary business:

1. To receive, consider and adopt the audited accounts as at and for the year ended 31.3.2011 and the reports of the Directors and Auditors thereon.
2. To appoint Auditors and fix their remuneration.
3. To transact any other business with the permission of Chair.

By the order of the Board



CHAIRMAN

AHMEDABAD:08.09.2011

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Sixth Annual Report of the Company together with audited Balance Sheet and Profit & Loss Account for the period ended 31.3.2011.

Working:

The Company has achieved targeted Results and your Directors, are very hopeful that the performance of the Company will improve further in the coming years considering the order position and the developments around the globe and the expertise the Company in carrying out the work. The turnover was satisfactory during the year.

Brief financial figures are as under.

	2010-11	2009-10
Sales	465899967	542431746
Profit before Depreciation	18424013	20317659
Depreciation	3487655	2496070
Provision for Taxation Current tax	5113523	6100000
Deferred Tax	(8036)	247457
Prior period adjustment	3643	0
Net Profit	9827228	11474132

Dividend

Your Directors recommend dividend of 10 % on Equity shares & Preference shares on pro rata basis subject to Income Tax.

Employees

The Company has no employee who is covered Under Section 217(2A) of the Companies Act, 1956.

Auditors

Raj P. Shah & Co., Chartered Accountants, the present auditors are eligible for reappointment.

The Company has not entered in to any dealings in Foreign Exchange.

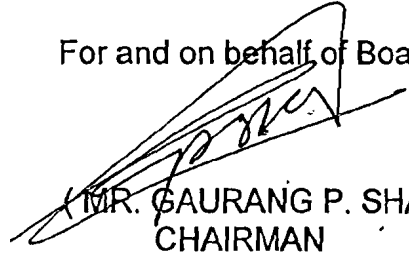
Directors appreciate the efforts put in by the employees of the Company for their whole- hearted co-operation.

DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance of Section 217(2AA) of the Companies Act, 1956 the Directors of the Company confirm:

- a) that the applicable accounting standards have been followed in the preparation of final accounts and that there are no material departures;
- b) that such accounting policies have been selected and applied consistently and such judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2011 and of the PROFIT of the Company for the year ended on that date;
- c) that proper and sufficient care has taken 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 annual accounts have been prepared on a going concern basis.

For and on behalf of Board.



(MR. GAURANG P. SHAH)
CHAIRMAN

Place: Ahmedabad
Date : 08.09.2011

AUDITORS' REPORT

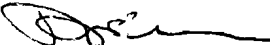
TO
The Members
HEC INFRA PROJECTS PRIVATE LIMITED.

We have audited the attached Balance Sheet of HEC INFRA PROJECTS PRIVATE LIMITED as on 31.3.2011 and also Profit & 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We have to report that:

1. We have obtained all the informations and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of such books.
3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
4. In our opinion, the Balance Sheet and the Profit & Loss Account complies with the Mandatory Accounting standards referred in Section 211(3C) of the Companies Act, 1956.
5. On the basis of written representations received from the directors, as on 31.3.2011 and taken on record by the Board of Directors, we report that none of the directors is Disqualified as on 31.3.2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes there on give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - a) in case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2011 and ;
 - b) in case of Profit & Loss Account, the Profit of the Company for the year ended on that date.
7. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

FOR RAJ P. SHAH & CO;
CHARTERED ACCOUNTANTS
FRN:127284W



[RAJ P. SHAH]
Proprietor
M.No. 44073



AHMEDABAD: 08.09.2011

Annexure

RE: HEC INFRA PROJECTS PVT LTD

Referred to in paragraph 7 of our report of even date,

- I. (a) The company has maintained proper records showing full particulars including Quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management during the year at reasonable intervals and no material dispensaries were noticed on such verification.

(c) The company has not disposed off a major part of its fixed Assets during the year.
- II. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- III. The Company has taken loans from three parties covered in register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 106.63 Lacs and year end balance was Rs. 101.26 lacs. The Company has not granted any loans secured or unsecured to the firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- V. (a) 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, there are no transactions made in pursuance of contracts or arrangements required to be entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any part during the year.

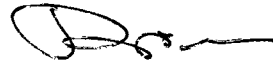


- VI. In our opinion and according to the information and explanations given to us, the provisions of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 with regard to the deposits accepted from the public does not apply to the Company. The Company Law Board has passed no order.
- VII. In our opinion, the Company is not required to have a formal internal audit system.
- VIII. In our opinion, the Central Government has not prescribed maintenance of Cost records under section 209 (1) (d) of the Companies Act, 1956.
- IX. (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues that are applicable to it.
- (b) According to the information and explanations given to us, no disputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31.3.2011 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sales tax, income tax, excise duty and cess which have not been deposited on account of any dispute.
- X. The company does not have any accumulated losses nor has it incurred any cash losses during the financial year covered by our audit and the immediately preceding previous year.
- XI. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayments of dues to a financial institution.
- XII. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. Provisions of any special statute applicable to chit funds are not applicable to the Company.
- XIV. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4 (Xiv) of the Companies (Auditor's Report) order, 2003 are not applicable to the company.
- XV. In our opinion, the terms and conditions on which the company has given guarantees for loan taken by others from banks or financial institutions are not prejudicial to the interest of the company.
- XVI. In our opinion, the term loans have been applied for the purpose for which they were raised.
- XVII. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No term-loan funds have been used to financial short-term assets except permanent working capital.

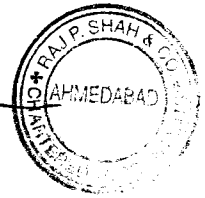


- XVIII. According to the information and explanations given to us, the company has made preferential allotment of shares to parties covered in the register maintained under section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the Company
- XIX. The Company has not issued any Debentures.
- XX. The Company has not made any public issues during the year.
- XXI. Based on the audit procedures performed and information and explanations given to us 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 RAJ P. SHAH & CO;
Chartered Accountants
FRN:127284W



[RAJ P. SHAH]
Proprietor
M.No. 44073




AHMEDABAD
8TH September, 2011

**HEC INFRA PROJECTS PRIVATE LIMITED
BALANCE SHEET AS AT 31.3.2011**

PARTICULARS	SCHE DULE	AMOUNT 31.03.2011	AMOUNT 31.03.2010
SOURCES OF FUNDS			
Share Capital	1	7911660	4911660
Reserves & Surplus			
Profit and Loss Account		30208694	21459023
Share Premium Account		32588140	32588138
General Reserve		1000000	500000
Loans			
Secured	2	107215690	90893399
Unsecured		11859101	19972251
Deferred Tax Liability		358911	366947
		<u>191142196</u>	<u>170691418</u>
APPLICATION OF FUNDS			
Fixed Assets (At Cost)			
Gross Block	3	33244408	28841090
Depreciation		7594817	4107162
Net Block		<u>25649591</u>	<u>24733928</u>
Investments At Cost			
Unquoted, Non Trade Units of Mutual Funds		0	523000
Current Assets, Loans and advances			
Closing stock	4	39069602	27197650
Sundry Debtors		251793765	270218435
Cash & Bank Balances		12732874	1547250
Loans and advances		48025741	40178633
		<u>351621982</u>	<u>339141968</u>
Less: Current liabilities & provisions			
Sundry Creditors		180551820	187028003
Provision for Taxation		5000000	6100000
Proposed Dividend & Tax thereon		577557	579475
		<u>186129377</u>	<u>193707478</u>
Net Current Assets		165492605	145434490
Miscellaneous expenditure (to the extent not written off or adjusted)		0	0
		<u>191142196</u>	<u>170691418</u>
Notes Forming part of accounts	7	0	0


As per our report of even date attached

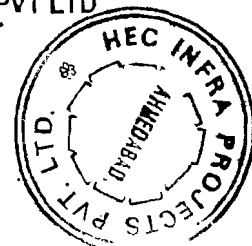
FOR RAJ P. SHAH & CO
Chartered Accountants,
FRN:127284W


(RAJ P. SHAH)
Proprietor
Mem. No. 44073



For HEC INFRA PROJECTS PVT LTD


(GAURANG SHAH)

(RUPAL SHAH)
DIRECTORS



Place:Ahmedabad
Date; 8.09.2011

HEC INFRA PROJECTS PRIVATE LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2011

PARTICULARS	SCHE	AMOUNT 31.03.2011	AMOUNT 31.03.2010
INCOME:			
Sales		465899967	542431746
Rent Received		2404800	2404800
Interest & Misc Incomes		927027	603170
		<u>469231794</u>	<u>545439716</u>
EXPENDITURE:			
Cost of Sales	5	350241623	458610377
Direct Expenses	6	53849979	33174350
Other Expenditure	7	46716179	33337330
Profit before Depreciation		18424013	20317659
Depreciation		3487655	2496070
Profit before taxation		14936358	17821589
Provision for Taxation			
Current Tax		5113523	6100000
Deferred Tax		(8036)	247457
Prior Period adjustment		3643	0
Profit after Taxation		9827228	11474132
Balance Brought forward		21459023	11064366
Proposed Dividend		494454	497083
Tax on Dividend		83103	82392
Transfer to General Reserve		500000	500000
Balance Carried forward		<u>30208694</u>	<u>21459023</u>
Earning per Share-Basic		24.71	28.85

FOR RAJ P. SHAH & CO
Chartered Accountants,
FRN:127284W

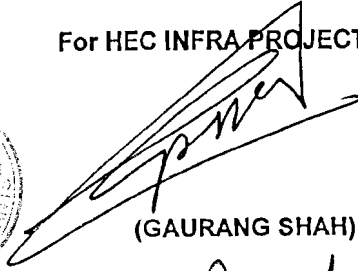


(RAJ P. SHAH)
Proprietor
Mem. No. 44073

Place: Ahmedabad
Date: 8.09.2011

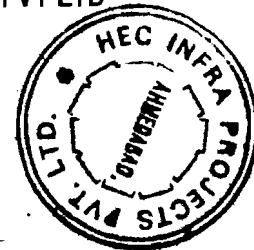


For HEC INFRA PROJECTS PVT LTD



(GAURANG SHAH)


(RUPAL SHAH)
DIRECTORS



HEC INFRA PROJECTS PRIVATE LIMITED
SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2011

PARTICULARS	31.03.2011	31.03.2010
	Amount Rs.	Amount Rs.

SCHEDULE 1

SHARE CAPITAL

Authorised

1500000 Equity Shares of Rs.10/- each	15000000	4000000
100000 Redeemable Preference Shares of Rs. 10 Each	1000000	1000000
Previous year, 500000 Equity Shares of Rs. 10 each		

	5000000	5000000
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Issued Subscribed and paid up

697666 Equity Shares of Rs.10/- each fully paid up (Previous Year-397666 Equity Shares of Rs.10/- each fully paid up)	6976660	3976660
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93500 Redeemable Preference Shares of Rs. 10 each fully paid up (Previous year 93500 Redeemable Preference Shares of Rs. 10 each fully paid up)	935000	935000
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	7911660	4911660
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SCHEDULE 2

SECURED LOANS

Cash Credit secured against Hypothecation of Stock and Books Debts of the Company	72854278	72307878
Corporat loan against Hypothecation of Stock and Books Debts of the Company	12000000	0
Term Loan secured against Office Building	21532710	17071937
Term Loans secured against vehicles	828702	1513584

	107215690	90893399
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UNSECURED LOANS

Intercorporate deposits	2864622	1931250
From NBFCs	3353779	13642216
From Directors, Shareholders, Friends & Relatives	5640700	4398785

	11859101	19972251
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HEC INFRA PROJECTS PVT LTD

SCHEDULE 3

FIXED ASSETS: [AT COST]

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	UP TO	ADDITIONS	SALES	UP TO	UP TO	FOR THE	UP TO	AS ON	AS ON
	31.03.10			31.03.11	31.03.10	YEAR	31.03.11	31.03.11	31.03.10
OFFICE BUILDING	19938619	0	0	19938619	1596565	1834205	3430770	16507849	18342054
COMPUTER	609927	1007594	0	1617521	358502	291574	650076	967445	251425
OFFICE EQUIPMENT	1252206	895863	0	2148069	251279	207295	458574	1689495	1000927
MACHINERY	101400	291549	0	392949	37030	13425	50455	342494	74770
VEHICLES	3862362	2850	0	3865212	1523622	605674	2129296	1735916	2338740
OFFICE FURNITURE	3076576	2205462	0	5282038	340164	535482	875646	4406392	2736412
TOTAL	28841090	4403318	0	33244408	4107162	3487655	7594817	25649591	24744328
Previous year	10158534	18682556	0	28841090	1611092	2496070	4107162	24733928	8547442



HEC INFRA PROJECTS PRIVATE LIMITED
SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2011

PARTICULARS	31.03.2011	31.03.2010
	Amount Rs.	Amount Rs.
SCHEDULE : 4		
CURRENT ASSETS, LOANS AND ADVANCES		
Closing Stock		
Stock of finished items		
Valued at Cost or Market price whichever is lower, and as taken, valued and certified by a Director	39069602	27197650
	<u>39069602</u>	<u>27197650</u>
SUNDRY DEBTORS		
Unsecured, good		
Over six months	39251538	42123716
Others	212542227	228094719
	<u>251793765</u>	<u>270218435</u>
CASH & BANK BALANCES		
Balance in Scheduled Banks in Current A/C	12002810	909366
Cash on hand	730064	637884
	<u>12732874</u>	<u>1547250</u>
LOANS AND ADVANCES		
(advances recoverable in cash or kind or for value to be received, unsecured, good)	48025741	40178633
	<u>351621982</u>	<u>339141968</u>

SCHEDULE : 5

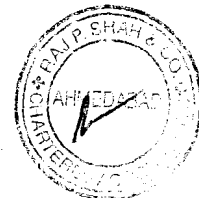
COST OF SALES

Opening Stock	27197650	6313322
Purchases	362113575	479494705
	<u>389311225</u>	<u>485808027</u>
Less: Closing Stock	39069602	27197650
	<u>350241623</u>	<u>458610377</u>



HEC INFRA PROJECTS PRIVATE LIMITED
SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2011

PARTICULARS	31.03.2011	31.03.2010
	Amount Rs.	Amount Rs.
SCHEDULE : 6		
DIRECT EXPENSES		
Testing Charges	347231	308744
Design & Drawings Charges	223180	15000
Labour Charges	40703981	26110157
Site Expenses	9713348	5941456
Transportation	2862239	798993
	0	
	<u>53849979</u>	<u>33174350</u>
SCHEDULE : 7		
OTHER EXPENSES		
Advertisement Expenses	74649	3000
Audit Fees	60000	60000
Bank charges	1579464	1252895
Bank Interest	13990296	6651009
Computer Expenses	93122	43088
Consultancy Charges	6489934	1081389
Contribution to PF & other Schemes	230518	266691
Directors' Remuneration & allowances	2340000	2100000
Donation	0	9600
Electricity	217543	116186
Godown Rent	0	15000
Insurance	375128	118526
Bad Debts	916920	0
Legal charges	272972	1292576
Office Expenses & Office upkeep	902585	416136
Office rent	344349	476520
Petrol & Diesel & Conveyance	672492	435683
Postage and Courier Expenses	45917	22196
Preliminary expenses	0	4540
Printing & Stationary	265623	274713
Professional Charges	4211533	718899
Registration Fees	132700	155638
Repairs and Maintenance	725272	114580
Salaries, allowances to staff	9353515	7342132
Sales Promotion Expenses	173133	65090
Sales Tax & VAT & CST & Municipal Tax	86437	3302227
Service charges	0	5374195
Security Exps	201125	88800
Subscription Expenses	7250	16649
Telephone	314921	292790
Tender Charges	140190	125400
Travelling	2125786	862006
Vehicle Repairs & Maintenance Expenses	372805	235566
Works Contract tax	0	3810
	<u>46716179</u>	<u>33337330</u>



HEC INFRA PROJECTS PRIVATE LIMITED 2010-11

SCHEDULE - 7

NOTES FORMING PART OF ACCOUNTS

1. Accounting Policies

The Accounts are prepared on historical cost convention and materially comply with the mandatory accounting standards issued by Institute of Chartered Accountants of India. The significant accounting policies followed by the company are as stated below:

a) Fixed Assets

Fixed Assets are stated at cost of acquisition including incidental expenses related to acquisition and installation.

b) Depreciation

Depreciation is provided at the rates prescribed under Companies Act, 1956 on written down value on pro rata basis in case of additions.

c) General

i) Income and Expenditure are accounted on accrual basis for all known items.

ii) Contingent Liabilities are not provided for till the same are crystallised.

iii) Miscellaneous Expenditure shown in the Balance Sheet will be written off over a period of 5 years.

- 2) Sundry Creditors, Debtors, Loans and Advances are subject to confirmation to be obtained from parties.
- 3) No provision has been made for gratuity as no employee has put the qualifying period of service for entitlement of this benefit and the provisions of Payment of Gratuity Act is not applicable to the Company.
- 4) The Company does not have any employee to whom the provision of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1988 applies.
- 5) The earning per share Basic and diluted is calculated as under:
- Numerator being net profit after tax
Denominator being no. of fully paid up equity shares.
- 6) Auditor's Remuneration :

	2010-11	2009-10
Audit Fees	45000	45000
Taxation Matters	15000	15000
Total	60000	60000

7) Expenditure in Foreign currency is Nil and Income in Foreign Currency is Rs. Nil

8) According to the information available with the Company regarding the suppliers who constituted a Small Scale Industrial Undertaking, there are no amounts due to Small Scale Industrial Undertaking as on 31.3.2011



HEC INFRA PROJECTS PRIVATE LIMITED 2010-11

9) Contingent Liability in respect of Bank guarantee is :Rs.6748290

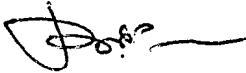
10) The Related party Transactions are as under:

Name	Nature Of payment	Amount	Nature of relation
Shri Gaurang Shah	Director Remuneration	1225600	Director
Smt Rupal Shah	Director Remuneration	965600	Director
Priya G Shah	Consultancy Charges	232000	Daughter Of Director
PR ELECTRICALS (HUF)	Interest on deposit	292329	Directors are members of the HUF
Highvolt Power & Control Systems Pvt Ltd	Purchases	4805991	Directors are also Directors in the Company

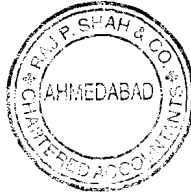
10) Import calculated on CIF basis is NIL.

As per our Report of even date attached

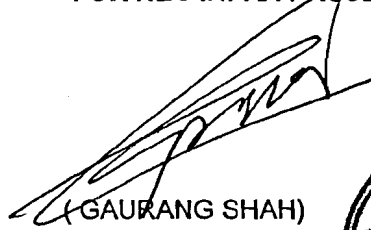
FOR RAJ P. SHAH & CO;
CHARTERED ACCOUNTANTS
FRN: 127284W



[RAJ P. SHAH]
Proprietor
M.No. 44073



FOR HEC INFRA PROJECTS PVT LTD

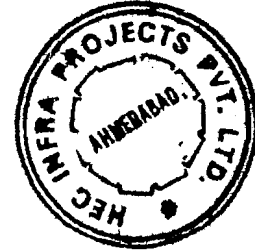


(GAURANG SHAH)



(RUPAL SHAH)

DIRECTORS



Place : Ahmedabad
Date : 08-09.2011

HEC INFRA PROJECTS PRIVATE LIMITED

BALANCE SHEET ABSTRACT

I. Registration Details:

Registration No. U45200GJ2005PTC46870
State Code 4
Balance Sheet date 31.03.2011

II. Capital Raised during the year (Amount Rs.in Thousand)

Public Issue NIL
Right Issue NIL
Bonus Issue NIL
Private Placement 3000000

III. Position of Mobilization and Deployment of Funds

Total Liabilities	191142196	Total Assets	191142196
Sources of Funds		Application of Funds	
Paid-up Capital.	7911660	Net Fixed Assets	25649591
Share application money		0 Investment	0
Reserves & Surplus	63796834	Net Current Assets	165492605
Secured Loans	107215690	Misc.Expenditure	0
Unsecured Loans	11859101	Accumulated Losses	0
Deferred Tax Liability	358911		

IV. Performance of Company

Turnover & other Incomes 469231794
Total Expenditure 454295436
Profit before Tax 14936358
Profit after Tax 9827228
Earning per Share 24.71
Dividend Rate % 10

V. Generic Names of Three Principal Products

Item Code No.(ITC Code) N.A.
Product Description Electrical Products

FOR HEC INFRA PROJECTS PRIVATE LIMITED

[GAURANG SHAH



RUPAL SHAH]

PLACE : AHMEDABAD

Date: 08.09.2011