

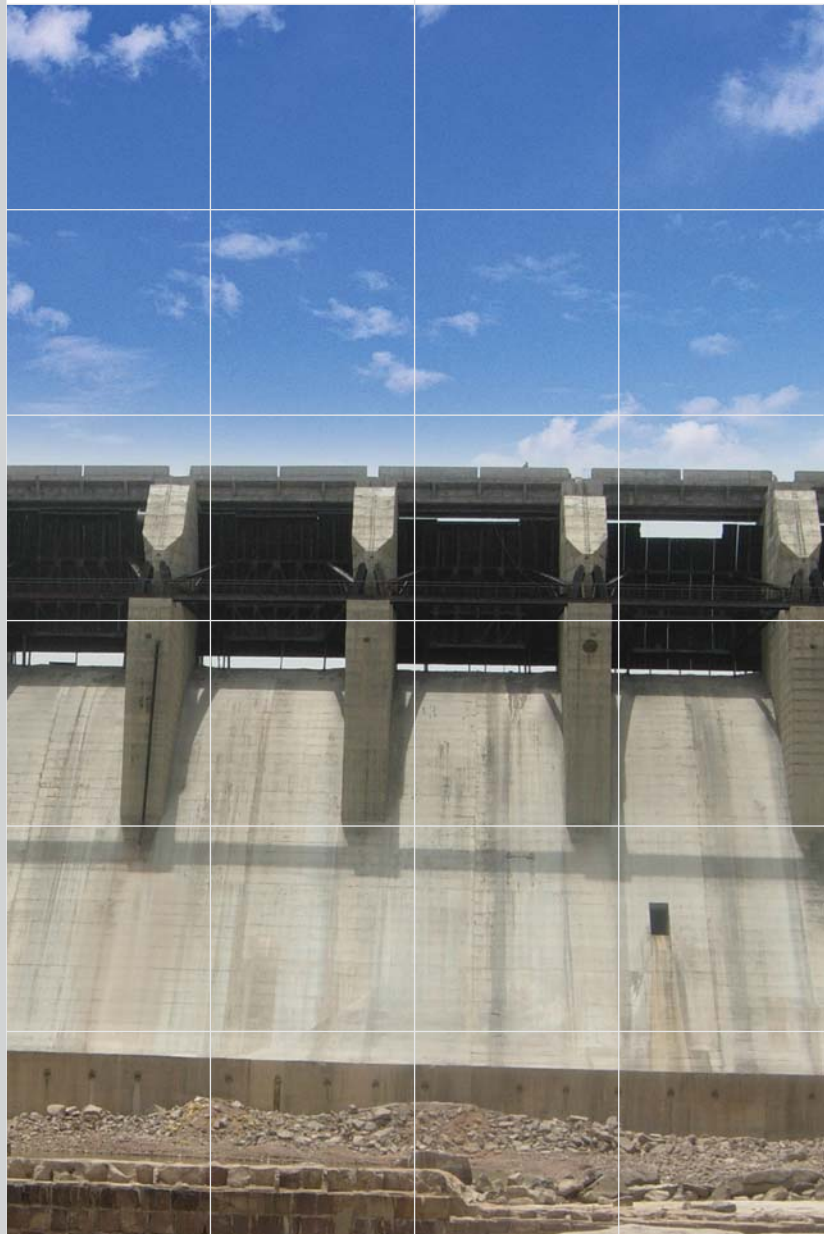
Annual Report 2008-09



**OM METALS**  
INFRAPROJECTS LTD

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## Who we are

A nearly four-decade-old conglomerate, Om Metals Infraprojects Ltd (hereinafter known as Om Metals or the Company) has a long-standing and extensive presence in manufacturing Hydro Mechanical equipment and executing turnkey solutions for Hydro Electric Power and Irrigation projects.

Armed with a de-risked business model and operating diverse business interests, the Company is constantly leveraging its vast reservoir of capabilities and strengths to emerge as one of the largest and most reliable Indian players in the Hydro Power space, having scaled its business to a global scale of quality operations.

Having successfully completed more than 45 projects across 18 states, as well as across the border, in the Hydro Power space, the Company has further diversified into Real Estate and Infrastructure Development - two of the fastest growing areas of the Indian economy.

A leading ISO 9002 Company, Om Metals has created a niche for itself in providing end-to-end solutions in Hydro Mechanical equipments, turnkey solutions for Steel Fabrication, Real Estate, Leisure Centres and Infrastructure projects.

The Company has pioneered the unique concept of turnkey execution in the Hydro Power sector, providing exemplary services at par with international companies operating in this exclusive space. Its gamut of operations extends from Design, Detailed Engineering to Manufacture, Supply, Install, Test and Commission the complete range of Hydro Mechanical equipment for Hydro Electric Power and Irrigation projects sponsored by Central/State PSUs, SEBs, Irrigation Boards and various Corporations.

Having serviced top-end clientele across sectors, the Company's customer portfolio boasts of such prestigious institutions and organizations as NTPC, NHPC, NEEPCO and others.

### **Where our expertise lies**

Powering the Company's exceptional growth, and steering its track record of successful and quality completion of more than 45 projects across India and abroad, are its resources of key and critical plants, tools, equipment and manpower required to execute turnkey contracts for small, medium and large Hydro Electric Power projects.

Backed by a visionary and professionally qualified management team and a human resource base of 100 managerial and technical personnel, along with more than 300 skilled and semi-skilled manpower, the Company's expertise extends to high-end fabrication and erection even in remote hilly areas, difficult climate and natural site conditions, and in conditions of logistics bottlenecks.

The strength of our expertise can be gauged from our quality hallmarks and our speed of delivery, as evidenced from our completion of several projects ahead of schedule. A shining example is the Kurichu HE project, Bhutan, which we completed much ahead of schedule and even got bonus and incentives for speedy completion. The Upper Krishna project, Almatti dam is another project we completed ahead of schedule.

## Chairman's letter



*Dear Stakeholders,*

In adversity lies opportunity, and in opportunity the strength of any Company. The year 2008-09 was a prime example of this philosophy, that enabled your Company to effectively tackle and survive the various challenges of a difficult economic scenario. I am pleased, indeed, to state that on the back of its superior strengths and execution capabilities, and the cooperation and support of its employees and partners, your Company has emerged from the recessionary storm that swept the world this year as a much stronger entity, ready to take its growth to the next level.

Despite the adversities that impacted businesses around the world, your Company, with its focused approach and pro-active strategy aligned with the needs of the changing environment, continued to hold firm to its growth plans.

Our foray into the high-potential Ports/SEZ sectors, the various projects we garnered for development of IT parks, slum rehabilitation and residential apartments, the increase in our land bank, the various strategic alliances that we entered into - these are a clear vindication of the inherent soundness of our business model and philosophy.

As a result of its focused strategy, your Company's consolidated level of turnover and profitability during the year under review is the highest level of performance achieved by Om Metals so far. Your Board of Directors have thus decided to recommend an interim dividend payout @ 10% as a final dividend, and sincerely hope that you would approve the same to secure the best possible returns on your investment in this Company.

### **Operational highlights**

During the year, Om Metals imported a huge quantity of raw materials to meet the requirements of its new projects in view of the surging steel prices.

Further, the facilities at Siliguri (WB), Kathua (J&K), Kolkata and Jaipur (Rajasthan) have been made fully operational to execute 15000 MT capacity at a given point of time.

Your Company has been speedily progressing in execution of Hydro Mechanical works for Teesta Low Dam HE project (Stage-IV), Uri-II HE project, Parbati HE project, Chamera HE project - all from NHPC, Tapovan Vishnugarh HE project from NTPC and Sri Pad Sagar (Andhra Pradesh). The projects, all valued at Rs. 500 crores, will be executed over the next three years.

The Company also forayed into the Ports sector - to develop the small, shallow Puducherry Port into a deepwater port to handle container, general, bulk and liquid cargos.

Om Metals has also initiated projects for IT parks, corporate parks, slum rehabilitation and residential apartments in Jaipur, Mumbai, and Faridabad (NCR).

The construction of residential township in Kota is running in full swing and a substantial portion has already been sold even in this down market.

The Company is strengthening its niche by joining hands with world-renowned players in the arena to jointly take on the growing Indian market. A significant progress has already been achieved in this regard.





That we were able to achieve all this is, in large measure, a result of the far-sighted vision of the Company's management and the immense hard work and faith reposed by our employees. The diversity of our business mix was also a key factor in ensuring that we were able to sustain ourselves in the face of the trials and tribulations of these times.

With the overall economic scenario much improved since the first quarter of fiscal 2009-10, and the Indian economic growth trajectory firmly back on track, the sectors of our presence are also showing strong signs of a turnaround. This augurs extremely well for your Company, which is all geared up to take on the new opportunities unfolding in the space of its businesses.

### Future plans

Going ahead, we aim to further de-risk our business and focus more on the fast-growing sectors of the Indian economy that, notwithstanding the temporary setback, continue to have a long-term growth potential.

With a mixed portfolio of projects across three high-potential business divisions, the Company is confident of delivering higher levels of profitability, leadership and measurable results to its customers, business partners and stakeholders.

In the Hydro Power sector, for instance, there has been substantial improvement on the ground, including greater public consultation with people affected by such projects; better monitoring of the environmental and social aspects of projects; and improvements in resettlement policy and practice, to tackle the various challenges. The Government has also ensured that the methodology used by Central power agencies to select sites has improved, as has the capacity of various Hydro Power developing agencies to deal with complexities in project identification, engineering and design.

With more and more projects coming now, and with robust market share, the Company is confident of taking on the burgeoning opportunity of the Rs. 10,000 crores market in the next 10 years.

While there has been a sharp downturn in the housing market recently, and residential construction is likely to remain subdued for some more time, we hold a distinct advantage due to the strategic and ideal locations of our properties and the low cost of our land banks, which is sure to give us handsome profit margins, going ahead.

### On a parting note

I gratefully acknowledge the valuable guidance, counsel and support received from the officials of the Ministry of Power and other Ministries/Departments of the Government of India, along with the learned officials of PSUs like NTPC and NHPC and state electricity boards. Your Company is moving into the next millennium with confidence placed in its most valued asset of human resource, afloat as well as ashore, who have ceaselessly contributed to the growth of the organization. I am sure that they will continue to serve the organization with the same dedication.

I express my deep sense of gratitude to all of you and the other shareholders, bankers, financial institutions, contractors, suppliers for their continued faith and confidence in Om Metals. I extend my sincere appreciation to my colleagues on the Board for their wise and matured counsel for the smooth functioning of the Company.

And with your continued support and cooperation, I am confident we shall remain firm on our planned growth odyssey and shall, in fact, exceed our targets over the coming year.

Thank you

Yours Sincerely  
T. C. Kothari

# Unfolding opportunities



Unfolding opportunities across the entire spectrum of industries and businesses, coupled with increasing investments by global players endorsing the huge growth potential of the Indian economy, have pushed the country on to a growth trajectory of exceptional character.

Amid this vast opportunity resource potential, a resurgent India has kick-started development at a pace unparalleled and unmatched, and is all set to emerge as the third largest economy in the world by 2032. The next three to five decades will witness the country's elevation to a new level - growing faster than Brazil, Russia and China.

Fuelling this growth and prosperity is the momentous opportunity space across the infrastructure development domain, which in turn is boosting a massive demand for power, as well as real estate - all of which are key sectors in the Company's growth index.

The rising opportunity matrix across these sectors has, in recent years, paved the way for the Company's exceptional growth as it seeks to address this continuously unfolding potential.







### Opportunities in Engineering Construction

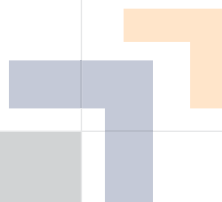
A huge mismatch between Thermal and Hydro Power capacities and generation on the one hand, and the growing demand for uninterrupted power supply on the other, has aggravated the need for urgent and large-scale power sector reforms in India.

By current estimates, India has total estimated and identified Hydro Power potential of 1,48,700 MW, of which only 36,878 MW has been constructed so far, leaving huge untapped Hydro Power potential. As per 11th and 12th Five Year Plans, the Government of India has planned 45,585 MW (2,224 MW commissioned till March '09) of new Hydro Power generation capacity by FY'17.

Compelled by this challenging scenario, and armed with a mission to bring light into the lives of the millions who continue to spend their days and nights in unending darkness, the Government of India has adopted a highly proactive energy policy, which looks beyond augmenting thermal power generation capacity through traditional methods and through an improvement in transmission and distribution. It's a far-sighted policy that focuses on boosting the generation of power through alternative fuels and non-conventional renewable forms of energy, with hydel and wind power being key components of this generation.

As the cheapest and most efficient energy source, Hydro Power has today emerged as one of India's top priorities in its efforts to provide all its citizens with reliable access to electricity by 2012. With only 25% of India's Hydro potential currently being utilized, the scope for enhancement of capacities is immense.

In the light of the high priority accorded to initiation of programmes for accelerated and planned Hydro Power development, Om Metals, having seen the vast potential in Hydro Power more than 35 years back, is one of the most effectively positioned companies in India to capitalize on the burgeoning opportunities in this fast-growing sector on the back of its strong core of robust strengths and extensive experience.



## Opportunities in Real Estate

Strong economic growth has augured immensely well for the Indian Real Estate, which is estimated to have the potential to grow from the current Rs. 1,200 crores to Rs. 5,000 crores in just five years - a phenomenal growth rate of more than 30% over the present level.

It's an all-pervasive boom, spanning small towns and big cities across states and regions. Increasingly, this realty boom across the country is generating bigger demand for the new-age residential complexes and townships even in non-metros and smaller towns. As per the Tenth Five Year Plan, there is a shortage of 22.4 mn dwelling units in the country, out of which more than 70% of the demand is from the middle and low income brackets. Concerned by this pathetic scenario, the Government has launched a habitat policy that aims to eradicate housing shortages by the year 2012 at an estimated investment of Rs. 80,000 crores.

In the Commercial sector, the real estate demand from India Inc across various segments is likely to ensure sustained long-term demand at over 14.5 % per annum - approximately 20 mn sq. ft. per annum over the next 3 years.

The predictions for the future are astounding in their impact on the Indian realty sector. According to the World Travel and Tourism Council, India is poised to emerge as the second fastest growing tourism economy in the world during 2005-14. This has led to the unfolding of immense opportunities in the Hotel industry and more than 150 hotels are expected to come up in the country over the next few months to bridge the huge demand-supply gap. What is further providing impetus to this sector is FDI entry and realty funds.

The growth scenario is indeed exciting and Om Metals is well poised to deliver the best in class in response to the unfolding opportunities in this sector.







## Opportunities in Infrastructure

Growing awareness about the criticality of the infrastructure sector in the country's economic growth and prosperity has enabled a manifold increase in investments in this vital domain in recent years. Largely insulated from the economic fluctuations that recently hit the global and Indian economies, the infrastructure development sector is drawing increasing attention from developers and builders. Realizing the immense importance of infrastructure growth and investment, Om Metals has forayed into this vital sector by systematically leveraging its robust engineering capabilities and manpower.

In the Infrastructure space, ports are a key area of growth. India's coastline of 7,517 kms, spread over 13 States/Union Territories, is studded with 12 major ports and 200 (as per latest information from Maritime States) non-major ports. This would not suffice the anticipated growth, considering the emergence of India, in the region and the world over, as a hub of business, trade and commerce. Further, the Government of India has developed a National Maritime Development programme with a vision to make India a leading player by the year 2025. Puducherry, (formerly known as Pondicherry), ranked as India's best small state and fast emerging as an industrial and technology destination, is an ideal location for developing a deep water port.

In a clear and stark demonstration of its vision and strategic direction to scale operations, increase turnover and profitability and simultaneously insulate its business from the cyclic ups and downs of any single sector, Om Metals has forayed into this vital space with the development of Special Economic Zones (SEZs) and Ports.

## Our roadmap to address these opportunities

Having established itself as a player of repute across the segments of its operations, Om Metals has further charted out an ambitious roadmap to address these burgeoning opportunities in the future, whereby it plans to:

- Expand its product profile to address electro-mechanical equipment and civil structure segment and attain larger share of Hydro Power business.
- Enlarge global footprint through acquisitions and strategic Joint Ventures in the core business.
- Establish presence in varied structural steel design and fabrication works in bridges, large building constructions and heavy engineering works.
- Expand in key and strategic real estate projects and have a pan India presence.
- Expand in infra projects of road, bridges and also have a hand in Thermal/Solar/Biomass power projects.





# Empowering the nation

Through focus on Engineering Construction

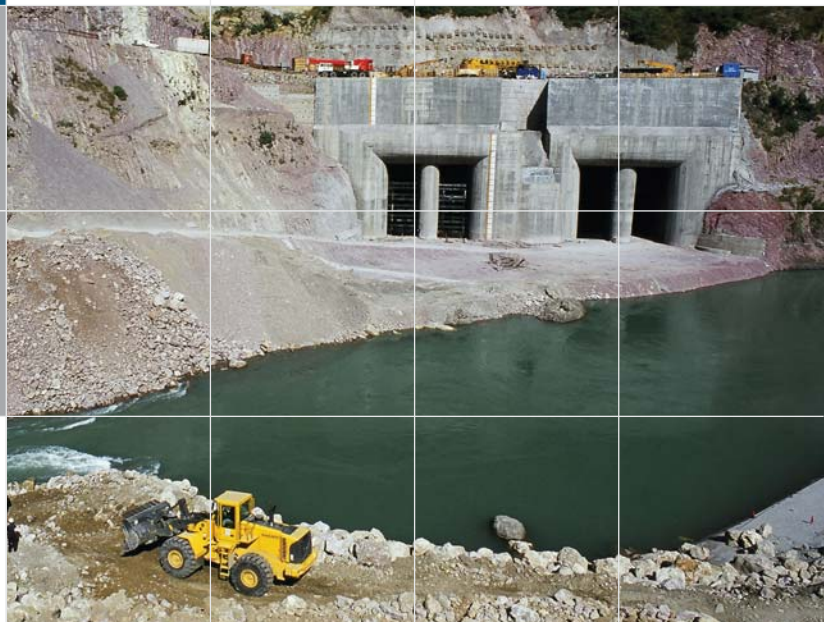
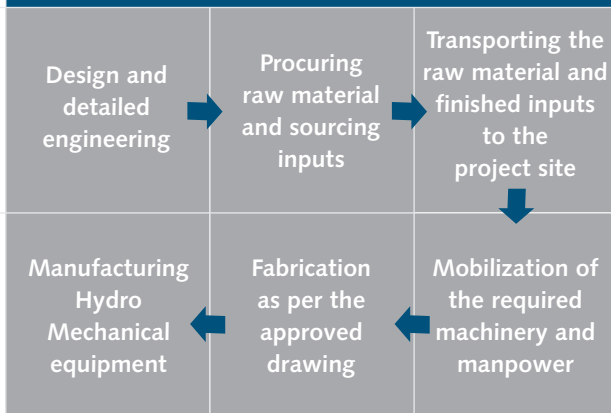
With its visionary focus and far-sighted strategy, Om Metals envisaged the immense opportunities and decided on a strategic foray into this emerging business more than 35 years back. Today, having travelled a vast expanse of complex and turnkey projects, Om Metals Infraprojects Ltd. has emerged as the largest Company in the end-to-end execution and delivery of prestigious and large-sized contracts for Hydro Mechanical equipments in India and amongst the largest in the world.

On the back of its efficient service offerings across the value chain in the business and its robust core of strengths in engineering and steel fabrication, the Company has successfully garnered a little over 50% market share in Hydro Mechanical segment, which has enabled it to successfully execute some historic and landmark projects. Having already proven its credibility as the most preferred vendor/partner in this space, the Company continues to strengthen its leadership position with every new project, eventually paving the way for the nation's empowerment.

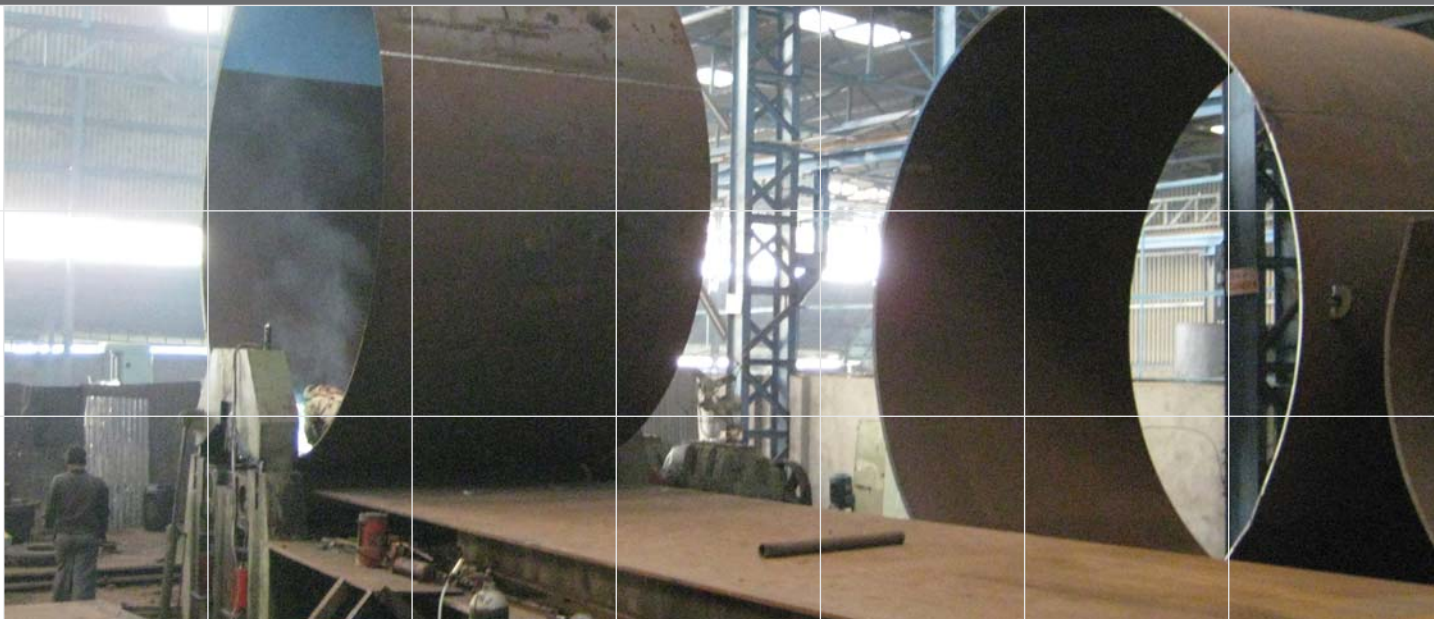
As a leader among Indian players for delivering Hydro Mechanical solutions, Om Metals has proved itself to be the ideal partner for new upcoming Hydro Power and Irrigation projects. It currently has joint ventures with ATB Riva Calzoni SpA, Italy and JSC Ukr Hydro Mech, Ukraine.

The Company's facilities in Kota (Rajasthan), Kathua (Jammu and Kashmir), Siliguri (WB) and Arunachal Pradesh are the best in class and geared to deliver exceptional value to its customers and clients.

## Our Turnkey Solution Value Chain







### **Our core strengths**

A strong nucleus of core strengths has helped the Company secure a substantial share of the emerging opportunities in this business. The Company, on the back of these strengths, is well equipped with the ability to execute turnkey contracts for customers.

Till date, the Company has successfully executed over 45 projects valued at Rs. 1,000 crore across 18 states and across the border, which include the implementation of some historic and landmark projects such as the Sardar Sarovar Dam project, Almatti Dam project, Kol Dam project, to name a few. The projects in Hydro Power space involve multifarious activities viz. Civil Construction, Electro Mechanical Component and Hydro Mechanical equipments.

### **Our major strengths encompass:**

#### **Extensive experience and expertise**

The key to successful execution of Hydro Power projects lies in faultless hands-on management and this is an art that the Company has mastered over the years through significant investments in the development of its workforce, which is today rated among the best in the industry. Development and management of a dedicated team to handle complex projects with ease and speed in difficult terrains and adverse conditions continues to be a strong focus area for the Company, which has been constantly striving towards ensuring on-time development of cost-effective and quality projects at all times.

#### **Turnkey solutions in fabrication**

Steel fabrication is an important aspect in all mega developmental and construction projects. With its focused approach and a holistic business model, the Company has developed comprehensive expertise in steel fabrication, which is an important aspect in all mega developmental and construction projects.

#### **Robust engineering skills**

Seamless engineering abilities being the backbone of any infrastructure project, Om Metals has put intensive efforts into the development of its engineering staff. The Company has manpower strength of around 500 people, comprising 300 technocrats and 30 highly qualified professionals including engineers, architects and CAD/CAM specialists. From the country's fastest flowing rivers to the highest mountain peaks - the Company's stamp of exceptional engineering capabilities and versatility is there for all to see. Om Metals has successfully completed Hydro Power and Irrigation projects of varied scale, size and complexity, ranging from 126 MW to a 1000 MW projects.

#### **Diverse and comprehensive product offerings**

Om Metals has the distinction of offering customers a broad range of Hydro Mechanical equipment required in any Hydro Power and Irrigation project, such as vertical gates, radial gates, draft tube gates, intake gates, spillway and stoplog gates; hydraulic and electrical servo motor hoists; EOT and gantry cranes; and trash racks and trash rack cleaning machines.



# Empowering the nation

## An impressive client portfolio

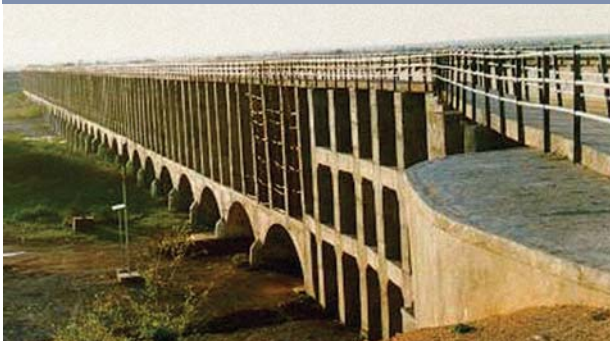
Among the Company's clientele are top public sector companies, including:

- NTPC, NHPC, NEEPCO
- SEBs, VIDC, Central and State PSUs
- State Irrigation Departments

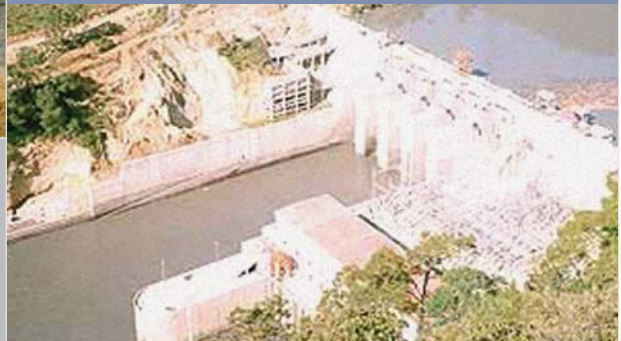
## Completed Projects

Among the Company's completed landmark projects are:

Upper Krishna - Almati Dam Project  
Karnataka



Kurichu HE Project  
Bhutan



Prakasam Barrage Project  
Andhra Pradesh



Chappi Irrigation Project  
Rajasthan



## New Projects

Some of the ongoing projects of the Company in this space include:



**Kameng HE Project**

Arunachal Pradesh

**Teesta Low Dam IV HE Project**

West Bengal

**Gosikhurd Irrigation Project**

Maharashtra

**URI II HE Project**

Jammu and Kashmir

**Parbati Stage III**

Himachal Pradesh

**Chamera HE Project**

Himachal Pradesh

## Year 2008-09

The 30% surge in turnover this year from the Engineering Division was mainly attributable to the Gosikhurd project and the new NHPC projects awarded in 2007. We have a sizeable share in the Indian Hydro Mechanical space with an unexecuted order book size of Rs. 650 crores (excluding escalation).

During the year, Om Metals secured order for Sri Pad Sagar (Andhra Pradesh). This project, valued at Rs. 90 crores, will be executed over the next three year. We have already mobilized men, material and machines at site and the revenue generation shall commence in fiscal 2009-10.

## Future plans

Going ahead, the Company aims to further enhance its skill-sets and core strengths to effectively and efficiently tackle even bigger and more complex projects in this niche space, within and outside India.

The Kameng project, which recently passed through re-approval cycle, shall generate handsome turnover in fiscal 2009-10.

The Company is all geared up to encash the burgeoning opportunities in the Hydro Mechanical segment by providing turnkey solution to minimum 38,000 MW additional Hydel power generation planned in next 10 years by GOI.



# Scaling new heights

Through focus on Real Estate

Having successfully forayed into this fast-growing sector of the Indian economy, Om Metals has changed the skyline of a couple of cities across the country with its landmark projects in the realty business. From Residential to Commercial, from Hotels to Malls and Multiplexes - Om Metals has an enviable track record of innovative projects to endorse its expertise in the realty sector, enabling it to scale new heights in growth and progress.

Among the key realty projects successfully executed by the Company are:

- Om Cineplex, Kota (Rajasthan) - first-of-its-kind in the state multiplex-cum-shopping complex, with 3 screens, seating capacity of 1,200 people and encompassing numerous shops and restaurants.
- Om Towers, Jaipur (Rajasthan) - flagship 58-room hotel of Om Metals, it is the only revolving restaurant in the city and is the tallest building in Rajasthan. The revolving restaurant is a supreme example of the sharp edge enjoyed by the Company's engineering skills in construction of specialized machinery. In a remarkable achievement, the revolving restaurant was indigenously built by the technical team at the Company at 10% of the cost and in 25% of the time as compared to the international players.
- Om Enclave, Kota (Rajasthan) - a residential township with flats, villas and apartments, providing residents a complete lifestyle experience with a shopping mall, multiplex and health club in its vicinity.







### Year 2008-09

The downturn and the negative economic environment notwithstanding, the Real Estate division of the Company recorded robust turnover of Rs.2315 lacs (P.Y. Rs. 837 lacs) from the Township at Kota “Om Enclave” and we have sold all the apartments of the first phase and substantial apartments of the second phase of the project. In the fiscal 2009-10, we are confident of getting the complete revenue generation of Om Enclave.

The turnover from our flagship hotel in Jaipur ‘Hotel Om Tower’ marginally decreased to Rs. 578 lacs from Rs. 656 lacs and profit decreased from Rs.117 lacs to Rs.108 lacs this year. The bomb blasts and 26/11 affected the tourist inflow but after the slow revival of the economy, we expect reasonable growth to continue in future years, buoyed by increasing domestic and international tourism ahead of Commonwealth Games in 2010.

The yearly profit from multiplex in Kota post leasing out to Inox Leisure is uniform and the rate of return is handsome.

The year under review saw the Company expand its real estate business with key project orders for IT/Corporate parks, slum rehabilitation and residential apartments. These contracts, located in Jaipur, Mumbai, and Faridabad, bear testimony to the Company's diversified activities that already comprise power, real estate, port, hotels, multiplexes and amusement centres.

An IT/Corporate park is slated to come up on 12 acres at a prime location in Jaipur. It will occupy 1 million sq. ft space and cater to IT, ITES and other IT-related services. The project is slated to be completed within four years.

The Company was also allotted FSI at Bandra Reclamation, Mumbai, for Rs. 107 crores to construct a residential complex under the Slum Rehabilitation Authority (SRA) scheme. The MHADA project is in partnership with Om Metals Consortium, with Om Infrastructure holding a 35% stake in the project.

As of 31st March, 2009, the Company, in different SPVs, is holding close to 950 acres of land bank for development of SEZ, Residential, Commercial, IT park and Corporate space in Mumbai, Hyderabad, Jaipur, Kota, Delhi-NCR and Puducherry.

### Future plans

Going ahead, the Company plans to expand its presence across sectors, embark on potential and highly lucrative key projects in prime locations and forge collaborative partnerships.

In line with its strategic vision, the Company intends to establish strategic alliances with other real estate developers to construct properties. Only in the case of big-ticket real estate projects, the Company would develop the real estate projects itself, thereby maximizing its profitability and ensuring predictability of cash flows.



## Raising the bar

### Through focus on Infrastructure Development

Boosted by extensive Government initiatives in this segment, Infrastructure development has emerged as a key component of the business of many companies and developers in recent years. Om Metals' business portfolio also now has a significant focus on this segment, thereby raising the bar in the nation's development.

Among the most critical and emerging areas for development in this space are Ports and SEZs, both of which now constitute a major thrust area for the Company. Geographically, the Company's focus in this segment is on Puducherry, which, on account of its strategic location and proximity to various facilities, offers immense growth opportunities in Ports and SEZ.

Puducherry (formerly known as Pondicherry) is today being envisaged as an integrated industrial township, conceived as "wheel-less wonder" and based on eco-friendly concept of "walk to work". Ranked India's best small state, first in law and order, agriculture and investment environment and leading in health, education and prosperity, it has emerged as one of the main education hubs of South India. Abundant in nature, it has a talented, peace loving surplus workforce, with majority of residents being fluent in 3 languages (French, English and Tamil). A proactive and supportive state government has put this Union Territory firmly on the track of growth.

#### Ports

The Indian ports have, over the years, emerged as key factors in driving economic and overall growth of the country through their ability to facilitate international trade. With its extensive sea coast, India has a distinct advantage in this regard.

Puducherry, in particular, is fast developing into a nucleus of international trade for the country. In fact, Pondicherry Port Limited has envisaged a world-class deep water port to augment the economic demand and meet the growing opportunities in this regard. The Government of Puducherry has signed a 30-year Concession Agreement (extendable for a further 20 years) with Pondicherry Port Limited to develop the existing port into a deep water port.



#### Year 2008-09

Having identified the huge growth potential in this sector, the Company, during 2006-07, announced its maiden foray into the Port sector, with an aim to convert the small shallow water port in Puducherry into a deep water port to handle container, general, bulk and liquid cargos. A Special Purpose Vehicle "Pondicherry Port Ltd" (PPL) has been floated in this regard, which is a 50:50 Joint Venture between Subhash Projects and Marketing Ltd (SPML) and Om Metals Infraprojects Ltd.

The detailed project report and environmental clearance is under way. So far, the Company has invested Rs.35 mn into the project as equity contribution. This project is expected to go on stream in FY'11 and is slated for completion in four phases by 2015.

In all, the port will have three container berths - one general cargo, one liquid cargo and one bulk cargo berth, and a cruise terminal. It will provide direct and indirect employment to over 10,000 people.

## SEZ Pondicherry

There is an increasing awareness among both, the Government and private developers, that high quality infrastructure, liberal and supportive business policies can further promote foreign investments and enhance the domestic and regional export oriented businesses in Puducherry. This has led to an opportunity to create and develop a Special Economic Zone at Puducherry.

Sez DE Pondy is an exclusive integrated industrial and residential township. This SEZ project, spread over 860 acres, has been master-planned by internationally acclaimed "Jurong Consultants Pte", Singapore, with a well-planned development schedule that will ensure that the "City within City" develops in a planned and phased manner.

SEZ DE PONDY is a vantage location, well connected to all the major cities in India, and is in proximity of airports and sea ports.



## Year 2008-09

A SPV, 'Sanmati Infradeveloper Pvt Ltd.', was floated, in which the Company owns 25% stake along with other stakeholders - Subhash Projects (25%) and Urban Infrastructure Trustees Ltd (UITL) (50%). The SPV is a holding Company of Pondicherry SEZ Co. Ltd (PSEZCL), which owns a multi product SEZ in Puduchery, where 840 acres of land have been acquired and balance 26 acres are pending. The notification formalities by the Ministry of Commerce have been completely processed and the Company is awaiting formal approval.



# Corporate information



## Board of Directors

Dr. T.C. Kothari  
*(Chairman)*

Shri C.P. Kothari  
*(Managing Director)*

Shri D.P. Kothari  
*(Director)*

Shri Sunil Kothari  
*(Director)*

Shri P.C. Jain  
*Director (Technical)*

Shri Kamal Chandwar  
*Director (Audit)*

## Auditors

M/s. M.C. Bhandari and Co.  
Chartered Accountants  
Kota

M/s. Milind Vijayvargiya and Associates  
Chartered Accountants  
Kota

M/s. B. Khosla and Co.  
Chartered Accountants  
Jaipur

## Bankers

State Bank of Bikaner and Jaipur  
Industrial Estate, Kota

State Bank of Patiala  
Janpath, New Delhi

Bank of Baroda  
Jhalawar Road, Kota

IDBI Bank  
C-Scheme, Jaipur

State bank of India  
M I Road- Church Road, Jaipur

## Registered Office

Om Towers, Church Road,  
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Fax no.: (0141)-2371610

Email: ommljaipur@yahoo.com

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Saket, New Delhi

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Fax No.: (011)-29565551

Email: info@ommetals.com

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Worli, Mumbai - 400 025.

Ph. No.: +91-22-24970836/37

Fax No.: +91-22-24952515

Email: ommlmumbai@yahoo.co.in

## Listing on Stock Exchange

Equity Shares of the Company are listed on  
following Stock Exchange:

The Stock Exchange, Mumbai  
Phiroze Jeejeebhoy Towers, Dalal Street  
Mumbai - 400 001



## Last Five Year Financial Performance

(Rs. in Crores)

PARTICULARS	2004-05	2005-06	2006-07	2007-08	2008-09
PAID UP CAPITAL	5.61	5.61	9.63	9.63	9.63
CAPITAL EMPLOYED	27.25	46.28	266.39	324.1	346.05
SALES	37.98	73.79	91.91	74.96	105.44
LESS: EXCISE DUTY	0.57	0.54	0.91	0.91	2.55
NET SALES	37.41	73.25	91.00	74.05	102.89
PBDIT	8.69	29.82	34.17	32.39	34.38
PBIT	7.11	26.84	30.92	27.98	29.55
PBT	5.03	24.45	26.33	22.86	28.11
PAT	3.25	22.36	23.59	18.07	24.82
<b>PROFITABILITY RATIOS</b>					
PBDIT	23.23	40.71	37.55	43.74	33.41
PBIT	19.01	36.64	33.98	37.79	28.72
PBT	13.45	33.38	28.93	30.87	27.32
PAT	8.69	30.53	25.92	24.40	24.12
ROCE (PAT/CAPITAL EMPLOYED)	11.93	48.31	8.86	5.58	7.17
<b>CAPITAL EMPLOYED</b>					
FIXED ASSETS	38.24	41.66	127.93	135.54	137.34
INVESTMENT	0.79	1.02	17.9	57.19	42.47
CURRENT ASSETS	61.91	89.90	216.61	264.38	352.98
LESS: CURRENT LIABILITIES	51.59	61.07	51.80	71.33	84.69
LESS: BANK BORROWING	19.74	23.10	42.61	58.02	98.58
LESS: DEFERRED TAX LIABILITY	2.36	2.13	1.64	3.66	3.47
CAPITAL EMPLOYED	27.25	46.28	266.39	324.10	346.05
NET WORTH	27.13	45.93	266.39	324.10	346.05
NET WORTH EXCLUDING CAPITAL RESERVE	26.39	45.93	183.51	200.49	222.47

“राष्ट्र की जलधाराओं को नियंत्रित करके देश की समृद्धि में निरंतर कार्यरत”  
“Channelising India's huge water resources for the Nation's progress”





# Director's Report

To The Members,

We are delighted to present our report on the business and operations of the company for the year ended 31st March 2009.

Particulars	Year Ended March 31st		
	2009 Audited	2008 Audited	Growth %
Total Turnover & Other Income	10562.72	7698.29	37.2 %
Operating Profit (EBITDA)	3438.74	2278.01	50.95 %
Financial Charges	144.47	(448.71)	
Depreciation	482.82	440.15	9.54 %
Profit before Tax	2811.45	2286.57	22.95 %
Provision for Taxes	329.16	479.56	(31.36 %)
Profit after Tax	2482.29	1807.01	37.37 %
Add : Profit brought forward from previous year	6419.09	5037.42	
Profit available for appropriation	8917.76	6844.44	
Retained Profit carried forward to the next year	8166.85	6419.09	

## BUSINESS

This year we have maintained our momentum by accelerating the progress of the projects towards completion and achieved a turnover of Rs.10562 lacs for the full year ended March 31, 2009 as against Rs.7698 lacs in the previous financial year. The turnover of engineering division was majorly attributed by the projects awarded to us earlier and the new projects awarded in the last fiscal also contributed in the revenue generation to some extent. The part approval of design and drawings post change in parameters of civil structure in Kameng project has been received from the project authority i.e NEEPCO Ltd.( A Govt of India undertaking) and the revenue generation shall start in full length in next F.Y. We have started manufacturing equipments out of the huge pile up of imported raw material from the newly set up works at Calcutta / Kimi ( Arunachal) . Further it is imperative to mention that since the reasons for delay are attributable to NEEPCO,we are likely to get handsome compensation for changes and delay over and above the standard escalation payments.

The real estate division of the company recorded robust turnover of Rs.2315 lacs ( P.Y.837 lacs) from the Township at Kota " Om

Enclave" and we have sold all the apartments of first phase and substantial apartments of 2nd phase of project. In the fiscal 2009-10 we are confident of getting the complete revenue generation of Om Enclave.

The Company has reported a Profit Before Tax (PBT) of Rs.2811.45 lacs, as against Rs.2286.57 lacs in the previous year. The financial cost, overheads and carrying cost of raw material has affected the profitability of core segment but the profits from Om enclave has strengthened overall profitability. Finished stock and Work in Progress awaiting supply to the projects accounts for Rs.4093 lacs as against Rs.3056 lacs in the previous year and the carrying cost of this affected the margin percentage in this fiscal year. In the next fiscal all the stocks shall be put in working capital cycle and shall generate good revenue.

EPS for the financial year 2008-09 stood at Rs 2.58

## DIVISIONAL ANALYSIS ENGINEERING DIVISION

The Engineering Division focuses on turnkey engineering procurement and construction contracts for Hydro mechanical

equipment for Hydro Power and Irrigation projects. The 37% surge in turnover this year from engineering division mainly attributed by the Gosikhurd project and the new NHPC projects awarded in 2007. Kameng project since recently passed through re-approval cycle shall generate handsome turnover in next fiscal. We have a sizeable share in the Indian Hydro mechanical space with an unexecuted order book size of Rs 650 crores (excluding escalation). The company this year secured the Letter of Intent (LOI) for Sripad Sagar Project in Andhra Pradesh worth Rs.95 crore and we have mobilised men, material, machines at site and the revenue generation shall commence in next fiscal. The company is all geared up to encash the burgeoning opportunities in H M segment by providing turnkey solution to minimum 38000 MW additional Hydel power generation planned in next 10 years by GOI. The projects in Hydro power space involve multifarious activities viz. civil construction, Electromechanical component and Hydromechanical equipments.

### **REAL ESTATE, HOTELS AND MULTIPLEX**

The turnover from our flagship hotel in Jaipur ' Hotel Om Tower' marginally decreased to Rs.578.68 Lacs from Rs.656 lacs and profit decreased from Rs.117 lacs to Rs.108 lacs this year. The bomb blasts and 26/11 affected the tourist inflow and after the slow revival of economy we expect the reasonable growth to continue in future years buoyed by increasing domestic and international tourism ahead of Commonwealth Games in 2010.

The yearly profit from multiplex in Kota post leasing out to Inox Leisure is uniform and the rate of return is handsome.

Though in real estate front we have not seen any major breakthrough in new projects being added this year but we have paved the way for sooner development in Bandra Project by securing the Coastal Regulation Zone (CRZ) clearance from Ministry of Environment and Forests (MOEF). After some procedural formalities, we expect the shifting of slum dwellers to existing rehab apartments for a cleaner and vacant project site to begin construction activities.

We are awaiting further market sentiments to boost for starting development of projects in Hyderabad, Faridabad and Jaipur.

The revenue income from Kota township "Om Enclave" is handsomely progressing and we are confident of finishing this project by 2010. 100% Sale of Residential apartments of First phase and substantial portion of 2nd Phase of project has been achieved and we have posted a net tax free profit of Rs.998 lacs. The construction of second phase of residential is almost complete and the process of leasing negotiations with anchor / vanilla stores in the commercial is slowed down due to persisting recession in

retail market.

### **OTHER REAL ESTATE PROJECTS IN DIFFERENT SPV'S ARE DISCUSSED IN SUBSIDIARY SECTION LIQUIDITY**

The proceeds from the allotment of 2,00,00,000 Equity shares at Rs.60/share to QIB's (Qualified Institutional Buyers) was partly utilised in capacity expansion in Engineering division and real estate developments. The partial proceeds have been invested in FDR's and liquid funds and we are awaiting any overseas/domestic business acquisition opportunity to utilise the available funds.

Out strong cash flows enable us to manage financial and business risks. As on March 31, 2009, we had liquid assets including investments in term deposits and liquid funds of more than Rs. 90 crores.

### **DIVIDENDS**

Your company proposes to declare 10% interim Dividend as final dividend subject to the approval of the Members.

The dividend pay out for the year under review is in accordance with the Company's policy of consistent dividend pay out keeping in view the Company's need for capital, its growth plans and the intent to finance such plans through internal accruals to the maximum.

### **SUBSIDIARIES/STEP SUBSIDIARIES/PARTNERSHIPS/SPV'S**

**Om Metals Auto Pvt Ltd.**-The 3-S Toyota automobile dealership business, Om Toyota at Jaipur is running in good momentum and we have booked a turnover of Rs.3594.81 lacs as against Rs.4741.43 lacs in P.Y. The net profits dipped from Rs. 23.78 lacs to Rs. (7.92) Lacs during overall recession in auto sector.

**Pondicherry Port Ltd.**-A SPV for development of sea port in Pudduchery .The detailed project report and environmental clearance is under way.The project is going to complete in various phases by 2015.

**Sanmati Infradeveloper Pvt Ltd.**-This SPV wherein we own 25% stake along with other stake holders Subhash Projects (25%) and Urban Infrastructure Trustees Ltd (UITL) (50%) is a holding company of Pondicherry SEZ Co.Ltd ( PSEZCL) . PSEZCL owns a multi product SEZ in Pudduchery where 840 acre land has been acquired and balance 26 acre is pending.. The notification formalities at the end of Ministry of Commerce is completely processed and we are awaiting formal approval.



**Om Metals Consortium**-This partnership firm is the owner of prestigious Bandra project which has now received CRZ clearance from MOEF. Plethora of clearances has delayed the start of the project and we presume the project to start in last quarter of this fiscal 2009-10.

**Om Gaima Projects Pvt Ltd.**- A 49: 51 ( Om : Gaima) SPV initiated for taking engineering projects in sea port and others has started actively participating in bids of Mumbai Port Trust and others.

**OM METALS REAL ESTATE PVT LTD**-Almost all infrastructure / real estate interests of Om Metals Infraprojects Ltd stands owned by this 100% subsidiary in the shape of holding stake in different subsidiary / SPV's as mentioned here under.

**Om Metals Ratnakar Pvt Ltd.**- A 9467 sq ft office space in Prime and aesthetic NBCC plaza Delhi, purchased in this 100% subsidiary to house the entire corporate and business development affairs of the Group, is fully functional.

**Om Metals Developer Pvt Ltd.**-A residential housing project at Hyderabad near Hi tech city has now achieved initial milestone and is clear from hurdles and the ownership issue, ULC and aviation clearance is in place. The registration formalities for 10 acre of land is done and we are in a position to take off the project. For balance 10 acre land ( which was a part of MOU) adjacent to this we have initiated legal proceedings for specific performance against the seller of land.

**Om Shivay Real Estate Pvt Ltd.( formerly Murthal Tanks & Vessels Pvt Ltd.)**-A four acre industrial land in Faridabad on main national highway ( NH 2) on Delhi border purchased from the Bank in open tender has been made free from the labour disputes. The minor litigation initiated by the other interested parties and FI's are now pending in the High Court and DRT.

**Om Metals Infotech Pvt Ltd.**- A 17 acre industrial land in Jaipur (Rajasthan) purchased by us from seller after settling bank loan is under our ownership and possession. A case initiated by local party is pending for final disposition at Hon'ble Supreme Court level. We are confident of succeeding in the matter over next couple of months.

## DIRECTORS

Dr T C Kothari retires from the Board of Directors by rotation and is eligible for re-appointment. Mr G S Gupta has resigned as Director after Balance sheet date of 31.3.2009.

## AUDITORS

M/s. M. C. Bhandari & Co. Chartered Accountants, Kota Statutory Auditors of the company, M/s Milind Vijayvargiya & Associates,

Chartered Accountants, M/s B. Khosla & Co., Chartered Accountants, Branch Auditors of the Company retire at the conclusion of this meeting and are eligible for re-appointment.

## EXPLANATION ON OBSERVATIONS OF AUDITORS

The observation of Auditors as referred to in the Auditor's report are suitably explained in notes to the Accounts.

## PERSONNEL

The Labour Management relation has been cordial during the year under review.

During the year under review there were three Directors, no employees receiving remuneration, which require disclosure as per provisions of Section 217 (2A) read with the Companies (Particulars of Employees Rules, 1975). The disclosure is made in Annexure.

## Particulars of technology absorption, conservation of energy and foreign exchange earning and outgo.

As required under section 217 (1) (e) of the Companies Act 1956 read with the companies (Disclosure of particulars in the Report of Board of Directors) absorption, conservation of energy and foreign exchange earnings and outgo are set out in annexure to the Directors Report.

## LISTING

The Equity Shares of the Company are listed on Mumbai Stock exchange. Listing fees of Mumbai Stock Exchange for the current year has been duly paid.

## DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- i. That in the preparation of account for the period ended March 31, 2009, the applicable Accounting Standards had been followed and that there are no material departures;
- ii. The directors had 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 year end of the financial year and of the profit of the Company for that period,
- iii. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.



- iv. That the accounts for the period ended March 31, 2009 are on a going concern basis.

## **IT**

The entire organization at Om Metals is IT enabled. The company is constantly endeavouring to upgrade the systems.

## **HUMAN RESOURCE MANAGEMENT**

Your Company acknowledges the contribution of its world-class employees and the spirit of commitment, collaboration and partnership demonstrated by them in realizing the Company's vision. For the company, its employees are the first customer that it has to satisfy. The company has taken initiative to insure its employees across all divisions of the company. The company also organizes regular formal and informal interactions for the employees and their families.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has a well-defined Internal Control system that is adequate and commensurate with the size and nature of business. Clear roles, responsibilities and authorities, coupled with internal information systems, ensure appropriate information flow to facilitate effective monitoring. Adequate controls are established to achieve efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws. An exhaustive programme of internal audits, including all Branches of the Company all over India, review by management, and documented policies, guidelines and procedures, supplement the internal control system. The Audit Committee regularly reviews the adequacy and effectiveness of the internal controls and internal audit function.

## **CORPORATE GOVERNANCE**

Your Company has been practicing principles of good corporate governance practices over the years. Your Company has complied with the Corporate Governance Code as stipulated under the Listing Agreement with the Stock Exchanges. A separate section on Corporate Governance along with certificate from the Auditors confirming compliance is annexed and forms part of the Directors' Report.

## **JOINT VENTURES & FOREIGN COLLABORATIONS**

The consolidated financial statements of the company pursuant to AS 23 and AS 27 have been prepared and attached.

- **Foreign Collaboration**
- ATB Riva Calzoni SpA, Italy
- JSC Ukr Hydro Mech, Ukraine

## **CONSOLIDATED FINANCIAL STATEMENTS**

As required under Clause 49 of the listing agreement with stock Exchanges, the consolidated financial statements of the Company (including therein Audited Annual Accounts as at 31st March 2009 of its subsidiary 'Om Metals Auto Pvt Ltd', Om Metals Real Estate Pvt Ltd. are attached with annual accounts of the Company. Financial Statements of the subsidiary companies along with directors Report and statement pursuant to section 212 of the companies Act 1956 and AS 21 of Institute of Chartered accountants of India are attached.

The investment in significant associates like Om Metals consortium, Om Ray JV, OMIL-JSC JV, Pondicherry Port Ltd, Sanmati infradeveloper Pvt Ltd., have been treated as per AS 27/23 and accordingly have been consolidated in financial statements. In compliance with AS.

## **FIXED DEPOSITS**

Your Company has no unclaimed/ unpaid or overdue deposit, during the year under report.

## **ACKNOWLEDGEMENTS**

Your Directors deeply appreciate the valuable co-operation and continued support extended by the Company's Bankers, Financial Institutions, Government agencies, Collaborators, Stockists, Dealers, Business Associates, and also the contribution of all employees to the Company.

On behalf of the Board of Directors,

### **Regd. Office:**

Om Towers, Church Road  
M I Road, Jaipur

(Dr T C Kothari)  
Chairman



## THE DISCLOSURE UNDER SECTION 217(2A)

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2009

Particulars of Employees under Section 217 (2A) of the companies Act, 1956 and forming part of the Director's Report

Name	Age	Qualification	Designation	Date of Joining	Experience	Gross Remuneration	Last Employment
					(Years)	Rs. Lacs	
C.P Kothari	61	B.Com	Managing Director	1/10/1994	38	46.60	None
D.P Kothari	58	M.E.	Director	1/10/1994	38	43.59	None
Sunil Kothari	45	M.B.A.	Director	28/04/2006	24	41.07	None

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ending 31st March, 2009.

### A Conservation of energy:

#### a) Energy conservation measures taken:

Greater emphasis has been laid on creating awareness amongst all employees for the optimal utilization of power and prevent misuse of energy at all levels.

#### b) Additional investments proposals, if any being implemented for reduction of consumption of energy, Efforts are being made in the direction of reducing energy consumption.

- NIL -

#### c) Impact of the measure at (a) and (b) above for reduction of energy consumption and consequent impact on the cost production of goods. Impact has not been measured.

#### d) Total energy consumption and energy consumption per unit of production in respect of industries specified in the Schedule thereto.

It is not feasible to maintain product category wise energy consumption data since there are a large variety of products with different energy intensities.

### B. Technology Absorption:

#### a) Research & Development :

##### i. Specific areas in which R & D was carried out by the company.

√ Cutting & Welding which is required on fabrication of Gates, Hoist etc.

√ Replacement of electric hoists to hydraulic hoists.

√ Improvement in product quality.

√ Energy Conservation.

√ Better utilization of Scrap.

##### ii. Benefits derived:

√ Production improved gradually.

### b) Future Plan of Action:

The company is having on going process to reduce the weight of gates, to suit to incoming private power projects.

### c) Expenditure on R & D

No expenditure was made on R & D because owned staff is working on R & D and their salaries & wages included in respective head of expenditure.

### C. Technology Absorption, Adoption and Innovation:

#### i. Efforts in brief, made towards technology absorption and innovation. Progress was made in the up gradation of technology and innovation in the following areas:

Replacement of electric hoist to hydraulic hoist.

Cutting and welding for gate and hoist fabrication.

Efforts for technology development and innovation are going on.

#### ii. Benefits derived as a result of the effort product improvement.

√ Cost reduction.

√ Product development & Import substitution etc.

#### iii. Technology imported during the last 5 year.

- NIL -

### D. Foreign Exchange Earning and Outgo:

#### i. Activities relating to exports, initiatives taken to increase exports, development of new export, development of new export markets for products and service and export plans.

#### ii. Total foreign exchange used and earned.

(Rs. in Lacs)

	31.03.2009	31.03.2008
<b>i. Earning by ways of</b>		
(a) Export	NIL	Nil
(b) Service	3.59	22.56
<b>ii. Outgo by way of</b>		
(a) CIF value of imports	1491.99	1498.28
(b) Traveling & Others	77.09	50.42
(c) Capital Goods	41.85	-

# Management Discussion & Analysis

## INTRODUCTION

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 1956 (the 'Act') to the extent applicable. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities, as of the date of the financial statements. These estimates are made on a prudent and reasonable basis, to reflect the true and fair view of the financial statements.

## RENEWABLE ENERGY IN INDIA: STATUS AND FUTURE PROSPECTS



India's need to increase energy provision for its population and fast-growing economy coincides with increased concerns regarding climate change globally. This poses a formidable challenge but is perceived to be a great opportunity for the country to increase the share of renewables in the overall energy mix. India's approach to the global problem is to meet its energy needs in a responsible, sustainable and eco-friendly manner.

India being a developing and fast-growing large economy faces a great challenge to meet its energy needs in a responsible and sustainable manner. India's task is to provide energy to over 600,000 human settlements, spread over 300,000 square km of territory, with a population of over one billion which is still growing.

India accounted for 3.1 per cent of the world's electricity consumption with an installed capacity of 135,780 MW as of September 2007. Of this, 87,200 MW is accounted for by thermal power plants, 34,200 MW by large hydro plants, 4,100 MW by nuclear, and the balance from renewable sources. The consumption of electricity in India rose from 4,157 GWh in 1950 to 38,6134 GWh in 2004/05. The per capita consumption was 612 kWh in

2004/05 as against 329 kWh in 1990 (CEA). Despite the significant growth in electricity generation, shortage of power continues to exist primarily due to the growth in power demand outstripping the growth in generation and generating capacity addition.

India intends to provide a reliable energy supply through a diverse and sustainable fuel mix that addresses major national drivers. The country has an estimated renewable energy potential of around 85,000 MW from commercially exploitable sources: Wind, 45,000 MW; small hydro, 15,000 MW and biomass/bioenergy, 25,000 MW. Further, the Government is encouraging foreign investors to set up renewable power projects on a 'build, own and operate' basis with 100 per cent foreign direct investment.

India is continuously aiming to accelerate hydro development by encouraging international partners and investors. It is planned to increase the share of hydro in national electricity supply from 25% to 40% over the next ten years. There is 38243 MW of hydro capacity under planning to be commissioned by 2017 majority of the projects are in J & K, Arunachal Pradesh, Himachal Pradesh and Sikkim.

The Electricity Act of 2003 most important legislative development has stimulated the recent growth in renewable power. The Act recognises the role of renewable energy technologies for supplying power to the utility grid as well as in stand alone systems.

Thermal power stations burning coal provide the bulk of electricity generated in India. The total electric generating capacity under public utilities is around 108,000 MW, of which 77,000 MW comes from thermal power plants, 27,000 MW from hydropower plants, 2700 MW from nuclear and 1700 MW from wind power plants. Our current electric generating capacity is much below the peak demand. Even though access to electricity is fairly widespread, electricity supplies are highly uncertain with frequent power outages and poor quality of supplies. This can be a huge impediment to the country's economic development and raising the living standards of the people.

A policy that expands our hydroelectric capacity through large number of small scale-facilities and renewable sources like solar and wind, is preferred. Solar and wind offers tremendous scope for innovation and potential in India. But India doesn't have the luxury to choose one over the other now because it needs to achieve quick





capacity additions in the short term to keep the pace of current development going. So we cannot abandon 100 to 200 years worth coal reserves that currently exist in our mines. But, expansion in thermal power generation should be accompanied by substantial increases in investment in environmental controls comparable to western standards. Natural gas is going to play a major role in the energy mix of our country in the coming decades. Since natural gas is cleaner compared to coal and oil, it would be a desirable expansion.

River linking network will provide massive potential for the additional hydroelectric generation capacity other than lots of benefits like bringing more dry land under irrigation, and providing safe drinking water to people in dry areas. These prospects seem quite tempting. But look at the huge economic, political and social costs involved.

April 17, 2008: Prof. Prem Kumar Dhumal, Chief Minister said that State Government would extend all possible help to Satluj Jal Vidyut Nigam Limited in all its future endeavour since the state was partner in the company. He said that state aimed at generating 12,000 MW Hydro Power by year 2012 and executing authority of 412 MW Rampur Hydro Electric Project needed to re consider changing the name of the Project to Netaji Subhash Chander Bose Hydro Electric Project as a tribute to the great freedom fighter. He was addressing a public meeting at Bayal village in Anni Sub-Division of District Kullu today.

Due to its vast market potential for renewable energy projects, and a relatively well developed industrial, financing and business infrastructure, India is perceived as an excellent country for developing Clean Development Mechanism (CDM) projects. As such, India has emerged as one of the most favoured destinations for CDM projects globally, with renewable energy projects having the major share. National renewable energy plans offer ample opportunity for CDM projects and technological innovations, such as biogas for transport application, offer new areas for project development.

## CHALLENGES: TECHNOLOGY CONCERNS

- Technology plays a central role in addressing climate change issues. In this context there is a need to treat renewable energy technologies as a 'global common' in the medium term. To begin with these technologies could be placed in the public domain and joint research and development projects could be taken up between the institutions of developed and developing countries. Technology transfer costs could be fixed at no-profit level and the expenditure to be incurred in these acquisitions

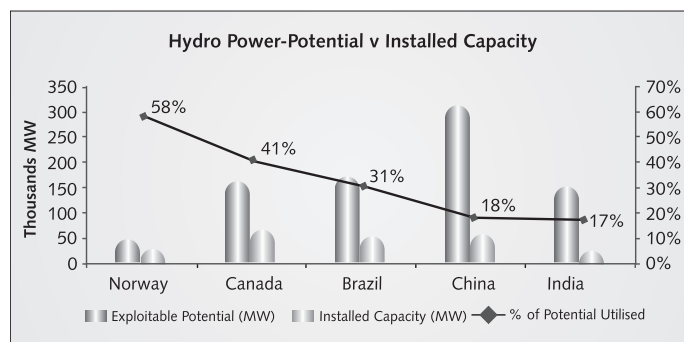
could be made from a global funds under climate change mechanisms.

The approach in India matches the global aim of ushering in a carbon free economy; an economy based on a fuel mix mainly provided by the green or renewable energy technologies.

For India, new and renewable energy development and deployment is of great importance from the point of view of long term energy supply security, decentralisation of energy supply particularly for the benefit of the rural population, environmental benefits and sustainability. In this context, the Indian renewable energy programme is a goal-oriented effort to meet the country's energy requirement in an environmentally sound way.

Roughly 34,000 MW (megawatts) of hydroelectric generation capacity is in place today. Given the resistance to huge dams in recent times, desirability and feasibility of large-scale hydro projects need to be re thought.

A lot of potential in development has to carefully weigh the environmental and social displacement costs a new large-scale hydro facility would entail. Large hydropower projects cannot be carried out as effectively as in the past for many reasons. Small-scale hydropower is an attractive option because its impact on environment is modest and manageable. As the name suggests, the electricity produced in small hydropower facilities is also modest compared to large generating plants operated by public utilities. In addition to these benefits, small hydro plants have enormous economic benefits and can contribute to the economic development of remote areas that lack access to grid electricity. It has been estimated that around 10,000 MW can be generated in the Himalayan states alone through this way. Since these facilities are relatively free from contentious issues plaguing large hydropower projects, the government can support rapid expansion in this area. This makes sound economic sense too because of the low cost, short gestation period, advances in fully automated installations and reductions in manufacturing costs of turbines and generators.



Source: Ministry of Power

Looking into the possible development of 38000 MW hydro power generation over the next ten years, We estimate that there will be 10000 crores worth of Hydro mechanical work opportunity and We being the leading company in the Indian hydro mechanical contracts segment stand to gain the most from the above.

## REAL ESTATE AND INFRASTRUCTURE SEGMENT INDUSTRY OUTLOOK

Real estate Industry in India besides having its apparent significance in the national economy, also has latent significance of being one of the largest job provider from a laborer to high ranking professional executives from engineering, finance, marketing and many other economy related fields.

The real-estate industry which is playing a very crucial role in development of infrastructure had been victim of recent slowdown under global recession, therefore, it becomes imperative on the part of government to extend maximum relief in terms of taxation and offer incentive for investors to gear up the situation towards positive growth.

Since Housing industry constitutes a large segment of, real estate in India, therefore, government must consider rebates & incentives to strengthen investment opportunities by prospective investors.

It is understood from sources that to encourage people to invest in housing sector "Confederation of Real estate Developers' Association of India"[CREADI] has suggested the government to implement effective tax measures.

Real estate in India has witnessed tremendous boom over past few years and is estimated to be around \$13 billion and is expected to grow at the rate of 30 per cent every year.

The demand from the information technology sector certainly has changed the urban landscape in India. According to estimation in India, there is a demand for nearly 70 million square feet of Information Technology and Information Technology Enabled Services (IT and ITES) space over the next four and five years. Several multinational companies (MNCs) continue to move their organisational operations to India to take advantage of lower manpower and other costs. Providing human resources and home at their work place assumes great significance and therefore, the requirement to create space for people to live and work that in turn causes the development of other related infrastructure. It has been a predominant trend to set up the world's best business centres, often campus-style establishments, bearing a distinguishing corporate stamp. Some of these locations are so distinctive that

they are termed as the 'temples of new or modern India'. It is just an indication of the extent to which the development of real estate has been taking place.

The developments in the real estate sector are being driven by demand for:

- Office premises by growing IT industry especially BPO segment
- Multiplexes by an advancing entertainment sector;
- Shopping malls by evolving retail segment
- More residential units by a young and demanding Indian middle class, having more disposable income than ever before.
- Hotels/ resorts by growing tourism industry;
- SEZs by various sectors; and
- Better infrastructure by the growing Indian Economy through all its sectors.

### CHALLENGES:

Currently the real estate market is going through a phase of correction in prices and there are inflated possibilities that the artificially inflated/increased prices are likely to come down.

Before the slow down phase in the past, the projects were sold instantly without any hitch at an exorbitant rate. But that would be a thing of past now. The negative impact is explicitly visible as lots of high-end /cost oriented projects are still lying unsold. In such an eventuality, there may be blessing in disguise as high profile speculators will be out making way for the actual users.

It is but natural that with price correction, the market will turn towards end users thereby enabling the developers to sell out their remaining products.

Meanwhile, the beginning of correction phase started with the increase in home loan rates by the banks/ government since February/ March onwards which mainly, interalia, eroded the purchasing power of middle and upper middle class majority of whom are covered in the category of end users or actual users. Now the real estate marketing is passing through the scene of wait and watch for seizing the best opportunity clubbed with the hope of reduction in home loan rates.

Next, The real estate market in India remains unorganised, fairly fragmented, mostly characterised by small players with a local presence. Traditionally, real estate developers were viewed with an element of skepticism. Developers were often identified dealing with

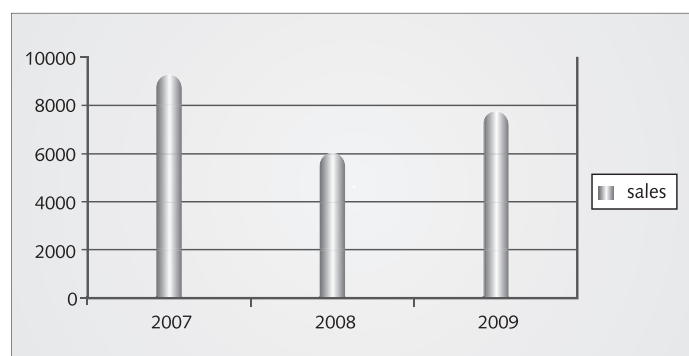


large amounts of unaccounted money, lacking transparency and would use unscrupulous means to acquire a variety of regulatory approvals.

## BUSINESS SEGMENTS

### ENGINEERING DIVISION

The Engineering segment recorded a turnover of Rs.75.31 cr in the year 2008-9 as against Rs.58.54 cr in the corresponding previous year. The profit for the segment also stood at Rs.12.70 cr as compared to Rs.11.87 cr in 2007-8.



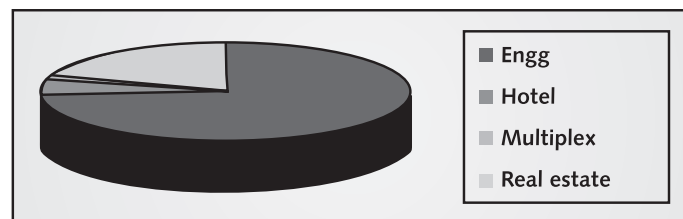
### SALES ENGINEERING DIVISION

A detailed order book status is given below.

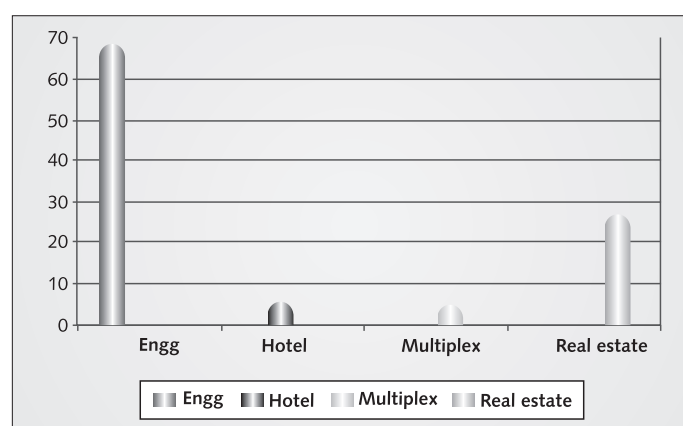
### UNEXECUTED ORDER BOOK - CURRENT STATUS

Project	Project Authority	Contract Value (Rs in cr)
Gosikhurd Project	VIDC (Govt. of Maharashtra)	11.12
Kameng H.E. Project (600MW)	NEEPCO (Arunachal Pradesh)	131.91
Koldam Project (800MW)	NTPC (Himachal Pradesh)	5.00
Sewa H.E. Project (120MW)	NHPC (Jammu & Kashmir)	3.00
Uri II H.E. Project (240MW)	NHPC (Jammu & Kashmir)	50.61
Teesta Low Dam IV H.E.P.(160MW)	NHPC (West Bengal)	84.58
Parbati III H.E. Project (520MW)	NHPC (Himachal Pradesh)	93.98
Chamera III H.E. Project (231MW)	NHPC (Himachal Pradesh)	68.42
Vishnugad Tapovan H.E. Project (520 MW)	NTPC (Uttarakhand)	74.00
Madhikheda (MP)		1.24
Sri Pad sagar (Andhra)		95.00
<b>Total</b>		<b>618.86</b>

With strong focus on hydro power generation by the government, we expect our order book position to exceed Rs. 1000 crore mark by end of next year and a target figure of Rs. 2000 crore by 2012.



Segment Operating Profit ( in %)



### REAL ESTATE

In the last couple of years of residential development in "Om Enclave" at Kota, we have booked a revenue of Rs.837 lacs and Rs. 2315 lacs by selling more than 125 apartments. The construction of the second phase is almost complete and we are ready to give possessions. The tie up for commercial space in Om enclave with vanilla stores and anchor stores are under negotiation and we are aiming at completion of the commercial mall by March 2012.

Jaipur and Faridabad projects are facing some sort of litigation and we are hopeful to come over by second quarter of the on going fiscal. Few prestigious realty project in hand are:

Project	Project Location	Proposed Built up area -Sq ft (Om's share)
Bandra Reclamation Residential Appartment	Mumbai	100000
Corporate Park	Faridabad	200000
Residential Township	Hyderabad	350000
Om Enclave - Residential	Kota	400000
Om Enclave - Commercial	Kota	350000
IT / Corporate Park	Jaipur	600000
<b>Total</b>		<b>2000000</b>



## INFRASTRUCTURE PROJECTS PORTFOLIO

The infrastructure division is steadily emerging as a dynamic business division after floating major real estate and infrastructure interests of Om Metals Infraprojects Ltd transferred to a 100% subsidiary called 'Om Metals Real Estate Pvt Ltd'. The company has been eagerly awaiting take off of all developments on a large chunk of strategic land banks for realising all potential revenues .

## MANUFACTURING FACILITIES

The facilities set up a plant at Tax free Zone of Jammu ( J & K ), Calcutta Silliguri ( West Bengal) and additional capacity at plant at Kota for manufacturing Hydraulic Gates for Hydro Mechanical Works is working in full swing. The Jammu unit is strategically located and is serving as a supply point to all our projects in the state of J&K & Himachal Pradesh. Calcutta and Silliguri serving the Teesta project and kameng project in North Eastern Region.

## STRATEGIES

Om Metals is the leading player in the hydro mechanical segment. However the company is not content with garnering a majority of the market share. Our team at OML is always striving to constantly upgrade its benchmarks to meet and conquer the growing competitiveness of this segment. We will be further consolidating our position as one of India's leading hydro mechanical equipment manufacturers by securing and executing larger and more complex projects.

To cement our position in this industry, we are also looking at inorganic growth opportunities in the global arena, in order to grow and boost our international presence.

At OML, we expect to make a growing, strategic and very opportunistic investment in real estate & infrastructure projects to enhance the shareholder value.

## RISK MANAGEMENT

OML has developed a comprehensive Risk Management System, across the company. The System includes, strategic and operational risk assessments, and action plans that provide a comprehensive

set of reports to identify, and assist in, the management of risk. The management has initiated company-wide risk management, identification and reporting exercise, which incorporates risk management into everyday organisational management. Exception and trend analysis is directly reported to Executive Management and the Audit Committee.

## OPTION I

### Fundamentals of our risk management system

The company has in place a code of conduct and high safety standards in plant operation to protect its employees and the environment. The company has instituted control bodies which verify important business decisions. Organizational measures are undertaken to prevent the infringement of guidelines and laws

### Goals of risk management

At OML, the risks are detected at their earliest possible and necessary measures are taken to avoid economic and environmental damage. The company lays due emphasis on avoidance of risks that threaten the company's continued existence

### Organization, responsibilities and tools

Regular risk analyses at the corporate level are conducted by OML's Chief Compliance Officer and by various departmental heads.

Specific risks pertaining to operating divisions and units are continually registered, evaluated and monitored centrally. The Board of Directors regularly receives reports on the risk situation of the company.

### Cautionary Statement

The Statements in this Report, particularly which relate to Management Discussion and Analysis describing the Company's objectives, plans, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in the statement depending on the circumstances.



# Report on Corporate Governance

The Securities and Exchange Board of India (SEBI) ushered in a formal code of corporate governance (the code) through clause 49 in the listing agreement executed by the Company with stock exchanges. Clause 49 lays down several corporate governance practices which listed Companies are required to adopt. The code has been periodically upgraded to ensure the adoption of best corporate governance practices by the corporate. While most of the practices laid down in clause 49 require mandatory compliance, others are recommendatory in nature. This report sets out the compliance status of the Company with the requirements of corporate governance, as set out in clause 49, for the financial year 2008-09.

## COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Our Corporate Governance philosophy stems from our belief that the business strategy and plans should be consistent with the welfare of all the shareholders and should be in line with policies of Government of India.

Om Metals believes in and always strives towards maximizing value for all shareholders while ensuring accountability and transparency in conduct of business within acceptable legal and ethical framework by adhering to good Corporate Governance practices.

Company reviews its corporate governance practices to ensure that they reflect the latest developments in the corporate arena and thus positioning itself to conform to the best corporate governance practices. Company is committed to pursue excellence in all its activities and maximize its shareholders' wealth

## 1. BOARD OF DIRECTORS

In terms of the Articles of Association of the Company strength of the board should not be less than three and more than twelve.

### 1.1 Composition of the Board

As on 31st March 2009, the Board comprised seven directors out of which three are Executive -Directors and four are Non-Executive Directors. Chairman of the Board is also a Non-Executive Director. Out of seven Directors three Directors are Independent Directors. The directors bring to the board wide range of experience and skills.

The size and composition of the Board conforms to the requirements of Corporate Governance norms as stipulated under the provisions of the Listing Agreement entered into with the Stock Exchanges.

Name of Director	Status/Designation	Categor
Shri T.C. Kothari	Non Executive Chairman	Promoter & Non Executive Director
Shri C.P. Kothari	Managing Director	Promoter & Executive Director
Shri D.P. Kothari	Director	Promoter & Executive Director
Shri Sunil Kothari	Director	Promoter & Executive Director
Shri P.C. Jain	Director	Non Executive Independent Director
Shri Kamal Chandwar	Director	Non Executive Independent Director
Shri G.S. Gupta	Director	Non Executive Independent Director

### 1.2 Responsibilities

The primary role of the board is that of trusteeship to protect and enhance shareholders' value. As trustee, the board ensures that the company has clear goals and policies for achieving these goals. The board oversees the Company's strategic direction, reviews corporate performance authorizes and monitors strategic decision, ensures regulatory compliance and safeguard interests of shareholders.

### 1.3 Board Meetings

The meetings are convened by giving appropriate notice after obtaining approval of the Chairman of the Board. Detailed agenda, management reports and other explanatory reports are circulated in advance for the proper and meaningful decisions at the meetings.

During the year under review, 11 Board Meetings were held as against the minimum requirement of 4 meetings viz; on 19.05.2008, 30.06.2008, 31.07.2008, 1.10.2008, 21.10.2008, 31.10.2008, 15.12.08, 20.12.2008, 30.01.2009, 14.03.2009 and 23.03.2009

The maximum interval between any two meetings during this period was not more than 4 months as stipulated under the listing agreement.

Except the Managing Director and whole time director, all other Directors are liable to retire by rotation as per provisions of the Companies Act, 1956.

Details of attendance of each Director at the Board Meetings, last Annual general meeting, and number of other Directorship and Membership in committees thereof are as under:

Name of Director	Category	Designation	Attendance Particulars		Directorship of other Indian Companies		Committees' Memberships*	
			Board' Meetings	Last AGM	Public	Private	Member	Chairman
Dr. T.C. Kothari	Promoter & Director	Chairman Non-Executive	11	Yes	-	-	1	2
Mr. C.P. Kothari	Promoter & Executive Director	Managing Director	8	No	3	6	-	-
Mr. D.P. Kothari	Promoter & Executive Director	Whole-time Director	10	Yes	-	3	-	-
Mr. Sunil Kothari	Promoter & executive Director	Whole-time Director	11	Yes	2	13	-	-
Mr. P.C. Jain	Independent & Non-Executive Director	Director	10	Yes	-	3	3	-
Mr. Kamal Chandwar	Independent & Non-Executive Director	Director	10	Yes	-	1	2	1
Mr. Ghan Shyam Gupta	Independent & Non-Executive Director	Director	4	No	-	1	-	-

#### Directorships in other Companies

The Directors of the company also hold positions as directors, committee members, trustees, partners and shareholders in other companies, trusts, associations and firms. The number of committee memberships/chairmanships/committee positions held by the directors in other companies is in compliance with clause 49 of the listing agreement. The necessary disclosures regarding directorships/ chairmanships/committee positions have been made by the directors.

#### Functioning of the Management

The Day-to day management of the company is conducted by the chief executive officer & managing director subject to the supervision and control of the board of Directors.



#### Detail of Remunerations/Stock options/Shareholding of Directors/relationship of Directors.

The Company has no pecuniary relationship or transaction with its non-executive directors other than professional fee. The Company has a credible and transparent policy in determining and accounting for the remuneration of the Managing/whole-time Directors. The remuneration policy is aimed at attracting and retaining high caliber talent. The Company has no stock option scheme.

Details of remuneration paid to Directors of the Company during the year ended 31st March 2009 are here as under (In Lacs):

Name of Director and Allowances	Salary and Benefits	Perks Sitting	Consultancy	Fees	Total
Dr.T.C. Kothari	N.A	NIL	Rs. 1.200	N.A	Rs. 1.200
Mr. C.P. Kothari	Rs 39.250	Rs.7.350	N.A	N.A	Rs.46.600
Mr D.P. Kothari	Rs35.125	Rs.8.465	N.A	N.A	Rs. 43.590
Mr SunilKothari	Rs32.610	Rs.8.465	N.A.	N.A.	Rs. 41.075
Mr. P.C. Jain	N.A	N.A	N.A	N.A	NIL
Mr. Kamal Chandwar	N.A	N.A	N.A	N.A	NIL
Mr. Ghan S hyam Gupta	N.A	N.A	N.A	N.A	NIL

#### Stock Options

During the year, no stock options were granted to the Director of the Company.

Shareholding of the Directors in the Company as on March 31, 2009-09-07

Name of the directors	No. of Shares of Rs. 1/- each held singly or jointly	% to total paid -up capital of The Company
Dr. T.C. Kothari	865400	0.90
Mr. C.P. Kothari	5424818	5.63
Mr. D.P. Kothari	3564668	3.70
Mr. Sunil Kothari	6045108	6.28
Mr. P.C. Jain	0	0.00
Mr. Kamal Chandwar	0	0.00
Mr. G.S. Gupta	0	0.00

Relationships of Directors and their business interest in the company as on March 31,2009

Name of the directors	Relationships with other Directors	Relationships with the company, if Any
<b>Dr. T.C. Kothari</b>	Father of Mr. C.P. Kothari, Mr. D.P. Kothari and Mr. Sunil Kothari	Promoter
<b>Mr. C.P. Kothari</b>	Son of Dr. T.C. Kothari and Brother of Mr. D.P. Kothari & Mr. Sunil Kothari	Promoter
<b>Mr. D.P. Kothari</b>	Son of Dr. T.C. Kothari and Brother of Mr. C.P. Kothari & Mr. Sunil Kothari	Promoter
<b>Mr. Sunil Kothari</b>	Son of Dr. T.C. Kothari and Brother of Mr. C.P. Kothari & Mr. D.P. Kothari	Promoter
<b>Mr. P.C. Jain</b>	None	None
<b>Mr. Kamal Chandwar</b>	None	None
<b>Mr. G.S. Gupta</b>	None	None



## 2. COMMITTEES OF THE BOARD OF DIRECTORS

The Board has established the following committees:

- i. Audit Committee
- ii. Investors Grievance Committee
- iii. Share Transfer Committee
- iv. Executive Committee

### 2.1 Audit Committee

The Constitution, quorum, scope etc of the Audit Committee of the Company are according to the provisions of the listing Agreement Constitution and composition of the committee.

The Board of Directors of the Company had constituted an Audit committee in December 2000 and the Audit committee comprises of one Non-Executive Director Dr. T.C Kothari and two independent Non-Executive Directors viz;, Mr. P.C. Jain and Mr. Kamal Chandwar.

The Chairman of the committee is Mr. Kamal Chandwar.

Constitution of audit committee and other related information as on 31st March 2009 are as under:

Name of Director	Status	No. of Meetings	
		Held	Attended
Mr. Kamal Chandwar	Chairman	4	4
Mr. P.C. Jain	Member	4	3
Dr. T. C Kothari	Member	4	3

#### Scope of the Audit Committee

Terms of reference of the Audit Committee are in accordance with the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies act, 1956 and are as follows:

- a) Overseeing the Company's financial reporting process and ensuring correct disclosure of financial information.
- b) Reviewing the Company's financial and risk management policies.
- c) Reviewing with management the quarterly, half yearly and annual financial statements before submission to the Board focusing primarily on (i) any changes in accounting policies and practices; (ii) qualifications in draft audit report; (iii) significant adjustments arising out of audit; (iv) compliance with accounting standards; (v) compliance with stock Exchange and legal requirements concerning financial statements and (vi) any related party transactions
- d) Reviewing adequacy of internal audit functions and internal audit reports
- e) Discussing with external auditors before the audit commences, nature and scope of audit as well as having post-audit discussion to ascertain any area of concern.

#### Meetings

During the Financial year 2008-09, 4 Audit Committee Meetings were held on 24.06.08, 25.07.08, 27.10.08, 28.01.09

### 2.2. Investors' Grievance Committee

The Company has constituted shareholders/investors Grievance Committee in line with the provisions of listing agreement.



### Composition

The Board of Company has constituted a Shareholders' grievance Committee, comprising Dr. T. C Kothari, Mr. Kamal Chandwar and Mr. P.C. Jain. Dr. T. C Kothari, Non- Executive Director is Chairman of the Committee.

### Scope of the committee

The Committee, inter alia, approves issue of duplicate certificates, reviews all matters connected with the share transfers, looks into the redressal of shareholder's complaints like transfer of shares, non-receipt of declared dividends, etc. the Committee also oversees the performance of the Registrar and share transfer Agents.

### Meetings

Shareholders' Grievance Committee meets generally twice every month in second and last week of month to approve the share related work.

Details of Shareholder's correspondence received during the year are as under:

Nature of complaints	No. of complaints received	No. of complaints resolved
Change of Address	0	0
Non-receipt of share certificate/Transfer/ Transmission	0	0
Non-Receipt of dividend	0	0
Others	3	3
<b>TOTAL</b>	<b>03</b>	<b>03</b>

The Company and the Registrar & Transfer Agents have attended to most of the shareholder's correspondence within a period of 15 days from date of receipt of correspondence during the year 2008-09.

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company has formulated, adopted and implemented "Om Metals Code of Conduct for Prevention of Insider Trading" and "Code for Corporate Disclosure Practices"

The Investor Grievance Committee monitors the compliance of the provisions of the codes.

## 2.3 Share Transfer Committee

The share transfer Committee oversees the issue relating to shares including transfer, transmission of shares etc.

### Composition

The Share transfer committee of the company comprises of two directors, one of whom is executive and the other being non-executive.

The committee was reconstituted on January 1, 2009 with Dr. T.C. Kothari as the chairman and Mr. P.C. Jain as the member.

### Meeting details

The committee meeting is normally held twice in a month on a fortnightly basis and the committee met 12 times during the financial year 2008-09. the attendance of the member of the share transfer committee recorded is as under.

Name of the directors	Status during his tenure	No. of meetings held	No. of meeting attended
Dr. T.C. Kothari	Chairman	12	12
Mr. P.C. Jain	Member	12	12

## 2.4 Executive Committee

In order to deal with administrative and routine matters, an executive committee of the board was constituted.

### Composition

The executive of the company comprised of four directors, three of whom are non executive and one being executive.

The Committee was reconstituted on January 1, 2009 with Dr. T.C. Kothari as the chairman, Mr. P.C. Jain, Mr. Kamal Chandwar, Mr, G.S. Gupta as Member.

### Declaration Under Clause 49 of the Listing Agreement

This to confirm that the Company has adopted a Code of Conduct for Directors and Senior Management Personnel, which is displayed on the Company's website.

I confirm that the Company has in respect of the Financial Year ended March 31, 2009 received from each Member of the Board and Senior Management Personnel, a declaration of compliance with the Code of Conduct as applicable to each one of them.

Place : New Delhi  
Dated : 30th June 2009

SD/-  
C.P. Kothari  
Managing Director

### Subsidiary Company

During the year, the board took on record the minutes of the meetings of the Board of directors of the subsidiary companies. Om Metals Auto (P) Limited. Indian subsidiary of the company falls under the terms "material non-listed Indian subsidiary" as defined under clause 49 of listing agreement.

## 3. DISCLOSURES

None of the transactions entered into by the Company with any of the related parties were in conflict with the interest of the Company.

No penalty or strictures were imposed on the Company by any of the Stock Exchanges, SEBI or other statutory authorities on any matter related to capital markets during the last three years.

The Company has complied with all mandatory requirements.

## 4. MEANS OF COMMUNICATION

- The means of communication between the Company and the Shareholder are transparent and friendly.
- The Company does not have a system of sending results to shareholders individually but queries, if any, are replied immediately.
- During the financial year 2008-09, quarterly unaudited financial results generally published in Economic Times, The Hindustan Times. For information of the Shareholders, the Company also publishes at least 7 days in advance, notice of Board Meeting at which the financial results are proposed to be approved by the Board.
- All the material information and data are timely uploaded in our official website [www.ommetals.com](http://www.ommetals.com)

## 5. GENERAL BODY MEETINGS

Details of Annual General Meetings held during last three years are here as under:

AGM for Financial year ended	Date	Time	Location
2005-06	30.09.2006	11:00a.m.	Om Tower, M.I. Road, Jaipur
2006-07	29.09.2007	11:00a.m	Om Tower, M.I. Road, Jaipur
2007-08	30.09.2008	11:00a.m	Om Tower, M.I. Road, Jaipur



### Resolution passed through Postal Ballot

The following special resolutions are proposed to be passed by postal ballot during the year 2008-09.

1. Special Resolution for the appointment of the relatives of the directors to an office or place of profit u/s 314(1B)
2. Special Resolution for the revision of the remuneration of Managing Director and Whole time directors
3. Special Resolution for the Increase in the limits u/s 372 A of the Companies Act, 1956.

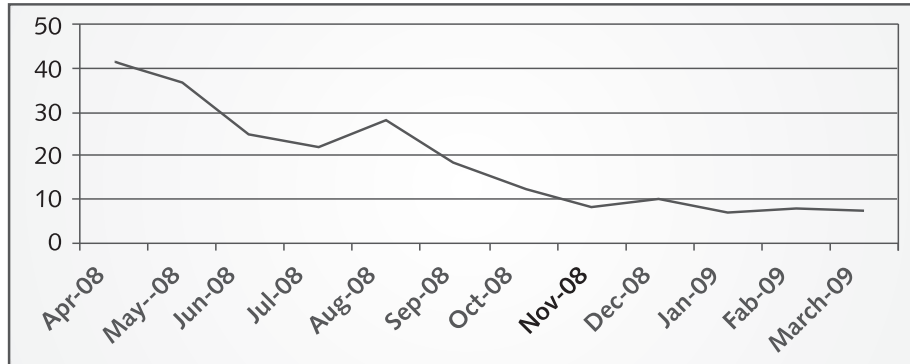
'Management Discussion and Analysis' Report forms an integral part of the Directors' Report.

## 6. GENERAL SHAREHOLDER INFORMATION

<b>Annual General Meeting</b>	30th September, 2009 at 11.00 a.m. at Om Towers, Church Road, M I Road, Jaipur, Rajasthan
<b>Book Closure Period</b>	25th Sept to 30th Sept, 2009 (both days inclusive)
<b>Financial Calendar</b> (Tentative and subject to change)	
Financial Reporting for Quarter ending 30th June 2008	Last week of July, 2008
Financial Reporting for Half year ending 30th September 2008	Last week of Oct, 2008
Financial Reporting for Quarter ending 31st December 2008	Last week of Jan, 2009
Financial Reporting for Quarter ending 31st March 2009	Last week of April, 2009
<b>Listing on Stock Exchanges*</b>	The Stock Exchange, Mumbai
Listing Fees	In May 2009, the company has paid listing fees for the year 2009-10 to the stock exchange where its equity shares are listed.
Registered & corporate office	Om Tower, Church Road M.I. Road Jaipur-302001
<b>Stock Code</b>	BSE-531092
<b>ISIN</b>	INE239D01028
<b>Stock Market Price Data</b>	

Month	High (Rs.)	Low (Rs.)	Close (Rs.)	Volume of Shares	Volume (Rs.)
April-2008	45.00	35.00	41.10	6935587	278552930.00
May-2008	44.45	36.15	36.45	5564270	227478705.00
June-2008	41.00	24.00	24.45	846793	27194466.00
July-2008	27.00	20.30	21.50	2286448	53519546.00
Aug-2008	33.80	21.20	27.80	3634769	94638738.00
Sep-2008	29.80	15.80	17.95	3490295	76068298.00
Oct- 2008	18.45	8.65	12.15	3693547	48724745.00
Nov- 2008	13.50	7.70	7.93	2742574	28253719.00
Dec- 2008	11.20	7.02	9.70	1037262	9550000.00
Jan-2009	11.35	5.67	6.69	3597515	45663285.00
Feb- 2009	9.20	6.51	7.51	3252897	28504399.00
Mar-2009	7.75	6.50	7.02	9169130	22550012.00





Registrar & Share Transfer Agents

M/s Skyline Financial Services Pvt. Ltd.  
 246, Sant Nagar , East of Kailash , 1st Floor,  
 New Delhi-110024  
 Tel: 011-29833777  
 Fax: 011-29848352  
 E-mail: skyline\_fspl@rediffmail.com

Share Transfer System

The Share transfers which are received in physical form are processed well with in the prescribed period, from the date of receipt, subject to the documents being valid and complete. Physical shares received for dematerialization are processed and completed within prescribed period from date of receipt, subject to documents are in order. Bad deliveries are immediately returned to Depository Participants under advice to the Shareholders.

**Distribution of Shareholding as on March 31, 2009.**

No. of Shares	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1 - 500	7116	71.59	1424505	1.48
501 - 1000	1280	12.88	1128142	1.17
1001 - 2000	623	6.27	1004685	1.04
2001 - 3000	252	2.54	668682	.69
3001 - 4000	100	1.01	369676	.38
4001 - 5000	148	1.49	720212	.75
5001 - 10000	186	1.87	1423972	1.48
100001 and above	235	2.36	89563935	93
<b>Total</b>	<b>9940</b>	<b>100</b>	<b>96303809</b>	<b>100</b>

Nominal Value	Shareholders		Total Paid-up Amount	
	Number	%	Rs.	%
1 - 500	7116	71.59	1424505	1.48
501 - 1000	1280	12.88	1128142	1.17
1001 - 2000	623	6.27	1004685	1.04
2001 - 3000	252	2.54	668682	.69
3001 - 4000	100	1.01	369676	.38
4001 - 5000	148	1.49	720212	.75
5001 - 10000	186	1.87	14239721	.48
100001 and above	235	2.36	89563935	93
<b>Total</b>	<b>9940</b>	<b>100</b>	<b>96303809</b>	<b>100</b>



### Shareholding Pattern of the company as on 31st March 2009

Category	No. of Shareholders	No. of Shares held	% of Total
Promoters	34	67035929	69.61
Mutual Funds and UTI	1	4066441	4.22
FIs	5	4983057	5.17
Corporate Bodies	411	9984664	10.37
Indian Public	9385	9764213	10.14
NRIs/OCBs	97	469505	0.49
Trusts	-	-	-
Any Other (specify) (Clearing houses & Clearing members)	-	-	-
<b>Total</b>	<b>9933</b>	<b>9,63,03,809</b>	<b>100.00</b>

#### Dematerialisation of Shares and liquidity

As on 31st March 2009, 8,71,97,839 Equity Shares i.e.90.54%of paid up capital of the Company were held in dematerialised mode and rest were in physical form.

#### Outstanding GDR/ADR

NIL

#### Plant/Site Location

1. Factory at B-117/118, Indraprastha Industrial Area, Kota, Rajasthan.
2. Kameng in Arunachal Pradesh, Lurgi, Koldam in Himachal Pradesh, Calcutta & Siliguri in West Bengal, Goshikhurd in Maharashtra, Sewa in Jammu & Kashmir, and various other projected sites.

#### Address for Investor Correspondence

For any assistance regarding dematerialisation of shares, share transfers, transmissions, change of address or any other query please write to :

M/s Skyline Financial Services Pvt. Ltd.  
246, Sant Nagar , East of Kailash , 1st Floor, New Delhi-110024  
Tel: 011-29833777, Fax: 011-29848352  
E-mail: skyline\_fspl@rediffmail.com

#### Non-Mandatory requirements under clause 49 of the listing agreement

1. The Board: The separate office is maintained for the non-executive chairman and the Company reimburses expenses incurred by the non-Executive chairman in performance of his duties, if applicable.

No specific tenure has been specified for the independent Directors but they are liable to retire by rotation and seek re-election by the Shareholders.

2. Shareholder's Rights: The Company publishes the financial results in the newspapers where its registered office is situated, Abridged Annual Report is also sent individually to the shareholders of the Company.
3. Whistle - Blower Policy: The Company promotes a favourable environment for employees to have an open access to the respective Functional Heads, Head-HRD, Managing directors as well as Chairman so as to ensure ethical and fair conduct of the business of the Company.

## Certificate of Managing Director/Whole-Time Director in Financial Statements under Clause 49 of the Listing Arrangement

Dear Sir,

**Sub: CEO Certificate**

(Issued in accordance with the provisions of clause 49 of the Listing Agreement)

We, C.P. Kothari, Managing Director and D.P. Kothari, Whole-time Director of Om Metals Infraprojects Limited hereby confirm that:

- a. We have reviewed financial statements and the cash flow statement for the Financial Year ended March 31, 2009 and that to the best of our knowledge and belief:
  - I. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - II. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee that;
  - I. There have been no significant changes in internal control over financial reporting during the year;
  - II. There have been no significant changes in accounting policies during the year; and
  - III. There have been no instances of significant fraud of which we have become aware and the inconvenient therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Om Metals Infraprojects Limited**

Sd/-

Sd/-

Place : New Delhi

C.P. Kothari

D.P. Kothari

Dated : 30th June 2009

Managing Director

Whole-time Director



## Auditors' Certificate on Compliance with the Conditions of Corporate under Clause 49 of the Listing Agreement

To

The Members of Om Metals Infraprojects Limited

We have examined the compliance of conditions of corporate governance by Om Metals Limited for the year ended on 31st March 2009, as stipulated in Clause 49 of the Listing Agreement of the Company with Bombay Stock Exchange.

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

In our opinion and to 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 the above-mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March 2009, no investor grievances are pending against the Company as on 31st March 2009 as per records maintained by the Company and presented to the Investors Grievance Committee.

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

S.K. Mahipal  
Partner

For and on Behalf of  
M.C. Bhandari & Co.  
Chartered Accountants

Place : Kota  
Dated : 30.06.2009



# Auditor's Report

To the Members of

## Om Metals Infra-projects Limited

1. We have audited the attached balance sheet of M/s. OM METALS INFRA PROJECTS LIMITED, JAIPUR, as at 31.03.2009 and also the profit and loss account and the cash flow statement of the company for the year ended on that date annexed thereto, in which are incorporated financial statements of Engineering, Real Estate & Hotel Divisions of the Company audited by other auditors. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
  2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 principal 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) issued by the Central Government of India in terms of subsection (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
  4. Further to our comments in the annexure referred to above, we report that:
    - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit:
    - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the Engineering, real Estate and Hotel divisions not visited by us. The branches/divisions Auditor's reports have been forwarded to us and have been appropriately dealt with.
- c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account and with the final statement of accounts, audited by other auditors of the Engineering, Real Estate and Hotel divisions of the company.
  - d) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the applicable accounting standards referred to in subsection (3C) of section 211 of the Companies Act 1956, the company has not complied with the requirements of AS - 15 relating retirement benefit so far as it relates to provision of the liability as per actuarial valuation and its disclosures in the statement of accounts. The impact of this non compliance in the figures of current liability (Provisions) and profits could not be given due to non availability of actuarial valuation of the above liability.
  - e) On the basis of written representations received from the directors, as on 31.03.2009 and taken on record by the Board of Directors, we report that none of the directors of the company is disqualified as on 31.03.2009 from being appointed as a director in terms of clause (g) of Sub-section (1) of section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best our information and according to the explanations given to us, the said accounts give the information required by the Companies Act. 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India except where otherwise stated.
    - i. in the case of the balance sheet, of the State of affairs of the Company as at 31.03.2009 and.
    - ii. in the case of the profit and Loss account, of the profit for the year ended on that date and
    - iii. in the case of the cash flow statement, of the cash flows of the company for the year ended on that date.

For **M.C. BHANDARI & CO.**  
CHARTERED ACCOUNTANTS

Place : Rajasthan  
Dated: 30.06.2009

(S.K. MAHIPAL)  
PARTNER  
M.No.70366



# Annexure

## **ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF M/S OM METALS INFRAPROJECTS LIMITED, JAIPUR (RAJ.) ON THE ACCOUNTS AS AT AND FOR THE YEAR ENDED ON 31ST MARCH, 2009**

On the basis of the information and explanations given to us and on the basis of such checks as we considered appropriate, our statement on the matters specified in para 3 and 4 of the said order is given below. In preparing the report, we have considered the report made under the aforesaid order by other auditors, who have audited the accounts of the Divisions of Engg., Real estate and Hotel of the Company.

### **1. IN RESPECT OF ITS FIXED ASSETS.**

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation on fixed assets.
  - b) The management has carried out a physical verification of most of its fixed assets during the year and has a program to verify fixed assets physically in a phased manner. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such physical verification.
  - c) The assets disposed off during the year are not substantial and therefore do not affect the going concern status of the company.
2. a) The inventory other than goods in transit of the company has been physically verified during the year by the management at the year end. In our opinion, the frequency of such verification is reasonable according to the nature of the business.
- b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) On the basis of our examination of records of inventory, we are of the opinion that the company has maintained proper records of inventory. The discrepancies noticed on physical verification of inventories as compared to book records were not material, having regard to the size or the operations of

the Company and have been properly dealt within the books of account.

3. In respect of the loans , secured or unsecured , granted by the company to companies , firm or other parties covered in the register maintained under section 301 of the Companies act, 1956.
  - a) The company has granted loans and advances to 3 Parties (Subsidiary and joint ventures) aggregating to Rs. 1399.92Lacs (previous year Rs. 6215.36 Lacs). In respect of the said loan, the maximum amount outstanding at any time during the year is Rs. 7615.28 lacs (previous year Rs6215.36 Lacs) and year end balance of Rs. 7615.28 Lacs (previous year Rs 6215.36 Lacs) .
  - b) In our opinion and according to the information and explanations given to us, the aforesaid loan is interest free and other terms & conditions are not prima-facia prejudicial to the interest of the company.
  - c) The said interest free loan given to subsidiary and joint ventures of the company is repayable on demand and there is no repayment schedule.
  - d) In respect of loans and advances granted by the company, the same is repayable on demand and therefore the question of overdue amount does not arise .
  - e) The company has not taken any loans, secured or unsecured from companies, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, provisions of clauses 4(iii)(f) and (g) of the Companies (Auditor`s Report) Order, 2003(as amended) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that some of the items purchased/job work are of special nature and suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to the purchase of inventories and fixed assets and with regard to the sale of goods and services . Further, on the basis of our examination and according to the information and explanations give to us, we have not observed any continuing failure/ major weaknesses in such internal control system.

5. a) According to the information and explanations provided by the management, we are of the opinion that the particulars of Contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangement exceeding value of Rupees five lacs have been entered into during the financial year at prices which reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the Public. Therefore the provisions of clause (vi) of the Companies (Auditor's report) order, 2003 are not applicable to the company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. According to the information and explanation given to us, maintenance of cost records have not been prescribed by the central Govt. under section 209 (1) (d) of the Companies Act, 1956 to any product of the company.
9. a) According to the information and explanations given to us and the books & records of the company examined by us, the company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax/VAT, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it. However in some cases TDS, PF and ESI dues have been deposited beyond the stipulated time limit.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax/VAT, wealth tax, service tax, customs duty, excise duty, cess were in arrear, as at 31st March, 2009 for a period of more than 6 months from the date they became payable.
- c) According to the information and explanations given to us, the following are the details of the disputed statutory dues that were not deposited with the appropriate authorities.

Nature of the Statute	Nature of Dues	Forum where dispute is pending	Demand Amount (Rs. in Lacs.)	Period to which the amount relates
Central Sales Tax Act, 1956. and Sales Tax/VAT Act of various states	Sales Tax	Commissioner(Appeals) /TribunalHigh court	85.45*7.19	1984-85,1985-86 1990-91 to 1991-92, 1993-94, 1994-95 & 2005-2006.1986-87
Central Excise Act, 1944	Excise Duty	Tribunal/Commissioner (Appeal)	120.45	1997-98, 2000 to 2008
Income Tax Act, 1961	Income Tax	ITAT	244.09**	1991-92,,96-97, 2004-2005 & 2005-2006
Service tax Rules	Service Tax	Commissioner(Appeals) /Tribunal	287.46	2003-2004 to 2005-2006
Wealth Tax Act.	Wealth Tax	ITAT	1.13**	1991-1992

Note : 1) \* Against it, the company paid Rs. 6.80\* lacs and \*\* Rs. 246.27 Lacs

2) Amount as per demand orders including interest and penalty wherever mentioned in the order.

10. The Company does not have accumulated losses at the end of the financial year March 31, 2009. Further, the company has not incurred any cash losses during the financial year ended March 31, 2009 and in the immediately preceding financial year ended March 31, 2008.
11. According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions and banks during the year.
12. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares,



debentures and other securities, Paragraph 4 ( xii) of the order is not applicable.

13. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's report) order, 2003 are not applicable to the company.
14. The company is not dealing or trading in shares, securities, debentures and other investments other than in mutual fund investment.
15. According to the information and explanations given to us, the Company has given guarantee for loan taken by its Joint Ventures from bank, the terms and conditions whereof in our opinion are not prima-facie pre judicial to the interest of the company.
16. To the best our knowledge and belief and according to the information's and explanations given to us, in our opinion, the term loans taken by the company during the year have been applied by the company for the purposes for which the loans were obtained.
17. According to the information and explanations given to us, and on an over all examinations of the Balance sheet of the company,

we are of the opinion that there are no funds raised on short term basis that have been used for long term investment.

18. The company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. In our opinion and according to the information and explanations given to us, the company has not issued any secured debentures, paragraph 4 ( x ix) of the order is not applicable.
20. During the year the company has not raised any money by public issue.
21. Based upon the audit procedures performed and information and explanations given to us by the management, we report that no material fraud on or by the company has been noticed or reported during the course of our audit for the year ended March 31, 2009.

For **M.C. BHANDARI & CO.**  
CHARTERED ACCOUNTANTS

Place : Kota  
Dated: 30.06.2009

(S.K. MAHIPAL)  
PARTNER  
M.No.70366



# Balance Sheet as at March 31, 2009

Particulars	Schedules	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>SOURCES OF FUNDS :</b>			
<b>Share Holder's Funds:</b>			
Share Capital	1	96303809.00	96303809.00
Reserves & surplus	2	3387059090.70	3178952657.78
		<b>3483362899.70</b>	<b>3275256466.78</b>
<b>Loan Funds:</b>			
Secured Loans	3	985897695.81	580258947.81
		<b>985897695.81</b>	<b>580258947.81</b>
<b>Deferred Tax Liabilities (Net) (Refer note no. 15)</b>		34715258.00	36660315.00
<b>Total Sources of Funds</b>		<b>4503975853.51</b>	<b>3892175729.59</b>
<b>APPLICATION OF FUNDS :</b>			
<b>Fixed Assets:</b>			
Gross Block	4	1569862217.27	1493381997.38
Less : Depreciation to date		239964005.26	197695984.31
		1329898212.01	1295686013.07
Add :capital work in progress/Advance		19746633.50	59760160.00
		<b>1349644845.51</b>	<b>1355446173.07</b>
<b>Investments</b>	5	424666952.41	571993446.51
<b>Current Assets, Loans &amp; Advances</b>	6		
Inventories		694530736.10	409785864.07
Sundry debtors		401273396.45	226892309.57
Cash and bank balances		1425105985.22	1022608138.90
Loans and advances		1008947745.06	984485256.10
		3529857862.83	2643771568.64
Less : <b>Current liabilities &amp; Prov.</b>			
Liabilities	7	651775392.24	556167036.63
provisions	8	171288148.00	157173020.00
		<b>2706794322.59</b>	<b>1930431512.01</b>
<b>Miscellaneous Expenditures</b>	9	22869733.00	34304598.00
(To the extent not written off or adjusted)			
<b>Total application of funds</b>		<b>4503975853.51</b>	<b>3892175729.59</b>
<b>NOTES TO ACCOUNTS</b>	18		
Signed in terms of our report of even date annexed			

The schedule referred to above and the notes on Accounts form an integral part of the Balance sheet

For M.C.Bhandari & Co.  
Chartered Accountants

sd/-  
S.K.Mahipal  
Partner  
M.No.70366  
Place : Kota  
Date : 30-06-2009

For and on behalf of Board of Directors

sd/-  
Dr. T.C.Kothari  
Chairman

sd/-  
Sunil Kothari  
Director

sd/-  
C.P. Kothari  
Managing Director

sd/-  
Reena Jain  
Company Secretary

sd/-  
D.P. Kothari  
Director

sd/-  
S. K. Jain  
(CFO)



## Profit and Loss Account for the year ended March 31, 2009

Particulars	Schedules	2008-09 (Rs.)	2007-08 (Rs.)
<b>INCOME :</b>			
Turnover	10	1054361448.29	749611021.10
Less : Excise duty on sales of Engg. goods		25499357.00	9072189.00
		<b>1028862091.29</b>	<b>740538832.10</b>
Other Income	11	27410252.67	29291398.51
Increase (decrease) in stocks	12	103736916.52	182300039.50
<b>Total</b>		<b>1160009260.48</b>	<b>952130270.11</b>
<b>EXPENDITURE :</b>			
Material consumed / Trading Purchases	13	464772294.96	465123306.02
Payments to & prov. for employees	14	53414245.22	36100163.54
Manufacturing & Operating Expenses	15	159774146.61	141821788.38
Establishment & selling expenses	16	138173960.69	81284203.96
Financial expenses	17	14447027.45	-44871990.99
		<b>830581674.93</b>	<b>679457470.91</b>
Profit before depreciation & taxation		329427585.55	272672799.20
Less : Depreciation		48581781.51	44360140.76
Less : Transferred from revaluation reserve		299373.06	344782.32
		<b>48282408.45</b>	<b>44015358.44</b>
Profit before taxation		281145177.10	228657440.76
Less : Provision for income tax		34000000.00	73000000.00
Less : Provision for wealth Tax		625000.00	600000.00
Add : MAT credit entitlement		1445815.00	39300000.00
Add : MAT credit entitlement (2006-07)		0.00	8000000.00
Less : Provision for fringe benefit tax		1681550.00	1440700.00
Less : Deferred tax charge/(Credit)		1945057.00	20215350.00
Profit after tax		<b>248229499.10</b>	<b>180701390.76</b>
Balance brought forward from previous year		641909910.55	503742648.79
Add:Corporate Dividend Tax Written Back		1636684.00	0.00
<b>Profit available for appropriation.</b>		<b>891776093.65</b>	<b>684444039.55</b>
<b>Appropriations</b>			
Transfer to General Reserve		24000000.00	20000000.00
Proposed Dividend on equity Shares			
- Interim		9630381.00	0.00
- Final		0.00	19260762.00

Particulars	Schedules	2008-09 (Rs.)	2007-08 (Rs.)
Corporate dividend Tax		1637165.00	3273367.00
Income Tax Exp. Earlier Year		39823212.12	0.00
Balance carried to balance sheet		816685335.53	641909910.55
		<b>891776093.65</b>	<b>684444039.55</b>
Basic and Diluted Earning per Share (Rs.)		2.58	1.88
Nominal value of share (Rs.)		1	1
Ref. Note No.(7) in schedule 18			
NOTES TO ACCOUNTS	18		

The schedule referred to above and the notes on Accounts form an integral part of the Profit & Loss account

	For and on behalf of Board of Directors		
For M.C.Bhandari & Co. <i>Chartered Accountants</i>	sd/- Dr. T.C.Kothari Chairman	sd/- C.P. Kothari Managing Director	sd/- D.P. Kothari Director
sd/- S.K.Mahipal Partner	sd/- Sunil Kothari Director	sd/- Reena Jain Company Secretary	sd/- S. K. Jain (CFO)

M.No.70366  
Place : Kota  
Date : 30-06-2009



# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## SCHEDULE - 1

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>SHARE CAPITAL :</b>		
<b>AUTHORISED</b>		
101600000 Equity Share Of Rs.1/- each	101600000.00	101600000.00
<b>ISSUED,SUBSCRIBED AND PAID UP</b>		
96303809 Equity Share Of Rs.1/- each	96303809.00	96303809.00
<b>Total</b>	<b>96303809.00</b>	<b>96303809.00</b>

Notes : 1) In accordance with the resolution passed by shareholders through postal ballot on 06-08-2005 equity shares of the face value of Rs. 10/- each were divided into 10 equity shares of Rs. 1/- each.

2) Above issued,subscribed and paidup capital includes :-

a) 42554000 nos.of fully paid Equity Share of Rs.1/- each were allotted as bonus shares by way of capitalisation of reserves and Profit & Loss Account		
b) 20112659 Shares of Rs. 1 each have been allotted for consideration other than cash, pursuant to the scheme of amalgamation sanctioned by Hon'ble High Court of Rajasthan dated 19.01.2007 to the share holders of erstwhile :-		
Om Rajasthan Carbide Limited	5476259	equity shares
Jupiter Manufacturing Co. (P) Limited	5318400	equity shares
Om Structurals India (P) Limited	5808000	equity shares
Om Kothari Cement & Chemicals (P) Limited	1410000	equity shares
SAH Buildcon (P) Limited	1050000	equity shares
Richa Builders (P) Limited	1050000	equity shares
<b>Total</b>	<b>20112659</b>	

3) Out of the shares issued under scheme of amalgamation ,5044160 shares, shall remain in lock in period for three years from the date of listing at BSE i.e 19.03.2007

# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## RESERVES AND SURPLUS

## SCHEDULE - 2

Particulars	As at 31-03-2009 (Rs.)	As at 31-03-2009 (Rs.)	As at 31-03-2008 (Rs.)	As at 31-03-2008 (Rs.)
<b>A. Revaluation Reserve</b>				
As per last balance sheet	4317201.98		4661984.30	
Less :- Transferred to P & L A/c	299373.06		344782.32	
		4017828.92		4317201.98
<b>B. Capital Reserve</b>				
As per last Balance sheet	1231810945.25		824106871.25	
Add :- Capital receipts under relinquishment of rights in JV	0.00	1231810945.25	407704074.00	1231810945.25
<b>C. Security Premium</b>				
As per last balance sheet		1224764600.00		1224764600.00
<b>D. General Reserve</b>				
As per last balance sheet	76150000.00		56150000.00	
Add :- Transferred from P & L A/c*	33630381.00	109780381.00	20000000.00	76150000.00
<b>E. Surplus</b> (Profit as per profit and loss account annexed)		816685335.53		641909910.55
<b>Total</b>		<b>3387059090.70</b>		<b>3178952657.78</b>

\* Includes corporate dividend aggregating of Rs. 9630381 provided in previous year not approved by share holders.

## SCHEDULE - 3

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>SECURED LOANS :</b>		
<b>a) TERM LOAN :</b>		
From SBBJ	329617652.65	304860668.83
See note No.1 (a)		
From other banks	131296167.50	8710211.66
See note No.1(b)		
<b>Sub-Total</b>	<b>460913820.15</b>	<b>313570880.49</b>
<b>b) Working Capital Loan</b>		
From Banks (Rupee loan)	348115498.66	178473307.18
(See note No.2)		
<b>c) Short Term Loan against FDR</b>		
from Bank	176868377.00	88214760.14
(See note No.3)		
<b>Sub-Total</b>	<b>524983875.66</b>	<b>266688067.32</b>
<b>Total</b>	<b>985897695.81</b>	<b>580258947.81</b>





**Note :**

- i. Term Loan includes Rs. 2297.93 Lacs due within a year (Previous year Rs.1592.27 lacs)

**Note :**

1. a) Rupees term loan from banks are secured/to be secured by first charge by way of mortgage, by deposit of title deeds in respect of immovable properties and hypothecation of the movable fixed assets of the company, both present and future (save and except book debt and other current assets) of Hotel division Jaipur (Raj.) , Multiplex Division , Kota (Raj.) and property located at VKI Jaipur (Raj.) Om Enclave including wind mill and further secured by way of personal guarantees of Shri T.C. Kothari, C. P. Kothari, D.P. Kothari and Sunil Kothari directors of the company.

Rupee term loan from banks are further secured by way of equitable mortgage of lease of land belonging to M/s. Om Kothari Pariwari Trust (Family trust) located at Jaipur for Hotel division and further secured by way of personal guarantee of the trustee of the trust.

- b) Secured by way of Hypothecation of vehicles/Machineries financed by other banks.
2. Cash credit loans from banks are secured by way of hypothecation of all stocks and book debts on ranking pari - passu basis inter se between the lender. These loans are further secured / to be secured on pari-passu charges by way of first charge by way of mortgage, by deposit of title deeds in respect of immovable properties and second charges on all the assets of the company ( except on which secured loans taken from banks and other parties) & personal guarantees of Dr. T.C.Kothari, Shri C.P.Kothari, Shri D.P. Kothari and Sunil Kothari - Directors of the company and further secured by way of equitable mortgage of land & building belonging to Jupiter Metals (P) Ltd and Hypothecation of Plant & machinery of OMIL-JSC JV Kameg (Arunachal Pradesh).
3. Secured by way of pledge of FDR.
4. In the case of Bank Gaurantee Limits, it is secured by way of deposit of FDR and counter gaurantee of the Company and collateral securities as mentioned above (2) and personal guarantees of the directors i.e. Dr. T.C. Kothar, Shri C.P. Kothari, Shri. D.P. Kothari and Sunil Kothari of the Company and further secured as collateral securities as mentioned above (2)& (3) on ranking pari-passu basis inter se between the lender.

# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009 Fixed Assets

## SCHEDULE - 4

PARTICULARS	AS AT 1/4/2008	ADDITIONS	SALES/ TRANSFER	TOTAL COST AS AT 31-03-2009	DEPRECIATION UP TO 31-03-07	DEPRECIATION DURING THE YEAR	TANSFER WRITTEN BACK	TOTAL DEPRE- CIATION	W.D.V. 31-03-2009	W.D.V. 31-03-2008
Free Hold Land	127213160.00	0.00	0.00	127213160.00	0.00	0.00	0.00	0.00	127213160.00	127213160.00
Lease hold land including Tanancy right	722436047.00	0.00	0.00	722436047.00	483208.74	86626.00	0.00	569834.74	721866212.26	721952838.26
Agriculture Land Building/ Temp. Labour	557714.02	0.00	0.00	557714.02	0.00	0.00	0.00	0.00	557714.02	557714.02
Quarter Shed	327946590.33	2756345.20	7366829.00	323336106.53	65249050.73	13133310.82	0.00	78382361.55	244953744.98	262697539.60
Plant & Machinery	242543427.77	82229234.21	3802260.00	320970402.01	92510853.87	27516061.85	2952138.12	117074776.14	203895625.87	150032574.75
Furniture & Fixtures	3183337.81	1048689.00	0.00	32882026.81	14438703.80	2977621.91	0.00	17416325.67	15465701.14	17394634.01
Office Equipments	8501807.80	1679335.00	0.00	10181142.80	4423566.58	745447.99	0.00	5169014.55	5012128.25	4078241.24
Computer	6776891.83	870967.00	0.00	7647858.83	3731188.63	1505411.00	0.00	5236599.63	2411259.20	3045703.20
Vehicle	25573020.83	3363773.00	4299033.00	24637760.83	16859411.96	2617307.23	3361623.00	16115097.72	8522663.11	8713607.98
<b>TOTAL</b>	<b>1493381997.39</b>	<b>91948343.41</b>	<b>15468122.00</b>	<b>1569862217.27</b>	<b>197695984.31</b>	<b>48581781.51</b>	<b>6313761.12</b>	<b>239964005.26</b>	<b>1329898212.01</b>	<b>1295686013.07</b>
Figures for the previous year	1402284725.88	92647460.51	1550189.00	1493381997.39	153917061.09	44360140.49	581217.26	197695984.46	1295686013.07	1248367664.77



# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## SCHEDULE - 5

Particulars	No.	Face Value	As At	
			31-03-2009	31-03-2008
<b>1 A) LONG TERM INVESTMENTS:</b>				
(Government and other securities (unquoted)				
National Saving Certificate (Deposited with in Sales Tax Dept. interest is to be adjusted on realisation)			30000.00	22000.00
<b>B) OTHER INVESTMENTS INCL. JV (UNQUOTED)</b>				
Ordinary Share (Fully paid up)				
Sanmati Infra Developers Pvt. Ltd.	500000	10.00	5000000.00	5000000.00
Sanmati Infra Developers Pvt. Ltd. (Share Warrants)	450000	10.00	4500000.00	0.00
Om Metals Developers (P) Limited	750	10.00	7500.00	0.00
Pondicherry Port Ltd. JV	25000	10.00	249960.00	249960.00
Om Gaima Projects (P) Ltd. (J.V.)	4900	10.00	49000.00	0.00
			<b>9806460.00</b>	<b>5249960.00</b>
<b>C) OTHER INVESTMENTS (QUOTED)</b>				
Ordinary Share/Mutual Funds (Fully paid up)				
Manglam Timber Ltd.	800	10.00	17040.00	17040.00
Reliance Capital Ltd.	3	10.00	897.00	897.00
Reliance Communication Ltd.	60	5.00	8972.00	8972.00
Reliance Infrastructure Ltd.	4	10.00	1196.00	1196.00
Reliance Natural Resources Ltd	60	5.00	8972.00	8972.00
Reliance Industries Ltd.	100	10.00	17963.00	17963.00
State Bank of India	50	10.00	5000.00	5000.00
Century Enka Ltd.	20	10.00	6000.00	6000.00
Shiv Vani Oils Ltd.	31500	10.00	15044584.93	0.00
ABN Amro Fixed Term Plan S-10	15000000	10.00	0.00	15000000.00
Standard Chartered arbitrage Fund	5000000	10.00	0.00	5000000.00
JM Emerging Leaders Fund	311964	16.03	5000000.00	5000000.00
JM Basic Mutual fund	196036	25.51	0.00	5000000.00
JM Basic Fund Growth Plan	196036	6.59	1292774.00	0.00
ABN Amro MIP	2385072	10.48	0.00	25754690.00
HSBC MIP	4558854	10.97	0.00	50970987.00
DSPML India Tiger fund	232317	27.98	0.00	6500000.00
DSP Blackrock Tigre Growth Fund	232317	10.53	2445744.00	0.00
Reliance Vision fund	41011	95.62	0.00	2500000.00
Reliance Vision Growth Plan	8560	128.82	1102698.61	0.00
Reliance Banking fund	70902	70.52	0.00	5000000.00

# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## SCHEDULE - 5

Particulars	No.	Face Value	As At	
			31-03-2009	31-03-2008
Reliance Banking Fund Growth Plan	70902	70.52	2603726.42	0.00
Sundram BNP Paribas Fund	119124	20.98	0.00	2500000.00
Sundram BNP Capex Growth Plan	90546	11.72	1061285.00	0.00
			<b>28616852.96</b>	<b>303291717.00</b>
<b>D INVESTMENT IN SUBSIDIARY</b>				
Om Metal Real Estate Pvt. Ltd.(Sub.)	10000	10.00	100000.00	100000.00
Om Metal Auto pvt. Ltd.(Subsidiary)	75500	10.00	5255000.00	5255000.00
Om Metal Auto pvt. Ltd.(Subsidiary) (Share Application)	2000000	10.00	20000000.00	0.00
			<b>25355000.00</b>	<b>5355000.00</b>
<b>E INVESTMENT IN J V/PARTNERSHIP</b> (Refer note no-.16.)				
Om Metals Consortium (Capital contri.)(Net)			305353819.00	253138304.00
OMIL-JSC Ukrain(Capital contri.)(Net)			48767590.45	4936465.51
Om Ray Construction - JV			6737230.00	0.00
			<b>360858639.45</b>	<b>258074769.51</b>
<b>Grand Total</b>			<b>424666952.41</b>	<b>571993446.51</b>

**Note:**

1. Aggregate value of investments	Quoted	286.17	3032.92
	Unquoted	151.61	106.04
	Market price -quoted	116.55	2965.71

## SCHEDULE - 6

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>CURRENT ASSETS, LOANS &amp; ADVANCES :</b>		
<b>1. INVENTORIES</b>		
<b>A RAW MATERIAL &amp; STORES</b>		
i. Raw material, accessories & components food beverage & liquor	141364404.45	45938098.37
ii. Store & spares and coal	2683788.91	1357519.57
ii. Goods in transit	2779564.00	4471893.00
<b>B FINISHED GOODS</b>		
i. Fabricated goods	25015173.00	18900362.00
<b>C WORK IN PROGRESS</b>		
i. Engineering division including real estate	384360488.52	286738383.00
ii. Real Estate Less Advance	138167774.69	52255188.00
<b>D Others</b>	159542.53	124420.13
<b>Sub Total (A)</b>	<b>694530736.10</b>	<b>409785864.07</b>



# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## SCHEDULE - 6

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>2. SUNDRY DEBTORS</b> (Unsecured considered good except to the extent stated)		
a) Debtors outstanding for a period exceeding 6 months.	20921516.99	34788187.08
b) Other debtors	380351879.46	192104122.49
<b>Sub Total (B)</b>	<b>401273396.45</b>	<b>226892309.57</b>
<b>3. CASH &amp; BANK BALANCE</b>		
a) Cash in hand	3196510.75	3826514.80
<b>b) Balances with Scheduled Banks</b>		
i. In Current Account	159521347.89	34331039.29
ii. In Saving Bank A/c	24289.93	65087.58
iii. In Fixed Deposit Receipts and in margin account. (includes FDR Rs. 1254.55 lacs ( Rs 718.94 lacs in P. year) pledged with banks against B.G./L.C. Issued by the Banks.)	1191990172.84	941993728.55
iv. Interest accrued on FDR	70373663.81	42391768.68
<b>Sub Total (C)</b>	<b>1425105985.22</b>	<b>1022608138.90</b>
<b>4. LOANS AND ADVANCES</b> Unsecured (Considered good unless otherwise stated)		
<b>1. Loans</b>		
i. Corporate Loans	5390839.00	5396855.00
ii. Others to staff	273958.37	368136.62
iii. To Subsidiary	725028484.41	605037735.00
iv. To Joint Venture (See note no 16 )	16500000.00	16498639.86
2. Advances recoverable in cash or in kind or for value to be received	63371285.14	70174160.99
3. Balance with customs & central excise authorities etc.	6043806.55	3174828.80
4. Deposits	39549746.06	41010195.06
5. Income taxes paid including FBT & MAT credit entitlement	152789625.53	242824704.77
<b>Sub Total (D)</b>	<b>1008947745.06</b>	<b>984485256.10</b>
<b>Grand Total (A+B+C+D+E)</b>	<b>3529857862.83</b>	<b>2643771568.64</b>



# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## SCHEDULE - 7

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>SUNDRY CREDITORS</b>		
For Goods		
i. Total out standing dues of Micro, small and Medium enterprises Development Act, 2006 for goods & others (Ref Note No 8 of Schedule No. 18 )	2278282.62	1131059.32
ii. Total out standing dues of Creditors other than Micro, small and medium enterprises	103471751.43	61220664.00
For Expenses & other Liabilities	44963838.68	28969238.03
Government dues	8489252.23	3221573.43
Advance & Security deposit from Customers,	441588449.88	410762253.45
Security Deposit from subsidiary Co.	500000.00	500000.00
Deposit from OMIL-JSC ukrain (JV)	50000000.00	50000000.00
Unclaimed statutory liabilities (as referred in Sec 205 C of the Companies Act,1956)		
Unclaimed dividend *	483817.40	362248.40
<b>Grand Total</b>	<b>651775392.24</b>	<b>556167036.63</b>

**Note :**

- i. The Bank Guarantee of Rs5875.22 Lacs issued by Bank for advance taken from Customers.(in previous year Rs. 6103.12 Lacs)
- ii. \* Pending for reconciliation

## SCHEDULE - 8

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>PROVISIONS</b>		
For Income tax	162192501.00	129043161.00
For Wealth Tax	625000.00	600000.00
For F B T	1681550.00	1440700.00
For Gratuity	3933883.00	2881215.00
For Leave Encashment	1218049.00	673815.00
Proposed final dividend on Equity Shares	0.00	19260762.00
Tax on interim dividend	1637165.00	3273367.00
<b>Total</b>	<b>171288148.00</b>	<b>157173020.00</b>



# Schedule Annexed to and forming part of the Profit and Loss Account for the year ended March 31, 2009

## SCHEDULE - 9

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>MISCELLANEOUS EXPENDITURES</b> (To the extent not written off or adjusted)		
Public Issue Expenses ( Op. Balance)	34304598.00	45739463.00
Less : 1/5th written off during the year	11434865.00	11434865.00
<b>Total</b>	<b>22869733.00</b>	<b>34304598.00</b>

## SCHEDULE - 10

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>TURNOVER:</b>		
Sales of Gate, components & allied receipts (Engg )	739035421.00	578518448.00
Transportation receipts	13383080.00	4436292.00
Drawing & design receipts	859893.00	2550373.00
Turnover of real estate bussiness	231580273.69	83750416.00
Guest accomo., rest./canteen, food & beverage receipts of Hotel business	53547561.60	65620678.38
Bussiness income from multiplex (see note no.24 (d ))	12156966.00	12880264.00
Receipts from wind power electric generation	3798253.00	1854549.72
	<b>1054361448.29</b>	<b>749611021.10</b>

## SCHEDULE - 11

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>OTHER INCOME</b>		
Dividend receipts	2082705.51	11477297.24
Rent and hire charges	7739700.00	9515891.00
Miscellaneous receipts	4555339.58	2564741.32
Profit on sale of Investment	0.00	1953210.95
Share of Profit/(Loss) from JV & Sub. Co.*	12408366.58	140528.00
Excess Provision written back	624141.00	3639730.00
<b>Total</b>	<b>27410252.67</b>	<b>29291398.51</b>

Note : \* Relating to Previous Year Rs. 79.65 Lacs

# Schedule Annexed to and forming part of the Profit and Loss Account for the year ended March 31, 2009

## SCHEDULE - 12

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>INCREASE (DECREASE) IN STOCKS</b>		
<b>OPENING STOCK</b>		
Finished Goods	18900362.00	12247450.00
Work in Progress	286738383.00	111566724.50
Less: Transfer of W.I.P. to Kameing J.V./F. Assets	0.00	475469.00
<b>Sub - Total</b>	<b>305638745.00</b>	<b>123338705.50</b>
<b>CLOSING STOCK</b>		
Finished Goods	25015173.00	18900362.00
Work in Progress	384360488.52	286738383.00
<b>Sub - Total</b>	<b>409375661.52</b>	<b>305638745.00</b>
<b>INCREASE (DECREASE) IN STOCK</b>	<b>103736916.52</b>	<b>182300039.50</b>

## SCHEDULE - 13

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>CONSUMPTION OF MATERIAL/TRADING ACTIVITIES</b>		
Opening Stock	45938098.37	26350405.57
Add : Purchases including accessories & boughtout item / semi finished, food & beverage & liquor	541120961.62	476991620.82
<b>Sub - Total</b>	<b>587059059.99</b>	<b>503342026.39</b>
	141364404.45	45938098.37
	445694655.54	457403928.02
Purchases of finished goods / parts for trading activities	19077639.42	7719378.00
<b>Total</b>	<b>464772294.96</b>	<b>465123306.02</b>

## SCHEDULE - 14

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>PAYMENTS TO AND PROVISIONS FOR EMPLOYEES</b>		
Salaries, Wages, Bonus & Allowances etc.	45879303.34	31018748.01
Contribution of PF, ESI and other welfare fund scheme	2407351.55	1913097.90
Gratuity	1069398.00	258965.00
Employee Welfare Exp. Including compensation	4058192.33	2909352.63
<b>Total</b>	<b>53414245.22</b>	<b>36100163.54</b>



# Schedule Annexed to and forming part of the Profit and Loss Account for the year ended March 31, 2009

## SCHEDULE - 15

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>MANUFACTURING AND OPERATING EXPENSES</b>		
Power & Fuel Expenses	16184279.05	15984226.92
Stores, Spares & Tools Consumed.	16564257.77	19638315.89
Job & other work exp. including drawing & design	95262486.18	47706936.00
Rent/Hire charges for equipment	3527164.00	38864712.00
Transportation Expenses	15504970.00	8583909.00
Repairs & Maintenance		
a) To Machinery	3264600.18	2336300.32
b) To Building	1876392.00	2471613.00
Insurance Expenses	3845875.00	2134487.00
House up-keeping & other hotel / rest. exp.	2400674.64	2120174.91
linen, wares & cutlery, crockeries & laundry expenses	1343447.79	1981113.34
<b>Total</b>	<b>159774146.61</b>	<b>141821788.38</b>

## SCHEDULE - 16

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>ESTABLISHMENT &amp; SELLING EXP.</b>		
Remuneration to directors	10698500.00	6750000.00
Rent	9841257.00	7927781.00
Rates & taxes	1244385.00	384519.00
Telephone, telex & postage	5223711.54	4722874.71
Travelling & conveyance expenses	22667657.44	16119916.36
Legal, consultancy, retainership, professional arbitration expenses	31038601.55	11028120.00
General repairs	1450686.75	1788107.00
Vehicle running & maintenance	6195304.23	5444846.04
Miscellaneous expenses	15233935.93	10143588.94
Audit fees	311930.00	283540.00
Charity & donation	2213100.00	1254800.00
Advertisement	3777266.41	1750705.91
Public Issue exp. written off	11434865.00	11434865.00
Claims / rebate & discount exp.	2662157.00	86181.00
Keyman insurance	1894610.00	1894610.00
Loss on Sales of Investment	12145179.96	0.00
Loss on Sales of Fixed Assets	115812.88	90518.00
Brokerage & Commission	25000.00	179231.00
<b>Total</b>	<b>138173960.69</b>	<b>81284203.96</b>

# Schedule Annexed to and forming part of the Profit and Loss Account for the year ended March 31, 2009

## SCHEDULE - 17

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>FINANCIAL EXPENSES</b>		
Bank charges & Guarantee comission	15575629.88	18611505.10
Interest paid		
a) On Term Loan	42980864.77	23526803.04
b) On working capital/others/project Authority	58035046.13	9078388.15
<b>Sub - total</b>	<b>116591540.78</b>	<b>51216696.29</b>
Less :		
Interest from deposit & others(Gross)	102144513.33	96088687.28
	<b>14447027.45</b>	<b>-44871990.99</b>

## SCHEDULE - 18

### NOTES TO THE ACCOUNTS:

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### i. ACCOUNTING CONVENTION:

The financial statements of the Company are prepared under the historical cost convention method and in accordance with the applicable accounting standards except where other wise stated. The company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except claims of liquidated damages on supplies, Warranties, fuel escalation charges payable to the electricity board which are accounted for on acceptance and other claims accounted for receipt/ payment basis, In view of uncertainty involved.

##### ii. FIXED ASSETS AND DEPRECIATION:

- Fixed Assets ( Other than land & building, plant & machinery of the company which have been re-valued and stated at the revalued figures ) are stated at cost net of cenvat less accumulated depreciation and impairment , if any. The Cost of acquisition or construction is inclusive of freight, duties, taxes and incidental/preoperative expenses and interest on loans attributable to the acquisition of assets upto the date of commissioning of assets . Capital subsidy received against specific assets is reduced from the value of relevant fixed assets .
- The depreciation has been provided on straight line method of depreciation at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 except on assets used in Engg. Div. Which is on written down value method.
- Depreciation is not provided during the year in respect of assets sold, discarded etc during the year upto the date of sales/ discard.
- Depreciation is calculated on pro-rata basis from the date of additions except on assets of Engg. Division which are depreciated for a full year.
- Lease hold land are not depreciated.





- f) Expenditure on New project and substantial expansion

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the profit & loss account. Income earned during construction period is deducted from the total of the indirect expenditure.

### iii. INVENTORIES:

Inventories are valued as follows:-

A. a) Raw Material, Stores & Spares, Components, construction material. food & beverages, liquor, crockery, cutlery, glassware, utensils and linen	At cost (FIFO method) or net realizable value, whichever is lower.
b) Process Stocks	At cost or net realizable value, which ever is lower. Cost for this purpose includes direct cost and factory overheads allocated on absorption cost method.
c) Finished Goods	Cost as stated in (b) above or net realizable value*, which ever is lower. The cost here includes taxes and duties wherever applicable.
d) Goods in transit	Are stated at actual cost plus freight, if any.

\* Net realizable value is estimated selling price in the ordinary course of business.

### IV. HOTEL DIVISION:

Stock of operating supplies i.e. crockery, cutlery, glassware, utensils, linen etc. in circulation are treated as consumption as and when issued from the stores.

### V. FOREIGN CURRENCY TRANSACTION:

- Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction.
- Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- Non monetary foreign currency items are carried at cost.
- Any income or expenses on account of exchange difference either on settlement or on translation is recognized as revenue except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

### VI. REVENUE RECOGNITION:

- Engineering Division:  
Sales of products (Fabricated goods) escalation and erection receipts are accounted for on the basis of bills/invoices acknowledged or paid by the project authorities.
- Other Divisions :  
Sales comprises of sales of goods, room sales etc. are excluding sales tax/VAT. It is being accounted for net of returns/discount/claims etc.

- c) Income of interest on refund of income tax is accounted for in the year, the order is passed by the concerned authority .
- d) Revenue from construction contracts/projects and real estate are recognized on the percentage of completions method of accounting. Revenue is recognized , in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including land as against the total estimated cost of the project under execution subject to such actual costs being 30% or more of the total estimated cost . The estimates of saleable area and cost are revised periodically by the management. The effect of such changes to estimates is recognized in the period such changes are determined.
- f) Dividend from investments in shares/units is recognized when the company/mutual fund in which they are held declares the dividend and the right to receive the same is established.

## **VII. INVESTMENTS:**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long Term Investments .Current investments are carried at lower of cost and fair value determined on individual investment basis. Long term investments are carried at cost. However, Provision for diminution in the value is made to recognize a decline other than temporary in the value of the investments.

## **VIII. MISCELLANEOUS EXPENDITURE:**

(To the extent not written off or; adjusted) Miscellaneous expenditure such as public issue expenditure are amortized over a period of 5 years.

## **IX. RESEARCH & DEVELOPMENT:**

Research & development costs ( Other than cost of fixed assets acquired are charged as an expense in the year in which they are incurred.

## **X. BORROWING COSTS:**

Borrowing costs are recognized as expenses in the period in which they are incurred except for borrowings for acquisition of qualifying assets which are capitalized upto the date, the assets is ready for its intended use.

## **XI. TAXATION:**

### a) Current Tax:

The income tax liability provided in accordance with the provisions of the Income Tax Act, 1961 or as advised by income tax consultant after claiming deduction under section 80 I .

### b) Deferred Tax Liabilities/(Assets)

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

### c) Fringe benefit tax :

Fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the provision of Income Tax Act, 1961.

## **XII. RETIREMENT BENEFITS AND OTHER EMPLOYEE BENEFITS:**

a) Company's contribution to recognized provident fund maintained and managed by the office of regional provident fund commissioner paid/payable during the year is recognized the profit and loss account.

### b) Gratuity :

The company provides for gratuity to all eligible employees. The benefit is in the form of lump sump payments to vested employees on resignation, retirement, on death while in employment or on termination of employment of and amount



equivalent to 15 days basic salary payable to each completed year of service. Vesting occurs upon completion of 5 years of service. The company has not made annual contributions to funds administered by trustees or managed by insurance companies. Actuarial valuation for the liabilities has , however has not been done.

c) Leave Salaries:

Liabilities for privilege leave benefits, in accordance with the rules of the company is provided for, as prevailing salary rate for the entire un-availed leave balance as at the balance sheet date.

### XIII. IMPAIRMENT OF ASSETS:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimation of recoverable amount.

### XIV. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources. Other contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statement.

### XV. EARNING PER SHARE:

Basic earnings per share is calculated by dividing the Net Profit or Loss for the period attributable to equity share holders (After deducting taxes etc.) by the weighted average number of the equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period are adjusted for the effect of all diluted potential equity shares.

### XVI. USE OF ESTIMATE:

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and Liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual result and estimates are recognized in the period in which results are known / materialized.

## 2. CONTINGENT LIABILITIES (NOT PROVIDED FOR) IN RESPECT OF:

(Rs. in Lacs)

S. No.	Particulars	As at 31.03.2009	As at 31.03.2008
i.	Outstanding bank guarantee *	13458.92	13395.95
ii.	Letter of credits accepted	2871.12	2677.65
iii.	Claims against the Company not acknowledged a debt relating to supplies and service matters including counter claims of project authorities.	1349.06	1394.34
iv.	Various labour cases	Amount not ascertainable	Amount not ascertainable
v.	Net show cause/demand/notices by excise deptt., service tax, income tax authorities being disputed by the company. (See note no 11 below.)	745.77	1447.82

Based on favorable decisions in similar cases, legal opinion taken by the company., discussions with the solicitors, etc, the company believes that there is fair chance of decisions in its favour in respect of all the items listed in (iii) (iv) &(v) above and hence no provisions is considered necessary against the same.

- Out standing bank guarantee includes issued by banks, in favour of following joint venture/partnership firm.

(Rs. in Lacs)

Name of Joint Venture (JV) /partnership firm (PF)	O/s. Bank guarantee as at 31.03.2009	O/s. Bank guarantee as at 31.03.2008
OMIL-JSC, UKRAIN , KAMENG (JV)	2361.00	2361.00
Om Metals Consortium (PF)	950.00	950.00

- Estimated amount of contracts remaining to be executed (capital commitments) not provided for Rs.106.03 lacs ( Rs. Nil lacs in the previous year)
- Claims raised by the Company/Claims settled with various project authorities/ other parties. amounting to Rs. 5710.09 lacs (Rs. 5182.41 Lacs in previous year), against these claims, the company has received arbitration awards of Rs. 213.93 lacs (Previous year Rs. 215.32 lacs) In accordance with past practice, the Company has not made adjustment because the same can not become rule of the court due to the objections filed by Project Authorities/ Other parties.

#### 5. PAYMENTS TO AUDITORS INCLUDING BRANCHES AUDITORS:

(Rs. in Lacs).

Particulars	2009	2008
Audit fee's	2.84	2.56
Fees for consolidated Financial statement	0.28	0.28
Certificate and Other services	3.20	1.34
Out of pocket expenses	0.37	0.22
<b>Total: -</b>	<b>6.69</b>	<b>4.40</b>

#### Note:

- Audit fees includes service tax.
- Rs. 0.20 Lacs (Previous year Rs. 0.26 Lacs) Paid for other services to auditors in which he is prop. of Chartered Accountant firm.

#### 6. REMUNERATION TO DIRECTORS:

(Rs. in Lacs)

Particular	Current Year		Previous Year	
	Managing Director	Other Director	Managing Director	Other Director
Salary	39.25	67.73	27.00	40.50
Perks	7.35	16.93	7.01	8.02
Consultancy to Chairman		1.20		1.20
<b>Total</b>	<b>46.60</b>	<b>85.86</b>	<b>34.01</b>	<b>49.72</b>

#### Note:

- Directors and executive i.e. Shri C.P Kothari, Shri D.P Kothari, Shri Sunil Kothari and Shri Vikash Kothari are covered under keyman insurance plan (LIC) of the company and premium paid of Rs. 18.95 lacs during the year (Previous year Rs. 18.95 lacs)



## 7. EARNING PER SHARES ( E.P.S.)

S. No.	Particulars	2009	2008
i.	Calculation of weighted average number of face value of equity shares of Rs. 1 each		
	No. of shares at the beginning of the year.	96303809	96303809
	Total equity shares outstanding at the end of the year	96303809	96303809
	Weighted average no of equity shares outstanding during the year.	96303809	61570580
ii.	Net Profit after Tax available for equity shares holders (Rs.)	248229499	180701391
iii.	Basic and diluted earning per shares (Rs.)	2.58	1.88
iv.	Nominal value of equity shares (Rs.)	1	1

## 8. DETAILS OF DUES TO MICRO SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT. 2006.

(Rs. In lacs)

Particulars	2008-2009	2007-2008
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	22.78	11.35
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and medium enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year ) But without adding the interest specified under Micro Small and medium enterprises Development Act, 2006	*-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-

(Rs. In lacs)

Particulars	2008-2009	2007-2008
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the Small Enterprises for the purpose of disallowance as a deductible expenditure U/s. 23 of the Micro Small and medium enterprises Development Act, 2006	-	-

\* As per contract with the vendors, no interest is payable on outstanding from MS MED Vendors

## 9. SEGMENT REPORTING:

### a) Primary segment: Business Segment

Based on the guiding principles given in Accounting Standard AS -17 "Segment reporting" issued by the Institute of Chartered Accountants of India, the Company's operating business are organized and managed separately according to the nature of products manufactured and services provided . The four identified reportable segments are turn key contracts of Gates, Cranes, Hoist for Irrigation & Power projects in the Engg. Division and the other segments includes Cinema ( Entertainment) in Multiplex Division , running of Hotel Cum revolving restaurant in Hotel division and construction of multi stories building in real estate division.

### b) Secondary segment: Geographical segments :

Since the company's activities/operations are primarily with in the country and considering the nature of products/services it deals in , the risk and returns are same and as such there is only one geographical segments,

The following is the distributions of the company's consolidated revenue by geographical markets, regardless of where the goods/ services were produced.

(Rs. in lacs)

Particulars	Current year	Previous year
Revenue from domestic market	10540.02	7473.55
Revenue from overseas market	3.59	22.56
<b>Total</b>	<b>10543.61</b>	<b>7496.11</b>

The company has common assets for producing goods for domestic market and overseas markets. Hence separate figures for assets /additions to fixed assets can not be furnished.

c) Segment accounting polices :

In addition to the significant accounting policies applicable to the business segment as set in note 1 of schedule 18 "notes to accounts" the accounting policies in relation to segment accounting are as under:

i. Segment revenue & expenses :

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

ii. Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowance and provisions, which are reported as direct off sets in the balance sheet. Segment Liabilities include all operating Liabilities and consist principally of creditors & accrued liabilities. Segment assets and liabilities do not include deferred income taxes except in the Engg. Div while most of the assets/liabilities directly attributed to individual segments.

iii. Inter segment sales :

Inter segment revenues between operating segments are accounted for at market price. These transaction are eliminated in consolidation .

iv. The main division is Engg. Division and funds provided by Engg. Division to other division and interest on such balances are not charged.

10. Related Party disclosure under Accounting Standard AS-18 " Related party disclosures" issued by the Institute of Chartered Accountants of India:

During the year, the company entered into transactions with the related parties. Those transactions along with related balance as at 31st March 2009 and for the year ended are presented in the following tables.

List of related parties with whom transactions have taken place during the year along with nature and volume of transactions are summarized as follows.

**List of related parties and relationship:**

Name of the related party	Relationship
Om Metal Auto (P) Limited	Subsidiary company
Om Metals Real Estate (P) Limited	Subsidiary company
Om Metals Ratanakar (P) Limited	Step Subsidiary company
Skywave Impex (P) Limited	Enterprises over which significant influence exercised by directors.
Lambodar Finvest (P) Ltd.	-do-
Om Kothari Pariwarik Trust	-do-





Om Kothari Foundation	-do-
Bahubali Housing Co. (P) Limited	-do-
Little Star (P) Limited	-Do-
Benzer Agencies Limited	-do-
Om Kothari Enterprises Limited	Associate Promoter holding more than 20% or under the same management
Baba Vinimay (P) Limited	-do-
<b>Key Management persons</b>	Key Managerial Personnel
Dr. T.C. Kothari	
Shri C.P. Kothari	
<b>Name of the related party</b>	<b>Relationship</b>
Shri D.P. Kothari	
Shri Sunil Kothari	
Shri Vikas Kothari	
Shri Bharat Kothari	
Shri Vivek Kothari	
Relatives of Key management persons	Relative of directors
Smt. C. Manjula Kothari	
Smt. D. Manjula Kothari	
Smt. Seema Kothari	
Smt. Anita Kothari	
C.P. Kothari & Sons	
T.C. Kothari & Sons	

11. The details of disputed income tax , service tax , sales tax & Excise duty as on 31-03-09 are as follows.

Nature of the Statute	Nature of Dues	Forum where dispute is pending	Demand Amount (Rs. in Lacs.)	Period to which the amount relates
Central Sales Tax Act, 1956. and Sales Tax/ VAT Act of various states	Sales Tax	Commissioner (Appeals)/Tribunal High court	85.45* 7.19	1984-85, 1985-86 1990-91 to 1991-92, 1993-94, 1994-95 & 2005-2006. 1986-87
Central Excise Act, 1944	Excise Duty	Tribunal/Commissioner (Appeal)	120.45	1997-98, 2000 to 2008
Income Tax Act, 1961	Income Tax	ITAT	244.09**	1991-92,,96-97, 2004- 2005 & 2005-2006
Service tax Rules	Service Tax	Tribunal/Commissioner (Appeal)	287.46	2003-2004 to 2005-2006
Wealth Tax Act.	Wealth Tax	ITAT	1.13**	1991-1992

**Note:**

- \*Against it, the company paid Rs. 6.80\* lacs and \*\* Rs. 246.27 Lacs
- Amount as per demand orders including interest and penalty wherever verified in the order.

12. Advance for Capital goods includes Rs 4.23 Lacs paid to Topkhana desh grih Nirman Samiti for purchasing of Land at Jaipur for construction of building . The matter is under subjudice
13. Expenses and receipts relating to earlier year amounting to Rs .Nil and Rs. 44.66 Lacs respectively (Previous year Rs. 3.48 Lacs and Rs. Nil lacs) debited/credited to respective expenses and Income heads .
14. Details of investments in the units of various Mutual Funds/shares purchased & sold during the year are given below :-

(Rs. in Lacs)

Scheme Name	No. of Units O/B	No. of units Purchased	No. of Unit sold value	Purchase/Opening	Sales Value
JM Basic Mutual fund	196036	-	196036	50.00	12.93
JM Basic fund growth plan	196036	-	-	12.93	-
JM emerging Leaders fund	311964	-	-	50.00	0.00
ABN Amro fixed term plans-	15000000	-	15000000	1500.00	1522.63
ABN Amro MIP Mutual Funds	2385072	-	238572	257.55	233.71
HSBC MIP Mutual fund	4558854	-	4558854	509.71	497.32
DSPML India Tiger fund	232317	-	232317	65.00	24.46
DSPML black rock Tiger growth fund	-	232317	-	24.46	-
Reliance Vision fund	41011	-	41011	25.00	11.03
Reliance Vision growth plan	-	8560	-	11.03	-
Sunderam BNP Paribas Co. fund	119124	-	119124	25.00	10.61
Sunderam BNP Capex Growth-	-	90546	-	10.61	-
Standrard Chartered Arbitrage fund	5000000	-	5000000	500.00	520.42
Reliance Banking Fund	70902	0	70902	50.00	26.03
Reliance Banking fund Growth plan	-	70902	-	26.04	-
Shiv Vani Oils Ltd	-	34112	2612	163.06	12.61

**Note:** No of units includes dividend unit.

15. The company has recognized deferred taxes, which result from timing difference between the book profit and tax profit . The details of which are as under :-

Particulars	Balance as at 31.03.2008	Arising during the year	Balance as at 31.03.2009
A. Deferred Tax Liabilities			
Depreciation and amortization	37868670	(1402270)	36466400
B. Deferred Tax Assets			
1. Provision for leave with wages	229030	184986	414016
2. Provision for gratuity	979325	357801	1337126
3. Disallownce U/s 43 (b) of I.T. Act., 1961	-	-	-
<b>Total : (B)</b>	<b>1208355</b>	<b>542787</b>	<b>1751142</b>
Net Deferred tax liabilities (A-B)	36660315	(1945057)	34715258



16. Incompliance with Accounting Standard - 27 on financial reporting of interest in joint venture/partnership firm. Following disclosure are made in respect of jointly controlled entities in which the company is a joint venturer/partner.

Joint venture (JV) Companies and Partnership firm (PF): Current year

(Rs. in lacs)

S. No.	Name of Company/firm	OMIL + JSC Ukrain , Kaming (JV)	Om Metals Consortium (PF)	Sanmati Infra Developer (P) Ltd	Pondichary port limited	Om Rays Construction (JV)	Om Gaima Projects Pvt. Ltd. (JV)
1	Proportion of ownership interest	60%	35% See note (b)	25%	50%	99.5% of Contract Value	49%
2	Country of incorporation or registration	India	India	India	India	India	India
3	Accounting period ended	31.03.09	31.03.09	31.03.09	31.03.09	31.03.09	31.03.09
4	Assets	2825.69	3942.48	1412.38	295.28	67.94	0.49
5	Liabilities	2510.40	202.23	1340.02	35.92	-	-
6	Income	589.82	-	-	-	-	-
7	Expenditure	533.11	-	-	-	-	-
8	Contingent Liabilities	-	NA	NA	NA	NA	NA
9	Capital commitments	-					
10	Date of Creations of JV/firm	01.04.2006	18.07.2005	18.10.2006	25.01.2006	05.07.05	20.02.2009
11	Remarks	-	See note "c"		See note "c"	See note "c"	

Joint venture (JV) Companies and Partnership firm (PF): Previous Year

S.No.	Name of Company/firm	OML + JSC Ukrain, Kaming (JV)	Om Metals Consort. (PF)	Sanmati Infra Developer (P) Ltd	Pondichary port limited	Om Rays
1	Proportion of ownership interest	60%	35% See note (b)	25%	50%	49%
2	Country of incorporation or registration	India	India	India	India	India
3	Accounting period ended	31.03.08	31.03.08	31.03.08	31.03.08	31.03.08
4	Assets	1645.47	11068.17	3588.57	407.29	
5	Liabilities	1645.47	1660.78	15.83	14.83	
6	Income	33.12	0	2.56	0	
7	Expenditure	31.72	0	2.34	0	
8	Contingent Liabilities	Nil	N.A	N.A	N.A.	
9	Capital commitments	Nil	N.A	N.A	N.A	
10	Date of Creations of JV/firm	01.04.2006	18.07.2005	18.10.2006	25.01.2006	05.07.2005
11	Remarks	-	See note "c"		See note "c"	See note "c"

**Note:**

- a) The above details represent proportionate amount of the company's share in the joint ventures/firm.
- b) Om Metals consortium is a partnership firm. Following are partner & their share ratio as per revised deed drawn on 29 Sept. 2007 in profit/loss.

Name of partner	Share ratio
Om Metals Infraprojects Limited	35.00%
Subhash projects & marketing Ltd.	10.00%
Nikhil Township (P) Limited	30.00%
Amrfina Construction (P) Ltd.	10.00%
Morya Housing Limited	10.00%
Om Infra Tech (P) Limited	5.00%

c) Figures are taken in the books of accounts on the basis of unaudited financial results in current year as well as in the previous year. (N.A = Not available)

17. As per accounting standard 21 on "Consolidated Financial Statements" and accounting standard 23 on "Accounting for investment in associates in consolidated financial statements" issued by the institute of Chartered Accountants of India, The company has presented consolidated financial statements including subsidiary and associates. Accordingly segment information as required under Accounting Standard 17 (AS-17) on segment reporting is included under the notes to consolidated financial statements subject to note no .16c.

18. Loans and Advances & debtors includes following Amounts due from subsidiary/Joint Venture & other associates:

	Rs. in Lacs			
	Amt. outstanding as at 31.03.2009	Amt. outstanding as at 31.03.2008	Max Amt. outstanding as at 31.03.2009	Max Amt. outstanding as at 31.03.08
Pondicherry Port Ltd	165.00	164.99	165.00	164.99
Om Shivaya Real Estate P. Ltd	-	-	-	1750.00
Om Metals Developers Pvt. Ltd,	-	-	-	650.28
Om Metals Infotech Pvt. Ltd	-	-	-	1079.41
Om Metals Auto Pvt. Ltd (Sub)	206.16	7.33	206.16	17.96
Om Metal Ratnaker (P) Limited	-	-	-	1204.95
Om Metals Real estate (P) Limited	7244.13	6050.38	7244.13	6050.38
Benzer Agencies Limited	1.58	1.57	6.72	0.02
Skywave Impex Limited.	89.49	0.47	89.49	0.47

## 19. PUBLIC OFFER

a) During the year 2006-2007, the company has issued and allotted 20000000 equity share of face value of Rs. 1/- each at a premium of Rs. 59/- per equity shares to qualified institutional buyers (QIB)

b) Of the fund raised through the QIB, the company has utilized the fund as follows:

Particular	(Rs. in lacs)		
	Projected Utilisation as per the prospectus	Actualutilization upto 31.03.2008	Actualutilization during the year
Strengthening the company's Capital base, part funding of capital expenditure for the Engg. Div and Real Estate Project, Strategic alliances and acquisition, Capital expenditure directly or through its subsidiary.	11428.20	2453.31	2173.89
QIB Expenses	571.80	572.80	
<b>Total</b>	<b>12000.00</b>	<b>3026.11</b>	<b>2173.89</b>

Note :- The unutilized funds of Rs. 6800 Lacs (Rs. 8973.89 lacs in previous year) as at 31.03.2009 have been temporarily invested in FDR/units/mutual funds/debt fund/liquid funds.



20. Exchange difference gain (Loss) on account of fluctuations in the foreign currency have been accounted for under respective heads of accounts as under:

(Rs. in lacs)

S. No.	Head	2008-2009	2007-2008
1	Sales /Room Rent (Income)	0.09	0.23
2.	Raw Material consumed	56.85	4.76
<b>Total</b>		<b>56.76</b>	<b>4.99</b>

21. The Company has provided for liability of gratuity aggregating to Rs. 39.33 Lacs (Previous year Rs. 28.81 lacs) for employees who have qualified for it as per payment of Gratuity Act. The company could not comply with the requirement of AS - 15 retirement benefit issued by ICAI as the valuation by a Certified acturian is under process.
22. The company has received show cause notice from RIICO challenging its own permission granted to the company for the construction and sale of residential flats on the allotted land. The company has given a suitable reply and the matter is under reconsideration of RIICO. The liabilities if any, arising in this accord can be upto the conversion/premium charge for the changed use of land.
23. (a) The company has taken Office Premises and directors residence on cancelable Operating Lease. The tenure of these agreements range between 3 to 5 Years.  
The amount of lease rentals paid of Rs. 4440000 (P.Y. Rs. 3080000) has been charged under the head " Rent" in Schedule 16.
- (b) The company has entered into separate cancelable Operating lease for Premises and Machinery. The tenure of these agreements range between Six months to three years.  
The amount of lease rentals paid of Rs. 8768431 (P.Y. Rs. 43712493) has been charged under the head " Rent /Hire charges for Equipments" in Schedule 15 and "Rent" in Schedule 16.
- (c) The company has Leased premises and Machinery on cancelable Operating Lease. The aggregate amount of lease rentals received amounting to Rs.5520000(P.Y. Rs. 5520000) have been credited under the head " Rent and hire charges" in Schedule 11.
24. Additional information pursuant to the provision of paragraph 3, 4C & 4D of part II of Schedule VI to the Companies Act 1956 is given below.
- a) Particulars in respect of Licensed and installed capacity.

Product	Unit	Licensed capacity	Licensed capacity	Installed capacity	* Installed capacity *
		2008-2009	2007-2008	2008-2009	2007-2008
<b>Engg. Div.</b>					
Engg. Goods	MT	N.A	N.A	15000 MT/PA	15000 MT/PA
<b>Hotel Div.</b>					
No. Rooms	No	N.A.	N.A	58	58
<b>Multiplex Div.</b>					
Seating capacity	No.	N.A.	N.A.	1117	1117
Wind power generation for captive use.	One	N.A.	N.A.	0.35 MW	0.35 MW

- As certified by the management.
  - Since the company's installed capacity is dependent on product mix, which in turn is decided on the basis of actual demand for Various products from time to time, it is not feasible for the company to give exact installed capacity. The company has, however, indicated installed capacity on the basis of year's product mix as certified by a director and being a technical mater accepted by the auditors as correct.
- b) Particulars in respect of opening stock, Goods manufactured, sales, closing stocks and Trading Activities are given in annexure no.1.
- c) Particulars in respect of consumption of raw material, accessories and bought out items are given in annexure no. 2.
- d) Multiplex Division:  
The operation of Multiplex division given to Inox Leisure Limited on Fixed sharing basis for a period from 16.06.2006 to 15.06.2013. The fixed income shown under the schedule no. 10. Hence it is not possible to give quantitative details and information's required under paragraph 3, 4C & 4D of part II of schedule 6of the companies act 1956.
- e) Hotel division:  
Hotel Division of the company is mainly engaged in the business of sale of room and restaurant income. It is not practical to give the quantitative wise details in respect of purchases consumption, turnover and stock etc. The company has been granted exemption from Ministry of company affairs vide their order dated 05.02.09 .to disclose the quantitative details in compliance of paragraph 3, 4C & 4D of part II of schedule VI of the companies act. 1956, for the year ending from 01.04.08 to 31.03.2011.
- f) Other Additional information.

(Rs. in Lacs)

S. No.	Particulars	Current Year	Previous year
<b>i.</b>	<b>C.I.F Value of Imports</b>		
	Raw Material	1491.99	1498.28
	Capital Goods	41.85	0.00
<b>S. No.</b>	<b>Particulars</b>	<b>Current Year</b>	<b>Previous year</b>
<b>II.</b>	<b>Expenditure in foreign currency (Paid or provided)</b>		
	Capital	0.00	0.00
	Travelling	77.09	25.90
	Consultancy	0.00	24.52
<b>iii.</b>	<b>Income in Foreign Currency (Sales)</b>	0	0
	Room Rent & Other Services	3.59	22.56
	<b>Total</b>	<b>3.59</b>	<b>22.56</b>
<b>iv.</b>	<b>Net dividend remitted in foreign currency/foreign intuitional investors</b>		
	No. of NRI share holders	102	79
	No. of shares held by them	5452562	301696
	Dividend paid (Rs. In lacs)		
	Year to which dividend relates		
	Dividend paid (Rs. In Lacs)	17.95	NIL
	Year to which dividend related	(Paid in NRI A/c in India 2007-08 & 2008-09)	





v. Value of raw material & stores and components consumed:

(Rs. in Lacs)

Particulars	2009	%	2008	%
Raw Material				
Imported	1013.16	22.73	1296.28	28.33
Indigenous	3443.79	77.27	3277.76	71.67
<b>Total</b>	<b>4456.95</b>	<b>100</b>	<b>4574.04</b>	<b>100%</b>
Stores & Spares				
Imported			-	-
Indigenous	165.64	100	196.38	100%

25. Figures for previous year have been re-arranged/regrouped wherever necessary to make them comparable.

26. Schedule 1 to 18 and the statement of additional information form an integral Part of the Balance Sheet & Profit and Loss Account and have been duly authenticated.

Signed for identification  
For M.C.Bhandari & Co.  
*Chartered Accountants*

For and on behalf of Board of Directors

Sd/-  
Dr. T.C.Kothari  
Chairman

Sd/-  
C.P.Kothari  
Managing Director

Sd/-  
D.P.Kothari  
Director

S. K. Mahipal  
Partner  
M.No.70366  
Place : Kota  
Date : 30-06-2009

Sd/-  
Sunil Kothari  
Director

Sd/-  
Reena Jain  
Company Secretary

Sd/-  
S. K. Jain  
(CFO)

Statement pursuant to section 212 of the companies act,1956

Name of subsidiary company	Financial year ending of the sub.	No. of shares held by the company	Extent of holding %	For financial year of the subsidiary	
				Profit/(Loss) so far as it concerns the members of the holding company and not dealt with in the books of accounts of the holding company (except to the extent dealt with in col.6)	Profit/(loss) so far as it concerns the members of the holding company and dealt with in the books of accounts of the holding company.
(1)	(2)	(3)	(4)	(5)	(6)
				Rs.	Rs.
Om Metals Auto Pvt. Ltd.	31.03.2009 31.03.2008	75500 75500	75.50% 75.50%	(194180.03)	(598391.54)
Om Metal Real Estate (P) Limited	31.03.2009 31.03.2008	10000 10000	100 % 100%	N.A.	N.A.

Transaction during the year with related parties (Excluding reimbursement)

Name of company	Nature of Transaction	2008-09	2007-08
<b>A. With Subsidiary Company</b>			
1. Om Metals Auto Pvt. Ltd.			
	<b>Opening balance as at 01.04.08</b>		
	Investment in Equity Share	52.55	2.55
	Loan & Advances Dr	7.33	17.96
	Security Deposites	5.00	5.00
	<b>Transactions</b>		
	Rent Receipts	55.20	55.20
	Services Receipts	0.18	0.16
	Investment in Equity Share	0.00	50.00
	Net movements in loans & Adv. Dr/Cr	61.18	36.02
	Job work Vehicle repair	77.55	2.57
	Share Application	200.00	0.00
	<b>Closing balance as on 31.03.09</b>		
	Investment in Equity Share	52.55	52.55
	Loans & Advance Dr.	6.16	7.33
	Share Application	200.00	0.00
	Security deposit	5.00	5.00
2. Om Metals Real Estate Pvt. Ltd.			
	<b>Opening balance as at 01.04.08</b>		
	Loans and Advances	6050.38	0.00
	Investment in Equity Share	1.00	0.99
	<b>Transactions</b>		
	Net movements in Loans & Adv. Dr./Cr.	1193.75	6050.38
	<b>Closing balance as on 31.03.09</b>		
	Investment in Equity Share	1.00	1.00
	Loans and Advances	7244.13	6050.38
3. Om Metals Ratnakar Pvt. Ltd (Setp Subsidiary)			
	<b>Opening balance as at 01.04.08</b>		
	Investment in Equity Share	0.00	0.99
	<b>Transactions</b>		
	Net movements in Loans & Adv. Dr./Cr.	90.05	1204.95
	<b>InvestmentSold</b>	0.00	0.99
	<b>Closing balance as on 31.03.09</b>	0.00	0.00
<b>B. With Associats Promotor/ Holding More than 20 % Equity</b>			
1. Skywave Impex Ltd.			
	<b>Opening balance as at 01.04.08</b>		
	Creditors	0.00	24.10
	<b>Transactions</b>		
	Job work	181.95	31.72
	<b>Closing balance as on 31.03.09</b>		
	Advance Ag. Job work	89.49	0.47



Name of company	Nature of Transaction	2008-09	2007-08
2. Lambodar Fin Vest Pvt. Ltd.	<b>Opening balance as at 01.04.08</b>		
	Sundry Creditors	0.09	0.00
	Adv. For purchases of goods	66.25	36.00
	<b>Transactions</b>		
	Adv.agst flats	157.28	30.25
	Advance given/Taken	0.00	0.09
	<b>Closing balance as on 31.03.09</b>		
	Adv. For purchases of goods Creditors	223.53 0.00	66.25 0.09
3. Om Kothari Pariwarik Trust	<b>Opening balance as at 01.04.08</b>		
	Creditors	0.00	0.41
	<b>Transactions</b>		
	Hire/Rent charges	2.14	2.14
	<b>Closing balance as on 31.03.09</b>		
Creditors	0.00	0.00	
4. Om Kothari Foundation	<b>Opening balance as at 01.04.08</b>		
	<b>Transactions</b>		
	Loans & Advances Dr/Cr	26.02	9.32
	Donation	0	12.32
	Hire/Rent charges	0.96	0.96
	<b>Closing balance as on 31.03.09</b>		
		0.00	0.00
5. Bahubali Housing Pvt. Ltd.	<b>Opening balance as at 01.04.08</b>		
	Creditors	7.21	2.13
	Security Deposits	70.00	
	<b>Transactions</b>		
	Loans and advances Cr.	6.20	6.36
	Loans and advances Dr.	0.20	0.07
	Rent Paid	4.80	1.00
	contract receipts	0.00	72.20
	Security Deposite Dr	70.00	70.00
	<b>Closing balance as on 31.03.09</b>		
	Security Deposit Dr	70.00	70.00
	Creditors Cr.	0.00	7.21
	6. Little Star Finance Pvt. Ltd.	<b>Opening balance as at 01.04.08</b>	
Security Deposit		70.00	18.62
Loans and advances Dr.		1.24	
<b>Transactions</b>			
Loans and advances Dr.		12.79	18.62
Loans and advances Cr.		30.00	18.62

Name of company	Nature of Transaction	2008-09	2007-08
	Rent Paid	4.80	1.00
	Contract receipts	0.00	72.20
	Security Deposit	70.00	70.00
	<b>Closing balance as on 31.03.09</b>		
	Security Deposit	0.00	70.00
	Loans and advances Cr.	18.45	1.24
<b>7. Benzer agencies ltd.</b>	<b>Opening Balance as on 01.04.08</b>		
	Advance Dr.	1.57	0.00
	<b>Transaction</b>		
	Advance given	6.72	9.78
	Advance received	6.72	8.21
	<b>Closing balance as on 31.03.09</b>		
	Advance Dr.	1.57	1.57
<b>8. Well wisher const &amp; Finance Pvt. Ltd.</b>	<b>Opening balance as at 01.04.08</b>		
	Advances for Fixed Assets Transactions	0.00	74.49
	Advance agst. F.A. rreturn	0.00	74.49
	Closing balance as on 31.03.09		
	Loans and advances given ag. F.A.	0.00	0.00
<b>9. Himgiri Dealcon Pvt. Ltd.</b>	<b>Opening balance as at 01.04.08</b>		
	Loans and advances	0.00	2.05
	Investment in Equity Share	0.00	0.32
	Advance for purchases of FA	0.00	125.00
	<b>Transactions</b>		
	Net movements in loans Dr/Cr	0.00	2.05
	Investment Sold	0.00	0.32
	Advance return	0.00	125.00
	<b>Closing balance as on 31.03.09</b>	0.00	0
<b>B. Associates Promoter holding more than 20% or under the same management</b>			
<b>1. Om Kothari Enterprises Ltd.</b>	<b>Opening balance as at 01.04.08</b>		
	Investment in equity shares	0.00	75.95
	<b>Transactions</b>		
	Net movements in loans Dr/Cr	0.00	64.21
	Job work	60.45	26.72
	Sale of Investment	0.00	75.95
	<b>Closing balance as on 31.03.09</b>		
	Creditors	9.11	0.00
<b>2. Baba Vinimay Pvt. Ltd.</b>	<b>Opening balance as at 01.04.08</b>		
	Capital contribution in JV	0.00	241.76
	Investment in Equity Shares	0.00	0.50



Name of company	Nature of Transaction	2008-09	2007-08
	<b>Transactions</b>		
	Net movements in Capital Dr.	0.00	0.20
	Net movements in Capital Cr.	0.00	241.96
	Sale of Shares	0.00	0.50
	<b>Closing balance as on 31.03.09</b>	0.00	0.00
<b>C. Directors of the company</b>			
<b>1. Dr. T.C. Kothari</b>	<b>Opening Balance as on 01.04.08</b>	0.00	0.00
	<b>Transaction</b>		
	Loans advance Dr	4.68	371.27
	Loans advance Cr	4.68	368.99
	Consult. & fees for board meting	1.2	1.20
	Hire/rent charges	1.08	1.08
	Closing balance as on 31.03.09	0.00	0.00
<b>2. Shri C.P. Kothari</b>	<b>Opening Balance as on 01.04.08</b>		
	Security deposit outstanding	10.00	10.00
	<b>Transaction</b>		
	Net movements in loans Dr. & Cr.	9.58	10.12
	Hire charges/Rent paid	4.08	4.08
	Director Remuneration	39.25	27.00
	<b>Closing balance as on 31.03.09</b>		
	Security deposit outstanding	10.00	10.00
<b>3. Shri D.P. Kothari</b>	<b>Opening Balance as on 01.04.08</b>		
	Security deposit outstanding	7.5	7.50
	<b>Transaction</b>		
	Net movements in loansDr/ Cr	0	2.89
	Hire charges/Rent paid	18.6	18.60
	Director Remuneration	35.13	25.50
	<b>Closing balance as on 31.03.09</b>		
	Creditors	0	0.15
	Security deposit outstanding	7.5	7.50
<b>4. Shri Sunil Kothari</b>	<b>Opening Balance as on 01.04.08</b>		
	Security deposit outstanding	5	5.00
	<b>Transaction</b>		
	Net movements in loans Dr. & Cr.	10.20	0.00
	Salary and allowances	32.61	13.80
	Hire charges/Rent paid	1.08	1.08
	<b>Closing balance as on 31.03.09</b>	0.00	0.00
	Security deposit outstanding	5.00	5.00

Name of company	Nature of Transaction	2008-09	2007-08
<b>D. Relatives of Directors</b>			
1. Shri Vikas Kothari	<b>Opening Balance as on 01.04.08</b>	0.00	0.00
	<b>Transaction</b>		
	Hire charges/Rent paid	0.00	0.00
	Salary and allowances	9.00	2.40
	<b>Closing balance as on 31.03.09</b>	0.00	0.00
2. Shri Bharat Kothari	<b>Opening Balance as on 01.04.08</b>	0.00	0.00
	<b>Transaction</b>		
	Salary	9.00	2.40
	<b>Closing balance as on 31.03.09</b>	0.00	0.00
3. Shri Vivek Kothari	<b>Opening Balance as on 01.04.08</b>	0.00	0.00
	<b>Transaction</b>		
	Salary	9.00	4.20
	<b>Closing balance as on 31.03.09</b>	0.00	0.00
4. Smt. C. Manjula Kothari	<b>Opening Balance as on 01.04.08</b>		
	Security deposit outstanding	10.00	10.00
	<b>Transaction</b>		
	Hire charges/Rent paid	2.88	2.88
	<b>Closing balance as on 31.03.09</b>		
	Security deposit outstanding	10.00	10.00
5. Smt. D. Manjula Kothari	<b>Opening Balance as on 01.04.08</b>		
	Security deposit outstanding	10.00	10.00
	<b>Transaction</b>		
	Hire charges/Rent paid	2.88	2.88
	<b>Closing balance as on 31.03.0</b>		
	Security deposit outstanding	10.00	10.00
6. Smt. Seema Kothari	<b>Opening Balance as on 01.04.08</b>		
	Security deposit outstanding	5.00	5.00
	<b>Transaction</b>		
	Hire charges/Rent paid	1.80	1.80
	<b>Closing balance as on 31.03.09</b>		
	Security deposit outstanding	5.00	5.00
7. Smt. Anita Kothari	<b>Opening Balance as on 01.04.08</b>		
	Security deposit outstanding	12.50	12.50
	<b>Transaction</b>		
	Hire charges/Rent paid	2.40	2.40
	<b>Closing balance as on 31.03.09</b>		
	Security deposit outstanding	12.50	12.50





Name of company	Nature of Transaction	2008-09	2007-08
8. C.P. Kothari & Sons	<b>Opening Balance as on 01.04.08</b>		
	Loans & Advance Dr.	0.00	0.68
	<b>Transaction</b>		
	Net movements in loans Dr.	10.68	16.92
	Net movements in loans Cr.	10.68	17.60
	<b>Closing balance as on 31.03.09</b>		
9. T.C. Kothari & Sons	Loans & Advance Dr.	0.00	0.00
	<b>Opening Balance as on 01.04.08</b>		
	Loans & Advance Dr.	0.00	0.00
	<b>Transaction</b>		
	Net movements in loans Dr.	96.62	175.44
	Net movements in loans Cr.	96.62	175.44
<b>Closing balance as on 31.03.09</b>			
Loans & Advance Dr.	0.00	0.00	

Statement pursuant to section 212 of the companies act, 1956

(Rs. In Lacs.)

Particulars	Engg. Div.		Multi plex		Hotel & Res. Div.		Real Estate		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1. Segment Revenue :										
External sales/income (Net)	7277.79	5764.33	121.57	128.80	616.66	674.75	2315.80	837.50	10331.82	7405.38
Other receipt	412.45	282.01	1.56	1.23	19.11	9.63	0.12	0.05	433.24	292.92
Interest Receipts	1021.45	960.89	0.00	0.00	0.00	0.00	0.00	30.66	1021.45	991.55
Inter segment sales / Other Recept.	-159.14	0.00	0.00	0.00	-43.20	0.00	0.00	0.00	-202.34	0.00
<b>Total Revenue</b>	<b>8552.55</b>	<b>7007.23</b>	<b>123.13</b>	<b>130.03</b>	<b>592.57</b>	<b>684.38</b>	<b>2315.92</b>	<b>868.21</b>	<b>11584.17</b>	<b>8689.85</b>
2. Segment Results :										
Segments results	2715.94	2122.43	104.62	104.09	148.42	174.37	1008.37	397.75	3977.35	2798.64
Unallocated expenses (Net)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operationg profit before Int.	2715.94	2122.43	104.62	104.09	148.42	174.37	1008.37	397.75	3977.35	2798.64
Financial exp.	1117.69	457.62	0.00	0.01	38.71	54.51	9.50	0.03	1165.90	512.17
Income tax current	340.00	337.00	0.00	0.00	0.00	0.00	0.00	0.00	340.00	337.00
Wealth Tax	6.25	6.00	0.00	0.00	0.00	0.00	0.00	0.00	6.25	6.00
MAT Credit Entitlement	(14.46)	(80.00)	0.00	0.00	0.00	0.00	0.00	0.00	(14.46)	-80.00
F B T	15.10	12.50	0.00	0.00	1.27	1.90	0.45	0.01	16.82	14.41
Deferred tax assets/Lia.	19.45	202.15	0.00	0.00	0.00	0.00	0.00	0.00	19.45	202.15
Inter segment Exp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net Profit</b>	<b>1270.81</b>	<b>1187.16</b>	<b>104.62</b>	<b>104.08</b>	<b>108.44</b>	<b>117.96</b>	<b>998.42</b>	<b>397.71</b>	<b>2482.29</b>	<b>1806.91</b>
3. (i) Other Information :										
Segment Assets	46538.48	41567.92	358.92	357.21	3318.55	3410.40	3054.46	719.63	53270.41	46055.16
Inter Branch/Segment	1736.76	1523.86	452.71	351.53	-1579.92	-1574.81	-609.55	-300.58	0.00	0.00
Unallocated assets										
<b>Total Assets</b>	<b>48275.24</b>	<b>43091.78</b>	<b>811.63</b>	<b>708.74</b>	<b>1738.63</b>	<b>1835.59</b>	<b>2444.91</b>	<b>419.05</b>	<b>53270.41</b>	<b>46055.16</b>



Particulars	Engg, Div.		Multi plex		Hotel & Res. Div.		Real Estate		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segmets Liabilities:										
Share Capital	963.04	963.04	0.00	0.00	0.00	0.00	0.00	0.00	963.04	963.04
Reserve & Surplus	30331.27	29461.69	712.24	607.61	1430.95	1322.50	1396.14	397.73	33870.60	31789.53
Secured & Unsecured Loan	8787.05	5388.70	0.00	0.00	241.93	413.89	830.00	0.00	9858.98	5802.59
Segment liabilities	7846.73	6911.75	99.39	101.13	65.75	99.20	218.77	21.32	8230.64	7133.40
Unallocated liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred tax liabilities	347.15	366.60	0.00	0.00	0.00	0.00	0.00	0.00	347.15	366.60
<b>Total Liabilities</b>	<b>48275.24</b>	<b>43091.78</b>	<b>811.63</b>	<b>708.74</b>	<b>1738.63</b>	<b>1835.59</b>	<b>2444.91</b>	<b>419.05</b>	<b>53270.41</b>	<b>46055.16</b>
(iii) Capital Expenditure	898.66	819.10	0.00	0.00	10.93	107.37	9.89	0.62	919.48	927.09
Depreciation	392.65	355.45	16.43	16.43	72.13	67.88	1.61	0.39	482.82	440.15
Amortisation	114.35	114.35	0.00	0.00	0.00	0.00	0.00	0.00	114.35	114.35
Non cash expenses other than depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Particulars in respect of Consumption of Raw Material, Accessories and bought out items for the year ended on 31st March, 2009.

S.No.	Particular	2008-09		2007-08		
		Qty	Amount(Rs.)	Qty	Amount(Rs.)	
1	Structural Steel	Mt	5269.489	256377154.00	6564.629	326862787.24
	Mtr		2993		98	
	Nos		185		21	
2	Stainless Steel	Mt	72.476	8707558.00	176.465	19699929.00
	Nos		8		0	
3	Castings	Mt	44.551	2595777.00	121.764	7216202.00
	Nos		7		23	
4	Brass	Mt	1.954	498579.00	4.737	3768474.00
	Nos		4		30	
5	Bought Out	Mt	40.337	64854300.21	86.307	67681159.19
	Mtr		12782		2869	
	Nos		1038		685	
	Ltr.		30096			
6	Accessories			15241726.51		9445908.00
7	Civil Construction material			88949413.86		13122073.50
8	Food & Beverage *			8470146.96		9607395.09
	<b>Total</b>			<b>445694655.54</b>		<b>457403928.02</b>

**Note:** Quantity of food and beverage - Hotel division not furnished. Refer to note no. 24(E)

**Annexure to notes no. 24 Schedule no. 18 for the year ended on 31.03.2009  
Particulars in respect of Opening stock, Production, Trading, Purchases, Sales & Closing Stock**

S.No.	Particular	Unit	Opening Stock				Production				Purchase			
			Current Year		Previous Year		Current Year		Previous Year		Current Year		Previous Year	
			Qty.	Amount (Rs.)	Qty.	Amount (Rs.)	Qty.	Amount (Rs.)	Qty.	Amount (Rs.)	Qty.	Amount (Rs.)	Qty.	Amount (Rs.)
1	Dam Gates, Hoist, Hydro Mechanical Equipments and other fabricated goods	Mt	230.421	15912382.00	229.302	9558580.00	2659.439	777.185	263.100	19077639.42	128.526	7719378.00		
		Set	0.000		0.00		197.600	389.000	1.000	0.00	1.000	0.00		
		Nos	0.000		0		0	7	24.000	0.00	0.000	0.00		
		Sqm	0.000		0.00		266.00	114.60	0.000	0.00	0.000	0.00		
2	Scrap	MT	117.763	2987980.00	115.110	1438870.00	311.731	190.708	0.000	0.00	0.000	0.00		
3 & 4	Escalation, Erection & Other Receipts, Transportation, Drawing & Design		0	0.00	0	0.00	0.00	0.00	0.000	0.00	0.000	0.00		
	<b>Sub Total :-</b>			<b>18900362.00</b>		<b>10997450.00</b>				<b>19077639.42</b>		<b>7719378.00</b>		
5	Turnover of Real Estate (WIP sales of Flats)	Nos	0	0	1	1250000	0	74	0	0	0	0		
6	Hotel Division	0	0	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
7	Multiplex Div.	0	0	0	0	0	0	0	0	0	0	0		
8	Wind Power Generation	UNIT	0	0	0	0	456203.00	416844.00	0.000	0.00	0.000	0.00		
	<b>Grand Total</b>			<b>18900362.00</b>		<b>12247450.00</b>				<b>19077639.42</b>		<b>7719378.00</b>		

For Om Metals Infraprojects Limited

Director



**Annexure to notes no. 24 Schedule no. 18 for the year ended on 31.03.2009**  
**Particulars in respect of Opening stock, Production, Trading, Purchases, Sales & Closing Stock**

S.No.	Particular	Unit	Sales		Previous Year		Current Year		Closing Stock	
			Current Year		Previous Year		Current Year		Previous Year	
			Qty.	Amount (Rs.)	Qty.	Amount (Rs.)	Qty.	Amount (Rs.)	Qty.	Amount (Rs.)
1	Dam Gates, Hoist, Hydrac Mechanical Equipments and other fabricated goods	Mt Set Nos Sqm MT	2993.884 197.000 24.00 266.00 155.434	496196916.00	904.592 390.000 7.00 114.60 188.06	411258643.00	159.076 1.600 0.00 0.00 274.06	19533973.00	230.421 0.000 0.00 0.00 117.76	15912382.00
2	Scrap			3498943.00		3041945.00		5481200.00		2987980.00
3	Escalation, Ereclion & Other Receipts		0.00	239339562.00	0.00	164217860.00	0.00	0.00	0.00	0.00
	<b>Sub Total :-</b>			<b>739035421.00</b>		<b>578518448.00</b>		<b>25015173.00</b>		<b>18900362.00</b>
4	Transportation, Drawing & Design Receipts		0.00	14242973.00	0.00	6986665.00	0.00	0.00	0.00	0.00
	Sub Total :-			753278394.00		585505113.00		25015173.00		18900362.00
5	*Turnover of Real Estate (WIP sales of Flats)		0.00	231580273.69	75.00	83750416.00	0.00	0.00	0.00	0.00
6	Hotel Division	0	0.00	53547561.60	0.00	65620678.38	0.00	0.00	0.00	0.00
7	Multiplex Div.			12156966.00		12880264.00		0.00		0.00
8	Wind Power Generation	UNIT	456203.00	3798253.00	416844.00	1854549.72	0.00	0.00	0.00	0.00
	<b>Grand Total</b>			<b>1054361448.29</b>		<b>749611021.10</b>		<b>25015173.00</b>		<b>18900362.00</b>

For Om Metals Infraprojects Limited

Director





# Cash Flow Statement for the year ended March 31, 2009

Particulars	Year Ended	
	2008-09 (Rs.)	2007-08 (Rs.)
<b>1 CASH FLOW FROM OPERATION ACTIVITIES</b>		
<b>A. Net Profit before Taxation and Extraordinary Item</b>	281145177.10	228657440.76
<b>Add:-</b>		
Depreciation	48282408.45	44015358.44
Interest and Bank Commission Paid	116591540.78	51216696.29
Loss on sale of Fixed Assets	115812.88	90518.00
Loss on Sale of Investment	12145179.96	0.00
Public Issue Exp. Written off	11434865.00	11434865.00
	<b>469714984.17</b>	<b>335414878.49</b>
<b>Less:-</b>		
Interest Reciept	102144513.33	96088687.28
	<b>102144513.33</b>	<b>96088687.28</b>
<b>B. Operating Profit before working capital changes</b>	367570470.84	239326191.21
<b>Adjustments for:</b>		
Trade and other receivable	-174381086.88	-111311793.35
Inventories	-284744872.03	-252654097.96
Loans & Advance	-114497568.20	-260768425.25
Trade & Other Payable	95608355.61	106343416.02
Provision for Gratuity & Leave Encashment	1596902.00	-79188.00
	<b>-108847798.66</b>	<b>-279143897.33</b>
<b>Less:-</b>		
Direct Taxes Paid	-48766324.20	137380311.12
Net cash flow from operating activities <b>(A)</b>	<b>-60081474.46</b>	<b>-416524208.45</b>
<b>Cash flow from investing activities:</b>		
Purchase of fixed assets	-91948343.41	-92647460.51
Increase in Capital,WIP and Advances	40013526.50	-28771522.00
Investments	135181314.14	-392914232.51
Sale of Fixed Assets	9038548.00	878453.46
Interest received	102144513.33	96088687.28
Capital Receipt under relinquishment of Right in JV	0.00	407704074.00
Net cash flow from/used in investing activities <b>(B)</b>	<b>194429558.56</b>	<b>-9662000.28</b>

# Cash Flow Statement for the year ended March 31, 2009

Particulars	Year Ended	
	2008-09 (Rs.)	2007-08 (Rs.)
<b>Cash Flow from financing activities:</b>		
Interest and Bank Commission paid	-116591540.78	-51216696.29
Secured Loan as Term Loan	147342939.66	172913407.41
Secured Loan as Work Cap.	258295808.34	-18792642.33
Dividend / Dividend Tax Paid	-20897445.00	0.00
Net cash used in financing activities (C)	<b>268149762.22</b>	<b>102904068.79</b>
Increase/(Decrease) in cashand cash equivalents		
A. Cash Flow from Operating Activities	-60081474.46	-416524208.45
B. Cash Flow from Investing Activities	194429558.56	-9662000.28
C. Cash Flow from Financing Activities	268149762.22	102904068.79
Net Increase / Decrease in Cash Flow During Year	402497846.32	-323282139.94
Cash and cash equivalents at beginning of year	1022608138.90	1345890278.84
Cash and cash equivalents at end of the year	<b>1425105985.22</b>	<b>1022608138.90</b>
NOTES TO ACCOUNTS	18	

The schedule referred to above and the notes on Accounts form an integral part of the Cash flow Statement

As per our Report of even date annexed

For M.C.Bhandari & Co.  
Chartered Accountants  
S. K. Mahipal  
Partner  
M.No.70366  
Place : Kota  
Date : 30-06-2009

For and on behalf of Board of Directors

sd/-  
Dr. T.C.Kothari  
Chairman  
  
sd/-  
Sunil Kothari  
Director

sd/-  
C.P.Kothari  
Managing Director  
  
sd/-  
Reena Jain  
Company Secretary

sd/-  
D.P.Kothari  
Director  
  
sd/-  
S. K. Jain  
(CFO)



# Balance Sheet abstract and company's general business profile:

## 1. REGISTRATION DETAILS

Registration No. L27203RJ1971PLCO03414  
Balance sheet date 31st March 2009

## 2. CAPITAL RAISED DURING THE YEAR

Public Issue Nil  
Right Issue Nil  
Bonus Issue Nil  
Private placement (Promoter's contri.) Nil

## 3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS:

Total Liabilities 45039.76  
Total Assets 45039.76

### SOURCES OF FUNDS:

Paid up Capital 963.04  
Reserves & Surplus 33870.59  
Deffered tax Liabilities 347.15  
Secured Loans 9858.98  
Unsecured Loans 0.00

### TOTAL :-

**45039.76**

### APPLICATION OF FUNDS:

Net fixed assets 13496.45  
Investments 4246.67  
Net current assets 27067.94  
Misc exp. 228.70

**45039.76**

## 4. PERFORMANCE OF THE COMPANY;

Turn over 11584.17  
Total Expenditure 8772.72  
Profit before tax 2811.45  
Profit after tax 2482.29  
Earning per share in Rs. 2.58  
Dividend rate % 10%

## 5. GENERIC NAMES OF THERE PRINCIPAL PRODUCTS/SERVICE OF THE COMPANY

(As per monetary terms)

Item code No.

1. Mfg. gates & gate parts
2. Hotel cum Revolving Restaurant
3. Cinema
4. Real Estate

Products/ services description

For and on behalf of Board of Directors

For M.C.Bhandari & Co.

Chartered Accountants

S. K. Mahipal

Partner

M.No.70366

Place : Kota

Date : 30-06-2009

sd/-

Dr. T.C.Kothari

Chairman

sd/-

Sunil Kothari

Director

sd/-

C.P.Kothari

Managing Director

sd/-

Reena Jain

Company Secretary

sd/-

D.P.Kothari

Director

sd/-

S. K. Jain

(CFO)

# CONSOLIDATED



# Auditor's Report

## Auditor's Report to the Board of Directors of Om Metals Infra-projects Limited on the consolidated financial statements of Om Metals Infra-projects Limited, Its subsidiaries and joint ventures.

1. We have audited the attached consolidated Balance sheet of M/s. OM METALS INFRA PROJECT LIMIED ('the Company') and Its subsidiaries, joint ventures and Associates (collectively referred to as 'the Group'), as at 31.03.2009 , and also the consolidated profit and loss account and also the consolidated cash flow statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Om Metals Infracproject Limited's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. (a) We have not audited the financial statements of a subsidiary i.e. Om Metal Auto (P) Limited and joint ventures i.e. OMIL + JSC Ukrain, Kaming, Om Metals Consortium, Sanmati Infra Developers (P) Limited, Pondichary port Limited and Om Ray Joint Venture of Om Metals Infracprojects Ltd., whose financial statements (to the extent of the group's proportionate share) reflect total assets of Rs 7805.99 Lacs (Pyear Rs 6421.89 Lacs) as at 31.03.2009, the total revenue of Rs. 4182.89 (Previous years Rs. 4774.81 Lacs ) and net cash inflows amounting to Rs.3836.09 (Previous year net cash outflows Rs 3410.39 lacs) for the year then ended. These financial statements and other financial statements/ information have been audited by other auditors, whose reports have been furnished to us. And our opinion, in so far as it relates to the amounts included in respect of these subsidiary and joint ventures , is based solely on the report of other auditors.

The financial statements of joint venture or associate companies of Om Metals Real Estate Private Limited (100% Subsidiary) i.e. Om Shivay Real Estate Private Limited, N.K.P. Holding Priivate Limited, Om Metals Devlopers Private Limited, Om Sensation Properties Private Limited and Sanmati Build Con Private Limited as on 31.03.2009 are not available to us. In the absence of their financial statements we have not been adjusted in the consolidated financial statements.

#### 4. Subject to the matters referred to in paragraph 3 above:

- a) we report that the consolidated financial statements have been prepared by the company's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements, Accounting Standard(AS) 23, Accounting for investment in Associates in Consolidated Financial Statements and (AS) 27 Financial Reporting of interests in Joint ventures, notified pursuant to the Companies (Accounting Standards) Rules, 2006.
- b) Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India .
  - i. in the case of the consolidated balance sheet, of the State of affairs of the Group as at 31.03.2009;
  - ii. in the case of the consolidated profit and Loss account, of the consolidated profit of the Group for the year ended on that date; and
  - iii. In the case of the consolidated cash flow statement , of the consolidated cash flows of the Group for the year ended on that date .

For M.C. BHANDARI & CO.  
CHARTERED ACCOUNTANTS

Place : Kota (Raj.)  
Dated: 30-06-2009

(S.K. MAHIPAL)  
PARTNER  
M.No.70366

# Balance Sheet as at March 31, 2009

Particulars	Schedules	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>SOURCES OF FUNDS:</b>			
<b>Share Holder's Funds:</b>			
Share Capital	1	96303809.00	96303809.00
Reserves & surplus	2	3392563357.49	3184888273.80
		<b>3488867166.49</b>	<b>3281192082.80</b>
<b>Loan Funds:</b>			
Secured Loans	3	1011152814.28	693751186.06
Unsecured Loans	3A	69606339.60	78660299.85
		<b>1080759153.88</b>	<b>772411485.91</b>
Minority Interest		698788.65	885982.00
Deferred Tax Liabilities (Net)		34546921.00	35565532.00
<b>(Refer note no. 15)</b>			
<b>Total Sources of Funds</b>		<b>4604872030.02</b>	<b>4090055082.71</b>
<b>APPLICATION OF FUNDS:</b>			
<b>Fixed Assets:</b>			
Goodwill		3884847.35	3884847.35
Gross Block	4	1911791903.33	1815786643.22
Less : Depreciation to date		252091836.23	202563310.35
		1659700067.10	1613223332.87
Add : capital work in progress/Advance		441904628.05	465110830.60
		<b>2105489542.50</b>	<b>2082219010.82</b>
<b>Investments</b>	5	419721813.96	581678868.00
<b>Current Assets, Loans &amp; Advances</b>			
Inventories	6	879290358.85	545633587.85
Sundry debtors		446370260.96	250046309.37
Cash and bank balances		1437300264.72	1053690758.06
Loans and advances		353815856.84	402977456.72
		3116776741.37	2252348112.00
Less: Current liabilities & Prov.			
Liabilities	7	900741660.68	715465810.79
Provisions	8	173584750.00	159914305.19
		<b>2042450330.69</b>	<b>1376967996.02</b>
Miscellaneous Expenditures (To the extent not written off or adjusted)	9	37210342.87	49189207.87
<b>Total application of funds</b>		<b>4604872030.02</b>	<b>4090055082.71</b>
NOTES TO ACCOUNTS	18		

The schedule referred to above and the notes on Accounts form an integral part of the Cash flow Statement

As per our Report of even date annexed For and on behalf of Board of Directors

For M.C.Bhandari & Co.

Chartered Accountants

S. K. Mahipal

Partner

M.No.70366

Place : Kota

Date : 30-06-2009

sd/-

T.C.Kothari

Chairman

sd/-

C.P. Kothari

Managing Director

sd/-

D.P. Kothari

Director

sd/-

Reena Jain

Company Secretary



## Profit and Loss Account as at March 31, 2009

Particulars	Schedules	2008-09 (Rs.)	2007-08 (Rs.)
<b>INCOME:</b>			
Turnover	10	1470821492.46	1222178697.48
Less: Excise duty on sales of Engg. goods		25499357.00	9072189.00
		<b>1445322135.46</b>	<b>1213106508.48</b>
Other Income	11	18633471.19	26063160.44
Increase (decrease) in stocks	12	94415131.49	236917221.44
<b>Total</b>		<b>1558370738.14</b>	<b>1476086890.36</b>
<b>EXPENDITURE:</b>			
Material consumed / Trading Purchases	13	797708921.23	949597737.72
Payments to & prov. for employees	14	66107955.97	43875502.00
Manufacturing & Operating Expenses	15	182090794.07	151605971.39
Establishment & selling expenses	16	155094211.08	94740400.57
Financial expenses	17	19772441.88	-42998808.82
		<b>1220774324.23</b>	<b>1196820802.86</b>
Profit before depreciation & taxation		337596413.91	279266087.50
Less: Depreciation		55842286.45	48517557.54
Less: Transferred from Revaluation Reserve		299373.06	344782.32
Less: Depreciation Capitalised		104979.00	95175.50
		<b>55437934.39</b>	<b>48077599.72</b>
Profit before taxation		282158479.52	231188487.78
Less: Provision for income tax		34463000.00	73867900.00
Less: Provision for Wealth Tax		625000.00	600000.00
Add: MAT credit entitlement		1445815.00	39300000.00
MAT credit entitlement (2006-07)		0.00	8000000.00
Less: Fringe benefit tax		1954175.00	1690577.00
Less: Deferred tax charge/(Credit)		(1018611.00)	19136497.00
Profit after tax		<b>247580730.52</b>	<b>183193513.78</b>
Less: Transfer to Capital profit (pre Acquisition)		0.00	615152.65
Less: Transfer to Joint venture Capital a/c		0.00	0.00
Less:- Share of Minority in Profit/ (Loss) of subsi. Co.		(194180.04)	494958.73
Balance brought forward from previous year		643345526.57	503898283.17
Add: Corporate Dividend Tax Written back		1636684.00	0.00
<b>Profit available for appropriation.</b>		<b>892757121.13</b>	<b>685981685.57</b>
<b>Appropriations</b>			
Share of Loss in Sanmati Infra Dev. (P) Ltd(P.Year)		(1710.00)	16480.00
Preliminary Exp. of Sub. Co. Om Auto (P) Ltd		(21529.31)	85550.00
Transfer to General Reserve		24000000.00	20000000.00
Proposed Dividend on equity Shares			
- Interim		9630381.00	0.00
- Final		0.00	19260762.00



## Profit and Loss Account as at March 31, 2009

Particulars	Schedules	2008-09 (Rs.)	2007-08 (Rs.)
Corporate dividend Tax		1637165.00	3273367.00
Income Tax Exp. Earlier year		39823212.12	0.00
Balance carried to balance sheet		817689602.32	643345526.57
		892757121.13	685981685.57
Basic and Diluted Earning per Share (Rs. )		2.57	1.90
Nominal value of share (Rs. )		1	1
Ref. Note No. (7) in schedule 18			
NOTES TO ACCOUNTS	18		

The schedule referred to above and the notes on Accounts form an integral part of the profit and loss account.

Signed in terms of our report of even  
date annexed

For and on behalf of Board of Directors

For M.C.Bhandari & Co.  
*Chartered Accountants*  
S. K. Mahipal  
Partner  
M.No.70366

sd/-  
Dr. T.C.Kothari  
Chairman

sd/-  
C.P. Kothari  
Managing Director

sd/-  
D.P. Kothari  
Director

sd/-  
Reena Jain  
Company Secretary

Place : Kota  
Date : 30-06-2009



# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## SCHEDULE - 1

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>SHARE CAPITAL:</b>		
<b>AUTHORISED</b>		
101600000 Equity Share Of Rs.1/- each	101600000.00	101600000.00
<b>ISSUED,SUBSCRIBED AND PAID UP</b>		
96303809 Equity Share Of Rs.1/- each	96303809.00	96303809.00
<b>Total</b>	<b>96303809.00</b>	<b>96303809.00</b>

### Notes:

- In accordance with the resolution passed by shareholders through postal ballot on 06-08-2005 equity shares of the face value of Rs. 10/- each were divided into 10 equity shares of Rs. 1/- each.
- Above issued,subscribed and paidup capital includes :-
  - 42554000 nos.of fully paid Equity Share of Rs.1/- each were allotted as bonus shares by way of capitalisation of reserves and Profit & Loss Account
  - 20112659 Shares of Rs. 1 each have been allotted for consideration other than cash, pursuant to the scheme of amalgamation sanctioned by Hon'ble High Court of Rajasthan dated 19.01.2007 to the share holders of erstwhile :-

Om Rajasthan Carbide Limited	5476259	equity shares
Jupiter Manufacturing Co. (P) Limited	5318400	equity shares
Om Structural India (P) Limited	5808000	equity shares
Om Kothari Cement & Chemicals (P) Limited	1410000	equity shares
SAH Buildcon (P) Limited	1050000	equity shares
Richa Builders (P) Limited	1050000	equity shares
<b>Total :-</b>	<b>20112659</b>	
- Out of the shares issued under scheme of amalgamation ,5044160 shares, shall remain in lock in period for three years from the date of listing at BSE i.e 19.03.2007

# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## RESERVES AND SURPLUS

## SCHEDULE - 2

Particulars	As at 31-03-2009 (Rs.)	As at 31-03-2009 (Rs.)	As at 31-03-2008 (Rs.)	As at 31-03-2008 (Rs.)
<b>A. Revaluation Reserve</b>				
As per last balance sheet	4317201.98		4661984.30	
Less:- Transferred to P & L A/c	299373.06		344782.32	
		4017828.92		4317201.98
<b>B. Capital Reserve</b>				
As per last Balance sheet	1231810945.25		824106871.25	
Add:- Capital receipts under relinquishment of rights in JV	0.00	1231810945.25	407704074.00	1231810945.25
<b>C. Security Premium</b>				
As per last balance sheet	1229264600.00		1224764600.00	
Add:- Received during the year	0.00	1229264600.00	4500000.00	1229264600.00
<b>D. General Reserve</b>				
As per last balance sheet	76150000.00		56150000.00	
Add:- Transferred from P&L A/c*	33630381.00	109780381.00	20000000.00	76150000.00
<b>E. Surplus</b> (Profit as per profit and loss account annexed )		817689602.32		643345526.57
<b>Total</b>		<b>3392563357.49</b>		<b>3184888273.80</b>

\* Includes corporate dividend aggregating of Rs. 9630381 provided in previous year not approved by share holders.

## SCHEDULE - 3

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>SECURED LOANS:</b>		
<b>a) TERM LOAN:</b>		
From SBBJ	335096025.90	321513986.98
See note No.1 (a)		
From Others banks	151071240.55	53770431.14
See note No.1(b)		
<b>Sub-Total</b>	<b>486167266.45</b>	<b>375284418.12</b>
<b>a) Working Capital Loan</b>		
From Banks (Rupee loan)	348117170.83	230252007.80
(See note No.2)		
<b>b) Short Term Loan against FDR</b>		
from Bank	176868377.00	88214760.14
(See note No.3)		
<b>Sub-Total</b>	<b>524985547.83</b>	<b>318466767.94</b>
<b>Total</b>	<b>1011152814.28</b>	<b>693751186.06</b>



**Note:**

- i. Term Loan includes Rs 2517.97 lacs due within a year.

**Note:**

- 1 a) Rupees term loan from banks are secured/to be secured by first charge by way of mortgage, by deposit of title deeds in respect of immovable properties and hypothecation of the movable fixed assets of the company, both present and future (save and except book debt and other current assets) of Hotel division Jaipur (Raj.) , Multiplex Division , Kota (Raj.) and property located at VKI Jaipur (Raj.) including wind mill and further secured by way of personal guarantees of Shri T.C. Kothari, C.P Kothari and D.P. Kothari directors of the company. The term loan of Om Metals Consortium are secured by way of bank guarantee issued by SBBJ and proposed land of MADA.

Rupees term loan from banks are further secured by way of equitable mortgage of lease of land belonging to M/s. Om Kothari Pariwari Trust (Family trust) located at Jaipur for Hotel division.

- (b) Secured by way of Hyp. of vehicles/Machineries financed by other banks.
2. Cash credit loans from banks are secured by way of hypothecation of all stocks and book debts on ranking pari - passu basis inter se between the lender. These loans are further secured / to be secured on pari-passu charges by way of first charge by way of mortgage, by deposit of title deeds in respect of immovable properties and second charges on all the assets of the company (except on which secured loans taken from banks and other parties) & personal guarantees of the Shri T.C.Kothari, Shri C.P.Kothari and Shri D.P.Kothari Directors of the company and further secured by way of equitable mortgage of land & building belonging to Jupiter Metals (P) Ltd and Hypothacation of Plant & machinery of OMML JSC JV Kameg. (Arunachal Pradesh).
3. Secured by way of deposit of FDR.
4. In the case of Bank Gaurantee Limits, it is secured by way of deposit of FDR and counter gaurantee of the Company and collateral securities as mentioned above (2) and personal guarantees of the directors i.e. Shri T.C. Kothar, Shri C.P. Kothari and Shri. D.P. Kothari of the Company and further secured as collateral securities as mentioned above (2) & 3 on ranking pari-passu basis inter se between the lender .

**SCHEDULE - 3A**

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>UNSECURED LOANS :</b>		
1 From Others	69606339.60	78660299.85
2 From other on short term demand	0.00	0.00
<b>Total</b>	<b>69606339.60</b>	<b>78660299.85</b>

# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009 Fixed Assets

## SCHEDULE - 4

PARTICULARS	AS AT 1/4/2008	ADDITIONS	SALES/ TRANSFER	TOTAL COST AS AT 31-03-2009	DEPRECIATION UP TO 31-03-08	DEPRECIATION DURING THE YEAR	TRANSFER WRITTEN BACK	TOTAL DEPRE- CIATION	W.D.V. 31-03-2009	W.D.V. 31-03-2008
Free Hold Land	127213160.00	0.00	0.00	127213160.00	0.00	0.00	0.00	0.00	127213160.00	127213160.00
Lease hold land including Tanancy right	834035188.00	0.00	0.00	834035188.00	483208.74	86626.00	0.00	569834.74	833465353.26	833551979.26
Agriculture Land	557714.02	0.00	0.00	557714.02	0.00	0.00	0.00	0.00	557714.02	557714.02
Building/ Temp. Labour Building/ Shed	487586709.73	12533509.40	8311627.40	491808591.73	65249050.73	13680592.42	0.00	78929643.15	412878948.58	422337659.00
Plant & Machinery	286073449.48	97993859.31	18779491.07	365287817.72	95517729.42	32351696.86	2952142.85	124917281.95	240370535.77	190555720.95
Furniture & Fixture	32328601.81	6652974.07	0.00	38981575.88	14493799.22	3027664.58	0.00	17521463.76	21460112.12	17834802.59
Office Equipments	8786635.80	2383903.00	0.00	11170538.80	4476600.68	784459.36	0.00	5261060.02	5909478.78	4310035.12
Computer	8075083.05	1106510.80	0.00	9181593.85	4359219.61	1826634.94	0.00	6185854.55	2995739.30	3715863.44
Vehicle	31130101.33	6724655.00	4299033.00	33555723.33	17983701.95	4084617.58	3361623.00	18706698.06	14849025.27	13146398.49
<b>TOTAL</b>	<b>1815786643.22</b>	<b>127395411.58</b>	<b>31390151.47</b>	<b>1911791903.33</b>	<b>202563310.35</b>	<b>55842291.74</b>	<b>6313765.85</b>	<b>252091836.23</b>	<b>1659700067.10</b>	<b>1613223332.87</b>
Capital Work in Progress										
Om Metals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19746633.50	59760160.00
Infraprojects Ltd.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27743409.50	18698224.00
Podicherry Port Ltd.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	393214585.05	386652446.60
Om Metals Consortium	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12000000.00	0.00
OMIL + JSC JV Kameng	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Total Capital Work in Progress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	441904628.05	465110830.60
<b>Grand Total</b>	<b>1815786643.22</b>	<b>127395411.58</b>	<b>31390151.47</b>	<b>1911791903.33</b>	<b>202563310.35</b>	<b>55842291.74</b>	<b>6313765.85</b>	<b>252091836.23</b>	<b>2101604695.15</b>	<b>2078334163.47</b>
<b>Figures for the previous year</b>	<b>1427089798.80</b>	<b>391658976.88</b>	<b>2962132.00</b>	<b>1815786643.22</b>	<b>154982101.75</b>	<b>48517557.54</b>	<b>935036.65</b>	<b>202563310.35</b>	<b>2078255077.97</b>	<b>1544352803.80</b>



# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## SCHEDULE - 5

Particulars	No.	Face Value	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>1 A LONG TERM INVESTMENTS:</b> (Government and other securities (unquoted) National Saving Certificate ( Deposited with in Sales Tax Dept. interest is to be adjusted on realisation )			30000.00	22000.00
<b>B OTHER INVESTMENTS INCL. JV (UNQUOTED)</b> Ordinary Share (Fully paid up) Sanmati Infra Developers Pvt. Ltd. Sanmati Infra Developers Pvt. Ltd. (Share Warrant) Om Shivaya Real Estate (P) Ltd . JV Om Metals Developers (P) Limited Om Sensational Properties Pvt. Ltd. Sanmati Buildcon Pvt. Ltd. Om Infratech Pvt. Ltd. Sanyon Properties Pvt. Ltd. Om Gaima Projects Pvt. Ltd. (J.V.)	500000 450000 500000 3250 1250 16000 80000 531500 4900	10.00 10.00 10.00 10.00 10.00 10.00 10.00 10.00 10.00	4985230.00 4500000.00 5000000.00 32500.00 12500.00 160000.00 0.00 5315000.00 49000.00	4983520.00 0.00 50000.00 25000.00 12500.00 160000.00 800000.00 5315000.00 0.00
			<b>20054230.00</b>	<b>11346020.00</b>
<b>C OTHER INVESTMENTS ( QUOTED)</b> Ordinary Share (Fully paid up) Manglam Timber Ltd. Reliance Capital Ltd. * Reliance Communication Ltd. * Reliance Infrastructure Ltd. * Relinace Natural Resources Ltd * Reliance Industries Ltd. * State Bank of India Century Enka Ltd. Shiv Vani Oils Ltd. ABN Amro Fixed Term Plan S-10 Standard Chartered Arbitrage Fund JM Emerging Leaders Fund JM Basic Mutual fund JM Basic Fund Growth Plan ABN Amro MIP HSBC MIP	800 3 60 4 60 100 50 20 31500 15000000 5000000 311964 196036 196036 2385072 4558854	10.00 10.00 5.00 10.00 5.00 10.00 10.00 10.00 10.00 10.00 10.00 16.03 25.51 6.59 10.48 10.97	17040.00 897.00 8972.00 1196.00 8972.00 17963.00 5000.00 6000.00 15044584.93 0.00 0.00 5000000.00 0.00 1292774.00 0.00 0.00	17040.00 897.00 8972.00 1196.00 8972.00 17963.00 5000.00 6000.00 0.00 15000000.00 5000000.00 5000000.00 5000000.00 0.00 25754690.00 50970987.00

# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## SCHEDULE - 5

Particulars	No.	Face Value	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
DSPML India Tiger fund	232317	27.98	0.00	6500000.00
DSP Blackrock Tigre Growth Fund	232317	10.53	2445744.00	0.00
Reliance Vision fund	41011	95.62	0.00	2500000.00
Reliance Vision Growth Plan	8560	128.82	1102698.61	0.00
Reliance Banking fund	70902	70.52	0.00	5000000.00
Reliance Banking Fund Growth Plan	70902	70.52	2603726.42	0.00
Sundram BNP Paribas Fund	119124	20.98	0.00	2500000.00
Sundram BNP Capex Growth Plan	90546	11.72	1061285.00	0.00
			<b>28616852.96</b>	<b>303291717.00</b>
<b>D INVESTMENT IN JV/PARTNERSHIP/ SUBSIDIARY</b> (Refer note no-.16)				
Om Shivaya Real Estate Pvt. Ltd. JV			175100000.00	180100000.00
Sanmati Buildcon Private Ltd. JV			1890000.00	1890000.00
Om Metals Developers (P) Ltd. JV			184029231.00	75027631.00
Om Sensational Properties Pvt. Ltd. JV			10001500.00	10001500.00
			371020731.00	267019131.00
<b>Grand Total</b>			<b>419721813.96</b>	<b>581678868.00</b>

### NOTE :

1. Aggregate value of investments	Quoted	286.17	3032.92
	Unquoted	200.54	113.46
	Market price-quoted	116.55	2965.71
2. IPCL Amalgamated and share allotted in amalgamated compnies.			

## SCHEDULE - 6

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>CURRENT ASSETS, LOANS &amp; ADVANCES:</b>		
<b>1 INVENTORIES</b>		
<b>A RAW MATERIAL &amp; STORES</b>		
i. Raw material, accessories & components food beverage & liquor	262431074.85	52299379.97
ii. Store & spares and coal	2765793.31	1375759.57
iii. Goods in transit	2779564.00	61007362.20
<b>B FINISHED GOODS</b>		
Fabricated goods, Cars and others	71830327.88	78859544.13



# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## SCHEDULE - 6

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>C WORK IN PROGRESS</b>		
Engineering division including real estate of sub.	401156281.59	299711933.85
Real estate	138167774.69	52255188.00
<b>D Others</b>	159542.53	124420.13
<b>Sub Total (A)</b>	<b>879290358.85</b>	<b>545633587.85</b>
<b>2 SUNDRY DEBTORS</b>		
(Unsecured considered good except to the extent stated)		
a) Debtors outstanding for a period exceeding 6 months.	25472301.45	35600995.08
b) Other debtors	420897959.51	214445314.29
<b>Sub Total (B)</b>	<b>446370260.96</b>	<b>250046309.37</b>
<b>3. CASH &amp; BANK BALANCE</b>		
a) Cash in hand	5323332.50	6908600.84
b) Balances with Scheduled Banks		
i. In Current Account	169577965.64	62331572.41
ii. In Saving Bank A/c	35129.93	65087.58
iii. In Fixed Deposit Receipts and in margin account. (includes FDR Rs. 1254.55 lacs (Rs 718.94 lacs in P. year) pledged with banks against B.G./L.C. Issued by the Banks.)	1191990172.84	941993728.55
iv. Interest accrued on FDR	70373663.81	42391768.68
<b>Sub Total (C)</b>	<b>1437300264.72</b>	<b>1053690758.06</b>
<b>4 LOANS AND ADVANCES</b>		
Unsecured (Considered good unless otherwise stated)		
1 Loans		
i. Corporate Loans	50702838.00	35687121.00
ii. Others to staff	362765.57	425611.98
iii. To Joint Venture/Associates (See note no 16 )	16867699.40	1415074.80
2 Advances recoverable in cash or in kind or for value to be received	74359086.25	74083987.79
3 Balance with customs & central excise authorities etc.	6043806.55	3174828.80
4 Deposits	44189736.76	42552469.86
5 Income taxes paid including FBT & MAT credit entitlement	161289924.31	245638362.49
<b>Sub Total (D)</b>	<b>353815856.84</b>	<b>402977456.72</b>
<b>Grand Total (A+B+C+D)</b>	<b>3116776741.37</b>	<b>2252348112.00</b>



# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## SCHEDULE - 7

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
<b>SUNDRY CREDITORS</b>		
For Goods		
i. Total out standing dues of Micro, small and Medium enterprises Development Act, 2006 for goods & others (Ref Note No 8 of Schedule No. 18)	2278282.62	1131059.32
ii. Total out standing dues of Creditors other than Micro, small and medium enterprises	135161828.34	90154350.70
For Expenses & other Liabilities	68258529.52	44528525.69
For Capital Goods	0.00	0.00
Government dues	11608807.92	7700371.83
Advance & Security deposit from Customers,	662950394.88	551589254.85
Deposit from OMIL-JSC JV	20000000.00	20000000.00
Unclaimed statutory liabilities (as referred in Sec 205 C of the Companies Act,1956)		
Unclaimed dividend *	483817.40	362248.40
<b>Grand Total</b>	<b>900741660.68</b>	<b>715465810.79</b>

### Note:

- The Bank Guarantee of Rs. 5875.22 Lacs issued by Bank for advance taken from Customers.(in previous year Rs. 6103.12 Lacs)
- \*Pending for reconciliation

## SCHEDULE - 8

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>PROVISIONS</b>		
For Income tax	163847293.00	131439155.69
For Wealth tax	625000.00	600000.00
For F B T	2189175.00	1706905.00
For Gratuity	4002037.00	2924674.00
For Leave Encashment	1284080.00	709441.50
Proposed final dividend on Equity Shares	0.00	19260762.00
Tax on intrim dividend	1637165.00	3273367.00
<b>Total</b>	<b>173584750.00</b>	<b>159914305.19</b>
<b>Grand Total</b>	<b>1074326410.68</b>	<b>875380115.98</b>



# Schedule Annexed to and forming part of the Balance Sheet

as at March 31, 2009

## SCHEDULE - 9

Particulars	Figures as at 31-03-2009 (Rs.)	Figures as at 31-03-2008 (Rs.)
<b>MISCELLANEOUS EXPENDITURE</b> (To the extent not written off or adjusted)		
Preliminary Exp.	133465.00	133465.00
Less: 1/5 <sup>th</sup> written off during the year	740.00	0.00
	132725.00	133465.00
Deferred Revenue Exp.		
Opening Balance	14751144.87	12845337.00
Add. Addition during the year	55150.00	1905807.87
	14806294.87	14751144.87
Less: Written off during the year	598410.00	0.00
	14207884.87	14751144.87
Public Issue Expenses ( Op. Balance)	34304598.00	45739463.00
Less: 1/5 <sup>th</sup> written off during the year	11434865.00	11434865.00
	22869733.00	34304598.00
<b>Grand Total</b>	<b>37210342.87</b>	<b>49189207.87</b>

## SCHEDULE - 10

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>TURNOVER:</b>		
Sales of products, erection & escla. receipts(Engg )	797688370.60	581645287.40
Vehicle & its Spare Parts Sales & Labour Charges	357693624.57	469456455.98
Transportation receipts	13383080.00	4436292.00
Drawing & design receipts	1009143.00	2550373.00
Turnover of real estate bussiness	231580273.69	83750416.00
Guest accomo.,rest./canteen,food & beverage receipts of Hotel business	53511781.60	65605059.38
Bussiness income from multiplex	12156966.00	12880264.00
Receipts from wind power electric generation	3798253.00	1854549.72
	<b>1470821492.46</b>	<b>1222178697.48</b>

## SCHEDULE - 11

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>OTHER INCOME</b>		
Dividend receipts	2082705.51	11477297.24
Rent and hire charges	2219700.00	3995891.00
Miscellaneous receipts	5740146.68	4953364.86
Profit on sale of Investment	0.00	1953210.95
Profit on sale of fixed assets	0.00	17621.39
Share of Profit from Om Ray JV (Previous Years)	7964683.00	0.00
Excess Provision written back	626236.00	3665775.00
<b>Total</b>	<b>18633471.19</b>	<b>26063160.44</b>

# Schedule Annexed to and forming part of the Profit and Loss Account as at March 31, 2009

## SCHEDULE - 12

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>INCREASE (DECREASE) IN STOCKS</b>		
<b>OPENING STOCK</b>		
Finished Goods	78859544.13	29700094.54
Work in Progress	299711933.85	112429631.00
Less: Transfer of W.I.P. to Kameing J.V./F. Assets	0.00	475469.00
<b>Sub Total</b>	<b>378571477.98</b>	<b>141654256.54</b>
<b>CLOSING STOCK</b>		
Finished Goods	71830327.88	78859544.13
Work in Progress	401156281.59	299711933.85
<b>Sub Total</b>	<b>472986609.47</b>	<b>378571477.98</b>
<b>INCREASE (DECREASE) IN STOCK</b>	<b>94415131.49</b>	<b>236917221.44</b>

## SCHEDULE - 13

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>CONSUMPTION OF MATERIAL/TRADING ACTIVITIES</b>		
Opening Stock	52299379.97	42334118.44
Add : Purchases including accessories & boughtout item / semi finished, food & beverage & liquor	705115099.24	480824354.82
<b>Sub - Total</b>	<b>757414479.21</b>	<b>523158473.26</b>
	262431074.85	52299380.97
Purchases of finished goods / parts for trading activities	494983404.36	470859092.29
	302725516.87	478738645.43
<b>Total</b>	<b>797708921.23</b>	<b>949597737.72</b>

## SCHEDULE - 14

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>PAYMENTS TO AND PROVISIONS FOR EMPLOYEES</b>		
Salaries, Wages, Bonus & Allowances etc.	57008284.34	38058300.47
Contribution of PF, ESI and other welfare fund scheme	3169903.75	2234982.50
Gratuity	1069398.00	258965.00
Employee Welfare Exp. Including compensation	4860369.88	3323254.03
<b>Total</b>	<b>66107955.97</b>	<b>43875502.00</b>



# Schedule Annexed to and forming part of the Profit and Loss Account as at March 31, 2009

## SCHEDULE - 15

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>MANUFACTURING, AND OPERATING EXPENSES</b>		
Power & Fuel Expenses	16890281.82	16277538.55
Stores, Spares & Tools Consumed.	23409874.00	24632295.69
Job & other work exp. including drawing & design	100213975.98	47823852.60
Rent/Hire charges for equipment	6750493.00	38864712.00
Transportation Expenses	19461676.36	8617747.00
Repairs & Maintenance		
a) To Machinery	3355254.18	2342296.72
b) To Building	2172987.99	4342623.00
Insurance Expenses	4307677.20	2522814.40
House up-keeping & other hotel / rest. exp.	4185125.75	4200978.09
linen, wares & cutlery, crockeries & laundry expenses	1343447.79	1981113.34
<b>Total</b>	<b>182090794.07</b>	<b>151605971.39</b>

## SCHEDULE - 16

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>ESTABLISHMENT &amp; SELLING EXP.</b>		
Remuneration to directors	11598500.00	7350000.00
Rent	10327400.80	8142900.00
Rates & taxes	1690722.00	353451.00
Telephone, telex & postage	6170159.18	5576814.52
Travelling & conveyance expenses	24303888.67	17228366.10
Legal, consultancy, retainership, professional arbitration expenses	36721909.25	12329465.00
General repairs	1659127.27	2755482.12
Vehicle running & maintenance	6036215.04	5708070.29
Miscellaneous expenses	21241801.42	18197123.63
Audit fees	376913.00	377290.00
Charity & donation	2213100.00	1254800.00
Advertisement	3849183.61	1752716.91
Public Issue exp. written off and Other exp. W/off	12062531.00	11463381.00
Claims / rebate & discount exp.	2662157.00	86181.00
Keyman insurance	1894610.00	1894610.00
Loss on Sales of Investment	12145179.96	0.00
Loss on Sales of Fixed Assets	115812.88	90518.00
Brokerage & Commission	25000.00	179231.00
<b>Total</b>	<b>155094211.08</b>	<b>94740400.57</b>

# Schedule Annexed to and forming part of the Profit and Loss Account as at March 31, 2009

## SCHEDULE - 17

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
<b>FINANCIAL EXPENSES</b>		
Bank charges & Guarantee comission	17215062.63	18909556.89
Interest paid		
a) On Term Loan	42980864.77	23526803.04
b) On working capital/others/project Authority	62496431.00	13364543.67
<b>Sub Total</b>	<b>122692358.40</b>	<b>55800903.60</b>
Less:		
Interest from deposit & Others (Gross)	102919916.52	98799712.42
	<b>19772441.88</b>	<b>-42998808.82</b>

## SCHEDULE - 18

### CONSOLIDATED NOTES TO THE ACCOUNTS :

#### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

##### A. BASIS OF PREPARATION:

The Consolidated Financial Statements (CFS) have been prepared to comply in all material respects with the Notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which provision for impairment is made, revaluation is carried out and claims of liquidated damages on supplies, Warranties, fuel escalation charges payable to the electricity board and other claims accounted for on receipt/payment basis. The accounting policies have been consistently applied by the company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

The CFS relates to Om Metals Infraprojects Ltd. (hereinafter referred as the "Company") and its Subsidiaries, Joint Ventures and Associates (hereinafter referred as the "Group").

##### B. PRINCIPLE OF CONSOLIDATION:

In the preparation of these Consolidated Financial Statements, investment in Subsidiaries, Associates and Joint Ventures have been accounted for in accordance with Accounting Standards (AS) 21, Consolidated Financial Statements, Accounting Standards (AS) 23, Accounting for Investment in Associates in Consolidated Financial Statements and Accounting Standards (AS) 27, Financial Reporting of Interest in Joint Ventures. The Consolidated Financial Statements have been prepared on the following basis:

- i. Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances and intra group transactions and also unrealized profit or losses, except where cost can not be recovered.
- ii. Interests in the assets, liabilities, income and expenses of the joint ventures are consolidated using proportionate consolidation method. Intra group balances, transactions and unrealized profits/losses are eliminated to the extent of company's proportionate share.



- iii. The difference of the cost to the Company of its investment in Subsidiaries and Joint Ventures over its proportionate share in the equity of the investee company as at the date of acquisition of stake is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
- iv. Minority's interest in net profit of consolidated subsidiary for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the company. Minority's share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in the excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the holding company.
- v. Investment in entities in which the Group has significant influence but not the controlling interest, are reported according to the equity method i.e. the investment is initially recorded in at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the Company's share of net assets of the Associates. The consolidated profit and loss account includes the Company's share of the result of the operations of the associate.
- vi. As far as possible, the Consolidated financial statements are prepared using uniform accounting policies for like transactions and other event in similar circumstances and are presented in the same manner as the Company's separate financial statements. Differences in accounting policies have been disclosed separately.
- vii. The difference between the proceeds from disposal of investment in subsidiary and carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated statement of Profit & Loss Account as the profit or loss on disposal of investment in subsidiary.
- viii. The accounts of all the Group companies are drawn upto the same reporting date as the parent entity (i.e. Financial year ended 31st march,2009).

### **C. FIXED ASSETS AND DEPRECIATION:**

- a) Fixed Assets ( Other than land & building, plant & machinery of the company which has been re-valued and stated at the revalued figures ) are stated at cost net of cost less accumulated depreciation and impairment , if any. The Cost of acquisition or construction is inclusive of freight, duties, taxes and incidental/preoperative expenses and interest on loans attributable to the acquisition of assets upto the date of commissioning of assets . Capital subsidy received against specific assets is reduced from the value of relevant fixed assets .

#### **OM METALS INFRAPROJECTS LTD.**

- b) The depreciation has been provided on straight line method of depreciation at the rates and in the manner prescribed in Schedule XIV of the Companies Act 1956 except on assets used in Engg. Div. And Real Estate Div. of Om Metals Infraprojects Ltd. Which is on written down value method.
- c) Depreciation is not provided during the year in respect of assets sold, discarded etc during the year upto the date of sales/ discard.
- d) Depreciation is calculated on pro-rata basis from the date of additions except on. assets of Engg. Division which are depreciated for a full year.
- e) Lease hold land are not depreciated.

#### **OTHER SUBSIDIARIES, JOINT VENTURES & ASSOCIATES**

- f) In the case of Subsidiary companies depreciation have been provided on written down method as per rates specified in schedule XIV of the Companies Act 1956.

- g) In the case of Joint Ventures and Associates depreciation have been provided on Straight Line method as per rates specified in schedule XIV of the Companies Act 1956 except on assets used in Om Metal Consortium, Om Ray Joint Venture and OMIL + JSC (JV) KAMENG where depreciation is provided on Written Down Value method as per rates specified in Income Tax Act.

#### D. GOODWILL ON CONSOLIDATION:

Goodwill represents the difference between the group's share in the net worth of the investee companies and the cost of acquisition of each point of time of making the investment. For this purpose, the group's share of equity in the investee companies are determined on the basis of the latest financial statements of the respective companies available as on the date of acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

#### E. EXPENDITURE ON NEW PROJECT AND SUBSTANTIAL EXPANSION:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the profit & loss account. Income earned during construction period is deducted from the total of the indirect expenditure.

#### F. INVENTORIES:

Inventories are valued as follows:

1.	a)	Raw Material, Stores & Spares, Components, construction material. food & beverages and liquor	At cost (FIFO method) or net realizable value, whichever is lower.
	b)	Process Stocks	At cost or net realizable value, which ever is lower. Cost for this purpose includes direct cost and factory overheads allocated on absorption cost method.
	c)	Finished Goods	Cost as stated in (b) above or net realizable value*, which ever is lower. The cost here includes taxes and duties wherever applicable.
	d)	Goods in transit	Are stated at actual cost plus freight, if any.

\* Net realizable value is estimated selling price in the ordinary course of business.

#### 2. Hotel Division of holding Co.

Stock of operating supplies i.e. crockery, cutlery, glassware, utensils, linen etc. in circulation are treated as consumption as and when issued from the stores.

#### 3. Subsidiary Companies

##### Om Metals Auto Pvt. Ltd.

- i. Vehicles are valued at lower of cost or net realizable value. The cost comprises of cost of purchase and other expenses incurred in bring such inventory to there present location.
- ii. Spare Parts are valued at lower of cost or net realizable value which ever is lower. The cost comprise of cost of purchase and other expenses incurred in bringing such inventory to there present location.  
(The company is exclusive dealer of Toyota brand cars and having authorized service station.)
- iii. Determination of net realizable value involve technical judgments of management, which has been relied upon.



#### 4. Joint Ventures and Associates

1.	a)	Raw Material, Stores & Spares, Components, construction material.	At cost (FIFO method) or net realizable value, whichever is lower.
	b)	Process Stocks	At cost or net realizable value, which ever is lower. Cost for this purpose includes direct cost and factory overheads allocated on absorption cost method.
	c)	Finished Goods	Cost as stated in (b) above or net realizable value*, which ever is lower. The cost here includes taxes and duties wherever applicable.
	d)	Goods in transit	Are stated at actual cost plus freight, if any.

\* Net realizable value is estimated selling price in the ordinary course of business.

#### G. FOREIGN CURRENCY TRANSACTION:

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction .
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered by forward exchange contracts , the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c) Non monetary foreign currency items are carried at cost.
- d) Any income or expenses on account of exchange difference either on settlement or on translation is recognized as revenue except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

#### H. REVENUE RECOGNITION:

- a) Engineering Division of Om Metals Infra Project Limited:  
Sales of products (Fabricated goods) escalation and erection receipts are accounted for on the basis of bills/invoices acknowledged or paid by the project authorities.
- b) Other :  
Sales comprises of sales of goods, room sales etc. are excluding sales tax/VAT . It is being accounted for net of returns/ discount/claims etc .
- c) Income of interest on refund of income tax is accounted for in the year, the order is passed by the concerned authority .
- d) Revenue from construction contracts/projects and real estate are recognized on the percentage of completions method of accounting. Revenue is recognized , in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including land as against the total estimated cost of the project under execution subject to such actual costs being 30% or more of the total estimated cost . The estimates of saleable area and cost are revised periodically by the management. The effect of such changes to estimates is recognized in the period such changes are determined.
- e) Dividend from investments in shares/units is recognized when the company/mutual fund in which they are held declares the dividend and the right to receive the same is established.
- f) Subsidiary companies  
**Om Metals Auto Pvt. Ltd.**
  - i. Revenue from sales is recognized upon passage of title to the customer and generally coincides with the delivery. Sales are accounted for net of sales tax, other taxes, discounts and returns if any.



- ii. Job charges are accounted for net of service tax.
- iii. The consumption of oil & paints is taken on actual consumption basis in the year of repairing of vehicle.
- iv. Pay outs from Financial Banks and Insurance Companies on bank Finance & Insurance are accounted for as and when the confirmation of transaction received.

g) Joint Ventures and Associates

OMIL + JSC (JV) KAMENG:

Sales of products (Fabricated goods) escalation and erection receipts are accounted for on the basis of bills/invoices acknowledged or paid by the project authorities.

Others

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured.

Interest revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**I. LEASES:**

Lease where lessors effectively retains substantially all the risk and benefits of ownership of the leased term, are classified as operating lease. Operating lease payments are recognized as an expenses in the Profit and Loss account on a straight line basis over the lease term.

Assets Subject to operating lease are included in fixed assets. Lease income is recognized in the Profit and Loss Account on a straight-line basis over the lease term. Cost, including depreciation is recognized as an expenses in the Profit and Loss Account. Initial Direct costs such as legal costs, brokerages costs are recognized immediately in the profit and loss account.

**J. INVESTMENTS:**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long Term Investments .Current investments are carried at lower of cost and fair value determined on and individual investment basis. Long term investments are carried at cost. However, Provision for diminution in the value is made to recognize a decline other than temporary in the value of the investments.

**K. MISCELLANEOUS EXPENDITURE:**

(To the extent not written off or; adjusted) Miscellaneous expenditure such as public issue expenditure are amortized over a period of 5 years.

**L. RESEARCH & DEVELOPMENT:**

Research & development costs ( Other than cost of fixed assets acquired are charged as an expense in the year in which they are incurred.

**M. BORROWING COSTS:**

Borrowing costs are recognized as expenses in the period in which they are incurred except for borrowings for acquisition of qualifying assets which are capitalized upto the date, the assets is ready for its intended use.

**N. TAXATION:**

(a) Current Tax:

The income tax liability provided in accordance with the provisions of the Income Tax Act, 1961 or as advised by income tax consultant after claiming deduction under section 80 I .

(b) Deferred Tax Liabilities/(Assets)

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between



taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

c) Fringe benefit tax :

Fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the provision of Income Tax Act, 1961.

**O. RETIREMENT BENEFITS:**

a) Company's contribution to recognized provident fund maintained and managed by the office of regional provident fund commissioner paid/payable during the year is recognized the profit and loss account.

b) Gratuity:

The company provides for gratuity to all eligible employees. The benefit is in the form of lump sum payments to vested employees on resignation, retirement, on death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable to each completed year of service. Vesting occurs upon completion of 5 years of service. The company has not made annual contributions to funds administered by trustees or managed by insurance companies. Actuarial valuation for the liabilities has, however has not been done.

c) Leave Salaries:

Liabilities for privilege leave benefits, in accordance with the rules of the company is provided for, as prevailing salary rate for the entire un-availed leave balance as at the balance sheet date.

**P. IMPAIRMENT OF ASSETS:**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimation of recoverable amount

**Q. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources. Other contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statement.

**R. SEGMENT REPORTING POLICIES :**

Identification of segments

The company's operating businesses are organized and managed separately according to the nature of the products manufactures and service provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the locations of customers.

Allocated common costs

Common allocable cost are allocated to each segment in proportion to the relative sales of each segment.

Unallocated items:

All the common income, expenses, assets and liabilities which are not possible to be allocated to different segments, are treated as unallocated items.

**S. EARNING PER SHARE:**

Basic earnings per share is calculated by dividing the Net Profit or Loss for the period attributable to equity share holders (After deducting taxes etc.) by the weighted average number of the equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

## T. USE OF ESTIMATE:

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and Liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual result and estimates are recognized in the period in which results are known / materialized.

2. The Om Metal Group comprises of the following entities :

Name of the group company	Country of incorporation	% of ownership as at 31.03.2009	% of ownership as at 31.03.2008
Subsidiaries			
Om Metals Auto (P) Limited	India	75.5%	75.5%
Om Metal Real Estate (P) Limited	India	100%	100%
Subsidiaries of Om Metals Real Estate (P) Ltd.			
Om Metals Ratnakar (P) Ltd.	India	100%	100%
Joint Ventures/Associates of Om metals Infraprojects Ltd.			
OML +JSC Ukraïn (JV) Kaming	India	60%	60%
Om Metal Consortium	India	35%	35%
Pondicharry Port Limited	India	50%	50%
Sanmati Infra Developers (P) Ltd.	India	25%	25%
Om Ray Joint Venture	India	99.5% of Cont. value	99.5% of Cont. value
Om Gaima Projects Pvt. Ltd.	India	49%	0%
Associates/ J.V. of Om metals Real Estate (P) Ltd.*			
Om Metals Developers (P) Ltd.	India	32.50%	25%
Om Metals Infotech (P) Ltd.	India	50%	50%
Om Shivay Real Estate (P) Ltd.	India	50%	50%
Sanmati Builcon (P) Ltd.	India	33.33%	33.33%
Om Sansation Properties (P) Ltd.	India	12.50%	12.50%

\*Stake taken by Om Metals Real Estate (P) Ltd (100% Subsidiary) w.e.f. 04.07.2007.

3. CONTINGENT LIABILITIES (NOT PROVIDED FOR) IN RESPECT OF THE PARENT COMPANY:

(Rs. In Lacs)

S. No.	Particulars	As at 31.03.2009	As at 31.03.2008
i.	Outstanding bank guarantee *	13458.92	13395.95
ii.	Letter of credits accepted	2871.12	2677.65
iii.	Claims against the Company not acknowledged a debt relating to supplies and service matters including counter claims of project authorities.	1349.06	1394.34
iv.	Various labour cases	Amount not ascertainable	Amount not ascertainable
v.	Net show cause/demand/notices by excise deptt., service tax, income tax authorities being disputed by the company. (See note no. 10 below.)	745.77	1447.82

Based on favorable decisions in similar cases, legal opinion taken by the company., discussions with the solicitors, etc, the company believes that there is fair chance of decisions in its favour in respect of all the items listed in (iii) (iv) &(v) above and hence no provisions is considered necessary against the same.



- Out standing bank guarantee includes issued by banks, in favour of following joint venture/partnership firm.

(Rs. in Lacs)

Name of Joint Venture (JV) /partnership firm (PF)	O/s. Bank guarantee as at 31.03.2009	O/s. Bank guarantee as at 31.03.2008
OMIL+JSC, UKRAIN , KAMENG (JV)	2361.00	2361.00
Om Metals Consortium (PF)	950.00	950.00

- Estimated amount of contracts remaining to be executed (capital commitments) not provided for Rs. 106.03 lacs ( Rs. Nil lacs in the previous year)
- Claims raised by the Company/Claims settled with various project authorities/ other parties. amounting to Rs 5710.00 lacs ( Rs. 5182.41 Lacs in previous year) , against these claims, the company has received arbitration awards of Rs 213.93 lacs ( Previous year Rs. 215.32 lacs ) In accordance with past practice, the Company has not made adjustment because the same can not become rule of the court due to the objections filed by Project Authorities/ Other parties.
- Earning per Shares ( E.P.S.)

S. No.	Particulars	2009	2008
i.	Calculation of weighted average number of face value of equity shares of Rs.1 each		
	No. of shares at the beginning of the year.	96303809	56191150
	Total equity shares outstanding at the end of the year	96303809	96303809
	Weighted average no of equity shares outstanding during the year.	96303809	61570580
ii.	Net Profit after Tax available for equity shares holders (Rs.)	247580730	183193514
iii.	Basic and diluted earning per shares (Rs.)	2.57	1.90
iv.	Nominal value of equity shares (Rs.)	1	1

- Details of dues to Micro Small and medium enterprises as per MSMED Act. 2006.

(Rs. In lacs)

Particulars	2008-2009	2007-2008
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	22.78	11.35
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and medium enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year .	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year ) But without adding the interest specified under Micro Small and medium enterprises Development Act, 2006	*-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years , until such date when the interest dues as above are actually paid to the Small Enterprises for the purpose of disallowance as a deductible expenditure U/s. 23 of the Micro Small and medium enterprises Development Act, 2006		

\* As per contract with the vendors, no interest is payable on outstanding from MS MED Vendors

8. Segment Reporting:

a) Primary segment : Business Segment

Based on the guiding principles given in Accounting Standard AS -17 "Segment reporting" issued by the Institute of Chartered Accountants of India, the Company's operating business are organized and managed separately according to the nature of products manufactured and services provided . The four identified reportable segments are turn key contracts of Gates, Cranes, Hoist for Irrigation & Power projects in the Engg. Division and the other segments includes Cinema ( Entertainment) in Multiplex Division , running of Hotel Cum revolving restaurant in Hotel division and construction of multi stories building in real estate division.

b) Secondary segment: Geographical segments:

Since the company's activities/operations are primarily with in the country and considering the nature of products/ services it deals in , the risk and returns are same and as such there is only one geographical segments,

The following is the distributions of the company's consolidated revenue by geographical markets , regardless of where the goods/services were produced.

(Rs. In lacs)

Particulars	Current year	Previous year
Revenue from domestic market	14704.62	12199.23
Revenue from overseas market	3.59	22.56
<b>Total</b>	<b>14708.21</b>	<b>12221.79</b>

The company has common assets for producing goods for domestic market and overseas markets. Hence separate figures for assets /additions to fixed assets can not be furnished .

c) Segment accounting polices:

In addition to the significant accounting policies applicable to the business segment as set in note 1 of schedule 18 "notes to accounts" the accounting policies in relation to segment accounting are as under:

i. Segment revenue & expenses :

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

ii. Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowance and provisions, which are reported as direct off sets in the balance sheet. Segment. Liabilities include all operating Liabilities and consist principally of creditors & accrued liabilities. Segment assets and liabilities do not include deferred income taxes except in the Engg. Div of Om Metals Infracore Ltd. While most of the assets/liabilities directly attributed to individual segments.

iii. Inter segment sales:

Inter segment revenues between operating segments are accounted for at market price. These transaction are eliminated in consolidation .

iv. The main division is Engg. Division of Om Metals Infracore Ltd.and funds provided by Engg. Division of Om Metals Infracore Ltd. to other division and interest on such balances are not charged.

9. Related Party disclosure under Accounting Standard AS-18 " Related party disclosures" issued by the Institute of Chartered Accountants of India:



During the year, the company entered into transactions with the related parties. Those transactions along with related balance as at 31st March 2009 and for the year ended are presented in the following tables.

List of related parties with whom transactions have taken place during the year along with nature and volume of transactions are summarized as follows.

List of related parties and relationship:

<b>Name of the related party</b>	<b>Relationship</b>
Om Metal Auto (P) Limited	Subsidiary company
Om Metals Real Estate (P) Limited	Subsidiary company
Om Metals Ratanakar (P) Limited	Step Subsidiary company
	<b>Enterprises over which significant influence exercised by directors.</b>
Skywave Impex (P) Limited	-do-
Lambodar Finvest (P) Ltd.	-do-
Om Kothari Pariwarik Trust	-do-
Om Kothari Foundation	-do-
Bahubali Housing Co. (P) Limited	-do-
Little Star (P) Limited	-do-
Benzer Agencies Limited	-do-
Om Kothari Enterprises Limited	Associate Promoter holding more than 20% or under the same management
Baba Vinimay (P) Limited	-do-
Key Management persons	Key Managerial Personnel
Shri T.C. Kothari	
Shri C.P. Kothari	
Shri D.P. Kothari	
Shri Sunil Kothari	
Shri Vikash Kothari	
Shri Bharat Kothari	
Shri Vivek Kothari	
<b>Relatives of Key management persons</b>	<b>Relative of directors</b>
Smt. C. Manjula Kothari	
Smt. D. Manjula Kothari	
Smt. Seema Kothari	
Smt. Anita Kothari	
C.P. Kothari & Sons	
T.C. Kothari & Sons	

10. The details of disputed income tax , service tax , sales tax & Excise duty as on 31-03-09 are as follows.

Nature of the Statute	Nature of Dues	Forum where dispute is pending	Demand Amount (Rs. in Lacs.)	Period to which the amount relates
Central Sales Tax Act, 1956. and Sales Tax/VAT Act of various states	Sales Tax	Commissioner (Appeals)/Tribunal	85.45*	1984-85,1985-86 1990-91 to 1991-92, 1993-94, 1994-95 & 2005-2006.
		High court	7.19	1986-87
Central Excise Act, 1944	Excise Duty	Tribunal/Commissioner (Appeal)	120.45	1997-98, 2000 to 2008
Income Tax Act, 1961	Income Tax	ITAT	244.09**	1991-92,,96-97, 2004- 2005 & 2005-2006
Service tax Rules	Service Tax	Tribunal/Commissioner (Appeal)I	287.46	2003-2004 to 2005-2006
Wealth Tax Act.	Wealth Tax	ITAT	1.13**	1991-1992

**Note : 1.** \*Against it , the company paid Rs. 6.80\* lacs and \*\* Rs. 246.27 Lacs

2. Amount as per demand orders including interest and penalty wherever verified in the order.

11. Advance for Capital goods includes Rs 4.23 Lacs paid to Topkhana desh grih Nirman Samiti for purchasing of Land at Jaipur for construction of building . The matter is under subjudice
12. Expenses and receipts relating to earlier year amounting to Rs .Nil and Rs. 44.66 Lacs respectively (Previous year Rs. 3.48 Lacs and Rs. Nil lacs) debited/credited to respective expenses and Income heads.
13. Details of investments in the units of various Mutual Funds/shares purchased & sold during the year are given below :-

(Rs. In Lacs)

Scheme Name	No. of Units	No. of units O/BPurchased	No. of Unit sold	Purchase/Opening value	Sales Value
JM Basic Mutual fund	196036	-	196036	50.00	12.93
JM Basic fund growth plan	196036	-	-	12.93	
JM emerging Leaders fund	311964	-	-	50.00	0.00
ABN Amro fixed term plans-	15000000	-	15000000	1500.00	1522.63
ABN Amro MIP Mutual Funds	2385072	-	238572	257.55	233.71
HSBC MIP Mutual fund	4558854	-	4558854	509.71	497.32
DSPML India Tiger fund	232317	-	232317	65.00	24.46
DSPML black rock Tiger growth fund	-	232317	-	24.46	-
Reliance Vision fund	41011	-	41011	25.00	11.03
Reliance Vision growth plan		8560	-	11.03	-
Sunderam BNP Paribas Co. fund	119124	-	119124	25.00	10.61
Sunderam BNP Capex Growth	-	90546	-	10.61	-
Standrard Chartered orbit fund	5000000	-	5000000	500.00	520.42
Reliance Banking Fund	70902	0	70902	50.00	26.03
Reliance Banking fund Growth plan		70902	-	26.04	-
Shiv Vani Oils Ltd	-	34112	2612	163.06	12.61

**Note:** No. of units includes dividend unit.



14. The company has recognized deferred taxes, which result from timing difference between the book profit and tax profit. The details of which are as under:-

Particulars	Balance as at 31.03.2008	Arising during the year	Balance as at 31.03.2009
<b>A. Deferred Tax Liabilities</b>			
Depreciation and amortization	36773887	(475824)	36298063
<b>B. Deferred Tax Assets</b>			
1. Provision for leave with wages	229030	184986	414016
2. Provision for gratuity	979325	357801	1337126
3. Disallownce U/s 43 (b) of I.T. Act., 1961	-	-	-
Total : (B)	1208355	542787	1751142
Net Deferred tax liabilities (A-B)	35565532	(1018611)	34546921

15. Incompliance with Accounting Standard - 27 on financial reporting of interest in joint venture/partnership firm. Following disclosure are made in respect of jointly controlled entities in which the company is a joint venturer/partner.

Joint venture (JV) Companies and Partnership firm (PF): Current year

(Rs. in lacs)

S. No.	Name of Company /firm	OML + JSC Ukrain, Kaming (JV)	Om Metals Consor. (PF)	Sanmati Infra Developer (P) Ltd	Pondichary port limited	Om Rays Construction (P.F.)	Om Gaima Projects Pvt. Ltd. (JV)
1	Proportion of ownership interest	60%	35% See note (b)	25%	50%	99.5% of Contract value	49%
2	Country of incorporation or registration	India	India	India	India	India	India
3	Accounting period ended	31.03.09	31.03.09	31.03.09	31.03.09	31.03.09	31.03.09
4	Assets	2825.69	3942.48	1412.38	295.28	67.94	0.49
5	Liabilities	2510.40	202.23	1340.02	35.92	NIL	-
6	Income	589.82	NIL	NIL	NIL	NIL	-
7	Expenditure	533.11	NIL	NIL	NIL	12.27	
8	Contingent Liabilities	-	N.A.	N.A.	N.A.	N.A.	
9	Capital commitments	-	-	N.A.	N.A.	N.A.	
10	Date of Creations of JV/firm	01.04.2006	18.07.2005	18.10.2006	25.01.2006	05.07.2005	20.02.2009
11	Remarks	-	See note "c"	See note "c"	See note "c"	See note "c"	



Joint venture (JV) Companies and Partnership firm (PF): Previous Year

S. No.	Name of Company /firm	OML + JSC Ukrain, Kaming (JV)	Om Metals Consor. (PF)	Sanmati Infra Developer (P) Ltd	Pondichary port limited	Om Rays JV
1	Proportion of ownership interest	60%	35% See note (b)	25%	50%	99.5%
2	Country of incorporation or registration	India	India	India	India	India
3	Accounting period ended	31.03.08	31.03.08	31.03.08	31.03.08	31.03.08
4	Assets	1645.47	11068.17	3588.57	407.29	
5	Liabilities	1645.47	1660.78	15.83	14.83	
6	Income	33.12	0	2.56	0	
7	Expenditure	31.72	0	2.34	0	
8	Contingent Liabilities	Nil	N.A	N.A	N.A.	
9	Capital commitments	Nil	N.A	N.A	N.A	
10	Date of Creations of JV/firm	01.04.06	18.07.05	18.10.06	25.01.06	05.07.05
11	Remarks	-	See note "c"	-	See note "c"	See note "c"

Joint venture (JV) Companies/Associates of Om Metals Real Estate (P) Ltd.

S. No.	Name of Company/firm	Om Shivaya Real Estate (P) Limited (JV)	Om Metals Developers (P) Ltd.	Om Metals Infotech (P) Ltd. (JV)	Sanmati Buildcon Private limited (JV)
1	Proportion of ownership interest	50%	32.50%	50%	33.33%
2	Country of incorporation or registration	India	India	India	India
3	Accounting period ended	31.3.2009	31.03.2009	31.3.2009	31.3.2009
4	Assets	1818.50	1480.44	1286.78	20.73
5	Liabilities	1818.50	1480.44	1286.78	20.73
6	Income	0.00	5.95	0.00	0.13
7	Expenditure	0.00	1.72	0.00	0.05
8	Contingent Liabilities	Nil	Nil	Nil	Nil
9	Capital commitments	Nil	Nil	Nil	Nil
10	Date of Creations of JV/firm		24.06.2006	04.01.2006	08.02.1995
11	Remarks	See note-c	See note c	See note c	See note-c

**Note:**

- The above details represent proportionate amount of the company's share in the joint ventures/firm.
- Om Metals consortium is a partnership firm. Following are partner & their share ratio as per revised deed drawn on 29 Sept. 2007 in profit/loss.

Name of partner	Share ratio
Om Metals Infracore Limited	35.00%
Subhash projects & marketing Ltd.	10.00%
Nikhil Township (P) Limited	30.00%
Amrfina Construction (P) Ltd.	10.00%
Morya Housing Limited	10.00%
Om Infra Tech (P) Limited	5.00%



c) Figures are taken in the books of accounts on the basis of unaudited financial results in current year as well as in the previous year. (N.A = Not Available)

16. The company has the following joint ventures and its % holding is given below.

Name of Joint Venture	% of holding 2008-2009	% of holding 2007-2008
OMIL+ JSC. Ukrain (JV) Kameng	60%	60%
Om Metals Consortium	35%	35%
Sanmati Infra Developers (P) Ltd	25%	25%
Om Ray Joint Venture	99.5% of Contract Revenue	99.5% of Contract Revenue
Om Gaima Projects Pvt. Ltd.	49%	N.A.
Pondicherry Port Limited	50%	50%

The proportionate share of assets, liabilities , income & expenditure of the above joint venture companies is given as per annexure - A.

17. The Company has provided for liability of gratuity aggregating to Rs. 39.33 Lacs (Previous year Rs. 28.81 lacs)for employees who have qualified for it as per payment of Gratuity Act. The company could not comply with the requirement of AS - 15 retirement benefit issued by ICAI as the valuation by a Certified acturian is under process.

18. The company has received show cause notice from RIICO challenging its own permission granted to the company for the construction and sale of residential flats on the allotted land. The company has given a suitable reply and the matter is under reconsideration of RIICO. The liabilities if any, arising in this accord can be upto the conversion/premium charge for the changed use of land.

19. a) The company has taken office premises and Directors residence on cancelable Operating Lease. The tenure of these agreements range between 3 to 5 Years.

The amount of lease rentals paid of Rs. 4440000 (P.Y. Rs. 3080000) has been charged under the head " Rent" in Schedule 16.

b) The company has entered into separate cancelable Operating Lease for Premises and Machinery. The tenure of these agreements range between Six months to three years.

The amount of lease rentals paid of Rs. 8768431 (P.Y. Rs. 43712493) has been charged under the head " Rent /Hire charges for Equipments" in Schedule 15 and "Rent" in Schedule 16.

c) The company has Leased premises and Machinery on cancelable Operating Lease.The aggregate amount of lease rentals received amounting to Rs.5520000(P.Y. Rs. 5520000) have been credited under the head " Rent and hire charges" in Schedule 11.

20. Figures for previous year have been re-arranged/regrouped wherever necessary to make them comparable.

21. Figures pertaining to the subsidiaries , joint ventures and Associates companies have been reclassified wherever considered necessary to bring them in line with the company's financial statements .
22. Schedule 1 to 18 and the statement of additional information form an integral Part of the Balance Sheet & Profit and Loss Account and have been duly authenticated.

Signed for Identification

For M.C.Bhandari & Co.  
*Chartered Accountants*  
S. K. Mahipal  
Partner  
M.No.70366  
Place : Kota  
Date : 30-06-2009

For and on behalf of Board of Directors

sd/-  
Dr. T.C.Kothari  
Chairman

sd/-  
C.P.Kothari  
Managing Director

sd/-  
Reena Jain  
Company Secretary

sd/-  
D.P.Kothari  
Director

sd/-  
S. K. Jain  
(CFO)



Transaction during the year with related parties (Excluding reimbursement)

Name of company	Nature of Transaction	2008-09	2007-08
<b>A With Associates Promotor/ Holding More than 20 % Equity</b>			
1. Skywave Impex Ltd.	<b>Opening balance as at 01.04.08</b>		
	Creditors	0.00	24.10
	<b>Transactions</b>		
	Job work	181.95	31.72
2. Lambodar Fin Vest Pvt. Ltd.	<b>Closing balance as on 31.03.09</b>		
	Advance Ag. Job work	89.49	0.47
	<b>Opening balance as at 01.04.08</b>		
	Sundry Creditors	0.09	0.00
3. Om Kothari Pariwarik Trust	Adv. For purchases of goods	66.25	36.00
	<b>Transactions</b>		
	Adv.agst flats	157.28	30.25
	Advance given/Taken	0.00	0.09
4. Om Kothari Foundation	<b>Closing balance as on 31.03.09</b>		
	Adv. For purchases of goods	223.53	66.25
	Creditors	0.00	0.09
	<b>Opening balance as at 01.04.08</b>		
5. Bahubali Housing Pvt. Ltd.	Creditors	0.00	0.41
	<b>Transactions</b>		
	Hire/Rent charges	2.14	2.14
	<b>Closing balance as on 31.03.09</b>		
6. Little Star Finance Pvt. Ltd.	Creditors	0.00	0.00
	<b>Transactions</b>		
	Loans & Advances Dr/Cr	26.02	9.32
	Donation	0	12.32
5. Bahubali Housing Pvt. Ltd.	Hire/Rent charges	0.96	0.96
	<b>Closing balance as on 31.03.09</b>		
	Creditors	0.00	0.00
	<b>Opening balance as at 01.04.08</b>		
	Creditors	7.21	2.13
	Security Deposits	70.00	
	<b>Transactions</b>		
	Loans and advances Cr.	6.20	6.36
	Loans and advances Dr.	0.20	0.07
	Rent Paid	4.80	1.00
contract receipts	0.00	72.20	
Security Deposite Dr	70.00	70.00	
6. Little Star Finance Pvt. Ltd.	<b>Closing balance as on 31.03.09</b>		
	Security Deposit Dr	70.00	70.00
	Creditors Cr.	0.00	7.21
	<b>Opening balance as at 01.04.08</b>		
6. Little Star Finance Pvt. Ltd.	Security Deposit	70.00	18.62
	Loans and advances Dr.	1.24	
	<b>Transactions</b>		
	Loans and advances Dr.	12.79	18.62

Name of company	Nature of Transaction	2008-09	2007-08
	Loans and advances Cr.	30.00	18.62
	Rent Paid	4.80	1.00
	Contract receipts	0.00	72.20
	Security Deposit	70.00	70.00
	<b>Closing balance as on 31.03.09</b>		
	Security Deposit	0.00	70.00
	Loans and advances Cr.	18.45	1.24
<b>7. Benzer agencies Ltd.</b>	<b>Opening Balance as on 01.04.08</b>		
	Advance Dr.	1.57	0.00
	<b>Transaction</b>		
	Advance given	6.72	9.78
	Advance received	6.72	8.21
	<b>Closing balance as on 31.03.09</b>		
	Advance Dr.	1.57	1.57
<b>8. Well wisher const &amp; Finance Pvt. Ltd.</b>	<b>Opening balance as at 01.04.08</b>		
	Advances for Fixed Assets	0.00	74.49
	<b>Transactions</b>		
	Advance agst. F.A. rreturn	0.00	74.49
	<b>Closing balance as on 31.03.09</b>		
	Loans and advances given ag. F.A.	0.00	0.00
<b>9. Himgiri Dealcon Pvt. Ltd.</b>	<b>Opening balance as at 01.04.08</b>		
	Loans and advances	0.00	2.05
	Investment in Equity Share	0.00	0.32
	Advance for purchases of FA	0.00	125.00
	<b>Transactions</b>		
	Net movements in loans Dr/Cr	0.00	2.05
	Investment Sold	0.00	0.32
	Advance return	0.00	125.00
	<b>Closing balance as on 31.03.09</b>	0.00	0
<b>B. Associates Promoter holding more than 20% or under the same management</b>			
<b>1. Om Kothari Enterprises Ltd.</b>	<b>Opening balance as at 01.04.08</b>		
	Investment in equity shares	0.00	75.95
	<b>Transactions</b>		
	Net movements in loans Dr/Cr	0.00	64.21
	Job work	60.45	26.72
	Sale of Investment	0.00	75.95
	<b>Closing balance as on 31.03.09</b>		
	Creditors	9.11	0.00
<b>2. Baba Vinimay Pvt. Ltd.</b>	<b>Opening balance as at 01.04.08</b>		
	Capital contribution in JV	0.00	241.76
	Investment in Equity Shares	0.00	0.50
	<b>Transactions</b>		
	Net movements in Capital Dr.	0.00	0.20
	Net movements in Capital Cr.	0.00	241.96
	Sale of Shares	0.00	0.50
	<b>Closing balance as on 31.03.09</b>	0.00	0.00



Name of company	Nature of Transaction	2008-09	2007-08
3. Om Shivaya Real Estate Pvt. Ltd.	<b>Opening balance as at 01.04.08</b>		
	Investment in equity shares	0.50	0.00
	Loans & Advances	1801.00	0.00
	<b>Transactions</b>		
	Purchases of share	49.50	0.50
	Advance	0.00	1801.00
	<b>Closing balance as on 31.03.09</b>		
4. Om Metals Developers Pvt. Ltd.	<b>Opening balance as at 01.04.08</b>		
	Investment in equity shares	0.25	0.00
	Loans & Advances	750.28	0.00
	<b>Transactions</b>		
	Purchases of share	0.00	0.25
	Advance	1090.00	750.28
	<b>Closing balance as on 31.03.09</b>		
5. Om Sensational Properties Pvt. Ltd.	<b>Opening balance as at 01.04.08</b>		
	Investment in equity shares	0.13	0.00
	Loans & Advances	100.01	0.00
	<b>Transactions</b>		
	Purchases of share	0.00	0.13
	Advance	0.00	100.01
	<b>Closing balance as on 31.03.09</b>		
6. Sanmati Buildcon Pvt. Ltd.	<b>Opening balance as at 01.04.08</b>		
	Investment in equity shares	1.60	0.00
	Loans & Advances	18.90	0.00
	<b>Transactions</b>		
	Purchases of share	0.00	1.60
	Advance	0.00	18.90
	<b>Closing balance as on 31.03.09</b>		
7. Om Metals Infotech Pvt. Ltd.	<b>Opening Balance as on 01.04.08</b>		
	Investment in equity shares	0.50	0.00
	Loans & Advances <sup>1</sup>	218.54	0.00
	<b>Transactions</b>		
	Purchases of share	0.00	0.50
	Advance	86.00	1218.54
	<b>Closing balance as on 31.03.09</b>		
	Investment in equity shares	0.50	0.50
	Loans & Advances	1326.62	1218.54

Name of company	Nature of Transaction	2008-09	2007-08
<b>C. Directors of the company</b>			
1. Shri T.C. Kothari	<b>Opening Balance as on 01.04.08</b> Transaction Loans advance Dr Loans advance Cr Consult. & fees for board meting Hire/rent charges <b>Closing balance as on 31.03.09</b>	0.00  4.68 4.68 1.20 1.08 0.00	0.00  371.27 368.99 1.20 1.08 0.00
2. Shri C.P Kothari	<b>Opening Balance as on 01.04.08</b> Security deposit outstanding <b>Transaction</b> Net movements in loans Dr. & Cr. Hire charges/Rent paid Director Remuneration <b>Closing balance as on 31.03.09</b> Security deposit outstanding	10.00  9.58 4.08 39.25 10.00	10.00  10.12 4.08 27.00 10.00
3. Shri D.P. Kothari	<b>Opening Balance as on 01.04.08</b> Security deposit outstanding <b>Transaction</b> Net movements in loansDr/ Cr Hire charges/Rent paid Director Remuneration <b>Closing balance as on 31.03.09</b> Creditors Security deposit outstanding	7.5  0 18.60 35.13 0 7.5	7.50  2.89 18.60 25.50 0.15 7.50
4. Shri Sunil Kothari	<b>Opening Balance as on 01.04.08</b> Security deposit outstanding <b>Transaction</b> Net movements in loans Dr. & Cr. Salary and allowances Hire charges/Rent paid <b>Closing balance as on 31.03.09</b> Security deposit outstanding	5  10.20 32.61 1.08 5.00	5.00  0.00 13.80 1.08 0.00 5.00
<b>D. Relatives of Directors</b>			
1. Shri Vikas Kothari	<b>Opening Balance as on 01.04.08</b> <b>Transaction</b> Hire charges/Rent paid Salary and allowances <b>Closing balance as on 31.03.09</b>	0.00  0.00 9.00 0.00	0.00  0.00 2.40 0.00
2. Shri Bharat Kothari	<b>Opening Balance as on 01.04.08</b> <b>Transaction</b> Salary <b>Closing balance as on 31.03.09</b>	0.00  9.00 0.00	0.00  2.40 0.00
3. Shri Vivek Kothari	<b>Opening Balance as on 01.04.08</b> <b>Transaction</b> Salary <b>Closing balance as on 31.03.09</b>	0.00  9.00 0.00	0.00  4.20 0.00



Name of company	Nature of Transaction	2008-09	2007-08
4. Smt. C. Manjula Kothari	<b>Opening Balance as on 01.04.08</b>		
	Security deposit outstanding	10.00	10.00
	<b>Transaction</b>		
	Hire charges/Rent paid	2.88	2.88
5. Smt. D. Manjula Kothari	<b>Closing balance as on 31.03.09</b>	10.00	10.00
	Security deposit outstanding	10.00	10.00
	<b>Opening Balance as on 01.04.08</b>		
	Security deposit outstanding	10.00	10.00
6. Smt. Seema Kothari	<b>Transaction</b>		
	Hire charges/Rent paid	2.88	2.88
	<b>Closing balance as on 31.03.0</b>	10.00	10.00
	Security deposit outstanding	10.00	10.00
7. Smt. Anita Kothari	<b>Opening Balance as on 01.04.08</b>		
	Security deposit outstanding	5.00	5.00
	<b>Transaction</b>		
	Hire charges/Rent paid	1.80	1.80
8. Shri Bahubali Kothari	<b>Closing balance as on 31.03.09</b>	5.00	5.00
	Security deposit outstanding	5.00	5.00
	<b>Opening Balance as on 01.04.08</b>		
	Security deposit outstanding	12.50	12.50
9. Smt. Sonali Tholia	<b>Transaction</b>		
	Hire charges/Rent paid	2.40	2.40
	<b>Closing balance as on 31.03.09</b>	12.50	12.50
	Security deposit outstanding	12.50	12.50
10. C.P. Kothari & Sons	<b>Opening Balance as on 01.04.07</b>		
	Security deposit outstanding	1.83	0.66
	<b>Transaction</b>		
	Sale of Goods & Services	7.95	
11. T.C. Kothari & Sons	Salary	9.00	6.00
	<b>Closing balance as on 31.03.08</b>	0.70	1.83
	<b>Opening Balance as on 01.04.07</b>		
	Security deposit outstanding	0.00	0.00
12. C.P. Kothari & Sons	<b>Transaction</b>		
	Salary	5.40	3.60
	<b>Closing balance as on 31.03.08</b>	0.00	0.00
	Security deposit outstanding	0.00	0.00
13. C.P. Kothari & Sons	<b>Opening Balance as on 01.04.08</b>		
	Loans & Advance Dr.	0.00	0.68
	<b>Transaction</b>		
	Net movements in loans Dr.	10.68	16.92
14. C.P. Kothari & Sons	Net movements in loans Cr.	10.68	17.60
	<b>Closing balance as on 31.03.09</b>	0.00	0.00
	Loans & Advance Dr.	0.00	0.00
	<b>Opening Balance as on 01.04.08</b>		
15. T.C. Kothari & Sons	Loans & Advance Dr.	0.00	0.00
	<b>Transaction</b>		
	Net movements in loans Dr.	96.62	175.44
	Net movements in loans Cr.	96.62	175.44
16. T.C. Kothari & Sons	<b>Closing balance as on 31.03.09</b>	0.00	0.00
	Loans & Advance Dr.	0.00	0.00



8 d) Information about business segments for the year 31.03.2009:

(Rs. In. Laacs)

Particulars	Engg. Div.		Multi plex		Hotel & Res. Div.		Real Estate		Sub.,JVs and Associates		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
1. Segment Revenue :												
External sales/Income (Net)	7277.79	5764.33	121.57	128.80	616.66	674.75	2315.80	837.50	4171.04	4728.40	14502.86	12133.78
Other receipt	412.45	282.01	1.56	1.23	19.11	9.63	0.12	0.05	11.87	24.33	445.11	317.25
Interest Receipts	1021.45	960.89	0.00	0.00	0.00	0.00	0.00	0.00	7.75	27.11	1029.20	988.00
Inter segment sales/												
Other Recept.	-159.14	-56.61	0.00	0.00	-43.20	-0.16	0.00	0.00	-106.08	-2.57	-308.42	-59.34
<b>Total Revenue</b>	<b>8552.55</b>	<b>6950.62</b>	<b>123.13</b>	<b>130.03</b>	<b>592.57</b>	<b>684.22</b>	<b>2315.92</b>	<b>837.55</b>	<b>4084.58</b>	<b>4777.27</b>	<b>15668.75</b>	<b>13379.69</b>
2. Segment Results :												
Segments results	2715.94	2122.43	104.62	104.19	148.42	174.37	1008.37	397.75	71.15	71.15	4048.50	2869.89
Unallocated expenses (Net)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating profit before Int.	2715.94	2122.43	104.62	104.19	148.42	174.37	1008.37	397.75	71.15	71.15	4048.50	2869.89
Financial exp.	1117.69	457.62	0.00	0.00	38.71	54.51	9.50	0.03	61.02	45.85	1226.92	558.01
Income tax current	340.00	337.00	0.00	0.00	0.00	0.00	0.00	0.00	4.63	8.68	344.63	345.68
Wealth Tax	6.25	6.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.25	6.00
MAT Credit Entitlement	(14.46)	(80.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(14.46)	(80.00)
F B T	15.10	12.50	0.00	0.00	1.27	1.90	0.45	0.01	2.72	2.50	19.54	16.91
Deferred tax assets/Lia.	19.45	202.15	0.00	0.00	0.00	0.00	0.00	0.00	(9.26)	(10.79)	10.19	191.36
Inter segment Exp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net Profit</b>	<b>1270.81</b>	<b>1187.16</b>	<b>104.62</b>	<b>104.19</b>	<b>108.44</b>	<b>117.96</b>	<b>998.42</b>	<b>397.71</b>	<b>-6.48</b>	<b>24.91</b>	<b>2475.81</b>	<b>1831.93</b>
3. i. Other Information :												
Segment Assets	34953.42	32403.43	358.92	357.21	3318.55	3410.40	3054.46	719.63	3521.57	3601.81	45206.92	40492.48
Inter Branch/Segment	13321.82	10383.35	452.71	351.53	-1579.92	-1574.81	-609.55	-300.58	0.00	305.86	11585.06	9765.35
Unallocated assets												
<b>Total Assets</b>	<b>48275.24</b>	<b>42786.78</b>	<b>811.63</b>	<b>708.74</b>	<b>1738.63</b>	<b>1835.59</b>	<b>2444.91</b>	<b>419.05</b>	<b>3521.57</b>	<b>3907.67</b>	<b>56791.98</b>	<b>49657.83</b>
Segments Liabilities :												
Share Capital	963.04	963.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	963.04	963.04
Reserve & Surplus	30331.27	29461.69	712.24	607.61	1430.95	1322.50	1396.14	397.73	55.03	72.77	33925.63	31862.30
Secured & Unsecured Loan	8787.05	5388.70	0.00	0.00	241.93	413.89	830.00	0.00	948.61	1921.52	10807.59	7724.11
Segment liabilities	7846.73	6911.75	99.39	101.13	65.75	99.20	218.77	21.32	10432.95	8151.58	18663.59	15284.98
Unallocated liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred tax liabilities	347.15	366.60	0.00	0.00	0.00	0.00	0.00	0.00	(1.69)	(10.94)	345.46	355.66
Other Liability	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.99	8.86	6.99	8.86
Inter Branch/Segment	0.00	-305.00	0.00	0.00	0.00	0.00	0.00	0.00	-7920.32	-6236.12	-7920.32	-6541.12
<b>Total Liabilities</b>	<b>48275.24</b>	<b>42786.78</b>	<b>811.63</b>	<b>708.74</b>	<b>1738.63</b>	<b>1835.59</b>	<b>2444.91</b>	<b>419.05</b>	<b>3521.57</b>	<b>3907.67</b>	<b>56791.98</b>	<b>49657.83</b>
iii. Capital Expenditure	898.66	819.10	0.00	0.00	10.93	107.37	9.89	0.62	354.47	1789.13	1273.95	2716.22
Depreciation	392.65	355.45	16.43	16.43	72.13	67.88	1.61	0.39	75.60	40.63	558.42	480.78
Amortisation	114.35	114.35	0.00	0.00	0.00	0.00	0.00	0.00	6.28	0.00	120.63	114.35
Non cash expenses other than depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



# Cash Flow Statement for the year ended March 31, 2009

Particulars	Year Ended	
	31.03.2009 (Rs.)	31.03.2009 (Rs.)
<b>1 CASH FLOW FROM OPERATION ACTIVITIES</b>		
<b>A Net Profit before Taxation and Extraordinary Item</b>	282158479.52	231188487.78
<b>Add:</b>		
Depreciation	55437934.39	48077599.72
Interest and Bank Commission Paid	122692358.40	55800903.60
Loss on sale of Fixed Assets	115812.88	90518.00
Loss on sale of Investment	12145179.96	0.00
Public Issue Exp. Written off	12062531.00	11463381.00
	<b>484612296.15</b>	<b>346620890.10</b>
<b>Less:</b>		
Interest Reciept	102919916.52	98799712.42
Profit on Sale of Fixed Assets	0.00	17621.39
	<b>102919916.52</b>	<b>98817333.81</b>
<b>B Operating Profit before working capital changes</b>	381692379.63	247803556.29
<b>Adjustments for:</b>		
Trade and other receivable	-196323951.59	-106557933.31
Inventories	-333656771.00	-353971575.70
Loans & Advance	-35186838.30	61898966.73
Trade & Other Payable	185275849.89	248664889.86
Provision for Gratuity & Leave Encashment	1652001.50	-102.50
	<b>3452670.13</b>	<b>97837801.37</b>
<b>Less:</b>		
Direct Taxes Paid	-41844273.37	138752854.63
Net cash flow from operating activities <b>(A)</b>	<b>45296943.50</b>	<b>-40915053.26</b>
<b>Cash flow from investing activities:</b>		
Purchase of fixed assets	-127395411.58	-395545136.23
Sale of Fixed Assets	24960572.74	1354053.74
Increase in Capital,WIP and Advances	23206202.55	-179607411.60
Investments	149811874.08	-448055447.00
Interest received	102919916.52	98799712.42
Capital Receipt under relinquishment of Right in JV	0.00	407704074.00
Net cash flow from/used in investing activities <b>(B)</b>	<b>173503154.31</b>	<b>-515350154.67</b>

# Cash Flow Statement for the year ended March 31, 2009

Particulars	Year Ended	
	31.03.2009 (Rs.)	31.03.2009 (Rs.)
<b>Cash Flow from financing activities :</b>		
Interest and Bank Commission paid	-122557148.12	-55800903.60
Issue of Share Capital	0.00	0.00
Share premium	0.00	4500000.00
Secured Loan as Term Loan	110882848.33	232559606.06
Secured Loan as Work Cap.	206518779.89	-35920132.73
Unsecured Loan	-9053960.25	70955737.35
Dividend / Dividend Tax Paid	-20897445.00	0.00
Expenses on Issue on Shares & Other Misc. Exp.	-83666.00	-1061848.27
Net cash used in financing activities (C)	<b>164809408.85</b>	<b>215232458.81</b>
Increase/(Decrease) in cashand cash equivalents		
A. Cash Flow from Operating Activities	45296943.50	-40915053.26
B. Cash Flow from Investing Activities	173503154.31	-515350154.67
C. Cash Flow from Financing Activities	164809408.85	215232458.81
Net Increase / Decrease in Cash Flow During Year	383609506.66	-341032749.12
Cash and cash equivalents at beginning of year	1053690758.06	1394723507.18
Cash and cash equivalents at end of the year	<b>1437300264.72</b>	<b>1053690758.06</b>
NOTES TO ACCOUNTS	18	

The schedule referred to above and the notes on Accounts form an integral part of the Cash flow Statement

As per our Report of even date annexed For and on behalf of Board of Directors

For M.C.Bhandari & Co.

Chartered Accountants

S. K. Mahipal  
Partner

M.No.70366

Place: Kota

Date : 30-06-2009

sd/-  
Dr. T.C.Kothari  
Chairman

sd/-  
C.P. Kothari  
Managing Director

sd/-  
D.P. Kothari  
Director

sd/-  
Reena Jain  
Company Secretary



From left to right: Mr. C P Kothari, Mr. D P Kothari and Mr. Sunil Kothari  
Sitting: Dr. T C Kothari

#### Forward Looking Statement

In this annual report we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written and oral, that we periodically make contain forward looking statements that set out anticipated results based on the management's plan and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'project', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.



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