

**OM METALS INFRAPROJECTS LIMITED****NOTICE**

Notice is hereby given that the 39th Annual General Meeting of the members of the Company of Om Metals Infraprojects Limited will be held on 30th September, 2011 At 11.00 A.M at Om Towers, Church Road, M.I.Road, Jaipur-302001 to transact the following business:

1. To receive consider and adopt the audited Balance Sheet of the Company as at 31st March, 2011 and the Profit and Loss Account for the year ended as on 31st March 2011 together with the Report of Auditors and Directors thereon.
2. To appoint a Director in place Shri Kamal Kumar Chandwar who retires from office by rotation and being eligible, offers him for re- election.
3. To appoint Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and fix their remuneration and in this regard to consider, and if thought fit, to pass with or without modification(s), the following resolution as on Ordinary Resolution:
“**RESOLVED That** M/s M.C. Bhandari & Co., Chartered Accountants, retiring auditors of the Company , be and is hereby appointed as Statutory Auditor of the Company , to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Director exclusive of traveling and other out of pocket expenses.

“**RESOLVED That** M/s Milind Vijiyvargiya & Associates, Chartered Accountants ,M/s B. Khosla & Co., Chartered Accountants be and hereby re-appointed as Branch Auditors of the company , to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Director exclusive of traveling and other out of pocket expenses.”
4. To confirm payment of Interim dividend of Rs. 0.15 per share as final dividend.

Special Business

5. To consider and, if thought fit, to pass the following resolution as an "**Ordinary Resolution**"

APPOINTMENT OF WHOLE-TIME DIRECTOR

“**RESOLVED that** subject to such consents and permission, if any as may be necessary, approval be and is hereby accorded in terms of Section 269, 309 and other applicable provisions, if any , of the Companies Act, 1956 and the Schedule(s) thereto, including any statutory amendment or re-enactment thereof, to the reappointment of Mr. Sunil

Kothari as Whole time Director with authority to the Board to revise his designation at its discretion and other terms and conditions of the appointment including as to remuneration as are set out hereunder :

Tenure: Five years with effect from 01.10.2011

Functions: Subject to the direction, control and superintendence of the Board of Directors, Mr. Sunil Kothari shall have the overall responsibility for looking after the day to day business & affairs of the Company.

Remuneration: Subject to the overall limit on remuneration payable to all the managerial personnel taken together, the remuneration payable to Mr. Sunil Kothari shall comprise as under :

Salary: Rs. 4,00,000/- P.M. (Rs. Four Lakhs only per month)

Perquisites and Allowance upto Rs. 1,50,000/- P.M. (Rs. One Lac Fifty Thousand Per Month): In addition to above he shall be entitle to Perquisites like accommodation, gas, electricity, water, club fees of one club, personal insurance, use of car with chauffer for office work and telephone at residence for office work or reimbursement of expenses in lieu thereof, Medical reimbursement, leave and leave travel concession, for self & family including dependants, education benefits, provident fund, superannuation fund, gratuity and other retirement benefits.

Commission on Net Profit : Such amount as may be decided by the Board of directors or a committee thereof from year to year provided that the total remuneration including salary and perquisites along with commission paid to the Whole Time Director shall not exceed the limit laid down under Sections 198 and 309 of the Companies Act, 1956.

Reimbursement of Expenses: Reimbursement of expenses incurred for traveling boarding and lodging including for their respective spouses and attendants(s) during business trip; provision of car for use on the company's business and telephone expenses at residence shall be reimbursed and not considered as perquisites.

Minimum Remuneration: In the event of absence or inadequacy of profits in any financial year the remuneration payable to Director shall be Rs. 2,00,000/- per month or such higher amount as may be permitted under the Companies Act, 1956 subject to such approval, if any, as may be required.

Sitting Fee: If permissible by law, Mr. Sunil Kothari shall be entitled to sitting fee in addition to the components of remuneration mentioned above, for attending the meeting of the Board of Directors or Committees thereof.

Termination: The appointment of Mr. Sunil Kothari as Whole time Director may be terminated by either party giving to the other six calendar months notice in writing. In the event of termination of this appointment of Mr. Sunil Kothari by the Company, he shall

be entitled to receive compensation in accordance with the provisions of the Companies Act, 1956 or any statutory amendment or re-enactment thereof.

RESOLVED FURTHER that in the event of any further authorization/revision in levels of permissible managerial remuneration, the Board of Directors be and is hereby authorized to alter, vary and increase the remuneration of Mr. Sunil Kothari, notwithstanding the overall remuneration set out above, as may then be prescribed/permissible without requiring any further resolution or consent or reference to the general meeting.

6. To consider and, if thought fit, to pass the following resolution as "**Special Resolution**"

"RESOLVED THAT pursuant to the provisions of **Section 314(1 B)** and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Director's Relatives (Office or Place of Profit) Rules, 2003 with such modification, condition, limitation or restriction in/upon the remuneration or the time scale or the salary scale or any other perquisites and benefits payable to Mr. Vivek Kothari (not being more advantageous to him) consent of the Company be and is hereby accorded to **Mr. Vivek Kothari** to continue to hold an office or place of profit in the Company as "**CEO- Hotel Om Tower**". being a relative of Mr. Chander Prakash Kothari, the Managing Director and Dr. T.C. Kothari, the Chairman of the Company, for a further period of **5 years w.e.f. 1st April 2011 to 31st March 2016** under the Company, at a monthly remuneration of **Rs. 150000 (Rupees one lakh Fifty thousand) per month** with such increments as the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) may decide from time to time, and on such terms and conditions and with such usual perquisites and benefits as are applicable to other employees occupying similar position within the same salary scale or grade (as set out in the Explanatory Statement annexed hereto)."

"RESOLVED FURTHER THAT any member of the Board and the Company Secretary of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to this resolution."

7. To consider and, if thought fit, to pass the following resolution as "**Special Resolution**":

"RESOLVED THAT pursuant to the provisions of **Section 314(1 B)** and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Director's Relatives (Office or Place of Profit) Rules, 2003 with such modification,

condition, limitation or restriction in/upon the remuneration or the time scale or the salary scale or any other perquisites and benefits payable to Mr. Vishal Kothari (not being more advantageous to him) consent of the Company be and is hereby accorded to **Mr. Vishal Kothari** to continue to hold an office or place of profit in the Company as "Executive -Real Estate (Rajasthan Circle)". being a relative of Mr. Dharam Prakash Kothari, the Director and Dr. T.C. Kothari, the Chairman of the Company, for a further period of **5 years w.e.f. 1st April 2011 to 31st March 2016** under the Company, at a monthly remuneration of **Rs. 150000 (Rupees one lakh Fifty thousand) per month** with such increments as the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) may decide from time to time, and on such terms and conditions and with such usual perquisites and benefits as are applicable to other employees occupying similar position within the same salary scale or grade (as set out in the Explanatory Statement annexed hereto).”

“RESOLVED FURTHER THAT any member of the Board and the Company Secretary of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to this resolution.”

8. To consider and, if thought fit, to pass the following resolution as "Special Resolution":

“RESOLVED THAT pursuant to the provisions of **Section 314(1 B)** and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Director's Relatives (Office or Place of Profit) Rules, 2003 with such modification, condition, limitation or restriction in/upon the remuneration or the time scale or the salary scale or any other perquisites and benefits payable to Mr. Vikas Kothari (not being more advantageous to him) consent of the Company be and is hereby accorded to **Mr. Vikas Kothari** to continue to hold an office or place of profit in the Company as an **“Executive International Business Development”**. being a relative of Mr. Dharam Prakash Kothari, the Director and Dr. T.C. Kothari, the Chairman of the Company, for a further period of **5 years w.e.f. 1st April 2011 to 31st March 2016** under the Company, at a monthly remuneration of **Rs. 150000 (Rupees one lakh Fifty thousand) per month** with such increments as the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) may decide from time to time, and on such terms and conditions and with such usual perquisites and benefits as are applicable to other employees occupying similar position within the same salary scale or grade (as set out in the Explanatory Statement annexed hereto).”

“RESOLVED FURTHER THAT any member of the Board and the Company Secretary of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to this resolution.”

9. To consider and, if thought fit, to pass the following resolution as **"Special Resolution"**:

"RESOLVED THAT pursuant to the provisions of **Section 314(1 B)** and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Director's Relatives (Office or Place of Profit) Rules, 2003 with such modification, condition, limitation or restriction in/upon the remuneration or the time scale or the salary scale or any other perquisites and benefits payable to Mr. Bharat Kothari (not being more advantageous to him) consent of the Company be and is hereby accorded to **Mr. Bharat Kothari** to continue to hold an office or place of profit in the Company as an **"Executive Projects"**. being a relative of Dr. T.C. Kothari, the Chairman of the Company, for a further period of **5 years w.e.f. 1st April 2011 to 31st March 2016** under the Company, at a monthly remuneration of **Rs. 150000 (Rupees one lakh Fifty thousand) per month** with such increments as the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) may decide from time to time, and on such terms and conditions and with such usual perquisites and benefits as are applicable to other employees occupying similar position within the same salary scale or grade (as set out in the Explanatory Statement annexed hereto).”

“RESOLVED FURTHER THAT any member of the Board and the Company Secretary of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to this resolution.”

10. To consider and, if thought fit, to pass the following resolution as **"Special Resolution"**:

"RESOLVED THAT pursuant to the provisions of **Section 314(1 B)** and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Director's Relatives (Office or Place of Profit) Rules, 2003 with such modification, condition, limitation or restriction in/upon the remuneration or the time scale or the salary scale or any other perquisites and benefits payable to Mr. Bahubali Kothari (not being more advantageous to him) consent of the Company be and is hereby accorded to **Mr. Bahubali Kothari** to continue to hold an office or place of profit in the Company

as an **“Executive Projects”**. being a relative of Dr. T.C. Kothari, the Chairman of the Company, for a further period of **5 years w.e.f. 1st April 2011 to 31st March 2016** under the Company, at a monthly remuneration of **Rs. 150000 (Rupees one lakh Fifty thousand) per month** with such increments as the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) may decide from time to time, and on such terms and conditions and with such usual perquisites and benefits as are applicable to other employees occupying similar position within the same salary scale or grade (as set out in the Explanatory Statement annexed hereto).”

“RESOLVED FURTHER THAT any member of the Board and the Company Secretary of the Company be and are hereby severally authorized to take such steps and to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to this resolution.”

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ANNEXURE 1

ITEM NO.5

The existing tenure of Mr. Sunil Kothari continues up to 30.09.2011. His re-appointment effective from 1.10.2011 requires approval of the members. Mr. Sunil Kothari has overall responsibility for looking after the day to day business & affairs of the Company.

It is proposed to re-appoint him for the further period of 5 years with effect from 1.10.2011 and member’s approvals sought to the re-appointment.

The terms of his re-appointment and remuneration including minimum remuneration are set out in the resolution.

The detailed terms stated in the resolution constitute the terms of re-appointment of Mr. Sunil Kothari for the abstract required in terms of section 302 of the Companies Act, 1956. The appointment shall be liable to retire by rotation.

Mr. Sunil Kothari is interested in the resolution. Mr. C.P. Kothari, Mr. D.P. Kothari and Mr. T.C. Kothari who are the relatives of Mr. Sunil Kothari may be deemed to be interested in the resolution.

No other Director of the Company is concerned or interested in the resolution.

A copy of the re-appointment letter issued to Shri Mr. Sunil Kothari is open for inspection by the members at the registered office of the company during the Company's business hours on all working days.

ITEM NO. 6

Mr. Vivek Kothari, relative of Mr. Chander Prakash Kothari, the Managing Director of the company and DR. T.C. Kothari, the Chairman of the Company, is currently holding the office or place of profit as CEO- Hotel Om Tower under the Company, at a monthly remuneration of Rs. 1,00,000/- per month. The said office or place of profit in compliance with Section 314(1 B) of the Companies Act, 1956 and the rules made there under, was approved by the shareholders of the Company and the Central Government.

Mr. Vivek Kothari is a key member of the Senior Management team of the Company. With regard to the valuable services rendered by him to the Company, his term of appointment (which lapses after 31.03.2011) is proposed to be renewed for a further period of 5 years, w.e.f. 01.04.2011 at a monthly remuneration of Rs. 150,000 per month with such increments as the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) may decide from time to time including such other allowances and perquisites as may be applicable to other employees occupying similar position within the same salary scale or grade as per Company rules, namely Free Accommodation at Site, Provision for chauffeur driven car, reimbursement of medical expenses, reimbursement of actual travelling expenses (domestic and overseas) on leave once in every year in respect of self, spouse and children, Reimbursement of Club Admission and Membership Fees in respect of one club, Provision for mobile, telephone and computer for office use, Mediclaim and Key Personnel Life Insurance Coverage, Statutory benefits like Provident Fund and Gratuity as per applicable rules and Encashment of accumulated leave as per Company Policy.

Considering his qualifications, experience and responsibilities shouldered by Mr. Vivek Kothari and the overall salary structure of the Company, the Board of Directors upon recommendation of the Committee formed pursuant to the Director's Relatives (Office or Place of Profit) Rules, 2003, considered it desirable to increase the remuneration payable to him w.e.f 01.04.2011, subject to approval of members of the Company.

Mr. Vivek Kothari is son of Mr. Chander Prakash Kothari, the Managing Director of the Company and grandson of Dr. T.C. Kothari, the Chairman of the Company and hence the revision in the terms of his appointment requires prior consent of the Company by a Special Resolution in terms of Section 314(1B) of the Companies Act, 1956. None of the other directors can be considered to be concerned with or interested in the said resolution.

The resolution mentioned in Item No. 6 of the Notice is recommended for your approval.

ITEM NO. 7

Mr. Vishal Kothari , relative of Mr. Dharam Prakash Kothari, the Director of the Company and DR. T.C. Kothari , the Chairman of the Company, is currently holding the office or place of profit as Executive -Real Estate (Rajasthan Circle) under the Company, at a monthly remuneration of Rs. 1,00,000/- per month . The said office or place of profit in compliance with Section 314(1 B) of the Companies Act, 1956 and the rules made there under, was approved by the shareholders of the Company and the Central Government.

Mr. Vishal Kothari is a key member of the Senior Management team of the Company. With regard to the valuable services rendered by him to the Company, his term of appointment (which lapses after 31.03.2011) is proposed to be renewed for a further period of 5 years, w.e.f. 01.04.2011 at a monthly remuneration of Rs. 150,000 per month with such increments as the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) may decide from time to time including such other allowances and perquisites as may be applicable to other employees occupying similar position within the same salary scale or grade as per Company rules, namely Free Accommodation at Site, Provision for chauffeur driven car, reimbursement of medical expenses, reimbursement of actual travelling expenses (domestic and overseas) on leave once in every year in respect of self, spouse and children, Reimbursement of Club Admission and Membership Fees in respect of one club, Provision for mobile, telephone and computer for office use, Mediclaim and Key Personnel Life Insurance Coverage, Statutory benefits like Provident Fund and Gratuity as per applicable rules and Encashment of accumulated leave as per Company Policy.

Considering his qualifications, experience and responsibilities shouldered by Mr. Vishal Kothari and the overall salary structure of the Company, the Board of Directors upon recommendation of the Committee formed pursuant to the Director's Relatives (Office or Place of Profit) Rules, 2003, considered it desirable to increase the remuneration payable to him w.e.f 01.04.2011, subject to approval of members of the Company and that of the Central Government.

Mr. Vishal Kothari is son of Mr. Dharam Prakash Kothari, the Director of the Company and grandson of Dr. T.C. Kothari, the Chairman of the Company and hence the revision in the terms of his appointment requires prior consent of the Company by a Special Resolution in terms of Section 314(1B) of the Companies Act, 1956. None of the other directors can be considered to be concerned with or interested in the said resolution.

The resolution mentioned in Item No. 7 of the Notice is recommended for your approval.

ITEM NO. 8

Mr. Vikas Kothari, relative of Mr. Dharam Prakash Kothari, the Director of the Company and DR. T.C. Kothari , the Chairman of the Company, is currently holding the office or place of profit as an Executive International Business Development under the Company, at a monthly remuneration of Rs. 1,00,000/- per month . The said office or place of profit in compliance with

Section 314(1 B) of the Companies Act, 1956 and the rules made there under, was approved by the shareholders of the Company and the Central Government.

Mr. Vikas Kothari is a key member of the Senior Management team of the Company. With regard to the valuable services rendered by him to the Company, his term of appointment (which lapses after 31.03.2011) is proposed to be renewed for a further period of 5 years, w.e.f. 01.04.2011 at a monthly remuneration of Rs. 150,000 per month with such increments as the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) may decide from time to time including such other allowances and perquisites as may be applicable to other employees occupying similar position within the same salary scale or grade as per Company rules, namely Free Accommodation at Site, Provision for chauffeur driven car, reimbursement of medical expenses, reimbursement of actual travelling expenses (domestic and overseas) on leave once in every year in respect of self, spouse and children, Reimbursement of Club Admission and Membership Fees in respect of one club, Provision for mobile, telephone and computer for office use, Mediclaim and Key Personnel Life Insurance Coverage, Statutory benefits like Provident Fund and Gratuity as per applicable rules and Encashment of accumulated leave as per Company Policy.

Considering his qualifications, experience and responsibilities shouldered by Mr. Vikas Kothari and the overall salary structure of the Company, the Board of Directors upon recommendation of the Committee formed pursuant to the Director's Relatives (Office or Place of Profit) Rules, 2003, considered it desirable to increase the remuneration payable to him w.e.f 01.04.2011, subject to approval of members of the Company and that of the Central Government.

Mr. Vikas Kothari is son of Mr. Dharam Prakash Kothari, the Director of the Company and grandson of Dr. T.C. Kothari, the Chairman of the Company and hence the revision in the terms of his appointment requires prior consent of the Company by a Special Resolution in terms of Section 314(1B) of the Companies Act, 1956. None of the other directors can be considered to be concerned with or interested in the said resolution.

The resolution mentioned in Item No. 8 of the Notice is recommended for your approval.

ITEM NO.9

Mr. Bharat Kothari, relative of DR. T.C. Kothari, the Chairman of the Company, is currently holding the office or place of profit as an Executive Projects under the Company, at a monthly remuneration of Rs. 1,00,000/- per month. The said office or place of profit in compliance with Section 314(1 B) of the Companies Act, 1956 and the rules made there under, was approved by the shareholders of the Company and the Central Government.

Mr. Bharat Kothari is a key member of the Senior Management team of the Company. With regard to the valuable services rendered by him to the Company, his term of appointment (which lapses after 31.03.2011) is proposed to be renewed for a further period of 5 years, w.e.f. 01.04.2011 at a monthly remuneration of Rs. 150,000 per month with such increments as the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) may decide from time to time including such other allowances and perquisites as may be applicable to other employees occupying similar

position within the same salary scale or grade as per Company rules, namely Free Accommodation at Site, Provision for chauffer driven car, reimbursement of medical expenses, reimbursement of actual travelling expenses (domestic and overseas) on leave once in every year in respect of self, spouse and children, Reimbursement of Club Admission and Membership Fees in respect of one club, Provision for mobile, telephone and computer for office use, Mediclaim and Key Personnel Life Insurance Coverage, Statutory benefits like Provident Fund and Gratuity as per applicable rules and Encashment of accumulated leave as per Company Policy.

Considering his qualifications, experience and responsibilities shouldered by Mr. Bharat Kothari and the overall salary structure of the Company, the Board of Directors upon recommendation of the Committee formed pursuant to the Director's Relatives (Office or Place of Profit) Rules, 2003, considered it desirable to increase the remuneration payable to him w.e.f 01.04.2011, subject to approval of members of the Company and that of the Central Government.

Mr. Bharat Kothari is grandson of Dr. T.C. Kothari , the Chairman of the Company and hence the revision in the terms of his appointment requires prior consent of the Company by a Special Resolution in terms of Section 314(1B) of the Companies Act, 1956. None of the other directors can be considered to be concerned with or interested in the said resolution. The resolution mentioned in Item No. 9 of the Notice is recommended for your approval.

ITEM NO. 10

Mr. Bahubali Kothari, relative of DR. T.C. Kothari , the Chairman of the Company, is currently holding the office or place of profit as an Executive Projects under the Company, at a monthly remuneration of Rs. 1,00,000/- per month The said office or place of profit in compliance with Section 314(1 B) of the Companies Act, 1956 and the rules made there under, was approved by the shareholders of the Company and the Central Government.

Mr. Bahubali Kothari is a key member of the Senior Management team of the Company. With regard to the valuable services rendered by him to the Company, his term of appointment (which lapses after 31.03.2011) is proposed to be renewed for a further period of 5 years, w.e.f. 01.04.2011 at a monthly remuneration of Rs. 150,000 per month with such increments as the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) may decide from time to time including such other allowances and perquisites as may be applicable to other employees occupying similar position within the same salary scale or grade as per Company rules, namely Free Accommodation at Site, Provision for chauffer driven car, reimbursement of medical expenses, reimbursement of actual travelling expenses (domestic and overseas) on leave once in every year in respect of self, spouse and children, Reimbursement of Club Admission and Membership Fees in respect of one club, Provision for mobile, telephone and computer for office use, Mediclaim and Key Personnel Life Insurance Coverage, Statutory benefits like Provident Fund and Gratuity as per applicable rules and Encashment of accumulated leave as per Company Policy.

Considering his qualifications, experience and responsibilities shouldered by Mr. Bahubali Kothari and the overall salary structure of the Company, the Board of Directors upon

recommendation of the Committee formed pursuant to the Director's Relatives (Office or Place of Profit) Rules, 2003, considered it desirable to increase the remuneration payable to him w.e.f 01.04.2011, subject to approval of members of the Company and that of the Central Government.

Mr. Bahubali Kothari is grandson of Dr. T.C. Kothari, the Chairman of the Company and hence the revision in the terms of his appointment requires prior consent of the Company by a Special Resolution in terms of Section 314(1B) of the Companies Act, 1956. None of the other directors can be considered to be concerned with or interested in the said resolution. The resolution mentioned in Item No. 10 of the Notice is recommended for your approval

By order of the Board

Sd/-
Chairman

Dated: 31.08.2011
Place : Jaipur

NOTES FOR MEMBERS ATTENTIONS:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

IN ORDER TO BE EFFECTIVE, THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

- 2) An Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business is annexed.
- 3) Relevant details in respect of item no.2 pursuant to Clause 49 of the Listing Agreement, is annexed hereto.
- 4) Members/ Proxies should bring the Attendance Slip, duly filed in, for attending the Meeting.
- 5) Shareholders are requested to bring their copy of Annual Report to the meeting.
- 6) In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 7) Members, who hold shares in dematerialized form, are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested form, are requested to write their Folio no. in Attendance Slip for attending the Meeting.

- 8) All the documents referred to in the accompanying notice and Explanatory statement shall be open for public inspection at the registered office of the Company on all working days between 11 A.M. to 1 P.M. prior to date of Annual General Meeting
- 9) Corporate members intending to send their authorized representative to attend the Annual General Meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.
- 10) In terms of section 109A of the Companies Act, 1956 nomination facility is available to individual shareholders. The shareholders who are desirous of availing this facility may kindly write to Company's Registrar and Share Transfer Agents at the address mentioned below for nomination form quoting their Folio Number.
- 11) Members desirous of getting any information about the accounts of the Company are requested to send their queries at the registered office of the Company at least 10 days prior to the date of the Meeting so that the requisite information can be readily made available at the meeting.
- 12) All members who have either not received or have not yet encashed their dividend warrant(s) till financial year 2010-11 are requested to write to the Company for obtaining the duplicate dividend warrant without any delay.
- 13) Members are requested to furnish their Bank Account Details, change of address etc. to the company's registrars and share transfer Agents mentioned below, in respect of shares held in physical form and to their respective Depository Participant, if the shares are held in electronic form.
- 14) Register of Members and share transfer books of the Company will remain closed from 27.09.2011 to 30.09.2011

REGISTRAR & SHARE TRANSFER AGENTS:

M/s Skyline Financial Services Pvt.Ltd.
D-153, A, Ist Floor, Okhla Industrial Area,

Phase-I, New Delhi-110020

Tel: 011-30857575

Fax: 011-3085762

E-mail: admin@skylinerta.com

E-mail: skyline_fspl@rediffmail.com

ANNEXURE II

Details of Directors seeking appointment/ re-appointment in the ensuing Annual General Meeting to be held on 30th September 2011:

Name	KAMAL KUMAR CHANDWAR	SUNIL KOTHARI
Date of Birth	06/08/1953	09/01/1965
Appointed on	10/03/2004	28.04.2006
Qualifications	Graduate	Diploma in Business Admin.
Expertise in specific functional area	Finance & liasing	Finance Management
Directorships held in other public Companies	Nil	(!)Skywave impex ltd.
Membership/Chairmanships of committees across public Companies	Om Metals Infraprojects Ltd.: Audit Committee Shareholders/ Investors Grievance Committee	-
Shareholding in the Company	Nil	6045108

*Directorships in foreign companies, alternate directorship in private companies and membership in governing councils, chambers and other bodies not included.

Date: 31st August, 2011

Place: Jaipur

**Regd. Office: Om Towers, Church Road
M.I.Road, Jaipur-302001
Rajasthan**

By order of the Board

Sd/-

Chairman

OM METALS INFRAPROJECTS LIMITED

Regd. Office : Om Towers, Church Road , M I Road , Jaipur 302001

ATTENDANCE SLIP

39th Annual General Meeting

Thursday, 30th September, 2011 at 11:00 A.M.

Registered Folio No./ Demat Account No. (Client ID).....
DP ID No
Name & Address of Shareholder.....
.....
Number of Shares Held.....

I/we hereby record my/our presence at the 39th Annual General Meeting of the Company at **Om Tower, Church Road , M I Road , Jaipur** on **Friday, 30th September, 2011** at 11:00 A.M. certify that I am a registered shareholder of the company and hold.....shares.

Shareholder's/ proxy's

Signature

Important:

1. Shareholder or proxy holder attending this meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled and signed.
2. Shareholders or proxy holders are requested to bring their copy of the Annual Report for reference at the meeting.

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PROXY FORM

OM METALS INFRAPROJECTS LIMITED

Regd. Office : Om Towers, Church Road , M I Road , Jaipur 302001

Registered Folio No./Demat Account No.(Client ID).....
DP ID No.....
Name & Address of Shareholder.....
.....
Number of Shares Held.....

I/we _____ of _____ in the District of _____ being a member/Members of **OM METALS INFRAPROJECTS LTD**, hereby appoint _____ of _____ or failing him, _____ of _____ or failing him _____ of _____ as my/ our proxy to vote for me/us and on my/our behalf at the 39th Annual General Meeting of the Company to be held on **Friday, 30th September, 2011** at 11:00 A.M or any adjournment thereof.

Signed this _____ day of _____ 2011

Note:

1. In order to be effective, the proxy form should be duly stamped, completed and signed and must be deposited at the registered office of the Company not less than forty eight hours before the commencement of the meeting. The proxy need not be a member of the Company .
2. Members holding shares under more than one folio may use photocopy of this Proxy Form for other folios. The Company shall provide additional forms on request.

Director's Report

Dear Shareholders,

Your Directors have pleasure in presenting 39th Annual Report and audited accounts of the Company for the year ended 31st March, 2011.

RESULTS OF OPERATION

(Rs. In Lacs)

Particulars	Year Ended March 31,		
	2011 Audited	2010 Audited	Growth %
Total Turnover	23629.64	20216.67	16.88
Operating Profit (EBITDA)	6567.59	5519.20	18.99
Financial Charges	1712.78	726.55	135.74
Depreciation	1145.47	658.64	74.26
Profit before Tax	3709.34	4136.61	-10.33
Provision for Taxes	845.84	885.25	-4.45
Profit after Tax	2863.50	3251.36	-11.92
Add : Profit brought forward from previous year	10836.29	8166.85	
Profit available for appropriation	13699.80	11418.22	
Retained Profit carried forward to the next year	13281.34	10836.29	

Business

The strength of your Company lies in identification, execution and successful implementation of the projects in the infrastructure space. To strengthen the long-term projects and ensuring sustainable growth in assets and revenue, it is important for your Company to evaluate various opportunities in the different business verticals in which your Company operates. Your Company currently has several projects under implementation and continues to explore newer opportunities, both domestic and international. Your Board of Directors considers this to be in strategic interest of the Company and believe that this will greatly enhance the long-term shareholders' value.

At present your Company operates in three business sectors- Heavy Engineering cum construction, Real Estate and Infrastructure Projects.

This year we have surpassed all the expectations and feats achieved earlier by registering a consolidated top line of Rs.300 crore. The projects awarded by NHPC like URI & Chamera are progressing in compressed schedule very well compensated by handsome incentive. Post approval of design and drawings in Kameng project - the revenue generation was satisfactory this year and the phenomenal progress is anticipated in next F.Y. We are endeavouring to get price revision in Kameng Project for the delay attributable to NEEPCO in revising structural and technical parameters. The EPC work of kalisindh project progressed very well this year and we have achieved Rs 70 crore turnover from this only.

The real estate division of the Company maintained the momentum at par by registering a turnover of Rs.61.63 lacs from the Township at Kota. The construction of “Om Urban Height” is running in full swing and the sales response is overwhelming. Next two years will witness revenue from this project.

The Company has reported a Profit Before Tax (PBT) of Rs.3709 lacs, as against Rs.4136 lacs in the previous year. The increased finance cost and stressed the surge proportionate to surge in turnover.

The Hotel is encashing the growth in tourism especially in Rajasthan which is favourite destination for the overseas tourist. The profit reported by the hotel for the f y 2010-11 is 1.25 crore.

The company has leased out the three screen theatres to INOX leisure, a renowned multiplex chain in india, recently in the ongoing fiscal at a handsome fee every year. The profit reported by the Multiplex for the f y 2010-11 is 81.16 lacs.

DIVISIONAL ANALYSIS

ENGINEERING DIVISION

The Turnover of this division this year is Rs. 224.69 crore and profit is Rs 26.50 crore against Turnover of Rs 166.02 crore & profit is Rs 20.01 in the last year. The Engineering Division focuses on turnkey engineering procurement and construction contracts for Hydro mechanical equipment for Hydro Power and Irrigation projects. The 35% surge in turnover this year from engineering division mainly attributed by four NHPC projects and Kalisindh Project where we are doing EPC for Civil as well as hydromech component. We have a sizeable share in the Indian Hydro mechanical space with an unexecuted order book size of Rs 1201.84 crores. The Company post qualification in civil work for dam will qualify for complete EPC for dam except EM package and shall address a larger share of hydro power project. This is a feat for diversifying in the civil construction

space and the Company will not have to take recourse to civil companies for meeting PQ norms for bidding in civil space. The Company is now all geared up to encash the burgeoning opportunities in executing complete EPC contract in the space of H M components and civil structure as well for Hydro projects of 38000 MW power generation planned in next 10 years by GOI. The projects in Hydro power space involve multifarious activities viz. civil construction, electromechanical component and Hydro mechanical equipments. the company also doing EPC for road project and this will further increase the addressing area in infra space.

REAL ESTATE, HOTELS AND MULTIPLEX

The Turnover of this division this year is Rs.8.66 crore and profit is Rs 2.13 crore against Turnover of Rs 30.61 crore & profit is Rs 12.49 crore in the last year.

The turnover from hotel Om Tower in Jaipur and Multiplex in Kota remained at same levels. With the revival in economical growth –revenue is expected to increase buoyed by increasing domestic and international tourism ahead.

Though in real estate front we have not seen any major revenue generation but we launched another residential project Om Urban Heights” the response of which is very motivating.

The company acquired very prestigious land in jaipur for developing state of the art high end residential apartments. The project cost of this is Rs. 350 crore and anticipated revenue of Rs. 600 crore.

In Mumbai bandra project-Post CRZ and MOEF clearance – other statutory clearance and extensions from SRA and other different agencies are on fast track and we have successfully constructed the temporary transit camps for shifting slum dwellers and this will pave the way to begin construction activities of rehab apartments and commercially roll out sellable apartments in Bandra Reclamation- A project initiated by MHADA.

Future plans

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

The Company is all geared up to encash the burgeoning opportunities in the Hydro Mechanical segment and utilise the PQ earned from Kalisindh project in Civil space by providing turnkey solution in civil as well as Hydro mechanical space to minimum 38,000 MW additional Hydel power generation planned in next 10 years by GOI.

Your Company is aggressively taking part in submitting RFQ's for Roads, Highways, massive housing projects, transmission towers, solar power generation, urban and rural infrastructure development projects, ancillary services to Ports etc and in some of them Company has been shortlisted for submitting RFP.

The lease income from Inox is continuing in Multiplex & hotel in Jaipur is doing satisfactory business and we are confident of surge in tourism industry.

OTHER REAL ESTATE PROJECTS IN DIFFERENT SPV'S ARE DISCUSSED IN SUBSIDIARY SECTION.

Liquidity

The proceeds from the allotment of 2,00,00,000 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 Subsidiary company and liquid funds and we are awaiting potential overseas/domestic Business acquisition opportunity to utilise the available credit limits.

Our strong cash flows enable us to manage financial and business risks.

APPROPRIATIONS

Dividends

During the year under review, your directors had declared and paid interim dividend of Rs.0.15 per share in December, 2010. The Directors recommend it to treat as final dividend.

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.

TRANSFER TO RESERVES

The Board of Directors proposes to transfer Rs 2, 50, 00,000 to General Reserve in accordance with the Companies (Transfer of Profit to Reserves) Rules, 1975.

Subsidiaries

Om Metals Auto Pvt Ltd.- OM Toyota Jaipur- the 3-S automobile dealership business got a huge boost with the launch of the new Toyota SUV- Fortuner. The turnover of the company increased by 35.67% as against the previous year's turnover of Rs. 47.21

crores. With the launch of ETIOS- in the small segment, the company is expected to reap in the profits in this segment too.

OM Metals Consortium Pvt Ltd. – This company has bought a very prime parcel of 19000 sq mt land at Statue circle Jaipur for developing high end residential apartments. It has negotiated with Studio 18, a renowned architecture firm of USA to design the project. The project is awaiting drawings approval from JDA to develop the 6 lakhs sq. feet high end residential project.

Om Gaima Projects Pvt Ltd. This SPV in partnership with Foreign Company has been exploring Port, marine structure contracts and is aggressively bidding for the same.

OM Metals Real Estate Pvt. Ltd. This 100% subsidiary is holding stakes in different SPV's for different projects in Hyderabad, Faridabad, Jaipur. The development of all these projects are in some stages of clearances .

Step Subsidiaries/Associates

Om Metals Ratnakar Pvt Ltd. – a step subsidiary 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 and contributing to expansion and diversification of the company in high potential areas.

Om Metals Developer Pvt Ltd. – Post development agreement with Mahindra lafe space for residential housing project at Hyderabad on 25:75 basis-the developer is speedily endeavouring for statutory clearances and drawing approvals.

OM Shivay Real Estate Pvt. Ltd. With the completion of the flyover at Badarpur near Faridabad, the traffic congestion has gone down considerably. And it has also eased the accessibility to the plot nearby. Minor litigation stands pending in the High Court and the DRT.

OM Metals Infotech Pvt. Ltd. The case initiated by the local party has been decided by the court. The decision has been awarded in favor of the purchaser. The land is now can now be fully utilized for the implementation of the projects.

OM Hydromech Pvt. Ltd. An industrial land has been acquired in Bhilai from Bank of Baroda in open auction for setting up fabrication yard as a expansion mode. Bank of Baroda is unable to give clear title of the land and we have approached DRT for refund of the auction money . The matter is pending at court.

NKP holding (P) Ltd. 3000 sq. Mt land in NCR near delhi-faridabad boarder is in possession with the company where we hold 50% ownership through OREPL. The land

is suitable for corporate park and is adjacent to the land owned by our associate Om Shivay Real estate (P) Ltd.

Om Sansation Properties (P) Ltd.—This company owns agricultural land in andhra Pradesh and our ownership in this company is 25%.

Sanmati Buildcon (P) Ltd.—33 acre appx land is owned by this company in sohna dist gurgaon (Haryana) and we own 33.33% in this company.

Partnerships

OM Metals Consortium—This prestigious partnership firm for development of SRA project in Bandra Reclamation facing Bandra-Worli sea Link has completed the construction of the temporary transit camp and is expecting to shift the slums dwellers by the middle of the current FY. The construction of the sellable apartments will take place later on during the year once the LOI conditions are fully met..

Other SPV's

Pondicherry Port Ltd. An SPV earmarked for the development of sea port in Pudducherry. The project will commence, upon the detailed project report and environmental clearance being in place.

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. We are awaiting formal notification from Ministry of Commerce ..

Bhilwara Jaipur Toll Road Pvt Ltd.—The construction of the 212 km road project in Jaipur-Bhilwara Stretch is in progress and the funding has been tied up from ICICI Bank & Punjab National Bank jointly. Om metals is doing the entire EPC for this road project.

OM Metals-SPML Infraprojects Pvt Ltd. A 457 cr Kalisindh Dam project in a SPV created with SPML infra on 50:50 is running in full swing and Om Metals has been executing EPC contract for major work.

COMPANIES CEASED TO BE SUBSIDIARIES:

1. Om Paradise and Malls Private Limited with effect from 06.04.2010
2. Om Automotors Private Limited with effect from 06.04.2010

Directors

In accordance with the provisions of sections 255 and 256 of the Companies Act, 1956 and the Articles 61 of the Articles of Association of the Company Shri Kamal Kumar Chandwar retires by rotation at the ensuing AGM of the Company and being eligible offer themselves for re-appointment.

AUDITOR & AUDITORS REPORT

M/s. M.C. Bhandari & Co., Chartered Accountants, Statutory auditor M/s. B. Khosla & Co. Chartered Accountants Branch Auditor of hotel division and M/s Milind Vijiyvargiya & Associates Chartered Accountants Branch Auditor of engg. & Real estate division hotel division will retire at the conclusion of the Annual General Meeting and being eligible offer themselves for reappointment, if may be in accordance with Section 224(1B) of the Companies Act, 1956. The board recommends their re-appointment.

The Notes to the Accounts referred to in the Auditors Report are self explanatory and therefore do not call for any further explanation.

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 A to the Directors Report.

PARTICULARS OF EMPLOYEES

There is no employee in respect of whom information u/s 217(2A) of the Companies Act, 1956 is required to be given.

PERSONNEL

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

LISTING

The Equity Shares of the Company continue to remain listed with the Bombay Stock Exchange (BSE). The listing fees payable to the exchange for the financial year 2010-11 have been paid.

An Application for listing of equities with the National Stock Exchange (NSE) is pending and expected to be listed soon.

EXTERNAL RATING

CARE has assigned ratings symbol of A & PR1 to company and company has requested to CARE to review it.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the Companies Act, 1956, your directors confirm that:

(i) in the preparation of account for the period ended March 31, 2011, 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) 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) the accounts for the period ended March 31, 2011 are on a going concern basis.

CEO/CFO CERTIFICATION

The Managing Director and Chief Financial Officer of the Company have submitted certificate to the Board as required under Clause 49 of the Listing agreement for the year ended 31st March, 2011.

UNCLAIMED DIVIDEND

Section 205 of the Companies Act, 1956, mandates that companies transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned as follows, if unclaimed within a period of seven years, will be transferred to IEPF.

Year	% Of Dividend Declared		Date of Declaration	Due date of Transfer	Amount(₹)
	Interim	Final			
2010-11	15%	-	11/11/2010	10/12/2017	46222.25
2009-10	20%	-	28/01/2010	27/02/2017	77777.80
2008-09	10%	-	14/03/2009	13/04/2016	66823.00
2007-08	-	10%	30/09/2008	29/10/2015	99035.00
2006-07	20%	-	16/03/2007	15/04/2014	108030.60
2005-06	30%	-	14/02/2006	13/03/2013	110548.30
2005-06	-	20%	30/09/2006	29/10/2013	146964.60
2004-05	10%	-	14/03/2005	13/04/2012	90846.00
2004-05	-	20%	30/09/2005	29/10/2012	105624.40

The Company is sending periodic communication to the concerned shareholders, advising them to lodge their claims with respect to unclaimed dividend. Shareholders are cautioned that once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company

CORPORATE WEBSITE

The website of the Company, WWW. OMMETALS.COM carries a comprehensive database of information of interest to the stakeholders including the corporate profile, information with regard projects, financial performance of your Company and others.

MANAGEMENT INFORMATION AND DISCUSSION REPORT

Management Analysis and Discussion Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the annexure B to the Directors Report.

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 annexure C to the Directors' Report.

JOINT VENTURES & FOREIGN COLLABORATIONS

Foreign Collaboration

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

Domestic JVs

OMIL JSC JV This JV is executing for Kameng Project.

Om Ray This JV is executing in Karnataka.

CONSOLIDATED FINANCIAL STATEMENTS

As required under Clause 49 of the listing agreement with stock Exchanges, the consolidated financial statements of the Company are attached with the Annual Accounts of the Company.

As per Section 212 of the Companies Act, 1956, we are required to attach the Directors' report, Balance Sheet, and Profit and Loss account of our subsidiaries. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated February 8, 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in the Annual Report. Accordingly, the Annual Report 2010-11 does not contain the financial statements of our subsidiaries. The audited annual accounts and related information of our subsidiaries, where applicable, will be made available upon request. These documents will also be available for inspection during business hours at our registered office in Jaipur, India.

The investment in significant associates like Om Metals Consortium, Om Metals Consortium (P) Ltd., Om Ray JV, OMIL-JSC JV, Pondicherry Port Ltd., Sanmati Infradeveloper Pvt. Ltd., Bhilwara Jaipur Toll Road (P) Ltd., Om Metals SPML Infraprojects (P) Ltd. have been treated as per AS 27/23 and accordingly have been consolidated in financial statements in compliance with AS.

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

FIXED DEPOSITS

During the year under review, your Company has not accepted any deposits from Public under Section 58A of Companies Act, 1956.

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

Date:30th MAY,2011

Sd/-
(Dr T C Kothari)

Chairman

Annexure to Director's Report

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, 2011.

Annexure : A

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.

2. Benefits derived as a result of the effort product improvement.

- Cost reduction.
- Product development & Import substitution etc.

3. Technology imported during the last 5 year.

– NIL –

D. Foreign Exchange Earning and Outgo :

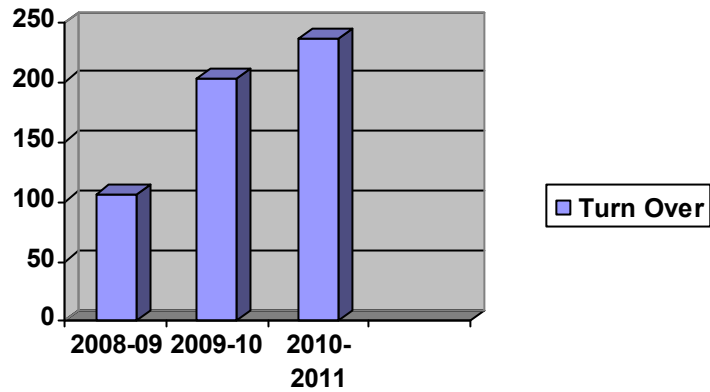
(i) Activities relating to exports, initiatives taken to increase exports, development of new export, development of new export markets for products and service and export plans.

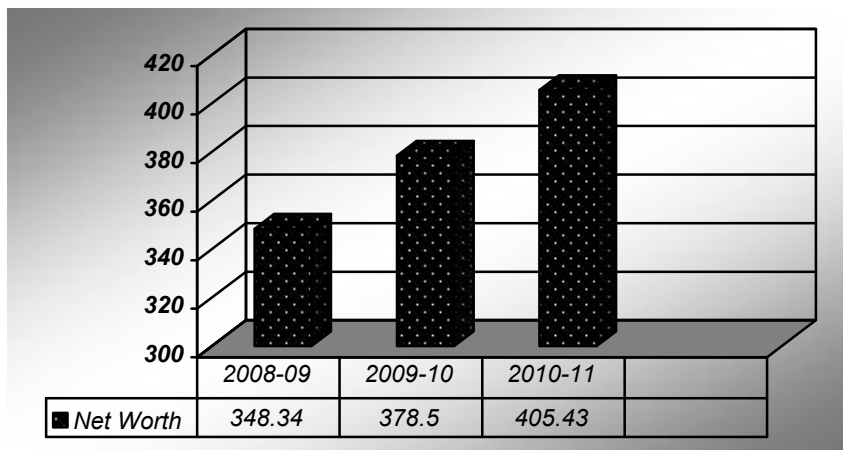
(ii) Total foreign exchange used and earned.

(Rs. in Lacs)

	31.03.2011	31.03.2010
i. Earning by ways of :		
(a) Exports	NIL	NIL
(b) Service	0.00	0.42
ii. Outgo by way of		
(a) CIF value of imports	2726.40	1743.41
(b) Travelling & Others	67.71	26.26
(c) Capital Goods	754.92	268.03

Financial Snapshot



EBIDTA**Shareholder Information**

1. Annual General Meeting

Date and Time : 30th Sep., 2011Venue : Om Towers, Church Road,
MI Road, Jaipur

2. Financial Calendar

Financial reporting for the quarter ending June 30, 2011	:	Mid August, 2011
Financial reporting for the quarter ending September 30, 2011	:	Mid November 2011
Financial reporting for the quarter ending December 31, 2011	:	Mid February, 2012
Financial reporting for the year ended March 31, 2012	:	End May, 2012
Annual General Meeting for the year ended March 31, 2012	:	End Sept. 2012

3. Registered Office : Om Towers, Church Road,
M I Road, Jaipur Rajasthan

4. Website : <http://www.ommetals.com/>

5. Listing on Stock Exchange at

Stock Exchange	Code
Bombay Stock Exchange Ltd	ISIN :INE239D01028531092
Phiroze Jeejeebhoy Towers	BSE CODE :
Dalal Street	531092
Mumbai-400 001	

Note: Listing Fees has been paid to all the Stock Exchanges as per their schedule

6. Registrar and Transfer Agents : M/s Skyline Financial Services Pvt. Ltd.
D-153A, 1st Floor, Okhla Indus. Area,
Phase -I , New Delhi -110 020

(For share transfers and other
Communication relating to
Share certificates, dividend
And change of address)

7. Nature of complaints received during the year: Two complaints in relating to non -receipt of dividend change of address and Non-receipt of share Certificate/Transfer/ Transmission, etc.
8. Dematerialization of shares and liquidity : As on 31.3.2011 Total shares in Dematerialization form was 8.95 Cr.And total Shares of the Company were Rs. 9.63 Cr.

9. Investor Correspondence

Other than Secretarial Matters : info@ommetals.com

On Secretarial Matters : cs@ommetals.com

10. Major changes in Equity Share Capital during the year: Increase in Authorized share Capital from 10.16 cr to 15 cr.

Management Discussion and Analyses

Economy overview

The world economy continues to face challenges on the path to sustained recovery. In the context of slow recovery in the developed markets, the focus of the world is on the developing and emerging economies, including India. The Indian economy has shown a swift and broad based growth, owing to a robust regulatory system and a domestic demand driven economy. After a dip in 2008-09 with a lower GDP growth rate of 6.7%, the Indian economy registered a V-shaped recovery, witnessing an 8% growth in 2009-10 and then 8.6% growth in 2010-11.

However, the recent downgrading of the U.S. economy and concerns of the debt-ridden Spain and Italy going the Greece, Ireland and Portugal way have created a fear that another global economic slowdown may resurface. To this scenario, stubbornly high inflation, tight liquidity conditions, sluggish industrial performance have adversely impacted the business confidence and may challenge India's economic growth momentum. While India's fast-paced positive growth trend may be impacted by these macro headwinds, strong macro-economic fundamentals, continued Government thrust to improve its infrastructure, dynamism in the rural economy, and continued fiscal measures will ensure stable and consistent economic growth for India in the future.

INDUSTRY OVERVIEW

Infrastructure

A fast growing economy warrants an even faster development of infrastructure. With the eleventh plan projecting a GDP growth averaging 9% per year, India could unleash its full potential provided it improves the infrastructure facilities including power generation which are at present not sufficient to meet the growing demand of the economy. The Planning Commission has earmarked infrastructure as a key priority area and the infrastructure investment in the 12th Plan period will be double the level of the 11th Plan period.

Power

Availability and access to energy are considered as catalysts for economic growth. The envisaged growth of the economy at 9% in the Eleventh Plan cannot be achieved without a commensurate increase in the availability of power. Areas like the resource exploration and exploitation, capacity additions, and power sector reforms have been revolutionized. However, resource augmentation and growth in power supply have failed to meet the ever increasing demands exerted by the multiplying population, rapid urbanization and progressing economy. The silver lining here is the focus on developing renewable and

non-conventional sources which will help India improve its power security in the long run.

Renewable energy, which is derived from natural resources, **cause fewer emissions and serve** as sustainable source of green energy. India blessed with an abundance of sunlight, water and biomass has the world's largest programme for renewable energy.

Hydro-power

India's power sector shortage continues to be a stumbling block for its infrastructure growth and overall development. Power peak shortages abound and transmission and distribution losses continue to be unreasonably high. The Government of India has decided to acquire an increasing portion of its additional power requirement from the country's vast untapped hydropower resources, only 23 percent of which has been harnessed so far. India's energy portfolio today depends heavily on coal-based thermal energy, with hydropower accounting for less than 30 percent of the total power generation. The Government has set the target for India's optimum power system mix at 40 percent from hydropower and 60 percent from other sources.

India aims to add 17,000 megawatt of renewable energy over five years starting 2012, stepping up the country's focus to develop clean energy sources. This extra capacity to be added in the 12th Five Year will need an investment of US\$33.6 billion.

This investment push in the Hydropower sector in order to minimise the existing mismatch in Thermal and Hydropower capacities, offers an excellent growth opportunity for Om Metals Infraprojects. An ISO 9001 Engineering Construction company, Om Metals Infraprojects is India's largest Hydro-mechanical equipment supplier with a market share of over 60 percent. Armed with an admirable track record of successful execution of more than 55 Hydromechanical contracts for Hydropower & Irrigation projects across the country, the Company is proud to have played a significant role in building India's mega, iconic hydropower structures.

The Company's prestigious client list spans the country's leading and foremost organizations and institutions, such as NTPC, NHPC, NEEPCO, among others. This client list endorses the Company's unique expertise in consistently completing projects ahead of contractual schedules and earning incentives / rewards for early completion.

The Company with its experience and strengths will continue to participate in opportunities which will drive the country's power reforms sustainably.

Real estate

After one and half years of gradual consolidation Real Estate in India has fathomed its own comfortable ground, and is poised at the right threshold to take a giant leap in years to come.

With a strong 1.2 billion people power, India is the second most populous country with a strong economy which is pushing income levels to new highs. The rising disposable incomes, burgeoning middle class, fiscal incentives on both interest and principal payments for housing loans, heightened customer expectations, and growing number of nuclear families are factors which promise a robust growth for the real estate sector in India.

Its favourable demographics will enhance actual demand and strong economic growth make the country an attractive place for property investors, given that demand for property is determined chiefly by business development and demographic trends.

Seeing the huge opportunity potential in real estate, Om Metals Infraprojects has strategically forayed into this vital segment of the Indian economy by acquiring land parcels across the country, wherein it saw value accretion. In line with its policy to strategically expand its land bank, the Company has acquired land in Jaipur and has existing land parcels in Kota, Faridabad and around NCR. The Company's Bandra SRA project in Mumbai is the key value-driver of its real estate business. The Bandra slum rehabilitation (under SRA) project will drive majority of value for the Company's real estate business.

EPC, Ports & SEZ

India has an ambitious plan to overhaul the infrastructure in the country over the next decade in which the private sector will play an important role. The need create infrastructure in vital areas of roads, railways, urban infrastructure (including metro, ports and airports) is expected to drive a large chunk of development in this segment. Besides the large infrastructure policy thrust the Government's proposal to allow issue of tax-free bonds of Rs.30,000 crore in order to give a boost to infrastructure development in railways, ports, housing and highways development underlines the urgency to accelerate infrastructure development for economic growth. The Government has also announced plans of constructing 35000 kms of highway by 2014 and a major chunk of these projects are expected from the private sector. The Company has forayed into the EPC space and will continue to actively explore the business opportunities in this space.

Ports too offer an impressive opportunity for private companies engaged in infrastructure development. Perceiving the strong potential for growth in this segment, the Company forayed into this space by winning two contracts for the development of a port and an SEZ in Puducherry. The SEZ project is multi-product SEZ spread over 860 acres and the Company has a nearly 20 percent stake in it. The Company has a 50 percent stake in the port project in Puducherry, which is to be developed in next 5-6 years. Both projects are expected to be developed through separate SPVs.

Business overview

The Company has several projects under implementation and continues to explore newer opportunities, both in the domestic and international sphere, in three business sectors- Heavy Engineering cum construction, Real Estate and Infrastructure Projects. The year under review, saw the Company's turnover grow by 16.88% over the previous year. However, due to a unprecedented rise of financial costs of over 135% over last year, Profit before Tax has come down to Rs 3709 lakhs as against 4136 lakhs in the previous year.

The Company has achieved another milestone by qualifying and securing a civil cum H M components contract for Kalisindh project in Rajasthan. This project enables the Company far backward integration and qualifies it for securing civil construction contracts for dams.

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

Post successful completion of residential project 'Om Enclave' at Kota, the Company has launched another project of 2 lac sq ft at Kota called OM Urban Heights and received an overwhelming response for this project. The project execution and completion is likely to take two years.

Earlier, Om Metals Infraprojects had inked a development agreement with Mahindra Life space in Hyderabad to complete branding and construction of 1 million sq ft residential apartments with all up class amenities. In return over 25% of built up space will be handed over to the SPV Company 'Om Metals developer Pvt. Ltd.' The execution and work for the same is yet to commence as statutory approvals are pending.

Some of the prestigious realty projects in hand include:

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	80000
Om Urban Heights – Residential	Kota	200000
OM Enclave-COMMERCIAL	KOTA	350000
IT/Corporate Park	JAIPUR	600000
TOTAL		1530000

Works are on full swing to set up plants at Tax free Zone of Jammu(J&K), Siliguri (West Bengal) and an additional capacity plant at Kota for manufacturing Hydraulic Gates for Hydro Mechanical Works.

Opportunities

With rising prices for thermal power, hydropower offers a cheaper and an environment friendly alternative.

- Government plans to increase the contribution of hydropower to 40% in the next eight years from less than 30% at present.
- As per the assessment of Central Electric Agency (CEA), the country has the potential to harness 148,700 MW of hydro power installed capacity from the identified basins and rivers.
- As per the “ Hydro-Development Plan for the 12th Five Year Plan “ a shelf of 109 hydroelectric schemes aggregating to 30,920 MW has been identified, which includes 46 schemes under the private sector with an installed capacity of 12,007 MW.
- The CEA expects 25316 MW of hydro capacity additions to be feasible for commissioning under the 12th Five Year Plan, for which an investment of Rs 151,896 has been envisaged with a broad equal division between Central, State and private enterprises.
- The Government is encouraging investors to set up renewable energy based power generation projects on Build-Own-Operate basis.

The Company is well placed to tap the opportunity of building more renewable energy resources and also building large scale irrigation projects.

Opening up of ports for private sector participation by the Government places the Company in a very favourable position to harness unfolding opportunities.

The Company has also expanded its presence in the lucrative market of real estate. This will help the Company to have a more stable business portfolio of long-term and short-term projects and of projects which are capital intensive balanced with projects with faster turnaround and less capital intensive.

Threats

For the hydropower projects any unforeseen weather and uncontrollable factors can delay construction and commissioning of the projects.

Income from real estate may be impacted by the market conditions and regulatory uncertainties.

All the infrastructure projects are time bound and have to be delivered on time. Any delay in project execution may lead to escalation in the overall project cost which may affect margins.

Most of the power projects are obtained from the government. Any political change with a different reasoning may hamper the operation of our projects

Risk Management

The Company has developed a comprehensive Risk Management System, across its operations. 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 organizational management. Exception and trend analysis is directly reported to Executive Management and the Audit Committee.

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.

At Om Metals Infraprojects, 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.

Regular risk analyses at the corporate level are conducted by the Company'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.

Human Resources

The Company's business odyssey is powered by a highly qualified management team, backed by a robust human resource base of 250 managerial and technical personnel, along with more than 1500 skilled and semi-skilled manpower. As on 31st March 2011, the total employees stood at -----.

Outlook

A niche player with strong execution capabilities, the Company is a pioneer in the field of turnkey execution - from Design, Detailed Engineering, Manufacture, Supply, Installation, Testing & Commissioning of complete range of Hydromechanical equipments for Hydroelectric Power & Irrigation projects and is thus well-placed to participate in the burgeoning Hydropower sector opportunities, while growing its presence through strategic diversification in the Real Estate and Infrastructure segments.

ANNEXURE “C” 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 2010-11

Company's Philosophy on Code of Corporate Governance

Our corporate governance philosophy is based on the following principles:

1. Satisfy the spirit of the law and not just the letter of the law. Corporate governance standards should go beyond the law
2. Be transparent and maintain a high degree of disclosure levels. When in doubt, disclose
3. Make a clear distinction between personal conveniences and corporate resources
4. Communicate externally, in a truthful manner, about how the Company is run internally
5. Have a simple and transparent corporate structure driven solely by business needs
6. Management is the trustee of the shareholders' capital and not the owner.

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, 2011, the Board comprised six directors out of which three are Executive -Directors and three are Non-Executive Directors. Chairman of the Board is also a Non-Executive Director. Out of six Directors two Directors are Independent Directors. The directors bring to the board wide range of experience and skills.

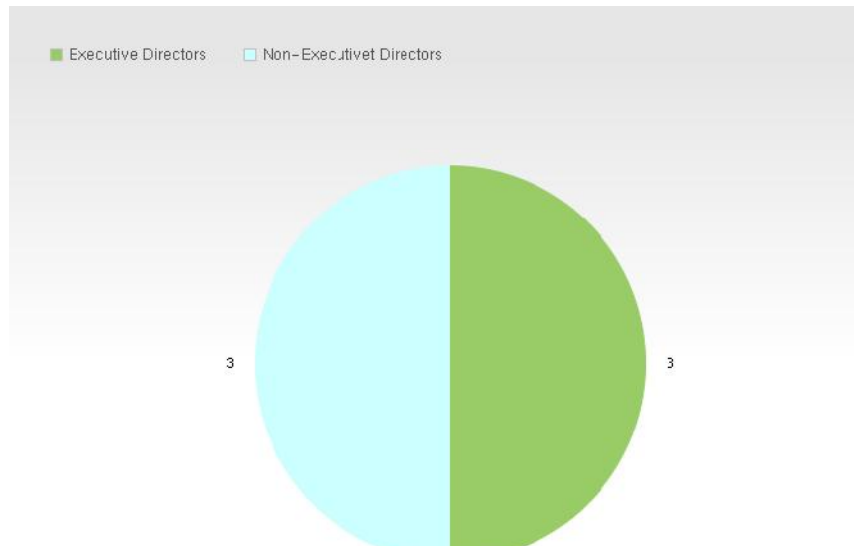
The size and composition of the Board conforms to the requirements of Corporate Governance norms as stipulated under the provisions of the Listing Agreement entered into with the Stock Exchanges.

Name of Director	Status/Designation	Category
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

The following is the composition of board on 31st March, 2011.

As On	Executive Directors	Non-Executive Directors	Total No. Directors
31 st March, 2011	03	03	06



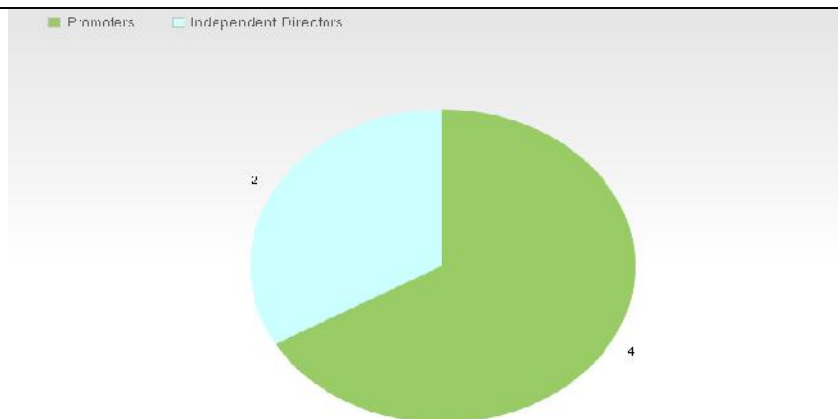
As On	Promoters	Independent	Total No.
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31st March, 2011

04

02

06



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 14 Board Meetings were held as against the minimum requirement of 4 meetings viz; on 03.04.2010, 22.04.2010, 24.04.2010, 25.05.2010, 12.08.2010, 20.08.2010, 10.09.2010, 16.09.2010, 28.09.2010, 02.11.2010, 11.11.2010, 03.12.2010, 31.12.2010, 14.02.2011

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 & Non-Executive Director	Chairman	11	Yes	0	0	4	3
Mr. C.P. Kothari	Promoter & Executive Director	Managing Director	12	Yes	2	10	-	-
Mr. D.P. Kothari	Promoter & Executive Director	Whole-time Director	12	Yes	-	06	-	-
Mr. Sunil	Promoter	Whole-time	13	Yes	0	03	-	-

Kothari	& executive Director	Director							
Mr. P.C. Jain	Independent & Non-Executive Director	Director	11	Yes	-	3	4	-	
Mr. Kamal Chandwar	Independent & Non-Executive Director	Director	10	No	-	1	3	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 2011 are here as under (In Lacs):

Name of Director and Allowances	Salary and Benefits	Perks and Sitting	Consultancy	Fees	Total
Dr.T.C. Kothari	N.A	NIL	Rs. 1.200	N.A	Rs. 1.200
Mr. C.P. Kothari	Rs 48.00	Rs.6.68	N.A	N.A	Rs.54.68
Mr D.P. Kothari	Rs42.00	Rs.10.24	N.A	N.A	Rs. 52.24
Mr Sunil Kothari	Rs48.00	Rs.10.25	N.A.	N.A.	Rs. 58.25
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

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, 2011

Name of the directors	No. of Shares of Rs. 1/- each held singly or jointly	% to total paid -up capital of The

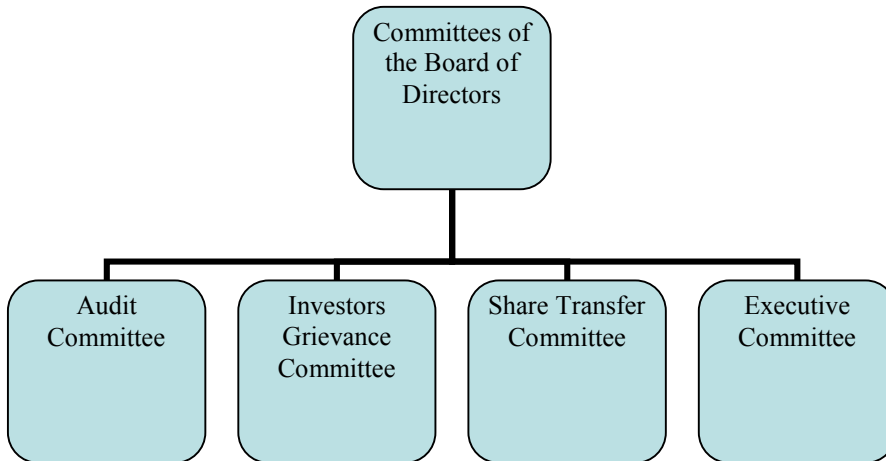
		Company
Dr.T.C. Kothari	865400	0.90
Mr. C.P. Kothari	5424818	5.63
Mr D.P. Kothari	3564668	3.70
Mr Sunil Kothari	6045108	6.28
Mr. P.C. Jain	0	0.00
Mr. Kamal Chandwar	0	0.00

Relationships of Directors and their business interest in the Company as on March 31, 2011

Name of the directors	Relationships with other Directors	Relationships with the company, if Any
Dr.T.C. Kothari	Father of Mr. C.P. Kothari, Mr. D.P. Kothari and Mr. Sunil Kothari	Promoter
Mr. C.P. Kothari	Son of Dr. T.C. Kothari and Brother of Mr. D.P. Kothari & Mr. Sunil Kothari	Promoter

Mr D.P. Kothari	Son of Dr. T.C. Kothari and Brother of Mr. C.P. Kothari & Mr. Sunil Kothari	Promoter
Mr SunilKothari	Son of Dr. T.C. Kothari and Brother of Mr. C.P. Kothari & Mr. D.P. Kothari	Promoter
Mr. P.C. Jain	None	None
Mr. Kamal Chandwar	None	None

2. COMMITTEES OF THE BOARD OF DIRECTORS



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 three Non executive Directors (including two independent directors) viz; Dr. T.C Kothari, 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 2011 are as under:

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

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 2010-11, 4 Audit Committee Meetings were held on 24.05.2010, 27.07.2010, 3.11.2010 and 05.02.2011.

2.2. Shareholders'/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	2	2
TOTAL	02	02

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 2010-11.

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 2010-11. The attendance of the member of the share transfer committee recorded is as under:

Name of Director	Status during his tenure	No. of Meetings	
		Held	Attended
Dr. T.C. Kothari	Chairman	12	12
Mr. P. C .Jain	Member	12	12

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 three directors, two 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 as Member.

Declaration under Clause 49 of the Listing Agreement

This is 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, 2011 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

Kothari

Dated: 30th MAY, 2011

Director

Sd/-

C.P.

Managing

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, Om Metals Real Estate Private Limited, Om Ratnakar Private Limited, Om Gaima Projects Private Limited, Om Hydromech Private Limited and Om consortium Private 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.

4. INVESTOR RELATIONS

4.1 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 2010-11, quarterly unaudited financial results generally published in Economic Times, 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.

4.2 General Body Meetings

The AGM provides an opportunity for the shareholders to seek clarification and to obtain a better understanding of Group's performance. Shareholders are encouraged to meet and communicate with the Board at the AGM and to vote on all resolutions.

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

AGM for Financial year ended	Date	Time	Location
2007-08	30.09.2008	11:00a.m.	Om Tower, M.I. Road, Jaipur
2008-09	30.09.2009	11:00a.m.	Om Tower, M.I. Road, Jaipur
2009-10	30.09.2010	11:00a.m.	Om Tower, M.I. Road, Jaipur

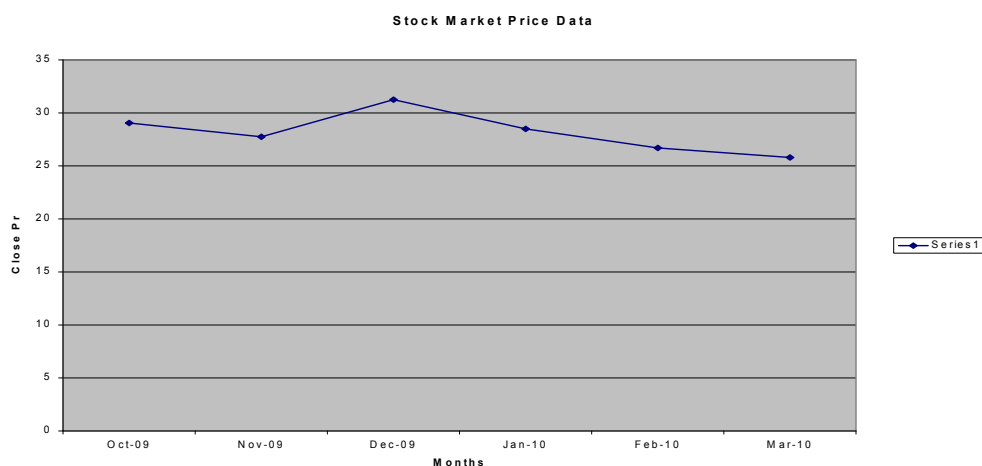
Resolution passed through Postal Ballot

The following resolutions were passed through the Postal Ballot during the year 2010-11

1. Increase in Authorized Share Capital of the Company
2. Alteration in Capital Clause of the Memorandum of Association
3. Alteration in Article of Association
4. Issue of Shares to Qualified Institutional Buyers
5. Issue of Securities/FCCB's/ADR/GDR
6. Listing of Shares on Stock Exchange
7. Investments by FIIs not exceeding 49% of the paid up capital.
8. Approval to sell, lease or otherwise dispose of the property at Jaipur known as Hotel Om Tower, situated at Church Road, M.I. Road, Jaipur(Raj)
9. Approval to sell, lease or otherwise dispose of the property at Jaipur situated at F-99(A), Road No. 7, VKI Area, Jaipur(Raj)

10. Approval to sell, lease or otherwise dispose of the property at Kota known as Om Cineplex, situated at Plot No. SPL11, Indra Vihar Colony, Kota (Raj),
11. Approval to sell, lease or otherwise dispose of the landed property at Kota **Kota** situated at Plot No. Special -1 & 1(A) IPI Area, Kota (Raj),

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



Shareholders holding more than 1% of the shares

The details of shareholders (non-founders) holding more than 1% of the equity as at March 31, 2011 are as follows :

Sr. No.	Name of the shareholder	Number of shares	%
1	Udgam Commercial Limited	4438892	4.61
2	Reliance Capital Trustee Company Ltd. A/C Reliance Diversified Power Sector Fund	4113441	4.27
3	Systematix Finvest Private Limited	3218305	3.34
4	Systematix Fincorp India Limited	1458000	1.51
5	Systematix Finvest Private Limited	1372000	1.42
6	Madhukar Sheth	1181707	1.23

TOTAL	15782345	16.39
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Distribution of Shareholding as on March 31, 2011.

No. of Shares	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1 - 500	6189	75.87	1137342.00	1.18
501 - 1000	865	10.60	751009.00	0.78
1001 - 2000	460	5.61	740714.00	0.77
2001 - 3000	165	2.02	438842.00	0.46
3001 - 4000	62	0.76	228427.00	0.24
4001 - 5000	107	1.31	521783.00	0.54
5001 - 10000	118	1.45	894068.00	1.93
100001 and above	187	2.34	91591624.00	95.11
Total	8153	100.00	96303809.00	100.00

Nominal Value	Shareholders		Total Paid-up Amount	
	Number	%	Rs.	%
1 - 500	6189	75.87	1137342.00	1.18
501 - 1000	865	10.60	751009.00	0.78
1001 - 2000	460	5.61	740714.00	0.77
2001 - 3000	165	2.02	438842.00	0.46
3001 - 4000	62	0.76	228427.00	0.24
4001 - 5000	107	1.31	521783.00	0.54
5001 - 10000	118	1.45	894068.00	1.93
100001 and above	187	2.34	91591624.00	95.11
Total	8153	100.00	96303809.00	100.00

Distribution of Shareholding (as on 31st March 2011)

Category	No. of Shareholders	No. of Shares held	% of Total
Promoters	34	67055929	69.63%
Mutual Funds and UTI	1	4113441	4.27%
FII's	1	110027	0.11%
Corporate Bodies	291	13900948	14.43%
Indian Public	7728	10926783	11.34%
NRI's/OCBs	98	196681	0.22%
Trusts	0	0	0
Any Other (specify) (Clearing houses & Clearing members)	0	0	0
Total	8153	96303809	100.00

Dematerialisation of Shares and liquidity

As on 31st March 2011, 89459697 Equity Shares i.e. 92.89% 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, Lergi, Koldam in Himachal Pradesh, Siliguri in West Bengal, Goshikhurd in Maharashtra, Sewa in Jammu & Kashmir, and various other projected sites.
3. Hotel Om Tower, Church Road, M.I. Road, Jaipur, Rajasthan

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.

D-153, A, Ist Floor, Okhla Industrial
Area, Phase-I, New Delhi-110020

Tel: 011-30857575

Fax: 011-3085762

E-mail: admin@skylinerta.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 and Chief Financial Officer in Financial Statements Under Clause 49 of the Listing Arrangement

Dear Sir,

Sub: CEO Certificate

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

We, C.P. Kothari, Managing Director and S.K.Jain, Chief Financial Officer 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, 2011 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.

Place: New Delhi
Dated: 30.05.2011

Sd/-
C. P. Kothari
Managing Director

Sd/-
S.K.Jain
CFO

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

OM METALS INFRAPROJECTS LTD.

Auditor's 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 Infraprojects Limited for the year ended on 31st March 2011, 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 2011, no investor grievances are pending against the Company as on 31st March 2011 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.

Sd-

S.K.Mahipal

Partner

For and on Behalf of

Annual Report 2011

Om Metals Infraprojects Limited

Place: Kota

M.C.Bhandari & co.

Dated: 30.5.2011

Chartered Accountants

M.C. Bhandari & Co.

Chartered Accountants

38, Shopping Centre

Kota -324007 (Raj.)

Phone 0744-2361530

AUDITOR'S REPORT

**To the Members of
Om Metals Infra-projects Limited**

1. We have audited the attached balance sheet of OM METALS INFRA PROJECTS LIMITED, (The company), as at 31.03.2011 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 audited returns from the Engineering, Real Estate and Hotel Divisions.
- 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 sub-section (3C) of section 211 of the Companies Act 1956, except 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 31.03.2011 and taken on record by the Board of Directors, we report that none of the directors of the company is disqualified as on 31.03.2011 from being appointed as a director in terms of clause (g) of Sub-section (1) of section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of 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 31.03.2011 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.

Place: 38 Shopping Centre,
Kota (Raj.)

Dated: 30.05.2011

For M.C. BHANDARI & CO.
CHARTERED ACCOUNTANTS



(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, 2011

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) As explained to us, the company has a programme of physically verifying all its fixed assets over a period of three years, which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets. In accordance in with this programme, some of fixed assets were physically verified by the management during the year. The discrepancies noticed on such physical verification between the physical balances and the fixed assets records were not material and have been properly dealt with in the books of accounts .
 - © 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 inventories, we are of the opinion that the company has maintained proper records of inventories. 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.a) According to the information and explanations given to us, the company has, during the year, not granted any loan , secured or unsecured to companies , firms and other parties covered in the register maintained under section 301 of the Companies act, 1956 other than unsecured loan and Advances aggregation Rs. 23583.60 Lacs (P.Y. Rs.8301.25 Lacs) granted during the year to 11 parties (Wholly owned subsidiaries /joint ventures & others) covered in the register maintained under section 301 of the Companies act,1956 .
The maximum amount due during the year of above loans was Rs.23949.48 Lacs (P.Y. Rs. 8419.17 Lacs) and the year end balance of loans so granted was Rs.23583.60 Lacs (P.Y. Rs. 8301.25 Lacs) made to 11 Parties (Wholly owned subsidiaries /joint ventures & Others) which , as explained to us , have been made for setting up new projects and making strategic investments in other subsidiaries/ joint ventures .
- b) In our opinion and according to the information and explanations given to us, after considering the purpose for which loans have been granted as indicated in paragraph 4 (iii) (a) of the Companies (Auditor's Report) order , 2003 (here in after referred to as the order) , The rate of interest and other terms and conditions of the loans granted , are prima-facia , not prejudicial to the interest of the company.
- c) The said interest free loan given to subsidiaries , joint ventures and others 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) As informed , 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 is an 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 . During the course of our audit, we have not observed any 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 .
- 9a) According to the information and explanations given to us and the books and records of the company examined by us, the company has generally been regular in depositing 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 and the records of the company examined by us , there are no undisputed amounts payable in respect of provident fund , investor education and protection fund, employee's state insurance , income tax, sales tax/VAT, wealth tax, service tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding at the year end for a period of more than six 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	Sales Tax	Commissioner (Appeals)/Tribunal	203.26	1984-85,1985-86 1990-91 to 1991-92,1993-94, , 2005-2006 & 2007-

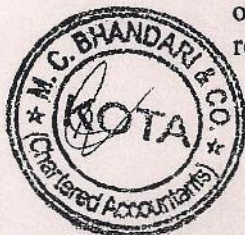


various states		High court	24.10	2008,2008-09. 1986-87 & 2003-2004
Central Excise Act, 1944	Excise Duty	Tribunal/Commissioner(Appeal)	627.11	1997-98, 2001 to 2010-11
Income Tax Act, 1961	Income Tax	ITAT High Court	2930.91	1991-92,96-97,2006-07,2007-08 2004-05 & 2005-2006
Service tax Rules	Service Tax	Commissioner (Appeals)/Tribunal	143.73	2003-2004 to 2005-2006
Wealth Tax Act.	Wealth Tax	ITAT	0.28	1992-1993

Note : 1)* Against it , the company paid Rs. 1455.51 lacs.

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

10. The Company has no accumulated losses at the end of the financial year March 31, 2011. Further, the Company has not incurred any cash losses during the financial year ended March 31, 2010 and in the immediately preceding financial year ended March 31, 2010.
11. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a 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 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 (as amended) are not applicable to the company.
14. In respect of dealing/trading in shares , securities and other investments , in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely



entries have been made there in . The shares, securities, and other investments have been held by the company in its own name.

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 were applied for the purposes for which the loans were obtained.
17. According to the information and explanations given to us, and on an overall examination of the Balance sheet of the company, we report that no funds raised on short term basis 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. According to the information and explanations given to us, no securities has been created for debentures issued during the year since they are unsecured.
20. The company has not raised any money through a public issue during the year
21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given 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 .

Place: Kota
Dated: 30.05.2011

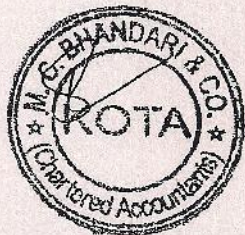
For M.C. BHANDARI & CO.
Chartered Accountants

(S.K. MAHIPAL
PARTNER
M. NO.70366



OM METALS INFRAPROJECTS LIMITED
BALANCE SHEET AS AT 31st March, 2011

<u>Particulars</u>	<u>Schedules</u>	<u>Figures as at</u> <u>31-03-2011</u> (Rs.)	<u>Figures as at</u> <u>31-03-2010</u> (Rs.)
<u>SOURCES OF FUNDS :</u>			
<u>Share Holder's Funds :</u>			
Share Capital	1	96303809.00	96303809.00
Reserves and surplus	2	3958021841.24	3688743138.32
		4054325650.24	3785046947.32
<u>Loan Funds :</u>			
Secured Loans	3	941135124.51	459738677.06
		941135124.51	459738677.06
Deferred Tax Liabilities (Net)		51591972.00	53157992.00
Total		5047052746.75	4297943616.38
<u>APPLICATION OF FUNDS :</u>			
<u>Fixed Assets :</u>			
Gross Block	4	1934043091.59	1664411809.24
Less : Accumulated Depreciation		420384440.72	305827868.92
Net Block		1513658650.87	1358583940.32
Add : capital work in progress incl. capital advance		33813795.00	13504354.50
		1547472445.87	1372088294.82
Investments	5	590152707.94	528372401.77



Current Assets, Loans and Advances

6

Inventories		354101485.93	524799759.99
Sundry debtors		866298704.27	740366616.29
Cash and bank balances		105538347.16	701043553.41
Loans and advances*		2818711259.15	1327315435.86
		<u>4144649796.51</u>	<u>3293525365.55</u>
Less : Current liabilities and Prov.			
Liabilities	7	1141503208.57	668598238.76
provisions	8	93718995.00	238879075.00
		<u>2909427592.94</u>	<u>2386048051.79</u>
Miscellaneous Expenditures	9	0.00	11434868.00
(To the extent not written off or adjusted)			
Total		<u>5047052746.75</u>	<u>4297943616.38</u>

Notes to the accounts

18

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

Signed in terms of our report of even date annexed

For M.C.Bhandari & Co.
Firm's Registration No.
Chartered Accountants



Place : Kota
Dated : 30-05-2011

For and on behalf of Board of Directors
Om-Metals Infraprojects Ltd.

T.C.Kothari
(Chairman)

C.P.Kothari
(Mg. Director)

D.P.Kothari
(Director)

Sunil Kothari
(Director)

Reena Jain
(Company Secretary)

S.K. Jain
(CFO)

OM METALS INFRAPROJECTS LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31st March, 2011

<u>Particulars</u>	<u>Schedules</u>	2010-11 (Rs.)	2009-10 (Rs.)
<u>INCOME :</u>			
Turnover	10	2362964243.18	2021666846.27
Less : Excise duty		29430544.00	55230522.00
		<u>2333533699.18</u>	<u>1966436324.27</u>
Other Income	11	122639064.20	89881302.01
Increase (decrease) in Inventory	12	103283442.00	-210210980.52
Total		<u>2559456205.38</u>	<u>1846106645.76</u>
<u>EXPENDITURE :</u>			
Material consumed / Trading Purchases	13	1147892730.94	872043564.15
Payments to and prov. for employees	14	102631413.95	71343901.39
Manufacturing and Operating Expenses	15	411744175.00	221771801.26
Establishment and selling expenses	16	240428784.36	129027679.36
Financial expenses	17	171277796.41	72654832.32
		<u>2073974900.66</u>	<u>1366841778.48</u>
Profit before depreciation & taxation		485481304.72	479264867.28
Less : Depreciation		114773049.80	65863863.66
Less : Transferred from revaluation reserve		225921.17	260025.22
		<u>114547128.63</u>	<u>65603838.44</u>
Profit before taxation		370934176.09	413661028.84
Less : Provision for income tax		86000000.00	70000000.00
Less : Provision for wealth Tax		150000.00	82000.00
Add:/Less : Deferred tax Assets/(Liabilities)		1566020.00	(18442734.00)
Profit after tax		<u>286350196.09</u>	<u>325136294.84</u>
Balance brought forward from previous year		1083629408.37	816685335.53
Profit available for appropriation.		<u>1369979604.46</u>	<u>1141821630.37</u>



Appropriations

Transfer to General Reserve	25000000.00	35000000.00
<u>Proposed Dividend on equity Shares</u>		
- Interim	14445572.00	19260762.00
Corporate dividend Tax	2400000.00	3273366.00
Income Tax Exp. Earlier Year	0.00	658094.00
Balance carried to balance sheet	1328134032.46	1083629408.37

1369979604.46 **1141821630.37**

Basic and Diluted Earning per Share (Rs.)	2.97	3.38
Nominal value of share (Rs.)	1	1

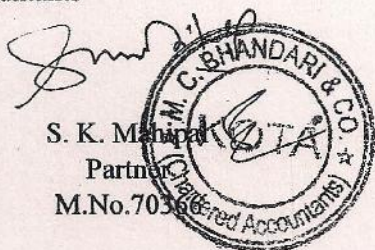
Notes to the accounts

18

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

Singed in terms of our report of even date annexed

For M.C.Bhandari & Co.
Firm's Registration No.
Chartered Accountants



Place : Kota

Dated : 30-05-2011

For and on behalf of Board of Directors

Om Metals Infraprojects Ltd.

T.C.Kothari
(Chairman)

C.P.Kothari
(Mg.Director)

D.P.Kothari
(Director)

Sunil Kothari
(Director)

Reena Jain
(Company Secretary)

S.K.Jain
(CFO)

Cash Flow from financing activities :

Interest and Bank Commission paid	-171277796.41	-72654832.32
Secured Loan as Term Loan	91603407.91	-275277469.92
Secured Loan as Work Cap.	389793039.54	-250881548.83
Dividend / Dividend Tax Paid	-16845572.00	-24171293.00
Net cash used in financing activities	(C) 293273079.04	-622985144.07
<u>Increase/(Decrease) in cashand cash equivalents</u>		
A. Cash Flow from Operating Activities	-566717664.13	22603638.28
B. Cash Flow from Investing Activities	-322060621.16	-123680925.12
C. Cash Flow from Financing Activities	293273079.04	-622985144.07
Net Increase / Decrease in Cash Flow During Year	-595505206.25	-724062430.91
Cash and cash equivalents at beginning of year	701043553.41	1425105984.32
Cash and cash equivalents at end of the year	105538347.16	701043553.41

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

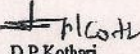
Place : Kota
Dated : 30.05.2011



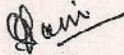
For and on behalf of Board of Directors


T.C.Kothari
(Chairman)


C.P.Kothari
(Mg.Director)


D.P.Kothari
(Director)


Sunil Kothari
(Director)


Reena Jain
(Company Secretary)


S.K.Jain

OMI METALS INFRAPROJECTS LIMITED

Cash Flow Statement for the year ended March 31, 2011

Particulars	Year ended	
	31.03.2011	31.03.2010
1 Cash Flow from operation Activities		
A Net Profit before Taxation and Extraordinary Item	370934176.09	413661028.84
Add:-		
Depreciation	114547128.63	65603838.44
Interest and Bank Commission Paid	171277796.41	72654832.32
Loss on sale of Fixed Assets	262146.00	0.00
Loss on Sale of Investment	0.00	197839.95
Public Issue Exp. Written off	11434868.00	11434865.00
Bad Debts Written Off	2103271.00	0.00
	<u>670559386.13</u>	<u>563552404.55</u>
Less:-		
Interest Receipt	22274647.88	68529676.26
Profit on Sale of Investment	7864383.98	0.00
Excess Provision written back	71511617.48	640309.00
	<u>101650649.34</u>	<u>69169985.26</u>
B Operating Profit before working capital changes	568908736.79	494382419.29
Adjustments for :		
Trade and other receivable	-128035358.98	-339093219.84
Inventories	170698274.06	169730976.11
Loans & Advance	-1511370440.88	-218252458.55
Trade & Other Payable	472904969.81	16822846.52
Provision for Gratuity & Leave Encashment	964421.00	1452642.00
	<u>-425929398.20</u>	<u>125043205.53</u>
Less:-		
Direct Taxes Paid	140788265.93	102439567.25
Net cash flow from operating activities	(A) -566717664.13	22603638.28
Cash flow from investing activities :		
Purchase of fixed assets	-270419103.35	-94549591.07
Increase in Capital,WIP and Advances	-20309440.50	6242279.00
Purchase of Investments	-89846163.13	-104190405.36
Sale of Fixed Assets	309197.00	0.00
Interest received	22274647.88	68529676.26
Sale of Investment	35930240.94	287116.05
Net cash flow from/used in investing activities	(B) -322060621.16	-123680925.12



OM METALS INFRAPROJECTS LIMITED
SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2011

Particulars	<u>Figures as at</u> <u>31-03-2011</u> (Rs.)	<u>Figures as at</u> <u>31-03-2010</u> (Rs.)
<u>SHARE CAPITAL :</u>		
<u>AUTHORISED</u>		
150000000 Equity Share Of Rs.1/- each	150000000.00	101600000.00
<u>ISSUED, SUBSCRIBED AND PAID UP</u>		
96303809 Equity Share Of Rs.1/- each	96303809.00	96303809.00
Total	96303809.00	96303809.00

Notes: (1) Above issued, subscribed and paid up 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
Jupiter Manufacturing Co. (P) Limited	5318400
Om Structurals India (P) Limited	5808000
Om Kothari Cement & Chemicals (P) Limited	1410000
SAH Buildcon (P) Limited	1050000
Richa Builders (P) Limited	1050000
Total :-	20112659

(2) 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



OM METALS INFRAPROJECTS LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2011

Reserves and Surplus

Particulars	As at	As at	As at	Schedule - 2
	<u>31-03-2011</u>	<u>31-03-2011</u>	<u>31-03-2010</u>	<u>31-03-2010</u>
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
A. Revaluation Reserve				
As per last balance sheet	3757803.70		4017828.92	
Less: - Transferred to P & L A/c	225921.17		260025.22	
		3531882.53		3757803.70
B. Capital Reserve				
As per last Balance sheet		1231810945.25		1231810945.25
C. Security Premium				
As per last balance sheet		1224764600.00		1224764600.00
D. General Reserve				
As per last balance sheet	144780381.00		109780381.00	
Add:- Transferred from P & L A/c*	25000000.00	169780381.00	35000000.00	144780381.00
E. Surplus				
(Profit as per profit and loss account annexed)		1328134032.46		1083629408.37
Total		<u>3958021841.24</u>		<u>3688743138.32</u>



OM METALS INFRAPROJECTS LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET

AS AT 31st March, 2011

Particulars	Schedule - 3	
	Figures as at 31-03-2011 (Rs.)	Figures as at 31-03-2010 (Rs.)
SECURED LOANS :		
a) TERM LOAN :		
From SBBJ	29994291.00	99437897.91
See note No.1 (a)		
From Others banks	247245467.14	86198452.32
See note No.1(b)		
Sub-Total	277239758.14	185636350.23
a) Working Capital Loan		
From Banks (Rupee loan)	631128022.37	223659175.83
(See note No.2)		
b) Short Term Loan against FDR		
from Bank	5647828.00	50443151.00
(See note No.3)		
Foreign Currency Loan from Bank	27119516.00	0.00
Sub-Total	663895366.37	274102326.83
Total	941135124.51	459738677.06

Note :

(i) Term Loan includes Rs. 1890.21 Lacs due with in a year (Previous year Rs.1252.64 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.) on Enclave including wind mill subject to prior charges created/to be created in fevor of banks on current assets and movables for securing working capital borrowings 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. 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 and further secured by way of personal gurantee of the trustee of the trust.

(b) Secured by way of Hyp. of vehicles/Machineries financed by other banks.

2. Cash credit facilities from banks are secured by way of hypothecation of all company's current assets including all stocks and book debts and other movable, both present and future 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/second charge by way of mortgage, by deposit of titled deeds in respect of immovable properties (except on which secured loans taken from banks and other parties) & personal guarantees of the Shri 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 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 guaranteed of the directors i.e. Shri 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 .



OM METALS INFRAPROJECTS LIMITED
SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET As At 31st March, 2011
Fixed Assets

Schedule - 4

PARTICULARS	AS AT 04/01/2010	ADDITIONS	SALES/ TRANSFER	TOTAL COST AS AT UP TO 31-03-10	DEPRECIATION DURING THE YEAR	TANSFER WRITTEN BACK	TOTAL DEPRE- CIATION	W.D.V. W.D.V.	
								31-03-2011	31-03-2010
Free Hold Land	127213160.00	0.00	0.00	127213160.00	0.00	0.00	0.00	127213160.00	127213160.00
Lease hold land including Tanancy rigl	724071139.00	0.00	0.00	724071139.00	43313.00	0.00	666460.74	723414678.26	723457991.26
Agriculture Land	557714.02	1915288.00	0.00	2473002.02	0.00	0.00	0.00	2473002.02	557714.02
Building/ Temp. Labour Quarter Shed	314349550.53	2855605.50	0.00	317205155.03	72078903.22	0.00	84302609.52	232902546.51	242270647.31
Plant & Machinery	373628007.51	205054741.85	350839.00	578331910.36	148694753.00	105706.00	227299109.96	351032800.40	2249333254.51
Furniture & Fixture	40236505.28	1476194.00	0.00	41712699.28	21468029.47	0.00	25373527.04	16339072.24	18768475.81
Office Equipments	12059465.80	2053423.00	0.00	14112888.80	6080591.75	0.00	7148627.96	6964260.84	5978874.05
Computer	8122053.83	1225505.00	0.00	9347558.83	6399225.08	0.00	7588678.67	1758880.16	1722828.75
Vehicle	34286113.83	55638346.00	436982.00	89687477.83	20605133.03	110772.00	38127241.20	51560236.63	13680980.80
Temp. Wooden Hut	29888101.00	0.00	0.00	29888101.00	0.00	0.00	29888091.00	10.00	10.00
TOTAL	166441809.24	270419103.35	787821.00	4934043091.59	114773049.80	216478.00	420384440.72	1513658650.87	1359583940.32

Figures for the previous year



OM METALS INFRAPROJECTS LIMITED
SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2011

Particulars	No.	Face Value	Schedule - 5	
			As At 31-03-2011	As At 31-03-2010
<u>1a). LONG TERM INVESTMENTS (at cost):</u>				
<u>Non trade Investments</u>				
(Government and other securities (unquoted)				
National Saving Certificate (Deposited				
with in Sales Tax Dept. interest is to be				
adjusted on realisation)				
			33000.00	30000.00
<u>(b) OTHER INVESTMENTS INCL. JV</u>				
<u>(UNQUOTED)</u>				
Ordinary Share (Fully paid up)				
Sanmati Resorts Ltd.	500000	10.00	5000000.00	5000000.00
Sanmati Infra Developers Pvt. Ltd.	450000	10.00	4500000.00	4500000.00
(Share Warrents)				
Pondicherry Port Ltd. JV	24996	10.00	249960.00	249960.00
Bhilwara Jaipur Toll Road P. Ltd.	4999	10.00	49990.00	0.00
Sun Boarn Energy Pvt. Ltd.	10000	10.00	100000.00	0.00
Om Metals SPML Infraprojects P. Ltd.	4999	10.00	49990.00	0.00
			9949940.00	9749960.00
<u>(c) OTHER INVESTMENTS (QUOTED)</u>				
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
Relinace Natural Resources Ltd	60	5.00	0.00	8972.00
Reliance Power Ltd	15	10.00	8972.00	0.00
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.	30489	10.00	0.00	14559628.93
JM Emerging Leaders Fund	311964	16.03	0.00	5000000.00
JM Basic Fund Growth Plan	196036	6.59	0.00	1292774.00
DSP Blackrock Tigre Growth Fund	232317	10.53	0.00	2445744.00
Reliance Vision Growth Plan	8560	128.82	0.00	1102698.61
Reliance Banking Fund Growth Plan	70902	70.52	0.00	2603726.42
Sundram BNP Capex Growth Plan	90546	11.72	0.00	1061285.00
SBI Megnum Equity Fund	150000	10.00	1500000.00	1500000.00
SBI PSU Fund			500000.00	0.00
			2066040.00	29631896.96
<u>(d) Investment in Subsidiaries</u>				
Om Metal Real Estate Pvt. Ltd.	10000	10.00	100000.00	100000.00
Om Metal Auto pvt. Ltd.	275500	10.00	25255000.00	25255000.00
Om Metals Consortium Pvt. Ltd.	10000	10.00	100000.00	0.00
Om Auto Motors Pvt. Ltd	9997	10	0	99970.00
Om Gaima P Ltd.	10189	10.00	1198783.00	49000.00
Om Paradise and Malls Pvt. Ltd.	9997	10	0	99970.00
			26653783.00	25603940.00



(e) Investment in JV /Partnership

(Refer note no- 17)

Om Metals Consortium PF(Capital contri.)(Net)	355957860.94	330346510.94
OMML-JSC Ukaraïn(Capital contri.)(Net)	188754854.00	126272863.87
Om Ray Construction - JV	6737230.00	6737230.00
	<u>551449944.94</u>	<u>463356604.81</u>

Grand Total

590152707.94 528372401.77

NOTE :

1. Aggregate value of investments

Quoted	20.66	296.32
Unquoted	366.04	353.24
Market price -quoted	22.72	284.43



OM METALS INFRAPROJECTS LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2011

Particulars	<u>Figures as at</u> <u>31-03-2011</u> (Rs.)	Schedule - 6 <u>Figures as at</u> <u>31-03-2010</u> (Rs.)
<u>CURRENT ASSETS, LOANS AND ADVANCES :</u>		
1 <u>INVENTORIES</u>		
see note 2 of schedule 18		
A <u>RAW MATERIAL & STORES</u>		
i) Raw material, accessories & components food beverage & liquor	39613218.59	49118695.80
ii) Store & spares and coal	942325.34	901027.37
iii) Goods in transit	14122821.00	0.00
B <u>FINISHED GOODS</u>		
i) Fabricated goods	11459650.00	21717317.00
C <u>WORK IN PROGRESS</u>		
i) Engineering division including real estate	287963471.00	174422362.00
ii) Real Estate Less Advance	0.00	278640357.82
Sub Total (A)	354101485.93	524799759.99
2 <u>SUNDRY DEBTORS</u>		
(Unsecured considered good except to the extent stated)		
a) Debtors outstanding for a period exceeding 6 months.	57420971.15	24591853.83
b) Other debtors	808877733.12	715774762.46
Sub Total (B)	866298704.27	740366616.29



Particulars	Figures as at	Figures as at
	<u>31-03-2011</u>	<u>31-03-2010</u>
	(Rs.)	(Rs.)
3. <u>CASH AND BANK BALANCE</u>		
a) Cash on Hand	1187234.09	1536809.99
b) <u>Balances with Scheduled Banks</u>		
i) On Current Account	7887606.72	103530057.79
ii) On Saving Bank accounts	93492.84	2042972.93
iii) On unpaid dividend accounts		
iiii) On Fixed Deposit accounts	95277513.36	564326611.77
(includes FDR Rs 829.40 lacs (Rs1239.97 lacs in P. year) pledged with banks against B.G./L.C. Issued by the Banks.)		
v) Interest accrued on FDR	1092500.15	29607100.93
Sub Total (C)	105538347.16	701043553.41
4. <u>LOANS AND ADVANCES</u>		
(Unsecured, Considered good unless otherwise stated)		
(1) <u>Loans and Advances</u>		
(i) Inter corporate deposits	327951.00	123429032.16
(ii) To staff members	1458306.26	549842.00
(iii) To Subsidiaries	2294143105.89	778526720.00
(iv) To Joint Ventures/Associates (See note no 17)	51776050.00	17443170.00
(2) Advances recoverable in cash or in kind or for value to be received	157528436.75	108263221.06
(3) Balance with customs and central excise authorities etc.	7474542.00	1674237.80
(4) Deposits	73072627.06	44524355.06
(5) Income taxes paid including FBT & MAT credit entitlement	232930240.19	252904857.78
Sub Total (D)	2818711259.15	1327315435.86
Grand Total (A+B+C+D+E)	4144649796.51	3293525365.55



OM METALS INFRAPROJECTS LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31st March, 2011

Particulars	Schedule - 7	
	Figures as at 31-03-2011 (Rs.)	Figures as at 31-03-2010 (Rs.)
CURRENT LIABILITIES AND PROVISIONS		
SUNDRY CREDITORS		
For Goods		
(i) Total out standing dues to Micro, small and Medium enterprises Development Act, 2006 for goods & others (Ref Note No 9 of Schedule No. 18)	2846908.00	1330466.00
(ii) Total out standing dues to Creditors other than Micro, small and medium enterprises	276872492.56	114685786.80
For Expenses and other Liabilities	91423809.87	30873044.33
Government dues	9551586.96	2036246.80
Advance and Security deposit from Customers,	709556146.13	468392474.13
Security Deposit from subsidiary Co.	500000.00	500000.00
Deposit from Oml+jsc ukrain (JV)	50000000.00	50000000.00
Unclaimed statutory liabilities (as referred in Sec 205 C of the Companies Act, 1956)		
Unclaimed dividend *	752265.05	780220.70
Grand Total	1141503208.57	668598238.76

Note :

- (i) The Bank Guarantee of Rs 8043.05 Lacs issued by Bank for advance taken from Customers.(in previous year Rs. 3837.02 Lacs)
- (ii) * Pending for reconciliation

PROVISIONS

	Schedule - 8	
For Income tax	86000000.00	232107701.00
For Wealth Tax	150000.00	166800.00
For Gratuity	6229583.00	5222428.00
For Leave Encashment	1339412.00	1382146.00
Total	93718995.00	238879075.00

MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

	Schedule - 9	
Public Issue Expenses (Op. Balance)	11434868.00	22869733.00
Less : 1/5 th written off during the year	11434868.00	11434865.00
Total	0.00	11434868.00



OM METALS INFRAPROJECTS LIMITED
SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED ON 31st March,2011

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
Schedule - 10		
<u>Turnover (Gross):</u>		
Sales of Gate, components & allied receipts(Engg)	2225096097.50	1657562803.34
Transportation receipts	51278974.00	56893470.00
Drawing & design receipts	4468.00	1050740.00
Real estate bussiness	6163330.18	235719447.13
Guest accomo.,rest./canteen,food and beverage receipts of Hotel business	66368780.50	55609479.80
Bussiness income from multiplex (see note no.23 (e))	12492192.00	12961078.00
Receipts from wind power electric generation	1560401.00	1869828.00
	2362964243.18	2021666846.27
Schedule - 11		
OTHER INCOME		
Interest from deposit and others(Gross)	22274647.88	68529676.26
Dividend receipts	119645.23	1206796.36
Rent and hire charges	10142400.00	10264200.00
Miscellenous receipts	8804537.63	3914280.39
Share of Profit/(Loss) from JV & Sub. Co.	0.00	5326040.00
Excess Provision written back	71511617.48	640309.00
Claims	1921832.00	0.00
Profit on Sale of Investment	7864383.98	0.00
Total	122639064.20	89881302.01

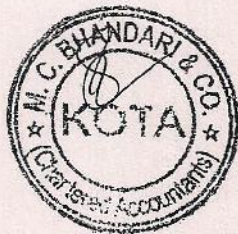


OM METALS INFRAPROJECTS LIMITED

**SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED ON 31st March,2011**

Schedule - 12

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
<u>INCREASE (DECREASE) IN INVENTORIES</u>		
<u>OPENING INVENTORIES</u>		
Finished Goods	21717317.00	25015173.00
Work in Progress	174422362.00	384360488.52
Less : Transfer to Capital WIP	0.00	3025002.00
Sub Total	196139679.00	406350659.52
<u>CLOSING INVENTORIES</u>		
Finished Goods	11459650.00	21717317.00
Work in Progress	287963471.00	174422362.00
Sub Total	299423121.00	196139679.00
INCREASE (DECREASE) IN INVENTORIES	103283442.00	-210210980.52



OM METALS INFRAPROJECTS LIMITED

**SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED ON 31st March,2011**

Schedule - 13

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
<u>Consumption of material/Trading activities</u>		
Opening Stock	49118695.80	141364404.45
Add : Purchases including accessories,boughtout item / semi finished,food , beverage and liquor	1136926584.73	766621645.50
Sub - Total	1186045280.53	907986049.95
Less : Closing Stock	39613218.59	49118695.80
	1146432061.94	858867354.15
Purchases of finished goods / parts for trading activities	1460669.00	13176210.00
Total	1147892730.94	872043564.15

Schedule - 14

PAYMENTS TO AND PROVISIONS FOR EMPLOYEES

Salaries,Wages,Bonus and Allowances etc.	87953977.00	56180415.38
Contribution of PF, ESI and other welfare fund scher	2061400.00	1762437.65
Gratuity	2006807.00	1295676.00
Employee Welfare Exp. Including compensation	10609229.95	12105372.36
Total	102631413.95	71343901.39



OM METALS INFRAPROJECTS LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED ON 31st March,2011

Schedule - 15

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
<u>Manufacturing and Operating Expenses</u>		
Power and Fuel Expenses	23858511.02	17251504.00
Stores, Spares and Tools Consumed.	53858368.54	23660854.18
Job and other work exp.	196982516.30	110677430.02
Rent/Hire charges for equipment	63821401.00	6461811.00
Transportation Expenses	29682508.00	42545732.00
<u>Repairs & Maintenance</u>		
a) To Machinery	10914770.02	3662175.93
b) To Building	22442294.00	9549050.00
Insurance Expenses	6528465.00	4072862.00
House up-keeping and other hotel / rest. exp.	2109357.76	1896926.54
linen,wares, cutlary,crockeries and laundry expenses	1545983.36	1993455.59
Total	411744175.00	221771801.26



OM METALS INFRAPROJECTS LIMITED
SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED ON 31st March, 2011

Schedule - 16

Particulars	2010-11	2009-10
	(Rs.)	(Rs.)
<u>Establishment and Selling Exp.</u>		
Remuneration to directors	13800000.00	13800000.00
Rent	14931026.00	9994028.00
Rates and taxes	45747834.00	4672767.00
Telephone, telex and postage	6813075.97	5337511.61
Travelling and conveyance expenses	29139645.42	21694311.11
Legal, consultancy, retainership, professional arbitration expenses	42330242.10	24643409.20
General repairs	4248263.00	2579506.00
Vehicle running & maintenance	12643114.88	6963379.65
Miscellaneous expenses	35730725.38	19592628.87
Audit fees (including branch auditors)	515020.00	434870.00
Charity and donation	2172100.00	3168600.00
Advertisement and Business Promotion	9410501.28	4289240.62
Public Issue exp. written off	11434868.00	11434865.00
Claims / rebate and discount exp.	126858.82	224722.35
Keyman insurance	1957890.00	0.00
Foreign Currency Fluctuation	7062202.51	0.00
Loss on Sales of Investment	0.00	197839.95
Loss on Sales of Fixed Assets	262146.00	0.00
Bad Debts Written Off	2103271.00	0.00
	240428784.36	129027679.36



OM METALS INFRAPROJECTS LIMITED

SCHEDULE ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED ON 31st March, 2011

Schedule - 17

Particulars	2010-11 (Rs.)	2009-10 (Rs.)
<u>Financial Expenses</u>		
Bank charges and Guarantee commission	44893100.27	22011314.61
<u>Interest paid</u>		
a) On Term Loan	22179208.50	35899151.82
b) On working capital/others/project Authority	104205487.64	14744365.89
Total	<u>171277796.41</u>	<u>72654832.32</u>



Om Metals Infra Project Limited

Balance Sheet abstract and company's general business profile :

1	<u>Registration details</u>	
	Registration No.	L27203RJ1971PLCO03414
	Balance sheet date	31st March 2011
2	Capital raised during the year	(Rs. in Lacs)
	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	50470.53
	Total Assets	50470.53
	Sources of Funds :	
	Paid up Capital	963.04
	Reserves & Surplus	39580.22
	Deffered tax Liabilities	515.92
	Secured Loans	9411.35
	Unsecured Loans	0.00
	TOTAL :-	<u>50470.53</u>
	<u>Application of Funds :</u>	
	Net fixed assets	15474.72
	Investments	5901.53
	Net current assets	29094.28
	Misc exp.	0.00
		<u>50470.53</u>

4 **Performance of the company :**

Turn over	24561.73
Total Expenditure	20852.39
Profit before tax	3709.34
Profit after tax	2863.50
Earning per share in Rs.	2.97
Dividend rate %	15%

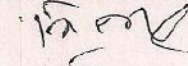
5 Generic names of there principal products/service of the company (As per monetary terms) *

Item code No.

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

Products/ services description

For and on behalf of Board of Directors



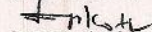
T.C.Kothari
(Chairman)

Place : Kota

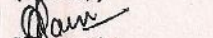
Dated : 30.05.2011



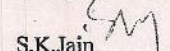
C.P.Kothari
(Mg.Director)



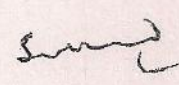
D.P.Kothari
(Director)



Reena Jain
(Company Secretary)



S.K.Jain
(CFO)



OM METALS INFRAPROJECTS LIMITED

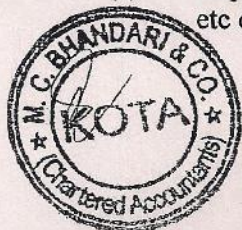
SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31.03.2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

SCHEDULE - 18

NOTES TO ACCOUNTS :

1. The company in the field of turnkey execution - from design , detail engineering , manufacture , supply, installation , testing and commissioning of complete range of Hydro mechanical equipment of hydro electric power and irrigation projects . The company is also diversified in the real estate, hotel and infra structures segments.
2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
 - (i) ACCOUNTING CONVENTION :

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) rules , 2006 (as amended) and the relevant provisions of the Companies Act. , 1956. The financial statements have been prepared under the historical cost convention method on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out . The accounting policies have been consistently applied by the company and are consistent with those used in the previous year. 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 :
 - (a) 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 centvat less accumulated depreciation and impairment , if any. 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 .
 - (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 Engineering Division, 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 Engineering Division which are depreciated for a full year.
- (e) Lease hold land are not amortized .
- (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 and 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 material cost and appropriate of manufacturing overheads on work done basis.
	©	Finished Goods	A Cost or net realizable value*, which ever is lower. Cost for this purpose includes direct material cost and a proportion of manufacturing overhead.
	(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.

B) **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.



- iv) Foreign currency Transaction :
- a) Transactions in foreign currencies are recorded on initial recognition at the exchange rates prevailing at the time of transaction .
- b) Monetary items (i.e. receivables, payables, loans etc) 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.
- v) Revenue Recognition:
- a) Engineering Division :
Sales of products (Fabricated goods) escalation and erection receipts (sales is net of trade discount and sales tax) are accounted for on the basis of bills/invoices acknowledged or paid by the project authorities.
- b) 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 real estate division 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) Revenue is recognized when the shareholder's right to receive payment is established by the balance sheet date . Dividend from subsidiaries is recognized even if the same is declared after the balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of Schedule VI of the Companies Act., 1956.



- vi) **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.
- vii) **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.
- viii) **RESEARCH AND DEVELOPMENT :**
The revenue expenditure on research and development is charged as an expense in the year in which it is incurred. Capital expenditure is included in fixed assets
- ix) **Borrowing costs :**
Borrowing costs directly attributable to the acquisition and construction of and assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur . Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.
- x) **TAXATION :**
(a) **Current Tax :**
The income tax liability provided taking into considerations of claiming of deduction under section 80 IB of the Income Tax Act. and in accordance with the provisions of the Income Tax Act, 1961, as advised by income tax consultant.
- (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.
- xi) **Retirement and other employee benefits :**
a) Retirement benefit in the form of provident fund is a defined benefit obligation of the company and the contributions are charged to the profit and loss account of the year when the contributions to the funds are due. Shortfall in the funds , if any, is adequately provided for by the company .



b) Gratuity :

Gratuity liability is a defined benefit obligation of the company . 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 services. 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.

xii) 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

xiii) Provisions:

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settled the obligation , in respect of which a reliable estimate can be made. Provisions are not disclosed to its present value and are determined based on best management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates . Other contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statement.

xiv) 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.



xv) Use of Estimate:

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and Liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operation during the reporting period end. Although these estimates are based upon management's best no knowledge of current events and actions , actual results could differ from these estimates . Difference between actual results and estimates is recognized in the period in which the results are known / materialized.

xvi) Operating Lease – Lease rentals in respect of assets taken are charged to profit & loss account as per the terms of the lease agreement.

3. CONTINGENT LIABILITIES (NOT PROVIDED FOR) IN RESPECT OF FOLLOWING :

(RS. IN LACS)

S. No.	Particulars	As at 31.03.2011	As at 31.03.2010
i)	Outstanding bank guarantee *	16991.11	12414.25
ii)	Letter of credits accepted	3334.28	6355.48
iii)	Claims against the Company not acknowledged a debt relating to supplies and service matters including counter claims of project authorities.	1377.38	1347.56
iv)	Various labour cases	Amount not ascertainable	Amount not ascertainable
v)	show cause/demand/notices by excise deptt., service tax, income tax authorities being disputed by the company. (See note no 11 below.)	3929.39	739.90

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 it's 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 31.03.2011	O/s. Bank guarantee as at 31.03.2010
OML+JSC, UKRAIN , KAMENG (JV)	2195.00	2186.00
Om Metals Consortium (PF)	950.00	1000.00
Bhilwara Jaipur Toll Road P. Ltd (JV)	53.90	0.00



4. Estimated amount of contracts remaining to be executed (capital commitments) not provided for Rs. 72.93 lacs (Rs. 7.16 lacs in the previous year)
5. Claims raised by the Company/Claims settled with various project authorities/ other parties. amounting to Rs.7028.60 lacs (Rs. 6328.60 Lacs in previous year) , against these claims, the company has received arbitration awards of Rs.269.00 ^{Lacs} (Previous year Rs. 269.00 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 .

6. Payments to auditors including Branches Auditors (i.e Engineering, Real estate and Hotel division) :

(Rs. in Lacs).

Particulars	2011	2010
Audit fee's	5.15	4.35
Fees for consolidated Financial statement	0.55	0.28
Certificate and Other services	3.77	3.84
Out of pocket expenses	0.10	0.06
Total: -	9.57	8.53

Note

- Audit fees includes service tax.
- Rs. 0.65 Lacs (Previous year Rs. 0.20 Lacs) Paid for other services to auditors in which he is prop. of Chartered Accountant firm.

7. Managerial Remuneration : (Rs. in Lacs)

Particular	Current Year		Previous Year	
	Managing Director	Other Director	Managing Director	Other Director
Salary	48.00	90.00	48.00	90.0
Other Perquisites	6.68	20.49	9.36	5.00
Consultancy to Chairman	0	1.20	0	1.20
Total	54.68	111.69	57.36	96.20

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. 19.58 lacs (previous year Rs. Nil)
- The above remuneration is within the limit prescribed under the schedule XIII of the Companies' Act 1956.



8. Earning per Shares (E.P.S.)

S. No.	Particulars	2011	2010
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	96303809
ii)	Net Profit after Tax available for equity shares holders (Rs.)	286350196	325136295
iii)	Basic and diluted earning per shares (Rs.)	2.97	3.38
iv)	Nominal value of equity shares (Rs.)	1	1

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

(Rs. In lacs)

Particulars	2010-2011	2009-2010
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	28.47	13.30
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

10 Segment Reporting policies :

a) 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 Engineering 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) 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,

c) Segment accounting polices :

In addition to the significant accounting policies applicable to the business segment as set in note 2 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 Engineering division. While most of the assets/liabilities directly attributed to individual segments.

iii) Inter segment sales :

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

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



d) Information about business segments for the year 31.03.2011 :

(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) <u>Segment Revenue :</u>										
External sales/income (Net)	22469.49	16602.76	124.92	129.81	679.29	574.79	61.63	2357.19	23335.33	19664.35
Other receipt	990.65	202.67	0.00	0.00	12.99	11.10	0.00	0.02	1003.84	213.99
Interest Receipts	219.71	684.82	0.00	0.00	3.04	0.00	0.00	0.00	222.75	684.82
Inter segment sales /Other Recpt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	23679.85	17490.45	124.92	129.61	695.32	585.89	61.63	2357.21	24561.72	20563.16
(2) <u>Segment Results :</u>										
Segments results	5203.40	3597.38	81.17	110.19	130.45	65.29	7.10	1090.30	5422.12	4863.16
Unallocated expenses (Net)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating profit before Int.	5203.40	3597.38	81.17	110.19	130.45	65.29	7.10	1090.30	5422.12	4863.16
Financial exp.	1706.89	710.68	0.01	0.01	4.68	13.05	1.20	2.81	1712.78	726.55
Income tax current	860.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00	860.00	700.00
Wealth Tax	1.50	0.82	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.82
MAT Credit Entitlement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
F B T	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred tax assets/Lia.	-15.66	184.43	0.00	0.00	0.00	0.00	0.00	0.00	-15.66	184.43
Inter segment Exp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Profit	2650.67	2370.31	81.16	110.18	125.77	52.24	5.90	1087.49	2863.50	3520.22
3 (i) <u>Other Information :</u>										
Segment Assets	55327.68	44524.85	457.86	393.51	3272.99	3301.66	3764.23	3834.19	62822.76	52054.21
Inter Branch/Segment Unallocated assets	1399.38	2273.02	563.81	534.17	-1547.86	-1659.02	-415.33	-1148.17	0.00	0.00
Total Assets	56727.06	46797.87	1021.67	927.68	1725.13	1642.64	3348.90	2686.02	62822.76	52054.21
<u>Segments Liabilities :</u>										
Share Capital	963.04	963.04	0.00	0.00	0.00	0.00	0.00	0.00	963.04	963.04
Reserve & Surplus	34578.15	32098.20	903.58	822.41	1608.96	1483.19	2489.53	2483.63	39580.22	36887.43
Secured & Unsecured Loan	9371.09	4531.96	0.00	0.00	40.26	65.43	0.00	0.00	9411.35	4597.39
Segment liabilities	11298.86	8673.09	118.09	105.27	75.91	94.02	859.37	202.39	12352.23	9074.77
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	515.92	531.58	0.00	0.00	0.00	0.00	0.00	0.00	515.92	531.58
Total Liabilities	56727.06	46797.87	1021.67	927.68	1725.13	1642.64	3348.90	2686.02	62822.76	52054.21
(iii) Capital Expenditure	2650.55	936.66	0.00	1.07	52.40	7.07	1.24	0.70	2704.19	945.50
Depreciation	1053.98	565.46	16.14	16.28	73.64	72.55	1.71	1.75	1145.47	656.04
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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



11. 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 2011 and for the year ended are presented in the following tables.

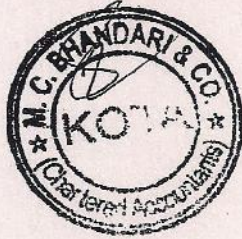
List of related parties with whom transactions have taken place during the year along with nature and volume of transactions are summarized as follows

List of related parties and relationship:

Name of the related party	Relationship
Om Metal Auto (P) Limited	Subsidiary company
Om Auto Motors (P) Limited	Subsidiary company (Ceased w.e.f. 06.04.2010)
Om Paradise and Malls (P) Ltd.	Subsidiary company (Ceased w.e.f. 06.04.2010)
Om Metals Real Estate (P) Limited	Subsidiary company
Om Metals Consortium (P) Limited	Subsidiary company
Om Gaima Project Private Limited	Subsidiary company
OMIL JSC – JV Kameng	Joint venture
Om Metals Ratanakar (P) Limited	Step Subsidiary company
Om Hydromech (P) Ltd.	Step Subsidiary company
Skywave Impex Limited	Enterprises over which significant influence exercised by directors.
Lambodar Finvest (P) Ltd.	-do-
Jupiter Metals (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- (Ceased w.e.f. 10.08.2010)
Om Kothari Enterprises Limited	Associate Promoter holding more than 20% or under the same management
Baba Vinimay (P) Limited	-do-
Om Metals Infotech (P) Ltd.	-do-
Alchemy Ventures (P) Ltd.	-do-
Nextmile Trade com P. Ltd	-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	
Shri Vishal Kothari	
Relatives of Key management persons	Relative of directors
Smt. C. Manjula Kothari	
Smt. D. Manjula Kothari	
Seema Kothari	
Smt. Anita Kothari	
C.P. Kothari & Sons	
Monika Jain	
Praveen Jain	
Sheena Kothari	

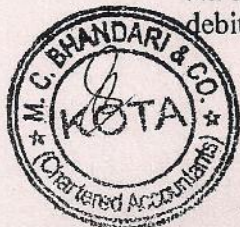


- 12) The details of disputed income tax , service tax , sales tax & Excise duty as on 31-03-11 are as follows.

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	203.26	1984-85,1985-86 1990-91 to 1991-92,1993-94, , 2005-2006 & 2007-2008,2008-09.
		High court	24.10	1986-87 & 2003-2004
Central Excise Act, 1944	Excise Duty	Tribunal/Commissioner(Appeal)	627.11	1997-98, 2001 to 2010-11
Income Tax Act, 1961	Income Tax	ITAT	2930.91	1991-92,96-97,2006-07,2007-08
		High Court		2004-05 & 2005-2006
Service tax Rules	Service Tax	Commissioner (Appeals)/Tribunal	143.73	2003-2004 to 2005-2006
Wealth Tax Act.	Wealth Tax	ITAT	0.28	1992-1993

- Note : 1)* Against it , the company paid Rs1455.45 lacs .
2) Amount as per demand orders including interest and penalty wherever mentioned in the order.

13. 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
14. Expenses and receipts relating to earlier year amounting to Rs .3.93 lacs and Rs. Nil Lacs respectively (Previous year Rs. Nil Lacs and Rs. 44.66 lacs) debited/credited to respective expenses and Income heads .



15. 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	Purchase/ Opening value	Sales Value
JM Basic fund growth plan	196036	-	196036	12.93	26.19
JM emerging Leaders fund	311964	-	311964	50.00	29.09
DSPML black rock Tiger growth fund	232317	-	232317	24.46	53.36
Reliance Vision growth plan	8560	-	8560	11.03	23.62
Sunderam BNP Capex Growth	90546	-	90546	10.61	23.75
Reliance Banking fund Growth plan	70902	-	70902	26.04	67.14
Shiv Vani Oils Ltd	30489	-	-	145.60	136.16
SBI Magnum equity fund	15000	0	0	15.00	-
SBI PSU fund			0	5.00	-

Note : No of units includes dividend unit .

16. 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 31.03.2010	Arising during the year	Balance as at 31.03.2011
A. Deferred Tax Liabilities			
Depreciation and amortization	55402886	-1238213	54164673
B. Deferred Tax Assets			
1. Provision for leave with wages	469791	-14525	455266
2.Provision for gratuity	1775103	342332	2117435
Total : (B)	2244894	327807	2572701
Net Deferred tax liabilities (A-B)	53157992	-1566020	51591972



17. 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 .

(Rs. in lacs)

Joint venture (JV) Companies and Partnership firm (PF): Current 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 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	50.95%
2	Country of incorporation or registration	India	India	India	India	India	India
3	Accounting period ended	31.03.11	31.03.11	31.03.11	31.03.11	31.03.11	31.03.11
4	Assets	2481.53					7.63
5	Liabilities	1721.59					7.14
6	Income	1298.28					0.00
7	Expenditure	1245.01					5.17
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			05.07.2005	20.02.09
11	Remarks	-	See note "c"	See note "c"	See note "c"	See note "c"	

S. No.	Name of Company /firm	Bhilwara Jaipur Toll Road (P) Ltd	Om Metals SPML Infra Project (P) Ltd.	OMIL SPML(JV)Road Project
1	Proportion of ownership interest	49%	50%	90%
2	Country of incorporation or registration	India	India	India
3	Accounting period ended	31.03.11	31.03.11	31.03.11
4	Assets			
5	Liabilities			
6	Income			
7	Expenditure			



8	Contingent Liabilities	-	-	-
9	Capital commitments	-	-	-
10	Date of Creations of JV/firm	06.04.2010	10.05.2010	02.12.2010
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 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	31.03.10	31.03.10	31.03.10	31.03.10	31.03.10	31.03.10
4	Assets	2481.53	1141.22	5551.00	755.48	64.82	7.63
5	Liabilities	1721.59	0.25	5325.00	756.57	-	7.14
6	Income	1298.28	-	-	-	1.31	-
7	Expenditure	1245.01	-	94.16	6.08	4.42	5.17
8	Contingent Liabilities	NIL	NIL	NIL	NIL	NIL	NIL
9	Capital commitments	NIL.	NIL.	NIL.	NIL.	NIL.	NIL
10	Date of Creations of JV/firm	01.04.2006	18.07.2005	18.1.2006	25.01.2006	05.07.2005	20.02.09
11	Remarks	-	See note "c"	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.



19. Loans and Advances & debits includes following Amounts due from subsidiary / Joint Venture & other associates:
- 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.
- d) The Figures of Joint Venture and partnership firm are not available. The balance sheet of the joint venture and partnership firm (PF) are under preparation.
18. 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 16e.



19. Loans and Advances & debtors includes following Amounts due from subsidiary / Joint Venture & other associates: - Rs. In Lacs

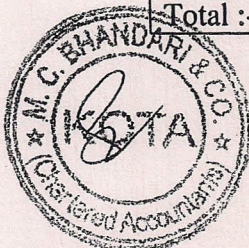
	Amt.outstanding as at	Amt.outstanding as at	Max Amt.outstanding as at	Max Amt.outstanding as at
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
Om Metals Consortium Private Limited (Sub)	14362.88	0.00	14362.88	0.00
Om Metals Auto Pvt. Ltd (Sub)	80.54(Cr)	9.46 Cr.	111.53	71.81
Om Metals Real estate (P) Limited	8578.56	7785.27	8578.56	7785.27
Om Gaima Projects Private Limited	6.61	0.00	6.61	0.00
Bhilwara Jaipur Toll Road Private Limited	170.71	0.00	170.71	0.00
OMIL SPML (JV)	170.14	0.00	170.14	0.00
Skywave Impex Limited.	28.26	65.11	65.41	89.49
Nextmile Tradecom (P) Ltd	9.44	19.92	36.60	41.65
Jupiter Metal (P) Ltd	15.86	170.04	179.40	170.04
Om Kothari enterprises Ltd	64.24	90.26	90.74	90.26
Pondicherry Port Ltd	176.90	170.65	176.90	170.65

20. 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:

(Rs. In lacs)

Particular	Projected Utilisation as per the prospectus	Actual utilization upto 31.03.2010	Actual utilization 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	4627.20	6801.00
QIB Expenses	571.80	571.80	0.00
Total :-	12000.00	5199.00	6801.00



Note :- The company utilized the fund in purchase of real estate in subsidiary company i.e. Om Metals Consortium Private Limited which is become as subsidiary on 30.06.2010 as loans and advance where as in the prospectus it is not shown .

21. The Company has provided for liability of gratuity aggregating to Rs. 62.30 Lacs (Previous year Rs. 52.22 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. (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. 149.31 Lacs (P.Y. Rs. 99.94 Lacs) 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. 63.82 Lacs (P.Y. Rs. 64.62 Lacs) has been charged under the head "Rent /Hire charges for Equipments" in Schedule 15.

(c) The company has Leased premises and Machinery on cancelable Operating Lease. The aggregate amount of lease rentals received amounting to Rs.101.42 lacs (P.Y. Rs. 102.64 Lacs) have been credited under the head "Rent and hire charges" in Schedule 11.

23. 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 *
		2010-2011	2009-2010	2010-2011	2009-2010
Engg. Div.					
Engg. Goods	MT	N.A	N.A	15000 MT/PA	15000 MT/PA
Hotel Div.					
No. Rooms	No	N.A.	N.A	58	58
Multiplex Div.					
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
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- 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.
- c) Particulars in respect of opening stock, Goods manufactured, sales, closing stocks and Trading Activities are given in annexure no. 1.
- d) Particulars in respect of consumption of raw material, accessories and bought out items are given in annexure no. 2.

e) 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 6 of 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
I	C.I.F. Value of Imports		
	Raw Material	2726.40	1743.41
	Capital Goods	754.92	268.03
ii)	EXPENDITURE IN FOREIGN CURRENCY (PAID OR PROVIDED)		
	Capital	0.00	0.00
	Traveling	25.51	26.26
	Consultancy	42.20	0.00
iii)	Income in Foreign Currency (Sales)	0	0
	Room Rent & Other Services	0	0.42
	Total :-	0.00	0.42
iv)	Net dividend remitted in foreign currency/foreign intuitional investors	NIL	NIL
	No. of NRI/FII share holders	98	3
	No of shares held by them	302987	327000
	Dividend paid (Rs. In lacs)	0.45 (Paid in NRI a/c in India)	0.65 (Paid in NRI a/c in India)
	Year to which dividend relates	2010-11	2009-10

v) VALUE OF RAW MATERIAL & STORES AND COMPONENTS CONSUMED:

(Rs. In Lacs)

Particulars	2011	%	2010	%
Raw Material				
Imported	2726.40	23.75	1903.40	21.83
Indigenous	8752.53	76.25	6817.04	78.17
Total :-	11478.93	100	8720.44	100
Stores & Spares				
Imported				
Indigenous	538.58	100	236.61	100



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



38, SHOPPING CENTRE
KOTA (RAJ.)
DATED: 30.05.2011

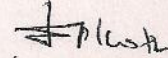
For and on behalf of Board of Directors



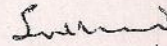
(T.C. KOTHARI)
CHAIRMAN



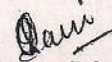
(C.P. KOTHARI)
MANAGING DIRECTOR



(D.P. KOTHARI)
DIRECTOR



(Sunil Kothari)
DIRECTOR



Reena Jain
(Company Secretary)


S.K. Jain
(C.F.O.)