

26th Annual
Report 2010-11

Roman tarmat Ltd

Investment in Infrastructure is an invitation to civilisation

Runways
Parking Bays/Apron
Expressways/National Highways
Test Track for vehicles
Heavy Duty paving in factories & container yards
Superior Quality Ready Mix Concrete





COMPANY INFORMATION

Board Of Directors

Mr. Jerry Varghese	Chairman cum Managing Director
Mrs. Saramma Varghese	Executive Director
Mr. Dilip Varghese	Executive Director
Mr. Anil Gopal Joshi	Independent Director
Mr. Ramesh Chander Gupta	Independent Director
Mr. Anant B Karweer	Independent Director

Company Secretary

Mr. Sreekumar K

Statutory Auditors

M/S Hegde and Associates
Chartered Accountants
61/2695, Gandhi Nagar
Bandra (E), Mumbai 400 051

Bankers

Vijaya Bank
Yes bank Ltd.
Kotak Mahindra Bank Ltd.

Registered Office

Tank Road, Off Gen Vaidya Marg,
Goregaon (East) Mumbai 400 0063
Tel: +91-22-2840 2130/ 1180
Website: www.romantarmat.com

Corporate Office

Tarmat Chambers, Sector 24,
Plot No. 19 , Sanpada
Navi Mumbai 400705
Tel: +91-22-27831328/1334
Fax: +91-22-27833872
Email: Contact@romantarmat.com

Registrars & Transfer Agents

BIGSHARE SERVICES PRIVATE LIMITED
E/2, Ansa Industrial Estate, Saki Vihar Road,
Andheri (E), Mumbai- 400 072
Phones +91-22-28470652/0653
Fax: +91-22-28475207
Email: bigshare@sify.com
Website: www.bigshareonline.com

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NOTICE

Notice is hereby given that 26th Annual General Meeting of the Members of the Roman Tarmat Limited will be held on Thursday, 29th September, 2011 at 4.00 PM at Hotel Sea Princess, Juhu Tara Road, Juhu Beach, Mumbai 400 049 to transact the following business:

Ordinary business:

- 1 To receive, consider and adopt the audited Profit and Loss Account for the year ended 31st March 2011, Balance Sheet as on that date, Auditors' Report, and the Director's report thereon
- 2 To appoint director in place of Mr. Anil G Joshi, who retires by rotation and being eligible, offers himself for reappointment.
- 3 To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company and to fix their remuneration."

Special business:

- 4 To consider and if thought fit, pass with or without modifications following resolution as an ordinary resolution.

RESOLVED THAT subject to the provisions of section 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 and Schedule XIII thereof, including any statutory modifications or any amendment to the said Act, the approval of the company be and is hereby accorded to the reappointment of Mr. Jerry Varghese as Managing Director of the Company for a period of 5 years with effect from 1st April, 2011 on the terms and conditions including remuneration as set out in the Explanatory statement annexed hereto:

- 5 To consider and if thought fit, pass with or without modifications following resolution as an ordinary resolution.

RESOLVED THAT subject to the provisions of section 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 and Schedule XIII thereof, including any statutory modifications or any amendment to the said Act, the approval of the company be and is hereby accorded to the reappointment of Mrs. Saramma Varghese as Executive Director of the Company for a period of 5 years with effect from 1st April, 2011 on the terms and conditions including remuneration as set out in the Explanatory statement annexed hereto:

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
2. Corporate Members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorising their representative to attend and vote on their behalf at the Meeting.
3. Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.
4. Member who hold shares in dematerialised form are requested to write their client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
5. Members seeking any further information about the accounts are requested to send their queries to the Company at its registered office at least ten days in advance so as to enable the company to collect the relevant information.
6. Members are requested to notify immediately any change in their address/ bank mandate to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at Bigshare Services Private Limited, E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E) Mumbai – 400 076 Maharashtra in respect of their physical share folios, if any.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 23rd September, 2011 to Thursday, the 29th September 2011 (both days inclusive)

By Order of the Board of Directors
For Roman Tarmat Limited

Sd/-

SREEKUMAR K

Company Secretary

Date : 11.08.2011

Place : Mumbai

Explanatory Statement**Pursuant to the provisions of section 173(2) of the Companies Act, 1956****Item no. 4 Reappointment of Jerry Varghese as Managing Director.**

The Board of Directors, in the meeting held on 14th March 2011, has subject to the approval of members and subject to the provisions of the Articles of Association of the Company, reappointed Mr. Jerry Varghese as Managing Director of the Company for a period of five years with effect from 1st April 2011 on the remuneration and terms and conditions mentioned below.

1. Salary: Rs. 200,000 per month

Perquisite and allowance: In addition to salary, Mr. Jerry Varghese is also entitled to following allowances and perquisites:

- A. Special Allowance :** As may be decided by the Board from time to time which shall not attract Provident Fund, Gratuity, Superannuation fund etc.
- B. Housing :** The Expenditure by the Company on hiring/ leasing furnished accommodation will be subject to 50% of the salary, over and above 10% payable by the Managing Director.
- C. Medical Reimbursement :** Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary per year or three month's salary over the period of 3 years.
- D. Leave Travel Concession:** Leave Travel Concession for self and family subject to maximum of once in a year incurred in accordance with the Rules of the Company.
- E. Gratuity:** As per rules of the Company
- F. Provident Fund/ Superannuation Fund:** Company's contribution towards Provident Fund as per Rules of the Company.
Company Contribution to, Superannuation Fund or Annuity Fund will be included in computation of the ceiling on perquisites to the extent these singly or put together are not taxable under the Income Tax Act.
- G. Earned Leave:** On full pay and allowances as per the rules of the Company, but not exceeding one month's leave for every eleven months of service and leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
- The approval of shareholders in general meeting is required for this appointment. The board recommends passing of resolution. Mr. Dilip Varghese and Mrs. Saramma Varghese are interested in the resolution.
- The notice along with the explanatory statement should be considered as an abstract of the terms of appointment of Mr. Jerry Varghese, Managing Director of the Company and a Memorandum as to the nature of concern or interest of the Directors in the said appointment, as required under section 302 of the Companies Act, 1956.

Item no. 5 Reappointment of Mrs. Saramma Varghese as Executive Director.

The Board of Directors, in their meeting held on 14th March 2011, has subject to the approval of members and subject to the provisions of the Articles of Association of the Company, reappointed Mrs. Saramma Varghese as Executive Director of the Company for a period of five years with effect from 1st April 2011 on the remuneration and terms and conditions mentioned below.

1. Salary: Rs. 100,000 per month

Perquisite and allowance: In addition to salary, Mrs. Saramma Varghese is also entitled to following allowances and perquisites:

- A. Special Allowance :** As may be decided by the Board from time to time which shall not attract Provident Fund, Gratuity, Superannuation fund etc.
- B. Housing :** The Expenditure by the Company on hiring/ leasing furnished accommodation will be subject to 50% of the salary, over and above 10% payable by the Executive Director.
- C. Medical Reimbursement :** Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary per year or three month's salary over the period of 3 years.
- D. Leave Travel Concession:** Leave Travel Concession for self and family subject to maximum of once in a year incurred in accordance with the Rules of the Company.
- E. Gratuity:** As per rules of the Company
- F. Provident Fund/ Superannuation Fund :** Company's contribution towards Provident Fund as per Rules of the Company.
Company Contribution to, Superannuation Fund or Annuity Fund will be included in computation of the ceiling on perquisites to the extent these singly or put together are not taxable under the Income Tax Act.
- G. Earned Leave:** On full pay and allowances as per the rules of the Company, but not exceeding one month's leave for every eleven months of service and leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
- The approval of shareholders in general meeting is required for this appointment. The board recommends passing of resolution. Mr. Jerry Varghese and Mr. Dilip Varghese are interested in the resolution.
- The notice along with the explanatory statement should be considered as an abstract of the terms of appointment of Mrs. Saramma Varghese, Executive Director of the Company and a Memorandum as to the nature of concern or interest of the Directors in the said appointment, as required under section 302 of the Companies Act, 1956.

Registered office:

Tank Road, Off Gen Vaidya Marg,
Goregaon (East), Mumbai- 400 063

Date: 11.08.2011

Place: Mumbai.

By Order of the Board of Directors
For **Roman Tarmat Limited,**

Sd/-

Sreekumar K
Company Secretary

Brief profile of Directors seeking reappointment at the Annual General Meeting:

Particulars	Mr. Anil Joshi	Mr. Jerry Varghese	Mrs. Saramma Varghese
Date of Birth	19.12.1943	07.05.1950	01.12.1955
Date of Appointment	17.07.2006	03.01.1986	03.01.1986
Qualification and Experience	M Sc., (Physics), DBM, CAIIB Part I Chairman & Managing Director - Dena Bank (Retd.) Executive Director – Indian Bank Dy. Chairman-Indian Banks Association President- bank Sports Board – Indian Bank Association. Chairman AFC Chairman-Finance Banking & Insurance Committee – IMC Member- Managing Committee- Think Tank Group – IMC Member-Indian delegation for loan negotiations with IFAD Member- Evaluation Committee – Maharashtra Airport Development Co.Ltd	B E (Mechanical Engg) Mumbai University Over 35 years experience in construction and infrastructure industry	B Sc, B Ed. Over 25 years experience in HRD and general administration
Directorships in other public companies	APLAB Ltd. Unity Infrastructure Ltd. Sahil Resorts & Spa India Ltd. GDA Trustee & Consultancy Ltd. Phadnis Infra Projects Ltd. Phadnis Hospitality Ltd. Phadnis Infra Projects (India) Ltd Phadnis Properties Ltd. Phadnis Power Projects Ltd Phadnis Realities Ltd. Phadnis Telecom Ltd	NIL	NIL
Director's shareholdings	Nil	3141192	1051161
Relationship with other directors	Nil	Mr. Jerry Varghese is the husband of Mrs. Saramma Varghese (Executive Director) and the father of Mr. Dilip Varghese (Executive Director)	Mrs. Saramma Varghese is the wife of Mr. Jerry Varghese (Managing Director) and the mother of Mr. Dilip Varghese (Executive Director)

Dear Shareholder,

Sub: Green Initiative in Corporate Governance – Electronic Mode for service of documents

The Ministry of Corporate Affairs ("MCA") has taken "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies pursuant to its circular No. 18/2011 dated April 29, 2011.

As per the aforesaid circular, Company is required to obtain email addresses of its members for sending the Notice with Balance Sheet, Profit & Loss Account, Auditors' Report, Directors' Report and Explanatory Statement, etc. through email by giving an advance opportunity to every shareholder to register his email address and changes therein, if any, from time to time with the Company.

In view of the aforesaid circular of MCA, we would earnestly request you to provide/update with us your email address so that all future communication including Notices calling General Meetings, Annual Reports, etc. from the Company's side can be sent to you in electronic form.

The "Green Initiative" taken by MCA is appreciated and we trust you will actively participate in this initiative and contribute to the global efforts being made for protection of the environment.

Thanking you and assuring you of our best services at all times.

Registered office:
Tank Road, Off Gen Vaidya Marg,
Goregaon (East), Mumbai- 400 063

For Roman Tarmat Limited,

Date: 11.08.2011
Place: Mumbai.

Sd/-
Sreekumar K
Company Secretary

Directors' Report

To,
The Members
Roman Tarmat Limited

Your directors are pleased to present the 26th Annual Report of the Company and the Audited Accounts for the year ended 31st March, 2011

Financial Results :

(Rs. in Lacs)

Particulars	31st March, 2011	31st March, 2010
Total Income	9234.80	12582.44
Total Expenditure	9209.74	12215.33
Profit Before Tax	25.06	367.11
Provision for Taxation	(77.08)	(172.86)
Provision for Deferred Tax	78.47	37.11
Provision for Wealth Tax	(1.50)	(1.50)
Profit for the year After Tax	24.95	229.86
Balance Brought Forward	3203.32	3121.69
Proposed Dividend	-	109.60
Tax on Proposed Dividend	-	18.63
Transfer to General Reserve	-	20.00
Balance Carried Forward	3228.27	3203.32

Performance of the Company:

The turnover of your Company during the year reduced to Rs.9234.80 lacs as compared to Rs. 12582.44 lacs for the year ended 31st March 2010. This sharp decline was due to a multitude of reasons.

There were unforeseen delays in taking up the new works awarded. One major contract for Rs.100Cr. with Bangalore International Airport, scheduled to be started in June 2010 got delayed as the sub base constructed by the previous contractor upon which our work was to be done was found to be weak to sustain the heavy loads it is purported to sustain. The work subsequently commenced in January 2011.

The work with Shirdi Sai Sansthan Trust did not progress at the scheduled pace since all the roads have not been handed over.

Similar to 2009-10, rain played havoc during 2010-11. There was regular rain in Chennai from June 2010 till December 2010; the actual rainy season being October – November.

Of late, the progress in execution and billing has become steadfast. This can be easily be inferred from the financial results for the quarter ended 31st March 2011. In fact, the results for the first quarter of 2011-12 ending 30th June 2011 will be substantially better.

The profit went down to Rs. 25.06 lacs from Rs. 367.11 lacs for the year ended 31st March 2010. This was mainly because of the lower turnover, interest and fixed overheads.

Future prospects

The past need not be reflective of the future. Based on the new works started and orders received, your directors see a bright future for the Company. The Company has bagged orders worth Rs. 600 Cr. during 2010-11 which has to be executed in the next 30 months.

Capital and Finance:

The Company retained the borrowing facilities with our lead bankers, i.e. Vijaya Bank. Apart from this, to meet urgent short term requirements, we have availed facilities from Yes Bank and Kotak Mahindra Bank Limited.

The Company's shares are being traded in the Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd.(NSE) of India Ltd.

Dividend:

As you are aware the year 2010-11, was very bad performance wise. To regularise the funds flow, your directors decided to retain the resources and hence do not recommend any dividend for this year. The Board assures that the share holders will be adequately compensated as and when the performance picks up.

Directors :

In terms of the provisions of section 255 and 256 of the Companies Act, 1956, and Articles of Association of the Company, Mr. Anil G Joshi, and Mrs Saramma Varghese, retire at the ensuing Annual General Meeting and being eligible, have offered themselves for reappointment. Mr. Jerry Varghese was appointed Managing Director and Mrs. Saramma Varghese, Executive Director of the Company for a period of five years in The Extra Ordinary General Meeting held on 19th June 2006. Proposal has been made for their reappointments for another period of five years in the forthcoming Annual General Meeting.

Fixed Deposit:

During the year under review, the Company has not accepted any deposit under section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposit) Rules, 1975.

Particulars of Employees:

There are no employees in the Company who are drawing prescribed salary under section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

Auditors & their Report:

M/s Hegde & Associates, Chartered Accountants, Mumbai, the Auditors of the Company, retire at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. They have furnished a certificate to the effect that their proposed appointment, if made will be in accordance with the limit prescribed under Section 224 (1-B) of the Companies Act, 1956 and they are not disqualified for such appointment, within the meaning of subsections (3) and (4) of section 226 of the Companies Act, 1956. Your directors recommend their reappointment.

The Auditor's Report to the shareholders does not contain any qualification. The notes to the accounts referred to in the Auditors Report are self explanatory and therefore do not call for any comments.

Conservation of Energy, Technology Absorption, and Foreign Exchange Earnings and outgo:

Information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (disclosure of the particulars in the report of the Board of Directors) Rules, 1988 is given by way of Annexure to this report.

Corporate Governance

As per the listing agreement with the Stock Exchanges, listed companies are required to implement the Corporate Governance Code from the financial Year, 2001-2002 onwards. Your Company's shares are listed with Bombay stock Exchange and National Stock Exchange of India Ltd. A report on corporate governance is attached to this report as Annexure. Certificate from the Auditors of the Company regarding compliance of clause 49 of Listing Agreement is also annexed herewith.

The Management Discussion and Analysis Report as required under the code of Corporate Governance are given in the Annexure attached to the Directors' Report.

Corporate Social Responsibility

We are currently having presence in many of the states of India. Our work involves rehabilitation of many rural and state roads of our country. During our construction phase, we take it to be our responsibility to employ the local skilled and unskilled labors to the maximum we can, hence improving the overall standard of life in that area. Our camp establishments in such rural areas are made with all individuals in mind, giving especially high importance to the Canteens, which on average feed more than hundred people a day. Our camp establishment also includes a full fledged First Aid facility which have come into tremendous use, at instances where immediate hospital care is not available. Each year with our growth our responsibilities increase, and we are proud to take up the same.

Directors Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the directors based on the representations received from the operating management confirm that:

1. In the preparation of the annual accounts for the year ended March 31, 2011, the applicable accounting standards have been followed and that there are no material departures from the same.
2. The Directors have, selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011 and of the profit of the Company for the year ended on that date:
3. The Directors have taken proper and sufficient care, to the best of their knowledge and ability, for maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. They have prepared the annual accounts on a going concern basis.

Personnel and Industrial Relations:

The Company enjoyed cordial relations with the employees during the year under review and the Management appreciates the employees of all cadres for their dedicated services to the Company.

Acknowledgements:

The Board of Directors wishes to express its appreciation for the outstanding contribution made by the employees of the Company to the operations of the Company during the year. The Board of Directors would like to place on record their appreciation of the assistance, guidance and support extended by the Government at the Centre, States, Banks and other Financial Institutions. Your directors also place on record their sincere appreciation of the total commitment and hard work put in by all the sub contractors, consultants and clients of the Company.

For and on behalf of the Board Of Directors

Sd/-
Chairman

Date: 14.06.2011

Place: Mumbai

Annexure to the Directors' Report

Statement Pursuant to Section 217(1)(e) of The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

(a) Conservation of Energy

The Company is taking all steps necessary to minimize energy consumption.

(b) Technology Absorption

Efforts are made towards technology upgradation with constant efforts are made to improve quality services offered by the Company.

(c) Foreign Exchange Earning and Outgo

Foreign Exchange earnings: Rs. 58,53,801/-

Foreign Exchange outgo: Rs. Nil

For and on behalf of Board of Directors

Sd/-
Chairman

REGISTERED OFFICE

Tank Road, Off Gen Vaidya Marg,
Goregaon (East),
Mumbai 400 063.

Date: 14.06.2011

Management Discussion and Analysis Report

1. Industry structure and developments and outlook

Performance of physical infrastructure in Indian economy in the last one and half decades has been mixed and uneven. Over years, India's soft infrastructure grew much faster than the hard infrastructure. In contrast, hardware components, like railways, roadways and airways, witnessed little expansion in last one and half decades. In general, performances of these hardware sectors are nevertheless poor, when counted their densities in terms of country's surface area or population. Densities in terms of access or spread of rail and road length clearly indicate that road sector has been successful, compared to railways, in spreading the network as well as providing an access in the economy.

The provision of quality and efficient infrastructure services is essential to realize the full potential of the growth impulses surging through the economy. India, while stepping up public investment in infrastructure, has been actively engaged in involving private sector to meet the growing demand. The demand for infrastructure investment during the 11th Five Year Plan (2007-2011) has been estimated to be US\$ 492.5 billions. To meet this growing demand, Government of India has planned to raise the investment in infrastructure from the present 4.7 per cent of GDP to around 7.5 to 8 per cent of GDP in the 11th Five Year Plan. In general, efforts towards infrastructure development is continued to focus on the key areas of physical and social infrastructure.

The investment in infrastructure is to rise from 5.15 per cent of gross domestic product (GDP) during the Tenth Five Year Plan period (2002-07) to about 7.55 per cent during the Eleventh Five Year Plan (2007-12). A preliminary assessment suggests that investment in infrastructure during the Twelfth Five Year Plan (2012-17) would need to be of the order of about US\$ 1,025 billion to achieve a share of 9.95 per cent as a proportion of GDP, according to the Planning Commission. At least 50 per cent of the investment should come from the private sector. This would imply that public sector investment in infrastructure would increase from US\$ 262.25 billion in the Eleventh Plan to around US\$ 409.92 billion in the Twelfth Plan at 2006-07 prices. This requires an annual increase of about 9.34 per cent in real terms.

India's new federal budget is likely to help companies developing airports in India, with the government raising the limit for foreign institutional investors to invest in corporate bonds specifically targeted for infrastructure from USD5 billion to USD25 billion.

The activities our Company mainly concentrates are:

Airside works and work associated with runways etc.

Highways and roads

Ports

Other civil works

Airports

Passengers carried by domestic airlines during January-February, 2011, were registered at 9.51 million as against 7.95 million in the corresponding period of 2010, thereby registering a growth of 19.6 per cent, according to data releases by the Ministry of Civil Aviation.

Roads and highways

India's roads are already congested, and getting more so. Plans announced by the Government to increase investments in road infrastructure would increase funds from around US\$15 billion per year to over US\$23 billion in 2011-12. The Indian Government, via the National Highway Development Program (NHDP), is planning more than 200 projects in NHDP Phase III and V to be bid out, representing around 13,000km of roads. About 53 projects with aggregate length of 3000km and an estimated cost of around US\$8 billion are already at the pre-qualification stage.

2. Opportunities & Threats

The Government initiatives including opening up a number of infrastructure sectors to private players, promoting investment in the sector by private players by permitting FDI, huge spending on projects like the National Highway Development Project, National Maritime Development Programme, etc. have opened up huge opportunities for investors. The opportunities do not stop there. More than 10 states are also actively planning the development of their highways.

Man, Money and Material – are the 3 essential M's of business. The government recently raised prices of petrol, diesel and kerosene. Further, government has decided to give freedom to the oil marketing companies to fix prices of petrol. The major raw material for infrastructure companies is petroleum products. Any increase in this sector is bound to increase the cost of executing any project and the transportation costs and inflation is bound to cut into the profitability.

Bank rates have been shooting up during the last one year. The cost associated with the borrowing the funds will further affect the profitability of the Company.

3. Internal Control

The Company has a proper and adequate system of internal controls covering all operational and financial functions commensurate with the size of the Company. The Company's internal control is designed in such a way that it ensures corporate strategy is implemented, achieve effective and efficient corporate processes, safeguard the value of corporate assets, reliability and integrity of accounting and management data, and operations comply with all existing rules and regulations.

All the financial and audit control systems are also reviewed by the Audit Committee of the board of Directors of the Company.

4. Operations

Company's Income has reduced to Rs. 9,234 lacs in 2010-11 as against Rs. 12,582 lacs in 2009-10. But the reduction of expenditure was not duly comparative with the reduction in income. In particular, the financial charges shot up because of the hike in cost of financing. As a result of these, the margins have come down substantially.

During the last year, company focused on cost reduction and cost control at all levels.

5. Human Resources and Industrial Relations

The Company understands the value of acquiring the highly intellectual human capital which the Company believes is a crucial asset of the Company. For this purpose, company follows the strategy "to attract, to retain and to motivate" the personnel through providing the framework for helping employees develop their personal and organizational skills, knowledge, and abilities. We have focused on to build positive attitude in the employees while working with Roman Tarmat Limited. Roman Tarmat Limited follows the principle - "good performance should be appreciated by good rewarding."

For and on behalf of the Board Of Directors:

Sd/-
Chairman

Date: 14.06.2011
Place: Mumbai.

Report on Corporate Governance

I Listing of Company's shares in stock exchange

The shares of your Company are listed with Bombay Stock Exchange and National Stock Exchange. Accordingly, the Corporate Governance Report for the year 2010-2011 has been prepared pursuant to the provisions of clause 49 of the Listing Agreement.

II Company's Philosophy on Corporate Governance

Corporate governance represents the value framework, the ethical framework and the moral framework under which business decisions are taken. Corporate governance therefore calls for three factors:

- a) Transparency in decision-making
- b) Accountability which follows from transparency because responsibilities could be fixed easily for actions taken or not taken, and
- c) The accountability is for the safeguarding the interests of the stakeholders and the investors in the organisation.

Effective corporate governance depends upon the commitment of the people in the organisation. Your Company has a strong legacy for fair, transparent and ethical governance policies. The Company has adopted a code of conduct for members of Board of Directors and senior management who have affirmed in writing their adherence to the code.

III. Board of Directors (Board)

(A) Composition and size of the Board

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business, finance, human resources and management. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors, complies with the requirements of Clause 49 (I) (A) of the Listing Agreements. The present strength of the Board of Directors is six, out of which three are Promoters & Executive Directors, and the other three are Non-Promoters, Independent Directors. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees (as specified in Clause 49 of the Listing Agreements) across all companies in which they are Directors. The Board does not have any Nominee Director representing any institution. The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies are given below:

Name of the Director and category	No. of directorship in other public companies	No of committee Memberships / Chairmanship held in the Board Committees of other Public Limited Companies as on 31.3.2011	
		Member	Chairman
Mr. Jerry Varghese (Managing Director) Executive and non- independent	NIL	NIL	NIL
Mrs. Saramma Varghese Executive and Non Independent	NIL	NIL	NIL
Mr.R.C Gupta Non Executive and Independent	NIL	NIL	NIL
Mr. Anil Gopal Joshi Non Executive and independent	11	01	04
Mr. Dilip Varghese Executive and Non- Independent	NIL	NIL	NIL
Mr. A B Karweer Non Executive and Independent	NIL	NIL	NIL

None of the directors are disqualified under Section 274 (1) (g) of the Companies Act, 1956 read with (Disqualification of Directors under Section 274 (1)(g) of the Companies Act, 1956) Rules, 2003.

(B) Details of Board and Annual General Meetings and attendance record of Directors thereat.

During the financial year 2010-2011 the Board of Roman Tarmat Limited met 5 times on 25.05.2010, 7.07.2010, 14.8.2010, 15.11.2010 and 14.03.2011

A table depicting the attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Name of the Director	No. of the Board meetings held during the year 2010-2011	No. of the Board meetings attended during the year 2010-2011	Whether attended AGM held on 27th September, 2010
Mr. Jerry Varghese	5	5	Yes
Mrs. Saramma Varghese	5	5	Yes
Mr. R C Gupta	5	5	No
Mr. Anil Gopal Joshi	5	5	Yes
Mr. Dilip Varghese	5	5	Yes
Mr. A B Karweer	5	5	Yes

(C) Code of Conduct

The Board has laid down a Code of Conduct for all Board members and Senior Management Personnel of the Company. The Code of Conduct is available on the website of the Company www.romantarmat.com. All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct A declaration signed by the Managing Director of the Company to this effect is enclosed at the end of this Report.

The Code of Conduct seeks to ensure that the Directors and the Senior Management Personnel observe a total commitment to their duties and responsibilities while ensuring a complete adherence with the applicable statutes on one hand and values and ethics on the other.

IV. Committees of the Board

The Board constituted committees namely, Audit Committee, Remuneration Committee and Share Transfer cum Shareholders'/Investors' Grievance Committee are in accordance with the terms of reference determined by the Board. Meetings of each of these Committees are convened by the respective Chairmen. Matters requiring Board's attention/approval are placed before the Board. The role, the composition of these Committees including the number of meetings held during the financial year and the related attendance detail are provided below:

(A) Audit Committee**Composition**

The Audit Committee comprises of four members namely, Mr. A.G. Joshi, Chairman, Mr. A B Karweer, Mr. R.C. Gupta, independent directors and Mrs. Saramma Varghese, Executive Director. Mr. Sreekumar K, Company Secretary also acts as the Secretary to the Audit Committee.

Terms of reference of the Audit Committee

The terms of reference of the Audit Committee, inter-alia, include :

- to oversee the financial reporting process and disclosure of financial information;
- to review with management, quarterly, half yearly and annual financial statements and ensure their accuracy and correctness before submission to the Board;
- to review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans and reviewing the efficacy of their function, discussion and review of periodic audit reports including findings of internal investigations;
- to recommend the appointment of the internal and statutory auditors and fixing their remuneration;
- to hold discussions with the Statutory and Internal Auditors.

Meetings and Attendance during the year

During the year 2010-2011, the Audit committee met four times.

The attendance record of committee members to the meetings so held is depicted in the table given below:

Name of the Member	Meetings held	Meeting Attended
Mr. A G Joshi	4	4
Mr. R.C. Gupta	4	4
Mr. A B Karweer	4	4
Mrs. Saramma Varghese	4	4

(B) Remuneration Committee**Composition**

The Company has in place a Remuneration Committee comprising of two Independent Non-Executive Directors namely, Mr. A.G. Joshi, as its Chairman and Mr. R.C Gupta.

Terms of reference

The terms of reference of Remuneration Committee, inter-alia, include :

- to recommend to the Board compensation terms of the Executive Directors;
- to assist the Board in determining and implementing the Company's Policy on the remuneration of Executive Directors.

Meetings

During the year, the Committee met once on 14.3.2011 and it was attended by both the members.

Remuneration Policy

The Company's Remuneration Policy is market-led and takes into account the competitive circumstance of the business so as to attract and retain quality talent and leverage performance significantly.

Remuneration of Directors

The table given below specifies the details of remuneration package of Directors and their relationships with other Directors on the Board

Name of Director	Salary Rs.	Sitting Fees Rs.	Total Rs.
Mr Jerry Varghese	2400000	NIL	2400000
Mrs. Saramma Varghese	1200000	NIL	1200000
Mr. Dilip Varghese	720000	NIL	720000
Mr. R.C. Gupta	NIL	50000	50000
Mr. Anil Gopal Joshi	NIL	70000	70000
Mr. A B Karweer	NIL	45000	45000

(C) Share Transfer cum Shareholders' / Investors' Grievance Committee

The Share Transfer cum Shareholders' / Investors' Grievance Committee constituted by the Board comprises of three directors, namely Mr. A G Joshi, Mr. Jerry Varghese and Mrs. Saramma Varghese.

Mr. A G Joshi, an Independent, Non-Executive Director, is the Chairman of the Committee.

Terms of Reference

The scope, terms of reference and functioning of the Committee is as per areas prescribed by Clause 49 of the Listing Agreement. One of the primary functions carried out by the Committee is to approve requests for share transfers and transmissions and those pertaining to re-mat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc. For this purpose, the required authority has been delegated to Mrs. Saramma Varghese.

The Committee oversees all matters encompassing the shareholders' / investors' related issues.

Meetings and Attendance during the year

Name of the Member	No. of meetings held	No. of meetings attended
Mr. A G Joshi	4	4
Mr. Jerry Varghese	4	4
Mrs. Saramma Varghese	4	4

a) Name and designation of compliance officer

Mr. Sreekumar K, Company Secretary, is the Compliance Officer pursuant to Clause 47(a) of the Listing Agreement with Stock Exchanges.

V General Body Meetings

Annual General Meeting: Details of last three Annual General Meetings held are as follows:

Year	Location	Date	Time
Twenty Fifth AGM 2009-10	Hotel Sea Princess, Juhu Tara Road, Juhu Beach, Mumbai.	27.09.2010	3 P.M.
Twenty Fourth AGM 2008-09	Hotel Sea Princess, Juhu Tara Road, Juhu Beach, Mumbai.	22.09.2009	5 P.M.
Twenty Third AGM 2007-08	Exchange Plaza, National Stock Exchange, Bandra Kurla Complex, Bandra East	10.09.2008	3 P.M.

VI. Disclosures**(i) Details on materially significant related party transactions**

Details of materially significant related party transactions made during the year 2010-2011, are contained in the notes to the annual accounts which form a part of the Annual Report.

(ii) Details of non-compliance, penalties etc imposed by Stock Exchange, SEBI etc. on any matter related to capital markets, during the last three years.

There has been no instance of any non-compliance by the Company on any matter related to capital markets and, hence, no penalties or strictures being imposed on the Company by SEBI or the Stock Exchanges or any other statutory authority on any such matter.

(iii) Whistle Blower policy and affirmation that no personnel have been denied access to the Audit Committee.

The Company has in place a highly effective Whistle blower policy which sets out the process and mechanism whereby employees at various levels in the organization can bring to the notice of the management any violations of the applicable laws regulations as also any unethical or unprofessional conduct.

All such reports are taken up for consideration at appropriate intervals depending upon the gravity of the matter reported so that adequate remedial measures can be initiated in the right earnest, at the appropriate levels.

In order to encourage the employees to freely air their views and voice their concerns on various matters and to prevent any victimization of the employees, identity of the employees is kept strictly confidential.

It would be important to mention here that the Audit committee set up by the Board constitutes a vital component of the whistle blower mechanism and instances of financial misconduct, if any, are reported to the Audit committee. No employee is denied access to the Audit Committee.

(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the non-mandatory requirements are given at the end of the Report.

VII. Means of Communication

Publication of Results: The quarterly / annual results of the Company are published in the leading newspapers viz Navashakti (Marathi) and Free Press Journal (English).

VIII. General Shareholder Information**(A) Date of AGM**

The forthcoming Annual General Meeting of the Company will be held on 29th September at 4 P.M. at Hotel Sea Princess, Juhu Tara Road, Juhu Beach, Mumbai.

(B) Date of Book Closure

The Register of members and share transfer books of the Company will remain closed from 23.09.2010 to 29.9.2011 (both days inclusive) for the purpose of the AGM.

(C) (i) Distribution of shareholding as on 31st March 2011

Sl.No.	Shareholding of nominal value (in Rs.)		No. of holders	% to total holders	Value in Rs.	% to nominal value
	From	To				
1	1	5,000	9,536	91.05	9,932,420/-	9.06
2	5,001	10,000	478	4.56	3,885,050/-	3.55
3	10,001	20,000	240	2.29	3,672,640/-	3.35
4	20,001	30,000	55	0.53	1,415,390/-	1.29
5	30,001	40,000	39	0.37	1,418,160/-	1.29
6	40,001	50,000	24	0.23	1,122,030/-	1.02
7	50,001	1,00,000	44	0.42	3,248,110/-	2.97
8	1,00,001	and above	58	0.55	84,913,270/-	77.47
	TOTAL		10474	100.00	109,607,070/-	100.00

(ii) Shareholding pattern as on 31st March 2011

Sr. No.	Category	No. of Shares	% holding
1.	Promoters	68,43,335	62.44
2.	Private Bodies Corporate	11,09,887	10.12
3.	Indian Resident	28,89,316	26.36
4.	NRIs / OCBs	1,13,213	1.03
5.	Clearing Member	4,956	0.05
	Total	1,09,60,707	100.00

(D) Dematerialization of shares and liquidity

Shares of the Company are compulsorily traded in dematerialized form and are available for trading under both the depositories i.e. NSDL and CDSL.

As on 31st March 2011, 61.35% Equity shares of the Company representing 67,23,896 shares out of a total of 10960707 Equity shares were held in dematerialized form, and the balance 42,36,811 shares were held in physical form.

(E) Listing on Stock Exchanges

The Company's Equity Shares are listed on the following stock exchanges as of March 31, 2011:

Bombay Stock Exchange Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

National Stock Exchange of India Limited (NSE)

“Exchange Plaza”, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051

Annual listing fee for the year 2011-12 has been paid by the Company to BSE and NSE

(F) Stock Code

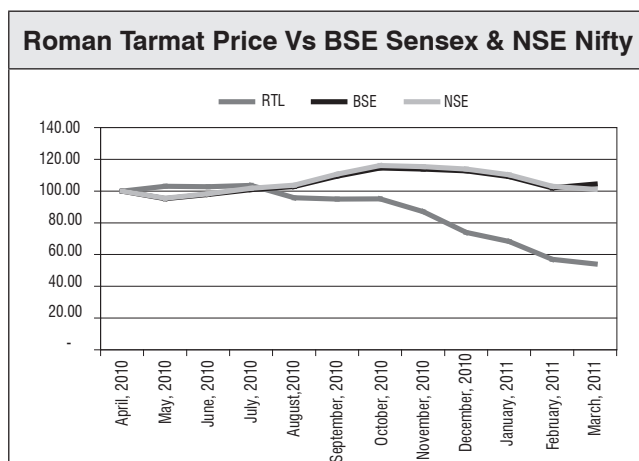
Bombay Stock Exchange Ltd.- 532869

National Stock Exchange of India Ltd- ROMAN/EQ

ISIN for Dematerialisation – INE924H01018

(G) Stock Market Price at National Stock Exchange and Bombay Stock Exchange (BSE) for the period from April 2010 to March 2011

	BSE			NSE		
	HIGH	LOW	AVERAGE	HIGH	LOW	AVERAGE
April, 2010	65.15	46.60	55.88	63.95	47.10	55.53
May, 2010	62.70	52.00	57.35	62.70	52.10	57.40
June, 2010	62.00	53.75	57.88	60.00	53.05	56.53
July, 2010	63.50	52.10	57.80	63.90	51.25	57.58
August, 2010	57.50	49.60	53.55	57.00	49.20	53.10
September, 2010	60.00	42.95	51.48	58.50	50.00	54.25
October, 2010	56.00	46.95	51.48	58.00	50.25	54.13
November, 2010	56.35	41.30	48.83	55.00	41.25	48.13
December, 2010	46.00	36.40	41.20	46.35	36.05	41.20
January, 2011	42.75	33.05	37.90	42.50	33.70	38.10
February, 2011	35.40	27.30	31.35	38.25	26.05	32.15
March, 2011	33.00	26.50	29.75	34.00	27.10	30.55

(H) Comparison of daily closing prices of the Company's share with the broad-based indices viz NSE Nifty & BSE Sensex.**(I) Registrar and Transfer Agent**

Bigshare Services Private Limited is the Registrar and Transfer Agent (RTA) of the Company, handling the shareholders and the share related matters, both in physical and the dematerialized segment.

The contact details of the RTA are as under:

BIGSHARE SERVICES PRIVATE LIMITED

(Unit : Roman Tarmat Limited)

E/2, Ansa Industrial Estate, Saki Vihar Road,
Andheri (E), Mumbai- 400 072

Phones +91-22-28470652/0653 • Fax: +91-22-28475207

Email: bigshare@sify.com

Website: www.bigshareonline.com

(J) Share Transfer System

61.35% of the Equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories without any involvement of the Company.

For speedy processing of share transfers, the Board has delegated powers to approve share transfers to the Shareholders' / Investors' Grievance Committee. Transfers of shares in physical form are normally processed within 15 days of receipt, provided the documents are complete in all respect. All transfers are first processed by the Transfer Agent and are submitted to the company for approval thereof. Thereafter, authorised officers of the Company approve the transfer and shares are returned to the shareholders.

Pursuant to Clause 47(c) of the Listing Agreement, certificates from a practicing Company Secretary on half yearly basis to the effect that all the transfers are completed in the statutorily stipulated time period have been obtained. Copy of the certificate so received is submitted both stock exchanges where shares of the Company are listed.

(K) Address for Correspondence**Registered Office**

Tank Road, Off Gen Vaidya Marg, Goregaon (East) Mumbai 400 0063

Tel: +91-22-2840 2130/ 1180

Website: www.romantarmat.com

Corporate Office

Tarmat Chambers, Sector 24,

Plot No. 19, Sanpada, Navi Mumbai 400705

Tel: +91-22-27831328/1334, 6714 5800

Email: contact@romantarmat.com

(L) Compliance Certificate from the Auditors of the Company

A Certificate from the Auditors of the Company, M/s Hegde and Associates, certifying the Company's compliance with the provisions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is annexed to and forms a part of this Report.

The certificate is also being forwarded to the Stock Exchanges in India where the Securities of the Company are listed.

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

I, Jerry Varghese, Managing Director and R. B. Kittur, Chief Financial Officer (CFO) of Roman Tarmat Limited, to the best of our knowledge and belief hereby certify that:

- a) We have received financial statements and the cash flow statement for the year ended 31st March 2011 and:
 - 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) 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 no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for the establishing and maintaining internal control systems of the Company pertaining to the auditors and the Audit Committee, deficiencies in the design and operations 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:
 - 1) Significant changes in the internal control over financial reporting during the year;
 - 2) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - 3) Instances of the significant fraud of which we have become aware and the involvement therein, if any; of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Jerry Varghese
 Managing Director

Sd/-
R. B. Kittur
 Chief Financial Officer

Date: 14.06.2011
 Place: Mumbai

ANNUAL DECLARATION BY THE CEO PURSUANT TO CLAUSE 49(I)(D)(ii) OF THE LISTING AGREEMENT

As the Managing Director of Roman Tarmat Limited and as required by Clause 49(I)(D)(ii) of the Listing Agreement, I hereby declare that all Board members and Senior Management personnel of the Company have affirmed compliance with the Company's Code of Business Conduct and Ethics, for the financial year 2010-2011.

Sd/-
Jerry Varghese
 Managing Director

Date: 14.06.2011
 Place: Mumbai

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Roman Tarmat Limited

We have examined the compliance of conditions of Corporate Governance by Roman Tarmat Limited (“the Company”), for the year ended March 31, 2011, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

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

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

We state that there was no investor grievance pending as on March 31, 2011 as per the records maintained by the Company.

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

For M/s Hegde & Associates.
Registration No. 103610W
Chartered Accountants,

Sd/-
Manoj V Shetty
Partner
Membership No. 138593

Date: 14.06.2011
Place: Mumbai

AUDITORS' REPORT

Auditors' Report to the Members of the ROMAN TARMAT LTD.,

We have audited the attached Balance Sheet of Roman Tarmat Ltd., as at 31st March, 2011 and also the Profit & Loss account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. Without qualifying our opinion, we draw attention to Note 17 of Schedule 17 regarding the value of investments in Joint Ventures.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditors Report) (Amendment) Order, 2004 (the "Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the annexure referred to above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii) In our opinion, the Company has kept proper books of account as required by law so far as appears from our examination of those books.
 - iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v) On the basis of the written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section(1) of section 274 of the Companies Act 1956.
 - vi) 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:
 - a) In the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2011.
 - b) In the case of the Profit and Loss Account, of the profit for the year ended on that date: and
 - c) In the case of Cash Flow Statement, of the Cash Flows for the Year ended on that date.

For Hegde & Associates
Firm Registration No. 103610W
Chartered Accountants

Sd/-

Manoj V Shetty (Partner)
Membership No. 138593

Place : Mumbai
 Date : 14.06.2011

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
- b) The fixed assets of the Company have been physically verified by the management for certain items in respect of its quantity and value at its various project sites. In accordance with the phased programme for verification of fixed assets, the management during the year physically verified certain items of fixed assets and no material discrepancies were noticed on such verification.
- c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed by the Company during the year.
2. a) The inventories of the Company have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management were found reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventory and the discrepancies noticed on physical verification between the physical stocks and the book records were not material in relation to the operations of the Company.
3. a) The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register to be mentioned under Section 301 of the Companies Act 1956
- b) Since the Company has not granted any loans and advances to the parties covered in the register maintained under section 301 of the Companies, Act 1956, disclosure under b, c & d are not applicable.
- c) The Company has not taken any unsecured loans from parties covered in the register maintained under section 301 of the Companies Act 1956.
- d) Since the Company has not accepted any loans and advances from the parties covered in the register maintained under section 301 of the Companies Act 1956, disclosure under this clause is not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control procedures.
5. To the best of our knowledge and belief and according to the information and explanations given to us, there were no contracts or arrangements that needed to be entered in the register maintained under Section 301 of the Companies Act 1956.
6. The Company has not accepted any deposits from the public within the meaning of Section 58A and Sec 58AA.
7. In our opinion, the Company has an internal audit system, commensurate with the size of the Company and the nature of its business.
8. To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under the clause (d) of Sub-Section (1) of section 209 of the Companies Act, 1956.
9. a) According to the information and explanation given to us, barring non payments of undisputed liability of service tax of Rs. 54,05,303/-, dividend distribution tax of Rs. 18,62,773/- and delays in payment of Tax Deducted At Source and Provident Fund, the Company has been regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, cess and other statutory dues as applicable with appropriate authorities. According to the information and explanations given to us, except payment of Service Tax of Rs 54,05,303/- and dividend distribution tax of Rs. 18,62,773 no undisputed amount in respect of other statutory dues were in arrears as at 31st March, 2011, for a period of more than six months from the date they become payable.
- b) According to the information and explanation given to us and the records of the Company examined by us, the particulars of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty and Cess which have not been deposited on account of dispute are as follows:

Nature of the disputed dues	Amount (in Rs lacs)	Period for which the amount relates	Forum where disputes are pending
Sales Tax	40.38	2008-09	JT. Commissioner Appeals, Belgaum, Karnataka
Sales Tax	53.00	2007-08	Appellate Tribunal, Bangalore

- 10) The Company has neither accumulated losses at the end of the financial year nor it has incurred any cash losses in the current and immediately preceding financial year.
- 11) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions or banks. The Company does not have any outstanding debenture.
- 12) According to the information and explanation given to us and based on the documents and records produced to us, the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society. Therefore, the provisions of Clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 14) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 15) According to the Information and explanation given to us, the Company has not given any guarantee for loan taken by others, from Banks / Financial Institutions.
- 16) Based on information and explanations given to us by the management, term loans were applied for the purpose 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 and Cash Flow Statement of the Company, we report that no funds raised on short-term basis have been used for long-term investment and no long-term funds have been used to finance short-term assets.
- 18) According to the information and explanation given the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
- 19) According to the information the Company has not raised any money during the year by of issue of debentures.
- 20) During the year the Company has not raised any money from the public and therefore the disclosure of the deployment of the same does not arise.
- 21) Based on the audit procedure formed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of audit.

For M/s HEGDE & ASSOCIATES
Firm Registration No. 103610W
Chartered Accountants

Sd/-

Manoj V Shetty (Partner)
Membership No. 138593

Place : Mumbai
Date : 14.06.2011

Balance Sheet as at 31st March, 2011

Particulars	Sch	Amount in Rs.	
		As at 31.03.2011	As at 31.03.2010
SOURCES OF FUND			
A) SHAREHOLDERS FUNDS			
1. Share Capital	1	109,607,070	109,607,070
2. Reserves & Surplus	2	<u>996,413,661</u>	<u>993,919,032</u>
		1,106,020,731	1,103,526,102
B) LOAN FUNDS			
1. Secured Loans	3	536,616,058	363,668,082
C). DEFERRED TAX LIABILITY			
		<u>19,343,537</u>	<u>27,190,864</u>
TOTAL		<u>1,661,980,327</u>	<u>1,494,385,048</u>
B) APPLICATIONS OF FUNDS			
1. FIXED ASSETS	4	617,372,253	599,143,277
LESS: DEPRECIATION		<u>281,018,767</u>	<u>229,423,589</u>
NET BLOCK OF ASSETS		336,353,486	369,719,687
2. INVESTMENTS	5	36,489,647	36,489,647
3. CURRENT ASSETS, LOANS & ADVANCES			
Inventories	6	540,888,493	397,417,757
Sundry Debtors	7	301,331,831	252,048,284
Cash and Bank Balances	8	70,172,169	45,966,318
Loans and Advances	9	<u>651,016,248</u>	<u>577,908,743</u>
		<u>1,563,408,741</u>	<u>1,273,341,102</u>
LESS: CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	10	279,071,359	188,243,344
Provisions		<u>4,924,803</u>	<u>16,446,275</u>
		<u>283,996,162</u>	<u>204,689,619</u>
NET CURRENT ASSETS		1,279,412,579	1,068,651,483
4. Miscellaneous Expenditure (to the extent not written off)		<u>9,724,615</u>	<u>19,524,231</u>
TOTAL		<u>1,661,980,327</u>	<u>1,494,385,048</u>
NOTES TO ACCOUNTS	17		

As per our report of even date
FOR HEGDE & ASSOCIATES
CHARTERED ACCOUNTANTS
 Registration No. 103610W

For and on behalf of the Board of Directors

Sd/-
MANOJ V SHETTY
 (PARTNER)
 Membership No.138593

Sd/-
JERRY VARGHESE
 MANAGING DIRECTOR

Sd/-
SARAMMA VARGHESE
 DIRECTOR

Dated: 14.06.2011
 Place:MUMBAI

Sd/-
SREEKUMAR K
 COMPANY SECRETARY

Profit and Loss Account for the year ended 31st March, 2011

Amount in Rs.

Particulars	Schedules	Year Ended 31.3.2011	Year Ended 31.03.2010
INCOME			
Income from Operations	11	884,082,258	1,225,916,411
Other Income	12	39,398,016	32,328,573
TOTAL		<u>923,480,274</u>	<u>1,258,244,983</u>
EXPENDITURE			
Construction Expenses	13	667,080,774	967,720,638
Employees Remuneration and Welfare Expenses	14	64,208,071	68,576,749
Office & Site Establishment Expenses	15	65,799,186	82,017,387
Financial Charges	16	72,291,343	55,035,743
Depreciation		51,595,178	48,182,833
TOTAL		<u>920,974,552</u>	<u>1,221,533,350</u>
PROFIT BEFORE TAX		2,505,722	36,711,633
Provision for Taxes			
Current Tax		(7,101,936)	(17,285,635)
Short provision of tax for earlier years		(606,484)	
Deferred Tax		7,847,327	3,710,711
Wealth Tax		(150,000)	(150,000)
PROFIT AFTER TAX		2,494,629	22,986,709
Add: Balance brought forward from last year		320,332,170	312,168,941
AMOUNT AVAILABLE FOR APPROPRIATION		322,826,799	335,155,650
Provision for Proposed Dividend		-	10,960,707
Provision for Tax on Proposed Dividend		-	1,862,773
Transfer to General Reserve		-	2,000,000
BALANCE CARRIED TO BALANCE SHEET		<u>322,826,799</u>	<u>320,332,170</u>
Earning per Share (Basic and Diluted)		0.23	2.10
NOTES TO ACCOUNTS	17		

As per our report of even date

FOR HEGDE & ASSOCIATES
CHARTERED ACCOUNTANTS

Registration No. 103610W

Sd/-

MANOJ V SHETTY

(PARTNER)

Membership No.138593

Dated: 14.06.2011

Place:MUMBAI

For and on behalf of the Board of Directors

Sd/-

JERRY VARGHESE
 MANAGING DIRECTOR

Sd/-

SARAMMA VARGHESE
 DIRECTOR

Sd/-

SREEKUMAR K
 COMPANY SECRETARY

Cash Flow Statement For The Year Ended 31st March 2011

	2010-11		2009-10	
	Amount In Rs. Lakhs		Amount In Rs. Lakhs	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) as per Profit & Loss Account		25.06		229.87
Adjustments for Non-Cash and other items				
Interest Expense	722.91		550.36	
Interest Income	(62.05)		(37.85)	
Loss/ (Gain) on Sale of fixed assets	-		6.23	
Depreciation	515.95		481.83	
Provision for Doubtful Debts/ Advances (Net of Recovery)	38.01		39.32	
Sundry debit balance written off	6.73		20.84	
Sundry credit balance written back	(92.75)		(43.95)	
Dividend received	(0.49)		(0.19)	
Gratuity provision	13.02		1.97	
Preliminary Expenses w/off	98.00		98.00	
Income Tax	77.08		172.86	
Wealth Tax	1.50		1.50	
Deferred Tax Asset/Liability	(78.47)		(37.11)	
Operating Profit/(loss) Before Working Capital Changes		1,264.50		1,483.66
Changes in Working Capital				
Decrease / (Increase) in Sundry Debtors	(492.84)		1,082.06	
Decrease / (Increase) in Inventories	(1,434.71)		(932.00)	
Decrease / (Increase) in Loans & Advances	(731.08)		136.38	
(Decrease) / Increase in trade payables and other liabilities	908.28		(2,415.36)	
Cash Generated from Operations		(1,750.34)		(2,128.92)
Income Tax /FBT (payments)/refunds	(73.92)		(191.13)	
Net Cash from Operating Activities [A]		(534.70)		(836.39)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets and change in capital Work-in-process	(182.29)		(177.41)	
Proceeds from sale of Fixed Assets	-		15.75	
Interest received	62.05		37.85	
Dividend received	0.49		0.19	
Net Cash from Investing Activities [B]		(119.75)		(123.62)
CASH FLOW FROM FINANCING ACTIVITIES				
Dividend and Distribution tax paid	(110.07)		(127.67)	
Interest paid	(722.91)		(550.36)	
Increase in Secured loans/O.D. against FDR	1,729.48		1,564.93	
Net Cash from Financing Activities [C]		896.50		886.91
Net increase in Cash and Cash equivalents [A+B+C]		242.04		(73.10)
Cash & Cash equivalents at the beginning of the year		459.68		532.78
Cash & Cash equivalents at the end of the year		701.72		459.68

Note:

- Cash Flow Statement has been prepared under the indirect method as set in accounting standard (AS) 3: Cash Flow Statements issued by the Institute of Chartered Accountants of India
- Cash and Cash equivalents at the end of the year represent Cash and Bank Balances.
- Previous Year's figures have been regrouped/reclassified whenever applicable

As per our report of even date

FOR HEGDE & ASSOCIATES
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
MANOJ V SHETTY
(PARTNER)
Membership No.138593
Dated: 14.06.2011
Place:MUMBAI

Sd/-
JERRY VARGHESE
MANAGING DIRECTOR

Sd/-
SARAMMA VARGHESE
DIRECTOR

Sd/-
SREEKUMAR K
COMPANY SECRETARY

Schedules to the Balance Sheet for the Year Ended 31.03.2011

	Amount in Rs.	
	Year Ended 31.03.2011	Year Ended 31.03.2010
SCHEDULE-1		
SHARE CAPITAL		
Authorised:	120,000,000	120,000,000
12000000 Equity Shares of Rs.10/- each		
I. Issued Subscribed & Paid-up:	109,607,070	109,607,070
10960707 Equity Shares of Rs.10/- each fully paid-up (Previous Year 10960707 Shares of Rs.10/- each) [Of the above 5603200 Shares of Rs.10/- each are issued as fully paid-up Bonus Shares (Previous Year 5603200 Shares)]		
	<u>109,607,070</u>	<u>109,607,070</u>
SCHEDULE-2		
RESERVES & SURPLUS		
Share Premium		
As per last Balance Sheet	620,688,655	620,688,655
Add: Addition during the year	-	-
	<u>620,688,655</u>	<u>620,688,655</u>
Revaluation Reserve		
As per last Balance Sheet	850,000	850,000
General Reserve		
As per last Balance Sheet	52,048,207	50,048,207
Add: Transferred from Profit & Loss Account	-	2,000,000
	<u>52,048,207</u>	<u>52,048,207</u>
Profit & Loss Account	<u>322,826,799</u>	<u>320,332,170</u>
	<u>996,413,661</u>	<u>993,919,032</u>
SCHEDULE-3		
SECURED LOANS		
From Banks		
Vijaya Bank-Cash Credit	403,820,354	313,046,105
(Secured by Hypothecation of Inventories and receivables, and Fixed Assets of the Company and Personal guarantee of Mr. Jerry Varghese, Managing Director)		
Yes Bank- WCDL	50,000,000	50,000,000
Yes Bank- Cash Credit	8,949,204	-
(Secured by Hypothecation of specific fixed assets and Personal guarantee of Mr. Jerry Varghese, Managing Director)		
Kotak Mahindra Bank- WCDL	18,911,093	-
Kotak Mahindra Bank- Cash Credit	50,000,000	-
(Secured by Hypothecation of specific fixed assets and Personal guarantee of Mr. Jerry Varghese, Managing Director)		
Canara Bank	4,935,407	-
(Secured by Hypothecation of Fixed Deposit with same bank)		
ICICI Bank	-	621,977
	<u>536,616,058</u>	<u>363,668,082</u>

SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDING 31-03-2011
SCHEDULE 4 : FIXED ASSETS :

	GROSS BLOCK			Rate (percent) %	DEPRECIATION				NET BLOCK	
	Balance As On 01-04-2010	Additions during the period	Deduct. during the period		Balance as on 31.3.2011	Balance As On 01-04-2010	Additions during the period	Deduct. during the period	Balance as on 31.3.2011	Balance as on 31.3.2010
A Goodwill	1,463,175	-	-	0.00%	-	-	-	-	1,463,175	1,463,175
B Land & Buildings										
a) Plant & Work-shop Site	46,124,752	-	-	0.00%	46,124,752	-	-	-	46,124,752	46,124,752
b) Buildings	33,951,213	-	-	3.34%	33,951,213	981,432	-	9,227,859	24,723,354	25,704,786
C Motor Car - Imported	675,000	-	-	9.50%	675,000	-	-	674,500	500	500
D Machinery & Plant										
a) Machinery - Non Earthmoving	118,866,772	12,230,090	-	4.75%	131,096,862	5,966,882	-	50,564,321	80,532,540	74,269,333
Machinery - Earthmoving	357,490,562	1,014,163	-	11.31%	358,504,725	40,462,263	-	198,574,942	159,929,783	199,377,882
b) Electrical Fittings	6,786,935	152,049	-	7.07%	6,938,984	487,335	-	3,633,197	3,305,787	3,641,074
c) Motor Cars	25,551,387	1,248,387	-	9.50%	26,799,774	2,506,736	-	12,040,965	14,758,809	16,017,158
E Computers	4,734,030	3,057,947	-	16.21%	7,791,977	946,115	-	4,246,484	3,545,493	1,433,661
F Furniture & Fittings	3,499,451	526,340	-	6.33%	4,025,791	244,415	-	2,056,499	1,969,292	1,687,367
Total as at 31-03-2011	599,143,277	18,228,976	-		617,372,253	51,595,178	-	281,018,767	336,353,486	369,719,687
Total as at 31-03-2010	583,953,119	17,741,160	2,551,002		599,143,277	48,182,833	353,421	229,423,590	369,719,687	402,358,941

Schedules to the Balance Sheet for the Year Ended 31.03.2011

	Amount in Rs.	
	Year Ended 31.03.2011	Year Ended 31.03.2010
SCHEDULE-5		
INVESTMENTS		
LONG TERM INVESTMENTS		
A) Quoted - Equity Shares (Fully Paid-up-19400 (P.Y.19400) Equity shares of Rs 10/- each)-Vijaya Bank Limited Market value of quoted investment Rs.920530/-	194,000	194,000
B) Unquoted - Others		
Investment in Joint Ventures	36,295,647	36,295,647
	<u>36,489,647</u>	<u>36,489,647</u>
SCHEDULE-6		
INVENTORIES		
(As technically valued and certified by the management)		
Material at site including stores	179,830,283	165,668,073
Work-in-Progress	361,058,210	231,749,684
	<u>540,888,493</u>	<u>397,417,757</u>
SCHEDULE-7		
SUNDRY DEBTORS		
'(Unsecured-considered good)		
Outstanding for a period Less than Six months:	155,659,765	164,880,872
Others	147,716,439	
Less: Provision for doubtful debts	<u>2,044,373</u>	<u>87,167,412</u>
	<u>301,331,831</u>	<u>252,048,284</u>
SCHEDULE-8		
CASH AND BANK BALANCES		
Cash on Hand	6,423,649	4,610,775
With Scheduled Banks		
On Current Accounts	10,641,516	10,059,322
On Deposit Accounts	53,107,004	31,296,221
	<u>70,172,169</u>	<u>45,966,318</u>
SCHEDULE-9		
LOANS AND ADVANCES		
(Unsecured, considered good)		
a) Advances recoverable in cash or in kind or for value to be received	460,899,861	396,386,101
b) Deposits	134,102,262	112,199,643
c) Advance payment of taxes (Net of Provisions)	56,014,125	69,322,999
	<u>651,016,248</u>	<u>577,908,743</u>
SCHEDULE-10		
CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities:		
Sundry Creditors (Refer Note 16)	98,157,352	88,423,034
Other Liabilities	33,986,116	19,842,338
Advance Recd. Against Orders	146,257,390	79,354,642
Investor Education & Protection Fund shall be credited by the following amount when due		

Schedules to the Balance Sheet for the Year Ended 31.03.2011

	Amount in Rs.	
	Year Ended 31.03.2011	Year Ended 31.03.2010
(i) Unclaimed Dividend	493,501	446,330
(ii) Share Application money	177,000	177,000
	<u>279,071,359</u>	<u>188,243,344</u>
Provisions:		
Provision for Gratuity	4,924,803	3,622,795
Provision for Proposed Dividend	-	10,960,707
Provision for Tax on Proposed Dividend	-	1,862,773
	<u>4,924,803</u>	<u>16,446,275</u>
	<u>283,996,162</u>	<u>204,689,619</u>

Schedule to Profit & Loss A/C for the Year Ended 31.03.2011

	Schedule	Year Ended 31.03.2011	Year Ended 31.03.2010
INCOME FROM OPERATIONS	11		
Cost of Work Done			
i) Work Bills Received, Gross		754,773,732	1,188,887,279
Add: Work in Progress, at close		361,058,210	231,749,684
		<u>1,115,831,942</u>	<u>1,420,636,963</u>
Less: Work in Progress, at commencement		231,749,684	194,720,552
		<u>884,082,258</u>	<u>1,225,916,411</u>
OTHER INCOME	12		
i) Hire and Royalty charges received		14,750,000	19,274,380
ii) Dividend (Gross)		48,500	19,400
iii) Interest From Bank/Others (TDS Rs.257,055/- P.Y. Rs.362,905/-)		6,205,359	3,785,441
iv) Miscellaneous Income		1,821,976	1,420,132
v) Sundry Credit Balances W/ back		9,274,603	4,394,683
vi) Insurance claim received		-	3,434,537
vi) Sales tax refund		7,297,578	-
		<u>39,398,016</u>	<u>32,328,573</u>
CONSTRUCTION EXPENSES	13		
i) Stores and Embedded Goods Consumed:			
Stock at Commencement		165,668,073	109,497,067
Add: Purchases		239,573,273	527,492,245
		<u>405,241,346</u>	<u>636,989,312</u>
Less: Scrap and Unserviceable sold		404,275	377,315
		<u>404,837,071</u>	<u>636,611,997</u>
Less: Stock at Close		179,830,283	165,668,073
		<u>225,006,788</u>	<u>470,943,924</u>
ii) Subcontract, transportation, Hire etc		356,057,910	375,109,259
iii) Labour Charges		68,279,193	87,171,050
iv) Machinery & Electrical Expenses		14,414,699	21,019,305
v) Laboratory Charges and Water Charges		2,005,329	1,190,468
vi) Contract Expenses from RA Bills		1,316,855	12,286,632
		<u>667,080,774</u>	<u>967,720,638</u>

Schedule to Profit & Loss A/C for the Year Ended 31.03.2011

		Amount in Rs.	
	Schedule	Year Ended 31.03.2011	Year Ended 31.03.2010
EMPLOYEES REMUNERATION AND WELFARE EXPENSES	14		
i) Salaries, Wages, Bonus & Gratuity		50,984,187	55,868,774
ii) Welfare Expenses		13,223,884	12,707,975
		<u>64,208,071</u>	<u>68,576,749</u>
OFFICE & SITE ESTABLISHMENT EXPENSES	15		
a) Stationery, Postage, Telephone & Advertisement		3,956,885	3,067,021
b) Travelling & Conveyance		4,550,333	4,011,851
c) Rent, Rates & Taxes		2,610,085	1,732,823
d) Insurance		2,648,875	2,072,983
e) Professional Charges		4,666,033	4,069,940
f) Directors Remuneration		4,320,000	4,298,925
Director Sitting Fees		165,000	165,000
Director- Keyman Insurance		293,506	1,197,368
g) Auditors Remuneration:			
a. Audit Fees		250,000	250,000
b. Tax Audit Fees		25,000	25,000
c. For Income Tax Work/Other consultancies		35,000	35,000
d. Service Tax		31,930	31,930
h) Miscellaneous expenses		2,825,927	5,477,033
i) Office Equipment Maintenance		317,586	317,034
j) Business Promotions Expenses		865,682	1,946,350
k) Books & Periodicals		10,350	7,364
l) Subscription, Internet, E-mail		156,935	247,408
m) Royalty Expenses		1,734,849	1,931,959
n) Work Contract Tax		-	16,919,832
o) Sales Tax/VAT Exp.		17,719,273	13,571,148
p) Security Charges		1,663,771	1,077,212
q) Tender Fees		535,818	834,101
r) Vehicle tax		1,871,139	2,292,122
s) Loss on sale of Fixed assets		-	622,581
t) Preliminary Exp. Written off		9,799,616	9,799,616
u) Fluctuation in Foreign Exchange Rate		272,101	-
v) Sundry debit balances w/off		672,922	2,084,248
w) Provision for doubtful debts		3,800,570	3,931,539
		<u>65,799,186</u>	<u>82,017,387</u>
FINANCIAL CHARGES	16		
a) Bank Charges & Commission		17,881,212	7,875,501
b) Interest on Bank Accounts		48,632,493	33,226,436
c) Interest on Mobilisation advance/others		5,746,215	13,761,573
d) Interest on deferred Payment Credit		31,423	172,233
		<u>72,291,343</u>	<u>55,035,743</u>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**A) SIGNIFICANT ACCOUNTING POLICIES****1] BASIS OF PREPARATION OF FINANCIAL STATEMENTS -**

- (i) The financial statements have been prepared in compliance with all material aspects of the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 1956.
- (ii) Financial statements are based on historical cost and are prepared on accrual basis, except where impairment is made and revaluation is carried out.
- (iii) Accounting policies have been consistently applied by the Company and except for the changes in accounting policies referred below, are consistent with those used in the previous year.

2] Use of Estimate -

The preparation of financial statements requires estimates and assumptions to be made that affects the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

3] Revenue Recognition -

- (i) Income from construction contracts is recognized on the basis of work certified in accordance with percentage completion method. All other income and expenditure are recognized and accounted for on an accrual basis. Losses on contracts are fully accounted for as and when incurred.
- (ii) Hire Charges is accounted for as per terms of the lease agreement.
- (iii) Dividend Income is accounted for when the right to receive is established.
- (iv) Interest income on deposits is recognized on accrual basis.

4] Fixed Assets -

Fixed Assets are stated at cost net of Modvat/Cenvat wherever applicable less accumulated depreciation. The cost of an asset comprises of purchase price and any directly attributable cost of bringing the assets to its present condition for intended use and incremental amount of revaluation.

5] Depreciation -

Depreciation is charged as per Straight-line method at the rate and in the manner specified in Schedule XIV to the Companies Act, 1956.

6] Inventories -

The stock of stores, spares and embedded goods and fuel is valued at cost (weighted average basis), or net realizable value whichever is lower.

Work in Progress is valued at the contract rates and site mobilization expenditure of incomplete contracts is stated at cost.

7] Investment -

Investments are classified as long- term and current investments. Current Investment is measured at the lower of cost or market value. Long Term Investment is measured at Cost. The investments of the company are on long-term basis and therefore the diminution on the same is not applicable.

8] Borrowing Costs -

Borrowing cost which are directly attributable to the acquisition/construction of Qualifying Assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing cost is charged to revenue.

9] Current Tax and Deferred Tax -

- i. Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.
- ii. Current Tax is calculated in accordance with the tax laws applicable to the current financial year.
- iii. Deferred tax expense of benefit is recognized on timing difference 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. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.
- iv. Advance tax and provision for current income are presented in the Balance Sheet after setting off advance tax paid and income tax provision arising in the same tax jurisdiction.

10] Foreign Exchange Transaction -

- (i) Transaction denominated in foreign currencies is normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Monetary items denominated in foreign currency as at the Balance Sheet date are translated at the year-end exchange rate.
- (iii) Premium on forward cover contracts in respect of import of raw material is charged to Profit & Loss Account over the period of contracts except in respect of liability for acquiring fixed assets, in which case the difference are adjusted in carrying cost of the same.

11] Employee Retirement Benefits -

The Company provides for gratuity in accordance with the rules of the Company based on an actuarial valuation carried out at the Balance Sheet date, by an independent actuary. Contribution payable to Employees benefits is charged to Profit & Loss Account as and when incurred. Leave wages is not applicable to this Company. The Company has provided for gratuity during the current year as per the actuarial valuation of liability.

12] Impairment of Assets -

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

13] Earning per share -

Basic EPS is computed using the weighted average number of equity shares outstanding during the year.

14] Provision, Contingent Liabilities and Contingent Assets -

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

B) CONTINGENT LIABILITIES -

(Rs. in lacs)

i)	Particulars	2010 – 2011	2009– 2010
	Estimated amount of claims against the Company not acknowledged as debts: Sales Tax	00.00	70.78
	Bank Guarantee	8735.12	6011.93
	Total	8735.12	6082.71

ii) A client, IT Expressway Limited has wrongfully encashed performance Bank Guarantee amounting to Rs.2.38Crore in the year 2010-11 which is disputed by the company. The company has been legally advised that it has a good case on merits and therefore approached court. Pending resolution of the dispute, the encashed Bank Guarantee is considered as a current asset.

C) NOTES TO ACCOUNTS -

1) The previous year's figure have been reworked, regrouped, rearranged and reclassified wherever necessary.

2) **Disclosures as required by Accounting Standard (AS) 20 Earning per Share (EPS) –** (Rs.)

Sr. No.	Particulars	2010 – 2011	2009 – 2010
i)	Profit attributable to Equity Shareholders for Basic Earning per Share	Rs.24,94,629/-	Rs.2,29,86,709/-
ii)	Weighted average number of equity shares	1,09,60,707	1,09,60,707
iii)	Face Value of equity share	Rs 10/-	Rs 10/-
iv)	Earnings per share (Basic and diluted)	Rs. 0.23	Rs.2.10

3) Payments to Auditors –

Sr. No.	Particulars	2010 – 2011	2009 – 2010
i)	Audit Fees	Rs.2,50,000/-	Rs.2,50,000/-
ii)	Taxation & Other Matters	Rs.60,000/-	Rs.60,000/-
iii)	Service Tax	Rs.31,930/-	Rs.31,930/-

4) Managerial Remuneration -

Sr. No.	Particulars	2010 – 2011	2009 – 2010
i)	Salary to Managing Director	Rs.24,00,000/-	Rs.23,86,667/-
ii)	Salary to other directors	Rs.19,20,000/-	Rs.19,12,258/-

Computation of profit u/s 349 for Managerial Remuneration

Amount in Rs.

Particulars	2010- 2011	2009- 2010
Net profit as per Profit & Loss Account	25,05,722/-	3,67,11,633/-
Add: Managerial Remuneration	43,20,000/-	42,98,925/-
Add: Depreciation as per Books of Accounts	5,15,95,178/-	4,81,82,833/-
Add: Loss on sale of fixed assets	-	6,22,581/-
	5,84,20,900/-	8,98,15,972/-
Less : Dividend income	48,500/-	19,400/-
Less : Depreciation u/s 350 of the Companies Act 1956	5,15,95,178/-	4,81,82,833/-
Profit u/s 349 of the Companies Act, 1956	67,77,222/-	4,16,13,739/-

In the absence of sufficient profits, remuneration of directors has been paid in accordance with the provisions of Schedule XIII read with section 269.

5] Disclosures as per Accounting Standard 18 (AS-18) on Related Party Disclosures**For the year ended 31st March 2011**

a) List of related parties with whom the Company entered into transactions -

Sr.No.	Name of Related Party	Nature of Relationship
A)	Key Management personnel and their relatives -	
1	Mr. Jerry Varghese	Managing Director
2	Mrs. Saramma Varghese	Director
3	Mr. Dilip Varghese	Director
B)	Enterprise owned/controlled by key management personnel or their relatives -	
1	M/s Tarmat Construction Pvt. Ltd.	Company controlled by Mr. Jerry Varghese
2	M/s Tarmat Holding Pvt. Ltd.	Company controlled by Mr. Jerry Varghese
3	M/s Tarmat Quarries Pvt. Ltd.	Company controlled by Mr. Jerry Varghese
4	M/s Tarmat Motels Pvt. Ltd.	Company controlled by Mr. Jerry Varghese

b) Nature of Transactions

Nature of Transaction	Amount	Nature of Relationship
Managerial Remuneration	Rs. 43,20,000/-	Key Management personnel
Directors sitting fees	Rs.1,65,000/-	Non Executive Directors

6] The break up of Deferred Tax Assets/Liability is as under -

Sr. No	Particulars	As at 31st March 2011	As at 31st March 2010
A)	Deferred tax Liability		
	Related to Fixed Assets	Rs. 2,40,02,872/-	Rs. 2,86,12,249/-
	Total Deferred Tax Liability	Rs. 2,40,02,872/-	Rs. 2,86,12,249/-
B)	Deferred tax Asset		
	Others	Rs. 46,59,335/-	Rs 14,21,385/-
	Net deferred Tax Liability	Rs. 1,93,43,537/-	Rs 2,71,90,864/-

7] Disclosure in accordance with Accounting Standard -7 (Revised)- Construction Contracts (Rs. in lacs)

Particulars	2010 - 2011	2009- 2010
Amount of Contract revenue recognized as revenue in the period	5954.97	13905.38
Contract cost incurred and recognized profits (less recognized losses) upto the reporting date	5683.17	13210.11
Recognised Profit	271.80	495.27
Advances received from customers for contract work	1260.94	536.72
Retention money	778.13	453.02
Gross amount due from customer for contract work	1943.64	1576.94
Gross amount due to customer for contract work	1334.27	536.72

8] Segment Information -**a) Primary Segment**

The business segment has been considered as the primary segment. The Company is engaged in only one reportable segment viz Construction.

b) Secondary Segment

The Company operates in India and hence there are no geographical segments.

9] Since the principal business of the Company is construction activities, quantitative data as required by part II Para ii, 4c, 4d of Schedule VI to the Companies Act, 1956 is not furnished.

10] Additional information pursuant to the provision of part II of Schedule VI to the Companies Act, 1956 (wherever applicable)

Sr. No	Particulars	As at 31st March 2011	As at 31st March 2010
A	Value of Imports calculated on CIF Basis - Capital Goods	-	Rs.35.71lacs
B	Earning In Foreign Exchange - Rent received	Rs. 58.54 lacs	-

11] Disclosure relating to Employee Benefits – As per AS- 15

(Amount in Rs.)

		31.3.2011	31.3.2010
A	Expenses recognized in the Statement of Profit & Loss Account for the year ended		
1.	Current Service Cost	2,96,195/-	1,97,104/-
2.	Interest Cost	323,317/-	1,99,994/-
3.	Actuarial (Gain)/Loss	682,496/-	(1,09,799)/-
4.	Past Service Cost-Vested Benefit recognized during the Period		769,702/-
5.	Transitional Liability Recognized during the Period		
6.	Expenses Recognized in P & L	13,02,008/-	10,57,001/-
B	Net Asset/(Liability) recognized In the Balance Sheet		
1.	Fair Value of Plan Assets At the End of the Period		
2.	Present Value of Benefit Obligation at the end of the Period	49,24,803/-	36,22,795/-
3.	Difference	(49,24,803)/-	(36,22,795)/-
4.	Unrecognized Past Service Cost at the end of the Period	-	(36,22,795)/-
5.	Unrecognized Transitional Liability at the end of the Period (Net Liability Recognized in the Balance Sheet)	(49,24,803)/-	(36,22,795)/-
C	Change in Present Value of Obligation		
1.	Present Value of Benefit Obligation at the beginning of the current Period	36,22,795/-	27,58,544/-
2.	Interest Cost	3,23,317/-	1,99,994/-
3.	Current Service Cost	2,96,195/-	1,97,104/-
4.	Past Service cost-Non Vested Benefit	-	-
5.	Past Service Cost-Vested Benefit	-	7,69,702/-
6.	Liability Transferred in	-	-
7.	(Liability Transferred Out)	-	-
8.	(Benefit Paid)	-	(1,92,750)/-
9.	Actuarial (Gain/Loss on Obligations)	6,82,496/-	1,09,799/-
10.	Present value of benefit obligation at the end of the Current Period	49,24,803/-	36,22,795/-
D	Actuarial Assumptions		
1.	Discount Rate-Previous	8.25%	7.25%
2.	Salary Escalation-Previous	6.00%	6.00%
3.	Attrition Rate-Previous	2.00%	2.00%
4.	Discount Rate-Current	8.25%	8.25%
5.	Salary Escalation-Current	6.00%	6.00%
6.	Attrition Rate-Current	2.00%	2.00%

- 12) On assessment of the impairment of fixed assets of the Company as at the Balance Sheet date as required by Accounting Standard 28 "Impairment of Assets" issued by the ICAI, the Company is of the view that no provision for impairment of fixed assets is required.
- 13) In accordance with Accounting Standard 11 (revised), the net exchange loss debited to Profit & Loss Account is Rs 272,101/- (Previous year Rs. Nil)
- 14) The income tax assessment of the Company has been completed up to Asst. Year 2007-08.
- 15) The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to the amount unpaid as at year end together with interest paid/ payable under this Act have not been given.
- 16) In the opinion of the Board the current assets and advances if realized in the ordinary course of business have value on realization at least to the amount at which these are stated in the Balance Sheet. The provision for all known liabilities are adequate and not in excess of the amount reasonable necessary. The Balances shown under Investment in Joint Venture are subject to balance confirmation receivable from parties to Joint Venture.
- 17) Joint ventures: AS-27, Para 51 to 54

The company has made investments in Joint ventures amounting to Rs.3,62,95,647/- during the previous years. During the financial year no business activity was undertaken in the joint ventures. The management is of the opinion that the investment made in joint ventures are fully recoverable and in view of the above, no diminution in the value of investment is required.

Name of Joint Venture	Share of Interest in JV	Nature of JV	Assets Rs. Lacs	Liabilities Rs. Lacs	Income Rs. Lacs	Expenditure Rs. Lacs
KCL/BEL/TARMAT JV	25:50:25	Jointly controlled entity	74.98	Nil	Nil	Nil
TARMAT/BEL JV	75:25	Jointly controlled entity	100.00	Nil	Nil	Nil
TAMAT/ JP ENTERPRISES)	50:50	Jointly controlled entity	187.98	Nil	Nil	Nil

As per our report of even date
FOR HEGDE & ASSOCIATES
CHARTERED ACCOUNTANTS
 Registration No. 103610W

For and on behalf of the Board of Directors

Sd/-
MANOJ V SHETTY
 (PARTNER)
 Membership No.138593

Sd/-
JERRY VARGHESE
 MANAGING DIRECTOR

Sd/-
SARAMMA VARGHESE
 DIRECTOR

Dated: 14.06.2011
 Place:MUMBAI

Sd/-
SREEKUMAR K
 COMPANY SECRETARY

**BALANCE SHEET ABSTRACT
&
COMPANY'S GENERAL BUSINESS PROFILE
AS AT 31ST MARCH 2011**

Registration Details

Registration No.	38535	State Code	11
Balance Sheet Date	31-03-2011		

Capital raised during the year (Amount in Thousands)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
Govt. Contribution	NIL		

Position of Mobilization and Deployment of Funds

(Rs. in 000)

Total Liabilities	Rs. 1,661,980	Total Assets	Rs. 1,661,980
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Source of Funds

Paid up capital	Rs. 109,607	Reserve & Surplus	Rs. 996,414
Secured Loans	Rs. 536,616	Unsecured Loans	NIL
Deferred Tax	Rs. 19,344		

Application of Funds

Net Fixed Assets	Rs. 336,353	Investment	Rs. 36,490
Net Current Assets	Rs. 1,279,412	Miscellaneous Exp.	Rs. 9,725
Accumulated Losses	NIL		

Performance of the Company

Turnover*	Rs. 923,480	Total Expenditure	Rs. 920,975
Profit/(Loss) before tax	Rs. 2,506	Profit/(Loss) after taxes	Rs. 2,495
Earnings per share -	Rs. 0.23	Dividend rate	Not Declared

Name of Principal Product of the Company

(a) ITC CODE NIL

**FOR HEGDE & ASSOCIATES
CHARTERED ACCOUNTANTS**

Registration No. 103610W

Sd/-
MANOJ V SHETTY
(PARTNER)
Membership No.138593

Dated: 14.06.2011
Place:MUMBAI

For and on behalf of the Board of Directors

Sd/-
JERRY VARGHESE
MANAGING DIRECTOR

Sd/-
SARAMMA VARGHESE
DIRECTOR

Sd/-
SREEKUMAR K
COMPANY SECRETARY

ROMAN TARMAT LIMITED

Regd. Office: Tank Road, Off. Gen Vaidya Marg, Goregaon (East), Mumbai – 400 063
Corporate Office: Tarmat Chambers, Sector –24, Plot No. 19, Sanpada, Navi Mumbai –400 705

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the Meeting Hall. Only Members or their Proxies are entitled to be present at the Meeting.

Name and address _____
 _____ I hereby
 record my presence at the TWENTY SIXTH ANNUAL GENERAL MEETING at 4.00 P.M at Hotel Sea Princess, Juhu Tara
 Road, Juhu Beach, Mumbai 400 049

Signature of the Shareholder/ Proxy

Member’s Folio Number: DP ID No. Client ID No.

*Strike out whichever is not applicable
 **To be signed at the time of handing over this slip

ROMAN TARMAT LIMITED

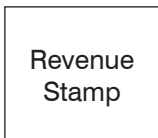
Regd. Office: Tank Road, Off. Gen Vaidya Marg, Goregaon (East), Mumbai – 400 063
Corporate Office: Tarmat Chambers, Sector –24, Plot No. 19, Sanpada, Navi Mumbai –400 705

PROXY FORM

Regd. Folio No. DP ID No. Client ID No. No. of Shares Held:
 I/We _____ of _____
 _____ in the district of _____
 _____ being a member/ members of the above-named Company hereby appoint
 _____ of _____ in the district of _____
 _____ or failing him _____
 _____ as my/ our proxy to vote for me/us on my/our behalf at the Twenty Sixth Annual General Meeting of
 the Company to be held on 29th September, 2011 at 4.00 P.M. and at any adjournment thereof.

Signed this _____ day _____ 2011

Signature



Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

Our Clients

DEPARMENT

PIU, KSHIP, Bangalore (W B)
PIU, PWD, Mizoram (World Bank)
MES (Navy), Vishakhapatnam
AAI, Mumbai
AAI, Chennai
Jet Airways, Mumbai
MCGM, Mumbai
MMRDA, Mumbai
KSTP, Kerala
Mitusui & Co Ltd, Navi Mumbai
Hyundai Corpn. Vashi, N. Mumbai
PWD Mumbai NH Div, Pen.Raigad
PWD- Mumbai Multi. Bldg. Cosnt.
PWD Mumbai RDD III Panvel
CIDCOCBD, Navi Mumbai.

MES, Colaba, Mumbai
National Airport Authr.,New Delhi
NBCC, Lodhi Road, New Delhi
PWD, Mumbai TCB, Chembur
AAI, Sahar, Mumbai

MCGM, Mumbai
MIDC, Chiplun
MES (Airlorce) Ahmedabad
AAI, New Delhi
GSHP- Vadodara, Gujarat
Engineer in Chief (R&B), Hyderabad
M/s Ennore Foundries Ltd , Chennai
Hiranandani Realtors Pvt Ltd, Chennai
Sri Sivasubramaniya Nadar College of Engineering,
kelavakkam
Ashok Leyland Ltd, Ennore, Chennai
Unitech Ltd, Chennai
M/s Hitech Carbon, Chennai
M/s SRF Ltd, Chennai
Ahmedabad Municipal Corp. BRTS
MIDC, Nanded
New Mangalore Port Trust
Cochin International Airport Ltd
Mumbai International Airport Ltd
TNRIDC, Chennai - 2

Mahindra & Mahindra, Mumbai
Chief Engineer (H) Metro, Alandur, Chennai - 16

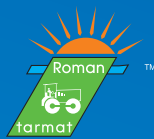
Maharashtra Airport Development Company Ltd.

Bangalore International Airport

Shri Saibaba SansthanTrust, Shirdi

NAME OF WORK

Rehab. & Up-grade in State Highways Road Proj M3 & U6
State Highways Project M-9, M -4, M -5 Total 125 KM
Special Repairs to Runway & Taxi Tack at NAS Arakkonam
Construction of Link Taxi Track & 8 domestic/remote parking bays
Construction Shoulders & Turn Pad & 4 Bays.
Construction of Taxi Track Apron for Hi-Tech Hanger
Improvement of Goregaon-Mulund Link Road & A KVaidya Marg
Widening & improvement of Western Exp Highway
Maintenance work of various roads total 70 KM
Const, of roads Bituminous pavement at JNPT, Nhava Sheva
Const. Container Yard, laying sub-base & rigid pavement at JNPT
Widening & strengthening of PMP Road NH 17
Widening of Sion Panvel Road Sec V.
Rehab. Of Mumbai-Pune Rd. NH 4 15.20 Km
Const bituminous road at Khankdeswar, & Road connector to
Vashi Rly station & Pavement in forecourt area of Vashi Rly Stn.
Resurfacing of Runway at Vadodara Airport.
Recarpeting Runway, Taxiway & Apron at CA Belgaum
Resurfacing of Runway at Vadodara Airport.
Const.of approach to Bridge across Thane Creek on Sion-Panvel Rd
Cosnt of Taxi track & Taxi link along with the main runway.
Up-gradation of main Runway at Mumbai Airport. Concreting of
TT Parallel to Main Runway
Concreting of B D Sawant Marg, Cardinal Gracious Marg upto Chakala
D C Work(Sec I) Improvement to Chiplun-Shringartali Rd.
Resurfacing of Runway at Air-force station, Jamnagar
Strengthening of Runway & Parallel Taxi way at Indira Gandhi Int. Airport
Periodical renewal of Borsad-Padra-Jambusar Road 27 KM
Widen. & Strength, of Anantpur- Tardipatri-Bhogasamudrum Rd 272Km
Land development, Road work, compound wall & fencing.
Filling, Retaining wall, Construction and Laying of concrete road.
Land development, Formation of new roads, repairs & resurfacing of
existing Kelavakkamroads and road to bus park area.
Strom water drain, road work, spare parts warehouse
Improvement of Existing Melkottaiur Nallambakkam Road.
New Road and Old Road Patch work at Sipcot Industrial Complex
New Formation of Approach Road
From RTO to Pirana complete Road construction
Upgradation of Airstrip at Nanded Airport Includ. Apron & Allied works
Concretisation of existing Road Part 1
Construction of additional concrete parking base for Aircrafts
Development of plot near Jet Airways & taxi track bituminous & Roads etc
Improvements singaperumalkoil to sriperumbudur road 4 lane Package I
Improvements Vandalur to walajabad road 4 lane Package IV
Const, of box culvert& Asphaltng at yellow gate, Kandivali
Widening to six lanes and strenghtening of Taramani Link road Km 0/0-3/650
(six lane)
Design and Construction of Apron adjoining to existing apron on Airside to
new Terminal Building at existing Airport at Nagpur
Design and Construction of Apron adjoining to existing apron on Airside to
new Terminal Building at existing Airport at Bangalore
Construction of flexible and rigid payment on DP & Ring Road



Infra Engineering Empire™

Roman Tarmat Ltd
General A. K. Vaidya Marg
Near Wageshwari Mandir Stop
Off Film City Road
Goregaon (E)
Mumbai-400063

Tel.: +91-22-2840 2130 / 1180 Fax : +91-22-2840 0322

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Email : contact@romantarmat.com