

**CONCURRENT (INDIA) INFRASTRUCTURE LIMITED**



**Concurrent**

**17th ANNUAL REPORT  
2010-11**

**Board of Directors:**

|                               |                   |
|-------------------------------|-------------------|
| Mr Sudhir Babu Koneru         | Managing Director |
| Mr K Poornachandra Rao        | Chairman          |
| Mr G Sateeshkumar             | Director          |
| Mr Manoj Bhimaji Kokane       | Director & CEO    |
| Mr Neeraj Rameshchandra Nagar | Director          |

**Bankers of the company :**

State Bank of India,  
Commercial Branch,  
Tilak Road,  
Pune 411030

**Auditors :**

BRR & Associates  
Chartered Accountants  
Flat No. 101, Jayasree Sadan Apts.,  
H.No. 1-1-317/17, Gandhinagar,  
Hyderabad - 500 080.

**Registered Office :**

Office No. 218, Big Splash,  
Plot No. 78 & 79, Sector -17,  
Vashi, Navi Mumbai - 400 703  
Maharashtra, India.

**Registrar & Transfer Agents :**

Bigshare Servicesprivate Limited,  
E/2 Ansa Industrial Estate,  
Saki Vihar Road, Saki Naka,  
Andheri (East), Mumbai 400 072.

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**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 17th Annual General Meeting of the Shareholders of CONCURRENT (INDIA) INFRASTRUCTURE LIMITED will be held on Saturday, 31st day of December, 2011 at 9.15 a.m. at Hotel Corporate, SaiSagar, Plot No. 69, Sector-15, CBD Belapur, Navi Mumbai 400614, India to transact the following business:-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Accounts for the year ended on 31st March 2011 and reports of Directors and Auditors thereon.
2. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company and to fix their remuneration.
3. To appoint Mr. K. Poornachandra Rao as Director of the company, who retires by rotation and, being eligible, offers himself for reappointment.

**SPECIAL BUSINESS**

4. Appointment of Mr. Manoj Bhimaji Kokane as Director.

To consider and, if thought fit, pass the following resolution as ordinary resolution with or without modification, if any, as Ordinary Resolution:

"RESOLVED THAT pursuant to section 255 and all other provisions of the Companies Act, 1956 and subject to the listing agreement entered into by the company with the Bombay Stock Exchange Ltd, where the securities of the Company are presently listed, Mr. Manoj Bhimaji Kokane be and is hereby appointed as a director of the company who is liable to retire by rotation."

5. Appointment of Mr. Neeraj Rameshchandra Nagar as Director

To consider and, if thought fit, pass the following resolution as ordinary resolution with or without modification, if any as Ordinary Resolution:

"RESOLVED THAT pursuant to section 255 and all other provisions of the Companies Act, 1956 and subject to the listing agreement entered into by the company with the Bombay Stock Exchange Ltd, where the securities of the Company are presently listed, Mr. Neeraj Rameshchandra Nagar who has been appointed on 7th December, 2011 be and is hereby appointed as a director of the company who is liable to retire by rotation."

REGISTERED OFFICE  
OFFICE NO. 218, BIG SPLASH,  
PLOT NO. 78 & 79, SECTOR -17,  
VASHI, NAVI MUMBAI - 400 703  
MAHARASHTRA, INDIA.

BY ORDER OF THE BOARD OF DIRECTORS

DATED : 7th December, 2011

**K. Sudhir Babu**  
Managing Director

**NOTES**

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

- a) The Register of Members and the Transfer Book of the Company will remain closed from 30th December 2011 to 31st December, 2011 (both days inclusive)
- b) Members are requested to notify immediately of any change in their address details to the Company's Registrar and Share Transfer Agents for shares held in demat / physical form at :

BIGSHARE SERVICESPRIVATE LIMITED,  
E/2 ANSA INDUSTRIAL ESTATE,  
SAKI VIHAR ROAD, SAKI NAKA,  
ANDHERI (EAST),MUMBAI 400 072.

- c) Printed copies of the Balance Sheet, Profit and Loss Account, Director's Report, the Auditor's Report and every other documents required by the law to be annexed or attached to the Balance Sheet for the period ended 31st March, 2011 are enclosed herewith.
- d) Proxies in order to be effective must be deposited duly stamped and signed at the Registered Office of the Company not less than 48 hours before the meeting.
- e) Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is attached hereto.
- f) Members are requested to contact for any query related to shares, dividend and other inquiry at the following address.  
  
Bigshare Services Pvt. Ltd.  
E-2, Ansa Industrial Estate,  
Saki- Vihar Road, Sakinaka  
Mumbai - 400 072  
Contact Person : Mr. Mohan  
Phone no: 022- 40430200  
Quote Folio No. for any communication for their shareholding.
- g) The copies of relevant documents can be inspected at the Registered Office of the Company on any working day between 11.00 a.m. and 1.00 p.m.
- h) The Company's shares are presently listed at Bombay Stock Exchange Ltd.

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BY ORDER OF THE BOARD OF DIRECTORS

DATED :7th December, 2011

**K. Sudhir Babu**  
Managing Director

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES, 1956.****Item No. 4**

The Board meeting held on 30th November 2011 appointed Mr. Manoj Bhimaji Kokane as an additional director of the company.

Mr Manoj Bhimaji Kokane has 10 years of rich experience in overall administration, manufacturing, sales, finance activities in various industries. Being a commerce graduate, he has acquired business and commercial skills and is seeking challenging and rewarding opportunities to demonstrate his substantial abilities.

The Board meeting held on 7th December, 2011 decided to recommend the appointment of Mr. Manoj Bhimaji Kokane as the director of the company. Mr Manoj Bhimaji Kokane has intimated his consent to act as the Director of the company.

**Item No. 5**

The Board meeting held on 7th December, 2011 appointed Mr. Neeraj Rameshchandra Nagar as additional director of the company.

Mr Neeraj Rameshchandra Nagar is an expert in marketing and sales. He has around 25 years of experience in national and international marketing.

The Board meeting held on 7th December, 2011 decided to recommend the appointment of Mr. Neeraj Rameshchandra Nagar as the director of the company. Mr Neeraj Rameshchandra Nagar has intimated his consent to act as the Director of the company.

None of the Directors are interested in the resolutions and your Board of Directors recommends the same.

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BY ORDER OF THE BOARD OF DIRECTORS

Dated :7thDecember, 2011

**K. Sudhir Babu**  
Managing Director

**DIRECTORS' REPORT**

To the members of CONCURRENT (INDIA) INFRASTRUCTURE LIMITED,

Your Directors take pleasure in presenting the 17th Annual Report together with Audited accounts for the financial year ended 31st March 2011. The report covers all major events till the date of report.

**FINANCIAL HIGHLIGHTS 2010-11** (₹ in Lakhs)

| FINANCIAL HIGHLIGHTS                    | 2010-11  | 2009-10 |
|---|----------|---------|
| Income                                  | 14214.62 | 6505.74 |
| Profit before Depreciation and Interest | 1609.66  | 504.27  |
| Depreciation                            | 4.40     | 6.36    |
| Interest                                | 54.10    | 0.56    |
| Profit after Depreciation and Interest  | 1551.15  | 497.35  |
| Provision for tax                       | -        | 54.31   |
| Profit after tax                        | 1551.15  | 443.04  |
| Balance Brought Forward                 | 532.57   | 89.53   |
| Balance carried to Balance Sheet        | 2083.72  | 532.57  |

**FINANCIAL HIGHLIGHTS**

During the year Company has achieved a total income of Rs. 14214.62 Lakh as compared to Rs. 6505.74 Lakhs in the previous year and thereby registered an increase of 118.49% over the previous year. Out of the total income of Rs. 14214.62 Lakhs Rs. 12472 Lakhs is from the Infrastructure activities. The Company has posted a PBT of Rs. 1551.15 Lakhs as compared to Rs. 497.35 Lakhs in the previous year.

**DIVIDEND**

Your Directors have decided to plough back the profits and therefore no Dividend is declared.

**CHANGE IN CAPITAL**

The authorised capital of the company stood at Rs. 45,16,00,000/- (Rupees Forty Five Crores Sixteen Lakhs only) divided into 4,51,60,000 (Four Crore Fifty One Lakhs Sixty Thousand Only) equity shares of Rs. 10/- (Rupees Ten each) as on date. The paid up share capital as on the date of this report stood at Rs. 430,599,990/- (Rupees Forty Three Crores Five Lakhs Ninety Nine Thousand and Ninety Nine Only)

**DIRECTORS**

The Board of Directors of the company currently consists of 5 directors.

| Name of Director    | Designation         |
|---------------------|---------------------|
| Sudhir Babu Koneru  | Managing Director   |
| K Poornachandra Rao | Director            |
| G Sateeshkumar      | Director            |
| Manoj Kokane        | Additional Director |
| Neeraj Nagar        | Additional Director |

**FIXED DEPOSITS**

Your company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956.

**100% SUBSIDIARY COMPANY**

Your company has acquired Vakratund Ispat Pvt Ltd. in this year. Vakratund Ispat Pvt Ltd. is 100% subsidiary of your company. The financial results of the subsidiary are consolidated with your company.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to provisions of Section 217(2AA) of the Companies Act, 1956, the directors confirm that:

- (i) In the preparation of the accounts for the financial year ended 31st March 2011 the applicable accounting standards have been followed, along with proper explanation relating to all material departures;
- (ii) They have, in the selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period under review.
- (iii) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the accounts for the financial year ended 31st March, 2011 on a going concern basis.

**AUDITORS**

M/s Hanumantha Rao & Co., Chartered Accountants, Hyderabad were appointed as auditors at the Annual General Meeting held on 30th August, 2010. However, he resigned on 22nd December, 2010 and M/s B R R & Associates, Chartered Accountants were appointed at the Extra-ordinary General Meeting held on 24th December, 2010.

M/s B R R & Associates, Chartered Accountants will retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The retiring auditors have expressed their willingness to continue as Statutory Auditors of the Company.

**CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

Your Company's operation does not involve large scale use of energy. The disclosure of particulars under this head is not applicable as your Company operates in the Service Sector. Although your Company is not a large scale energy user, acknowledges, the concept of conventional energy.

**CORPORATE GOVERNANCE**

A separate report on Corporate Governance has been provided as part of this annual report.

**MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed review on operational highlights and achievements, vision and strategy for the future notes and outlook for the industry segment in which we operate, are given separately under the head "Management Discussion and Analysis" elsewhere as part of this annual report.

**MANAGEMENT'S REPLY TO AUDITOR'S QUALIFICATIONS**

1. Mr Sudhir Babu Koneru, Managing Director of the company and Mr K Poornachandra Rao, Chairman of the company are also directors in Concurrent Infrastructure Pvt Ltd. (CIPL), which was merged in Concurrent India Infrastructure Ltd. (CIIL). The petition for condonation of delay in filing the order of merger of CIPL with CIIL was allowed by the High Court and the matter is pending in the ROC, Mumbai. The directors are pursuing the matter with ROC in right earnest.
2. The company is taking steps to regularize the payments of overdue interest and instalments due to financial institutions or banks.

3. The company has taken steps to appoint independent directors and would reconstitute the composition of board, audit committee, remuneration committee and investors committee as per the requirements of the listing agreement with the Bombay Stock Exchange in the immediate future.

**PARTICULARS OF EMPLOYEEE**

During the year under review, no employee of the Company was in receipt of remuneration exceeding the sum prescribed under section 217(2A) of the Companies Act 1956, read with the Companies (particulars of employees) Rules 1975.

**FOREIGN EXCHANGE**

During the year, the Company has not entered into any Foreign Currency Transactions.

**LISTING OF SHARES**

Equity shares of your company are listed on Bombay Stock Exchange and the company has paid necessary listing fees for the year 2011-12 in time.

**ACKNOWLEDGEMENTS**

Your directors take this opportunity to express their gratitude to the investors, banks and financial institutions, customers, suppliers and employees of the company for their valuable and continued support.

**REGISTERED OFFICE**

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BY ORDER OF THE BOARD OF DIRECTORS

**K.Sudhir Babu**  
Managing Director

**K. P Rao**  
Director

DATED: 7th December, 2011



**MANAGEMENT DISCUSSION & ANALYSIS**

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March 2011.

**DISCUSSION ON OPERATIONS OF THE COMPANY:****PERFORMANCE HIGHLIGHTS:**

Revenue from operations increased by 118.49% in the year 2010-11. The Revenue for the year 2010-11 stands at Rs . 14214.62 Lakhs while for the year 2009-10 revenue from operation was Rs. 6505.74 Lakhs.

EBITDA grew by 219.21% in the year 2010-11. The EBIDTA for the year stands at Rs 1609.66 lakhs whereas in the year 2009-10 it was Rs. 504.27 Lakhs.

PAT grew by 250.12% in the year 2010-11. The Net Profit for the year stands at Rs. 1551.15 Lakhs whereas in the year 2009-10 Net Pro fit was Rs. 443.04 Lakhs.

**Financial Analysis**

(₹ in Lakhs)

| <b>FINANCIAL HIGHLIGHTS</b> | <b>2010-11</b> | <b>2009-10</b> |
|-----------------------------|----------------|----------------|
| No. of shares (in lakhs)    | 430.59         | 430.59         |
| EPS - Rs.                   | 3.60           | 1.03           |
| EPS Growth (%)              | 249.51%        | 2475%          |
| Book value in Rs. per share | 16.11          | 12.50          |
| P/BV                        | 0.69           | 1.58           |
| EBIDTA (as a % of revenue)  | 11.32%         | 7.75%          |
| PBT (as a % of revenue)     | 10.91%         | 7.64%          |
| PAT (as a % of revenue)     | 10.91%         | 6.81%          |
| Debt-Equity Ratio           | 0.32%          | NIL            |
| Current Ratio               | 3.95           | 2.48           |
| Net Worth (Rs. in Lakhs)    | 6935.07        | 5383.92        |

The Net Worth of the company stands at Rs. 6935.07 lakhs in the year 2010-11 as compared to Rs. 5383.92 lakhs in the year 2009-10.

Debt to Equity Ratio: 0.32 : 1

The Debt to Equity ratio of the company is 0.32 : 1. The Company has raised term loan and working capital loan during the year.

EPS: Rs . 3.60

The Company has shown a remarkable progress which resulted in growth of Earnings Per Share. The

EPS for the year 2010-11 stands at Rs . 3.60.

**INDUSTRY STRUCTURE AND DEVELOPMENT:  
ECONOMIC OVERVIEW:**

The Indian economy, during the financial year 2010-11, achieved a robust growth with appreciable contribution mainly from agriculture, industries and services and proactive initiatives from the country's policy makers. According to recent estimates, India's Gross Domestic Product (GDP) was expected to rise to 8.5 per cent in 2010-11 as against 8 per cent in 2009-10. However, inflation remains primary policy concern and principal threat to economic stability. Going forward, the rise in interest rates and continued inflation may impact the pace of capital investments and impede the industrial growth.

**Outlook**

The India's GDP is expected to consolidate at 8.8 per cent in the financial year 2011-12 compared to 8.3 per cent in the financial year 2010-11 on account of continuing tightening by the Reserve Bank of India to manage the inflation. The medium term prospects remain positive due to healthy expansion in private services, strong consumption in both rural and urban sectors, acceleration in export demand and strong investment pipeline with emphasis on infrastructure

**INDIAN INFRASTRUCTURE SECTOR:**

The 11th Plan laid emphasis on development of physical infrastructure including transport to support the accelerated growth of the country's economy. The thrust in the sector has been on augmenting capacity through technology upgradation and modernisation. In this regard, improving accessibility to remote and rural areas and enhancing mobility through various programmes with enlarged participation of private sector have been the objectives of the 11th Plan.

**INDIAN ROAD SECTOR:****OPPORTUNITIES:**

Roads carry about 65 per cent of the freight and 80 per cent of the passenger traffic. While national highways / expressways constitute only about 66,590 kms (2 per cent of all roads), they carry 40 per cent of the road traffic. This signifies the huge potential for highways development in the country. The number of vehicles have been growing at an average pace of 10.16 per cent per annum over the last five years. For the purpose of management and administration, roads in India are divided into the following categories:

1. National Highways (NH) which are intended to

facilitate medium and long distance intercity/ state passenger and freight traffic across the country.

2. State Highways (SH) which carry traffic along major centers within the state.
3. Major District Roads (MDR) having the secondary function of linkage between main roads and rural roads.
4. Other district roads and village roads which provide accessibility to villages to meet their social needs, as also the means to transport agricultural produce from villages to nearby markets.

Some of the key initiatives taken by the Government in the private sector are as follows:

1. The Government of India would carry out initial preparatory work including land acquisition and utility removal. Rights of way to be made available to concessionaries free from all encumbrances.
2. NHAI / The Government of India may provide capital grant up to 40% (maximum) of project cost to enhance viability on a case to case basis.
3. 100% tax exemption for any consecutive 10 out of 20 years from the Commercial Operation Date.
4. Concession period allowed for up to 30 years.
5. Duty free import of specified modern high capacity equipment for highway construction.
6. The Government of India has approved 100% Foreign Direct Investments for road and highway construction through the automatic route.
7. In BOT projects concession holders are allowed to collect and retain tolls.
8. Planning Commission, NHAI and Ministry of Road Transport and Highways have introduced the model concession agreement to mitigate the traffic risks of toll based projects -pursuant to which the concession period will be extended or reduced based on actual traffic.

#### **INDIAN POWER SECTOR:**

Power Sector is one of the key enablers for achieving overall economic growth. Government accords the highest priority to capacity addition in the power sector. Indian Power sector has come a long way since the reforms were first introduced in 1991. The Electricity Act 2003 however, proved to be the landmark step for the sector reforms. Provisions of the Act such as "Delicensing of generation", "Procurement of power through competitive bidding"

& "Recognition of power trading", etc. have been key enablers for attracting huge private interest in the sector. The Mega Power Policy has been modified and is now consistent with the National Electricity Policy, 2005 and Tariff Policy, 2006. It will help in lowering the cost of generation and the cost of power purchased by distribution utilities.

#### **WIND ENERGY**

In terms of wind power installed capacity, India is ranked 5th in the World after the US, Germany, Spain and China with a wind power installed capacity (cumulative) of about 10,242 MW in FY09 ( v/s potential of 48,000 m w).

A targeted addition of 10,500 MW out of 14,000 MW for renewable energy for 11th Plan. Top states in India with wind power capacity : Tamil Nadu, Maharashtra, Karnataka, Gujarat and Rajasthan

Total potential for wind power in India was estimated by the Centre for Wind energy technology (C-Wet) at 48.5 GW. Government of India has announced generation-based incentive of Rs 0.50 / unit of electricity from wind power projects, subject to maximum of Rs6.2 million per MW to increase investor base. The study, Wind Energy Outlook 2009, also indicates that wind energy can provide up to 24 percent of India' s power needs by 2030, while creating 213,000 green jobs and cutting 5.5 billion tons of CO2 emissions.

Government of India is planning to infuse around Rs600 billion in next few years under 11th five year plan in this industry, which will boost the growth of this sector and help reach this estimated installed capacity.

#### **HYDRO POWER**

India ranks 8th in the world in terms of hydro power generation.

Hydropower contributes only 24% of the total power capacity (overall capacity 156,092 MW) as on 31st December 2010. India plans to increase it to 40% in next eight years' time. As per the assessment of Central Electricity Agency (CEA), the country has the potential to harness 148,700 MW of hydro power installed capacity from the identified basins & rivers.

#### **OPPORTUNITIES:**

The country faced a peak power deficit of 13.3% during the year . In the coming years , the deficit is expected to continue despite the significant capacity additions that have been planned. The framework for induction of super critical technology in large

capacity power plants of National Thermal Power Corporation is now in place. According to the CEA, India has an installed generation capacity of 148,265 MW that had increased at a compounded annual growth rate of 4.6% between 2005 and 2008. A capacity addition of 78,700 MW has been targeted for the Eleventh Plan. At the end of the Tenth Plan, the installed capacity stood at 132,329 MW. The additional capacity planned in the Eleventh Plan is approximately 60% of the total installed capacity at the end of the Tenth Plan. Additionally, the Government has set an ambitious target of providing "Power for All" by 2012. The number of private players in power sector has correspondingly increased to a significant level in the past few years. It is evident that capacity addition in the Private sector has outpaced additions in State & Central Sectors in the past 3 years.

#### **DISCUSSIONS ON OPERATION OF THE COMPANY:**

To exploit the various opportunities in Power sector, Concurrent has taken a long-term strategic view to focus on execution of projects under development. The company has been executing EPC contracts for Power Project related works.

#### **REAL ESTATE SECTOR:**

The Indian real estate sector grew at an accelerated pace of 40%-45% per annum between 2004-05 and 2007-08. There was boom in demand for real estate across segments driven mainly by the sustained high growth trajectory of the Indian economy. Much of this growth was driven by the following factors in different major segments of the real estate sector:

**Residential Segment:** The economic growth in India contributed to increasing income levels. This, combined with trends of higher urbanization and nuclear families created greater demand for housing. Much of the demand was backed by easier availability of housing finance that often converted people from living on rent to having their own housing asset. **Commercial Segment:** India rapidly emerged as a global back office for services. There was huge demand for commercial space from information technology (IT) and IT based businesses. Also, the sustained growth in the economy prompted several multinational companies to open their operations in India increasing demand for office property. In this backdrop, prices of residential, office and commercial properties reached dizzy heights (up

100%-200% from the levels prevailing in 2005). The spurt in demand and rapid asset appreciation made real estate very attractive for investments. While, initially much of these investments were from domestic sources, with easing up of government regulations on foreign direct investments (FDI), there were high levels of global capital inflows into this sector. Most developers could sustain large developments that have long gestation lags with the help of these large capital flows.

However, by the end of 2006-07, the Reserve Bank of India (RBI) had reacted to concerns on rapid appreciation in asset values in India. It had asked banks to set apart 1% (raised from the earlier 0.4%) of personal loans, capital market exposures, residential housing loans beyond Rs.20 lakhs and commercial real estate loans, as a reserve to safeguard against the impact of bad loans in the event of an asset bubble burst. There were also restrictions introduced on external commercial borrowings (ECBs). This tightened capital flows into the sector and removed speculative investments in the market. And, the real estate market growth subsided to some extent with only end-user demand. The capital squeeze became much more apparent with the macro-economic developments in 2008-09. The fall in housing prices in the US had sparked off the sub-prime lending crisis in the middle of 2007. Downgrading and increased default risk of various housing backed paper - particularly collateralized debt obligations (CDOs) that were sliced, diced and far removed from the original assets - rapidly spread throughout the US, and then to the European and Asian financial systems.

#### **OPPORTUNITIES:**

Concurrent has impressive land banks and also development rights for both residential and commercial projects, which will be taken in due course of time.

#### **INDIAN STEEL SECTOR**

**An Overview of Steel Sector:**

Steel is crucial to the development of any modern economy and is considered to be the backbone of the human civilization. The level of per capita consumption of steel is treated as one of the important indicators of socioeconomic development and living standard of the people in any country. It is a product of a large and technologically complex industry having strong forward and backward linkages

in terms of material flow and income generation. All major industrial economies are characterized by the existence of a strong steel industry and the growth of many of these economies has been largely shaped by the strength of their steel industries in their initial stages of development.

**World Steel Industry:** Steel, the recycled material is one of the top products in the manufacturing sector of the world. The Asian countries have their respective dominance in the production of the steel all over the world. India being one among the fastest growing economies of the world has been considered as one of the potential global steel hub internationally. Over the years, particularly after the adoption of the liberalization policies all over the world, the World steel industry is growing very fast.

Steel Industry is a booming industry in the whole world. The increasing demand for it was mainly generated by the development projects that have been going on along the world, especially the infrastructural works and real estate projects that has been on the boom around the developing countries.

The main demand creators for Steel Industry are

- Automobile industry,
- Construction Industry,
- Infrastructure Industry,
- Oil and Gas Industry, and
- Container Industry

New innovations are also taking place in Steel Industry for cost minimization and at the same time production maximization. Some of the cutting edge technologies that are being implemented in this industry are thin-slab casting, making of steel through the use of electric furnace, vacuum degassing, etc. The Steel Industry has enough potential to grow at a much accelerated pace in the coming future due to the continuity of the developmental projects around the world. This industry is at present working near its productive capacity which needs to be increased with increasing demand.

### **Indian Steel Industry**

The Indian steel industry has entered into a new development stage from 2005-06, riding high on the resurgent economy and rising demand for steel. Rapid rise in production has resulted in India becoming the 5th largest producer of steel.

It has been estimated by certain major investment houses, such as Credit Suisse that, India's steel consumption will continue to grow at nearly 16% rate annually, till 2012, fuelled by demand for construction projects worth US\$ 1 trillion. The scope for raising the total consumption of steel is huge, given that per capita steel consumption is only 40 kg - compared to 150 kg across the world and 250 kg in China.

The National Steel Policy has envisaged steel production to reach 110 million tonnes by 2019-20. However, based on the assessment of the current ongoing projects, both in Green field and brown field, Ministry of Steel has projected that the steel capacity in the country is likely to be 124.06 million tonnes by 2011-12. Further, based on the status of MOUs signed by the private producers with the various State Governments, it is expected that India's steel capacity would be nearly 293 million tonnes by 2020.

**Opportunities:** Concurrent as a measure of backward integration to its infra activities, has acquired a 140000 tonne per annum TMT wires plant in Pune, India.

### **KEY RISKS:**

#### **Increasing competition :**

Competition is expected to intensify in the domestic infrastructure and construction sectors, post the revival of growth trajectory of the economy. We expect competition to intensify due to possible new entrants (both national and international players) in various segments including construction (which includes EPC), existing competitors further expanding their operations.

#### **Increasing prices of commodities / raw materials :**

Inflationary conditions have erupted in the economy due to supply side constraints. This would have a snowballing effect on the raw materials and input prices , which may impact the profitability of net margins in the near to medium term.

#### **Dependence on Government policies :**

The growth of the infrastructure industry in India and our infrastructure development business is dependent on the establishment of stable Government policies and prudent regulation. Infrastructure development in India has historically been the preserve of the Central and State Governments, and has been constrained by various factors such as shortages of public funding, political considerations and issues

of transparency and accountability. More recently, policy changes in the transportation, energy, urban infrastructure and industrial and commercial infrastructure sectors have begun to attract significant private sector interest. Changes in Government policy and support for the infrastructure sector will affect our growth prospects and operational results.

**Decrease in margins on account of bidding for large projects :**

Infrastructure project developments on a public private partnership basis in India involve pre-qualifying interested companies based on their technical and financial strengths. The nature of the Government of India's process is such that the relevant experience in the infrastructure sector plays an important role in allowing companies to bid for new projects. Further, the ability to strategically partner with other players will also determine our success in being awarded projects for which we bid. Our project management capability will also affect our financial condition and operations. Maintaining execution and operating costs at a competitive rate is crucial to the profitability of our construction (which includes EPC), property development and power (comprising power generation and power trading) businesses

**Investment in our new projects :**

We plan to make significant investments in a number of new projects over the next several years, and we intend to bid for new projects. If the development of these projects costs substantially less than what we have budgeted, or if we are able to complete these projects ahead of schedule, our financial condition and earnings could improve. Conversely, if we are unable to complete these projects in accordance with our budgets and within the scheduled time or, once completed, these projects do not operate profitably, our financial condition and operational results could be adversely affected.

**Delay in execution of Order Book.:**

It's an inherent risk factor, where sub-contracting works are procured by the company, as the subcontracted works always need to be synchronized with the main contracting party and their cash flows.

**Delay in execution of overseas projects:**

Execution of overseas projects is dependant on all local conditions like physical, economical and environmental.

**Management view on risk factors:**

Management of the company transparently presented the key risks associated with the industry and the company in general. All companies in the industry are working within the given framework. Your company is also confident to perform well amidst the risk factors discussed in general over here.

**INTERNAL CONTROL SYSTEMS**

The Company has strong Internal Control System which involves various systems and procedures which are time tested and tried at both the Operational as well as the Managerial Level.

**CAUTIONARY STATEMENTS**

This report contains forward- looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

**REGISTERED OFFICE**

OFFICE NO. 218, BIG SPLASH,  
PLOT NO. 78 & 79, SECTOR -17,  
VASHI, NAVI MUMBAI - 400 703  
MAHARASHTRA, INDIA.

BY ORDER OF THE BOARD OF DIRECTORS

**K.Sudhir Babu**  
Managing Director

**K. P Rao**  
Director

DATED: 7th December, 2011

**CORPORATE GOVERNANCE REPORT****1. Company's Governance Philosophy**

CONCURRENT (INDIA) INFRASTRUCTURE LIMITED's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its shareholders, Employees and the Government.

CONCURRENT (INDIA) INFRASTRUCTURE LIMITED believes that all its operations and actions must serve the underlying goal of enhancing overall Shareholder value, over a sustained period of time.

**2. Board of Directors**

The Board of Directors currently consists of 5 Directors. Composition and category of Directors is as follows:

| Name of the Director                             | Category            |
|--|---------------------|
| Mr. Sudhir Babu Koneru                           | Executive Director  |
| Mr. Koneru Poornachandra Rao                     | Executive Director  |
| Mr. G. Sateesh                                   | Director            |
| Mr. Manoj Bhimaji Kokane<br>w.e.f. 30th Nov.2011 | Additional Director |
| Mr. Neeraj Nagar w.e.f 7th dec., 2011            | Additional Director |

During the year under review the Board of Directors of the Company met 8 times on, 22/9/2010, 13/11/2010, 09/02/2011, 12/05/2011, 16/08/2011, 15/11/2011, 30/11/2011, 07/12/2011 as against the minimum requirement of 4 meetings. The maximum time gap between any two meetings was not more than four calendar months.

The attendance of each director at the Board Meeting, Last Annual General Meeting and Number of other Directorship and Chairmanship / Membership of Committees held by each of the Director in other Companies are as under.

Sudhir Babu Koneru was chairman of the board meetings upto and including 13th November, 2010. On the Board meeting held on 13th Nov., 2010, K Poornachandra Rao was appointed as Chairman of the company. This is ratified in the EOGM held on 24th December, 2010. K. Poornachandra Rao was chairman of all the board meetings after 13th Nov., 2010.

| Name of the directors    | Attendance     | Particulars<br>Last AGM | No. of other directorships/ committee memberships |                       |                         |
|--------------------------|----------------|-------------------------|---|-----------------------|-------------------------|
|                          | Board meetings |                         | Other Directorships                               | Committee memberships | committee chairmanships |
| Sudhir Babu Koneru       | 8              | Yes                     | Nil   | 3                     | 2                       |
| Poornachandra Rao Koneru | 8              | Yes                     | Nil   | 2                     | 1                       |
| G Sateeshkumar           | 8              | Yes                     | Nil   | 3                     | Nil                     |
| N V Ramana Reddy         | 6              | Yes                     | Nil   | 2                     | Nil                     |
| B Sudhkrishna            | 6              | Yes                     | Nil   | NIL                   | Nil                     |
| R B Rao                  | 6              | Yes                     | Nil   | 2                     | Nil                     |
| Dr M V Prasad            | 6              | Yes                     | Nil   | 1                     | Nil                     |
| Anil Sharma              | 5              | Yes                     | Nil   | Nil                   | Nil                     |
| A Shivram Prasad         | 0              | Yes                     | Nil   | Nil                   | Nil                     |
| Manoj Kokane             | 2              | No                      | 1   | 2                     | Nil                     |
| Neeraj Nagar             | 1              | No                      | Nil   | 2                     | Nil                     |

Mr A Shivram Prasad resigned w.e.f. 13th Nov., 2010.

The following directors have resigned w.e.f. 7th Dec., 2011

1. Mr. N.V Ramana Reddy, Director
2. Mr. B. Sudha Krishna, Director
3. Mr. R. B. Rao, Director
4. Dr. M. V. Prasad, Director
5. Mr Anil Sharma, Director

### **3. Audit Committee**

The Audit Committee of the company has been reconstituted with Mr. K.Sudhir Babu, Mr Manoj Bhimaji Kokane, Mr. Neeraj Nagar, G Sateesh as members of the committee w.e.f. 7th Dec., 2011. The constitution of Committee also meets with the requirements under Section 292A of the Companies Act, 1956. During the year, the Committee has met 7 times. The terms of reference of the Audit Committee are as contained in the clause 49 of the Listing Agreement.

### **4. Remuneration Committee**

The Board decides the remuneration of Executive Directors on the recommendation of the Remuneration Committee as Remuneration policy of the company within the overall ceiling approved by the shareholders of the company. The committee has been reconstituted with Mr. K.Sudhir Babu, Mr. K.P.Rao, Mr Manoj Bhimaji Kokane, Mr Neeraj Nagar and Mr G Sateesh w.e.f. 7th Dec., 2011. Mr.K.Sudhir Babu, Managing Director is the Chairman of this committee.

No remuneration was paid to any of the Directors during the year.

The Company pays no sitting fees to any Director.

### **5. Shareholders' / Investors' Grievance Committee**

The shareholders / investors grievance committee has been reconstituted with Mr. K.Sudhir Babu, Mr.K.P.Rao, Dr.M.V.Prasad and Mr. G Sateesh as members of the committee, out of which Mr.K.P.Rao is a Director. Mr.K.Sudhir Babu, Managing Director is the Chairman of this committee. The Committee oversees the share transfers effectively and looks after the investor grievances in order to redress the same expeditiously.

Investor grievances and share transfer

The Company has a Board level investor grievance committee to examine and redress shareholders' and investors' complaints. The status on complaints and share transfers is reported to the full Board. The details of shares transferred and the nature of complaints are provided in the Additional information to shareholders section of the Annual Report. The share transfer committee of the Company will meet as often as required to approve share transfers. For matters regarding shares transferred in physical form, share certificates, dividends, change of address, etc., shareholders should communicate with concerned

intermediaries appointed for the purpose. Shares transacted in electronic form can be effected in a much simpler and faster manner. After confirmation of sale / purchase transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by updating the account. There is no need the separate communication to the Company to register the share transfer.

### **Details of non-compliance**

There has been no non-compliance of any legal requirements nor have there been any strictures imposed by any stock exchange, SEBI or SEC, on any matters relating to the capital market over the last three financial years.

### **General Body Meetings**

The general meetings are the place for shareholders to express their views and concerns and at Concurrent we respect their right and privilege to a great extent. The general meeting of the company is being conducted in a proper and transparent manner and the same has enhanced the image of the company among investor community in a larger manner.

### **6. General Body Meetings**

- a) Location and place of last three Annual General Meetings
 

|  |                       |
|--|-----------------------|
| 2007 - 08 at Regd. office  | 24-09-2008 3.00 P.M   |
| 2008 - 09 at Regd. office  | 30-09-2009 3.00 P.M   |
| 2009 - 10 at Hotel Yogi International, Plot No - 31/A, Sector 24, Opp. Mafco Market, APMC Road, Vashi, Navi Mumbai - 400 705 | 30-08-2010 11.00 A.M. |
- b) Postal ballot was not conducted in any of the General Body Meetings held so far by the company. Presently the company does not have any proposal for the postal ballot.

### **Whistle-blower policy**

Whistle-blower Policy is a mechanism which enables the employees of the Company to report about any unethical behavior, actual or suspected fraud, violations of our code of conduct or ethics policy while safeguarding the employees who avail of the mechanism against reprisals or victimization. Company provide the employees, customers and vendors an avenue to raise their concerns about any actions against ethical, moral and legal business conduct and the Company's commitment to open communication. The mechanism also provides a direct access to the Chairperson of the Audit Committee in exceptional cases taking into consideration the seriousness of the issue. We further affirm that no person has been denied the access to the Audit Committee during the fiscal, 2011.

### **Code of Conduct**

This Code of Conduct (the "code") has been adopted by our Board of Directors and summarizes the standards that must guide

our actions. While covering a wide range of business practices and procedures, these standards cannot and do not cover every issue that may arise, or every situation where ethical decisions must be made, but rather set forth key guiding principles that represents the Company's policies. The concept of code of conduct is to strive to foster a culture of honesty and accountability. The management is committed to the highest level of ethical conduct and the same is reflected in all of the Company's business activities including, but not limited to relationships with employees, customers, suppliers, competitors, the government and the public and our shareholders. All the directors must conduct themselves according to the language and spirit of this Code and seek to avoid even the appearance of improper behavior. The board of directors recognizes that the management's actions are the foundation of the Company's reputation and adhering to this Code and applicable law is imperative.

Pursuant to the provisions of Clause 49(I)(D)(ii) of the Listing Agreement, a declaration by the Chairman & Managing Director of the Company declaring that all the members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company as follows :

#### DECLARATION

As provided under clause 49 of the Listing Agreement with Stock Exchanges, the Board Members and the Senior Management personnel have affirmed to the compliance with Code of Conduct for the year ended 31st March, 2011.

For and on behalf of the Board of Directors

Place: Mumbai

**Sudhir Babu Koneru**

Date: 7th December, 2011

Managing Director

#### Respect for our Employees

The real back bone and strength of Concurrent is its employees. We have created an atmosphere of caring, open communications and candor by treating each other with respect. We place a great deal of emphasis on personal integrity and believe long term results are the best measure of the performance. We respect individual differences in culture, ethnicity and color. Concurrent is committed to equal opportunity in all aspect of employment for all employees and applicants without regard to race, color, religion, gender, sexual orientation, age, marital status, or any other status protected by federal, state or local Law. We are committed to providing a workplace free from all forms of discrimination, including sexual and other forms of harassment. We respect the right of individuals to achieve personal and professional balance in their lives.

#### National Interest

We shall be in all our business actions to benefit the economic development of the countries in which we operate and shall not

engage in any activity that would adversely affect such objective. The Company shall not undertake any project or activity to the detriment of the nation's interest or those that will have any adverse impact on the social and cultural life patterns of its citizens. The Company shall conduct the it's affairs in accordance with the economic development and foreign policies, objectives and priorities of the Nation's government and strive to make appositve contribution to the achievement of such goals at the international, national or local level as appropriate.

#### Conflicts of Interest

Our employees, officers and Directors have an obligation to conduct themselves in an honest and ethical manner and act in the best interest of the Company. All employees, officers and Directors should endeavor to avoid situations that present a potential or actual conflict between their interest and the interest of the Company. A "conflict of interest" occurs when a persons' private interest interferes in any way, or even appears to interfere, with the interest of the Company, including its subsidiaries and affiliates. A conflict of interest can arise when an employee, officer or Director takes an action or has an interest that may make it difficult for him or her to perform his or her work objectively and effectively. Conflicts of interest may also arise when an employee, officer or Director (or his or her family member s) receives improper personal benefits as a result of the employee's, officer's or Director's position in the Company.

Although it would not be possible to describe every situation in which a conflict of interest may arise, the following are examples of situations which may constitute a conflict of interest:

1. Working, in any capacity, for a competitor, customer, supplier or other third party
2. while employed by the Company.
3. Accepting gifts of more than modest value or receiving personal discounts (if such discounts are not generally offered to the public) or other benefits as result of your position in the Company from a competitor, customer or supplier.
4. Competing with the Company for the purchase or sale of property, products, services or other interests.
5. Having an interest in a transaction involving the Company, a competitor, customer or supplier (other than as an employee, officer or Director of the Company and not including routine investments in publicly traded companies).
6. Receiving a loan or guarantee of an obligation as a result of your position with the Company.
7. Directing business to a supplier owned or managed by, or which employees, a relative or friend.
8. In the event that an actual or apparent conflict of interest arises between the personal and professional relationship or activities of an employee, officer or Director, involved is



required to handle such conflict of interest in an ethical manner in accordance with the provisions of this code.

### **Quality of Public Disclosures**

The Company has a responsibility to communicate effectively with shareholders so that they are provided with full and accurate information, in all material respects, about the Company's financial condition and results of operations. Our reports and documents required to be filed with or submitted to the Stock Exchanges, in India, Securities and Exchange Board of India, Reserve Bank of India or other regulatory agencies and our other public communications shall include full, fair, accurate, timely and understandable disclosure.

### **Compliance with Laws, Rules and Regulations**

We are strongly committed to conducting our business affairs with honesty and integrity and in full compliance with all applicable laws, rules and regulations. Every employee, officer and Director of the company shall, in his business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which he operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of the Code then the standards of the Code shall prevail. Trading on Inside Information using non-public information to trade in securities, or providing a family member, friend or any other person with a "tip" is illegal. All non-public information should be considered inside information and should never be used for personal gain. You are required to familiarize yourself and comply with the Company's Code of Conduct for prevention of Insider Trading. You should contact the Compliance Officer with any questions about your ability to buy or sell securities.

### **Protection of Confidential Proprietary Information**

Confidential proprietary information generated and gathered in our business is a valuable asset. Protecting this information plays a vital role in our continued growth and ability to compete, and all proprietary information should be maintained in strict confidence, except when disclosure is authorized by the Company or required by law.

Proprietary information includes all non-public information that might be useful to competitors or that could be harmful to the Company or its customers if disclosed.

Intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, research and new product plans, objectives and strategies, records, databases, salary and benefits data, employee medical information, customer, employee and suppliers list and any unpublished financial or pricing information must also be protected. Unauthorized use or distribution of proprietary information violates the Company's policy and could be illegal. Such use or distribution could result in negative consequences for both the Company and the individuals involved, including potential legal and disciplinary actions. Your obligation to protect the Company's proprietary and confidential

information continues even after you leave the Company, and you must return all proprietary information in your possession upon leaving the Company.

### **Protection and Proper Use of the Company's Assets**

Protecting the Company's assets against loss, theft or other misuse is the responsibility of every employee, officer and Director. Loss, theft and misuse of the Company's assets directly impact our profitability. Any suspected loss, misuse or thefts should be reported to a manager/ supervisor or the Chief Financial Officer. The sole purpose of the Company's equipment, vehicles, supplies and electronic resources (including, hardware, software and the data thereon) is the conduct of our business. They may only be used for the Company's business consistent with the Company's guidelines.

### **Corporate Opportunities**

Employees, officers and Directors are prohibited from taking for themselves business opportunities that arise through the use of corporate property, information or position. No employee, officer or Director may use corporate property, information or position for personal gain, and no employee, officer or Director may compete with the Company. Competing with the Company may involve engaging in the same line of business as the Company, or any situation where the employee, officer or Director takes away from the Company opportunities for sales or purchases of property, products, services or interests.

### **Fair Dealing**

Each employee, officer and Director of the Company should endeavor to deal fairly with customers, suppliers, competitors, the public and one another at all times and in accordance with ethical business practices. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation on of material facts or any other unfair dealing practice. No payment in any form shall be made directly or indirectly to or for anyone for the purpose of obtaining or retaining business or obtaining any other favorable action. The Company and the employee, officer or Director involved may be subject to disciplinary action as well as potential civil or criminal liability for violation of this policy.

### **Financial Reporting and Records**

The company shall prepare and maintain its accounts fairly and accurately in accordance with the accounting and financial reporting standards, which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the Company conducts its business affairs. Internal accounting and audit procedures shall fairly and accurately reflect all of the Company's business transactions and disposition of assets. All required shall be accessible to Company auditors and other authorized parties and government agencies. There shall be no willful omissions of any Company transactions from the books and records, no advance income recognition and no

hidden Company account and funds. Any willful material misrepresentation of and / or misinformation on the financial accounts and reports shall be regarded as a violation of the code apart from inviting appropriate civil or criminal action under the relevant laws.

#### **Email, Internet and Intranet**

Concurrent's E-mail, Internet and Intranet system are to be used primarily for Company business. In no event may the systems be used: for sending or receiving discriminatory or harassing messages, chain letter, confidential information, material which is obscene or in bad taste; for commercial solicitations; or in a way that would otherwise violate this code. Concurrent owns all Email Messages which are sent from or received through Concurrent's system. It may monitor your messages and may be required to disclose them in the case of litigation or any appropriate government enquiry. The Company shall be committed to enhance shareholder value and comply with all regulations and laws that govern shareholder s' rights. The Board of Directors shall duly and fairly inform its shareholders about all relevant aspects of the Company's business and disclose such information in accordance with the respective regulations and agreements.

#### **Equal - Opportunities**

The Company shall provide equal opportunities to all its employees and applicants for employment without regard to their race, cast, religion, colour, ancestry, marital status, sex, age, nationality, disability and veteran status. Employee policies and practices shall be administered in a manner that would ensure that in all matters equal opportunity is provided to those eligible and the decisions are merit-based.

#### **Gifts and donations**

The Company and its employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations, or comparable benefits which are intended to or perceived to obtain business or uncompetitive favours for the conduct of its business. However, the Company and its employees may accept and offer nominal gifts, which are customarily given and are commemorative nature for special events.

#### **Government agencies**

The Company and its employees shall not offer or give any Company funds property as donation to any government agencies or their representatives, directly or through intermediaries, in order to obtain any favourable performance of official duties.

#### **Health, Safety and Environment**

The Company shall strive to provide a safe and healthy working environment and comply, in the conduct of its business affair s, with all regulations regarding the preservation of the environment of the territory it operates in. The Company shall be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment.

#### **Ethical Conduct**

Every employee, officer and Director of the Company, shall deal on behalf of the Company with professionalism, honesty, integrity as well as high moral and ethical standards. Such contact shall be fair and transparent and be perceived to be as such by third parties. Every employee shall be responsible for the implementation of and compliance with the Code in this professional environment. Failure to adhere to the Code could attract most severe consequences including termination of employment.

Compliance with This Code and Reporting of Any Il legal or Unethical Behaviour

All employees, Directors and officers are expected to comply with all of the provisions of this code. The code will be strictly enforced and violations will be dealt with immediately, including subjecting persons to corrective and / or disciplinary action. Employees, officers and Directors should promptly report any concerns about violations of ethics, laws, rules, regulations or this Code, including by any senior executive officer or Director, to their supervisors / managers or the Managing Director.

#### **7. Disclosures:**

- a) There were no material transactions between the company and its Directors or Management or their relatives that have any potential conflict with interests of the company at large. Transactions with related party, if any, are disclosed elsewhere in the Annual Report. None of the transactions have potential conflict with interest of the company at large.
- b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or any statutory authority, on any matter related to capital markets, during the last three financial years - None.

#### **8. Means of communication**

The company has promptly reported all information including declaration of Quarterly Financial Results to the Stock Exchange where the stocks of the company are listed. The company also publishes the Audited / unaudited financial results in Free Press Journal, English newspaper and in Navshakti, Marathi newspaper.

#### **9. General Shareholder Information**

- a. Annual General Meeting - The 17th Annual General Meeting of the Company will be held on 31st Dec, 2011 at 9.15 a.m. at Hotel Corporate, Sai Sagar, Plot No. 69, Sector-15, CBD Belapur, Navi Mumbai 400614, India.
- b. Financial Calendar:
  - Last AGM held on 30/08/2010
  - First Quarter Results Declared Last Week of July 2010
  - Second Quarter Results Declared second week of Nov., 2010.
  - Third Quarter Results Declared second week of Feb., 2011.
  - Fourth Quarter Results Declared second Week of May 2011.

## CONCURRENT (INDIA) INFRASTRUCTURE LIMITED

### ANNUAL REPORT 2010-11

- c. Book Closure date: 30/12/2011 to 31/12/2011
- d. Dividend payment date Not applicable
- e. (i) Listing of Equity Shares on Bombay Stock Exchange  
(ii) Listing fees for the year 2010-11 is duly paid to the stock exchange as per listing agreement.
- f. (i) Stock Code BSE CODE 531261  
(ii) Demat ISIN Numbers in NSDL & CDSL INE 012B01015 for Equity Shares.
- g. BSE High Low Close prices.

| Month  | High Price | Low Price | Close Price | No. of Trades |
|--------|------------|-----------|-------------|---------------|
| Apr-10 | 30         | 19.3      | 27.4        | 9779          |
| May-10 | 36.2       | 26.6      | 32.85       | 11838         |
| Jun-10 | 35.5       | 24.1      | 28.9        | 12068         |
| Jul-10 | 34.6       | 26.05     | 31.85       | 13917         |
| Aug-10 | 33.95      | 27.65     | 28.5        | 12094         |
| Sep-10 | 29         | 18.5      | 22.35       | 13827         |
| Oct-10 | 25.2       | 21        | 21.55       | 6956          |
| Nov-10 | 26.8       | 16        | 20.6        | 13366         |
| Dec-10 | 23         | 14        | 19.8        | 8460          |
| Jan-11 | 21.25      | 15        | 15.65       | 4490          |
| Feb-11 | 16         | 10.7      | 11.3        | 6365          |
| Mar-11 | 13.55      | 10.9      | 11.05       | 4001          |

- h. Regd. / Corporate office :  
OFFICE NO. 218, BIG SPLASH,  
PLOT NO. 78 & 79,  
SECTOR - 17, VASHI,  
NAVI MUMBAI - 400 703,  
MAHARASHTRA, INDIA.

- i. Registrar and Transfer Agents:  
(Share transfer and communication regarding  
share certificates, dividends and change of address)

Bigshare Servies Pvt. Ltd  
E/2, Ansa Industrial Estate,  
Saki Vihar Road, Saki Naka,  
Andheri (E), Mumbai - 400 072

- j. Investor Relation Officer : Mr. G. Sateesh
- k. Share Transfer System as per listing agreement and Companies Act, 1956
- l. Distribution of Shareholding as on 31st March, 2011.

| Shareholding Range Rs. | No. of Shareholders | % of total | Shareholding Rs. | % of total |
|------------------------|---------------------|------------|------------------|------------|
| 1 to 5000              | 7748                | 65.30      | 18225140         | 4.23       |
| 5001 to 10000          | 1782                | 15.02      | 15242620         | 3.54       |
| 10001 to 20000         | 1000                | 8.43       | 15993740         | 3.71       |
| 20001 to 30000         | 380                 | 3.20       | 9806020          | 2.28       |
| 30001 to 40000         | 207                 | 1.74       | 7543950          | 1.75       |
| 40001 to 50000         | 162                 | 1.37       | 7705030          | 1.79       |
| 50001 to 100000        | 297                 | 2.50       | 22396110         | 5.20       |
| 100001 to 999999999    | 290                 | 2.44       | 333687380        | 77.49      |
| Total                  | 11866               |            | 430599990        | 100.00     |

m. Category of Shareholders as on 31st March, 2011

| Category of Shareholder  | No. of Shareholders | Total No. of Shares | Total No. of Shares held in Dematerialized Form | Total Shareholding as a % of Total No. of Shares |                   | Shares Pledged or Otherwise encumbered |                               |
|--|---------------------|---------------------|---|--|-------------------|--|-------------------------------|
|  |                     |                     |   | As a % of (A+B)                                  | As a % of (A+B+C) | Number of Shares                       | As a % of Total No. of Shares |
| (A) Shareholding of Promoter and Promoter Group                                      |                     |                     |   |  |                   |  |                               |
| (1) Indian   |                     |                     |   |  |                   |  |                               |
| Individuals / Hindu Undivided Family   | 6                   | 13,712,108          | 13,696,508                                      | 31.84  | 31.84             | 2,836,000                              | 20.68                         |
| Sub Total  | 6                   | 13,712,108          | 13,696,508                                      | 31.84  | 31.84             | 2,836,000                              | 20.68                         |
| (2) Foreign  |                     |                     |   |  |                   |  |                               |
| Total Shareholding of Promoter and Promoter Group (A)                                | 6                   | 13,712,108          | 13,696,508                                      | 31.84  | 31.84             | 2,836,000                              | 20.68                         |
| (B) Public Shareholding  |                     |                     |   |  |                   |  |                               |
| (1) Institutions   |                     |                     |   |  |                   |  |                               |
| (2) Non-Institutions   |                     |                     |   |  |                   |  |                               |
| Bodies Corporate   | 282                 | 4,959,638           | 4,841,838                                       | 11.52  | 11.52             | -                                      | -                             |
| Individuals  |                     |                     |   |  |                   |  |                               |
| Individual shareholders holding nominal Share Capital up to Rs.1 Lakh                | 11,227              | 8,971,628           | 8,329,228                                       | 20.84  | 20.84             | -                                      | -                             |
| Individual shareholders holding nominal Share Capital in excess of Rs.1 Lakh         | 229                 | 14,834,966          | 13,782,352                                      | 34.45  | 34.45             | -                                      | -                             |
| Any Others (Specify)   | 122                 | 581,659             | 581,659   | 1.35   | 1.35              | -                                      | -                             |
| Clearing Members Non Resident  | 29                  | 292,831             | 292,831   | 0.68   | 0.68              | -                                      | -                             |
| Indians  | 92                  | 288,628             | 288,628   | 0.67   | 0.67              | -                                      | -                             |
| Overseas Corporate Bodies  | 1                   | 200                 | 200   | -  | -                 | -                                      | -                             |
| Sub Total  | 11,860              | 29,347,891          | 27,535,077                                      | 68.16  | 68.16             | -                                      | -                             |
| Total Public Shareholding (B)  | 11,860              | 29,347,891          | 27,535,077                                      | 68.16  | 68.16             | -                                      | -                             |
| Total (A) + (B)  | 11,866              | 43,059,999          | 41,231,585                                      | 100.00   | 100.00            | 2,836,000                              | 6.59                          |
| (3) Shares held by Custodians and against which Depository Receipts have been issued | -                   | -                   | -   | -  | -                 | -                                      | -                             |
| Total (A) + (B) + (C)  | 11,866              | 43,059,999          | 41,231,585                                      | 100  | 100               | 2,836,000                              | 6.59                          |

n. Dematerialisation of Shares Trading in Equity Shares of the Company is permitted only in dematerialised form. As on 31st March 2011, 95.75% of the Equity Shares of the company were in the dematerialised form.

o. (i) Investor Correspondence

|   |
|---|
| For transfer/ dematerialisation of shares payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the Company. |
|---|

|   |
|---|
| Bigshare Services Pvt Ltd<br>E/2, Ansa Industrial Estate,<br>Saki Vihar Road, Saki Naka,<br>Andheri (E), Mumbai -400 072. |
|---|

(ii) Any other query

CONCURRENT (INDIA) INFRASTRUCTURE LIMITED

At Regd. Office : Office No. 218, Big Splash, Plot No. 78 & 79 Sector - 17, Vashi, Navi Mumbai - 400 703, Maharashtra, India

**CEO AND FINANCE HEAD CERTIFICATION**

I, SudhirBabuKoneru, Managing Director, responsible for the financial functions certify that:

- a) I have reviewed the financial statements and cash flow statement and to the best of my knowledge and belief;
  - i) These statements do not contain any material untrue statements or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2011 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal control for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware, have been disclosed to the Statutory Auditors and Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - i) There has not been any significant changes in internal control over financial reporting during the year under reference.
  - ii) There has not been any significant changes in accounting policies requiring disclosure in the note forming part of Financial statement; and
  - iii) I am not aware of any instance during the year of any significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For Concurrent India Infrastructure Ltd.

Place: Mumbai  
Date: 7th December, 2011

**Sudhir Babu Koneru**  
Managing Director

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE  
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The Members of  
M/s CONCURRENT (INDIA) INFRASTRUCTURE LIMITED

We have examined the compliance of conditions of corporate governance by M/s CONCURRENT (INDIA) INFRASTRUCTURE LIMITED for the year ended 31st March 2011 as stipulated under Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination 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 the Listing Agreement except:

Composition of Board and committees thereof as per the requirements of Clause 49 of the listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the record maintained by the Shareholders / Investors Grievance Committee.

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

For B R R & Associates  
Chartered Accountants  
FRN: 013012

Place : Hyderabad  
Date : 07-12-2011

Proprietor  
M No: 221298

**Auditors' Report on Standalone Financials**

To  
The Members of  
Concurrent (India) Infrastructure Limited

1. We have audited the attached Balance Sheet of Concurrent (India) Infrastructure Limited (the 'Company') as at 31st March, 2011 and the Profit & Loss Account and also Cash flow statement for the year ended on the date annexed thereto (collectively referred as the 'financial statements'). These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. As required by the Companies (Auditor's Report) order 2003 and as amended by the Companies (Auditor's Report)(Amendment) order 2004, issued by the Central Government of India in terms of the sub-section(4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
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, proper books of account as required by law have been kept by the company so far as appears from our examination of those books ;
  - (iii) The financial statements dealt with by this report are subject to few confirmations with the books of account;
  - (iv) In our opinion, the financial statements dealt with by this report comply with the Accounting standards referred to in sub-section (3C) of Section 211 of Companies Act, 1956 ;
  - (v) We report that the Directors qualification is subject to confirmation from the Directors as on 31st March , 2011 from being appointed 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 31st March, 2011;
    - (b) In the case of the Profit & Loss Account, of the Profit for the period ended on that date;And
    - (c) In the case of the cash flow statement, of the cash flows for the year ended on that date;

For B R R & Associates  
CHARTERED ACCOUNTANTS  
FRN: 013012S

PLACE:Hyderabad  
DATE : 07/12/2011

B.Ravinder Rao  
Proprietor  
221298

**Annexure to the Auditors' Report of even date to the members of Concurrent (India) Infrastructure Limited, on the financial statements for the year ended March 31, 2011**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
(b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies between the book records and the physical inventory have been noticed on such verification.  
(c) The Company has not disposed off substantial part of the Fixed Assets.
- II. (a) The Inventory has been physically verified during the year and in our opinion, the frequency of verifications is reasonable  
(b) In our opinion, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation of the size of the Company and the nature of its business.  
(c) The Company is maintaining proper records of inventory and as explained to us, there was no material discrepancies noticed on such verification of stocks as compared to book records.
- III. (a) The Company has not granted any loans, secured or unsecured to Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.  
(b) As the Company has not granted any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been granted to parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.  
(c) As no loans are granted by company, the clause of receipt of interest & principal amount from parties is not applicable to the company.  
(d) No loans have been granted to Companies, Firms & other parties listed in the register U/s.301 of the Companies Act, 1956, hence overdue amount of more than rupees one lac does not arise and the clause is not applicable.  
(e) The Company has not taken any loans, secured or unsecured from Companies, Firms or other Parties covered in the register maintained U/s.301 of the Companies Act, 1956.  
(f) As the Company has not taken any loans, the clause of whether the rate of interest & other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is prejudicial to the interest of company, is not applicable.  
(g) As no loans are taken by the company, the clause of repayment of interest & principal amount to parties is not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us, there are sufficient adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods and services. There is no continuing failure by the company to correct any major weaknesses in internal control.
- V. (a) In our opinion and according to the information and explanation given to us, the contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been made by the company in respect of the financial year, are entered in register U/s 301 of the Companies Act, 1956 does not arise.  
(b) According to the information and explanations given to us, as no such contracts or arrangements made by the company, the applicability of the clause of charging the reasonable price having regards to the prevailing market prices at the relevant time does not arise.
- VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law



- Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.
- VII. The Company does not have a formal system of Internal Audit, but there are adequate checks & controls at All levels established by the Management.
- VIII. In respect of the Company, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- IX. According to the information and explanations given to us and as per the management letter provided by the company, the statutory dues in respect of PF, ESI and Income Tax are not applicable to the company, hence company not paying regularly and any other statutory dues as at the end of the period, for a period more than six months from the date they became payable.
- X. The Company has been registered for a period of not less than 5 years, and the Company has no accumulated losses at the end of the financial year and the company has not incurred cash losses in this financial year and the immediately preceding financial year.
- XI. On the basis of the written representation received from Management, the Company has not defaulted in repayment of dues to a financial institutions or banks except some interest and installments are overdue.
- XII. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.
- XIII. This clause is not applicable to this Company as the Company is not covered by the provisions of special statute applicable to Chit Fund in respect of Nidhi/Mutual Benefit Fund/Societies.
- XIV. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, Debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.
- XV. According to the information and explanations and management letter given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions, and hence the applicability of this clause regarding terms and conditions which are prejudicial to the interest of the company does not arise.
- XVI. As per the management representation received by us, the term loans obtained by the Company were applied for purpose for which such loans were obtained by the Company.
- XVII. As per the management representation received by us, no funds are raised by the Company on short-term basis. Hence the clause of short term funds being used for long-term investment does not arise.
- XVIII. According to the information and explanations given to us, the Company has not made any preferential allotment of Shares to parties during the year and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the interest of the Company does not arise.
- XIX. According to the information and explanations given to us, during the year the company does not have any debentures and hence the applicability of the clause regarding the creation of security or charge in respect of debentures issued does not arise.
- XX. According to information and explanations given to us, the company has not raised money by way of public issues during the year; hence the clause regarding the disclosure by the management on the end use of money raised by Public Issue is not applicable.
- XXI. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

For B R R & Associates  
CHARTERED ACCOUNTANTS  
FRN: 013012S

PLACE: Hyderabad  
DATE : 07/12/2011

B.Ravinder Rao  
Proprietor  
221298

**BALANCE SHEET AS AT 31ST MARCH, 2011**

**(Amount in ₹)**

| Particulars                                 | Sch | As at<br>31-Mar-11 | As at<br>31-Mar-10 |
|---|-----|--------------------|--------------------|
| <b>SOURCES OF FUNDS</b>                     |     |                    |                    |
| Share Capital                               | 1   | 430,599,990        | 430,599,990        |
| Reserves & Surplus                          | 2   | 262,907,138        | 107,792,439        |
| <b>Loan Funds</b>                           |     |                    |                    |
| Secured Loans                               | 3   | 138,819,269        |                    |
| Unsecured Loans                             |     |                    | 11,438,319         |
| <b>TOTAL</b>                                |     | <b>832,326,397</b> | <b>549,830,748</b> |
| <b>APPLICATIONS OF FUNDS</b>                |     |                    |                    |
| Fixed Assets                                | 4   |                    |                    |
| Gross Block                                 |     | 371,089,499        | 314,792,714        |
| Accumulated Depreciation                    |     | 1,737,810          | 1,297,172          |
| <b>Net Block</b>                            |     | <b>369,351,689</b> | <b>313,495,542</b> |
| Goodwill on Amalgamation                    |     | 38,144,021         | 38,144,021         |
|   |     | <b>407,495,710</b> | <b>351,639,563</b> |
| <b>INVESTMENTS</b>                          |     | 13,120,000         | 11,520,000         |
| <b>Current Assets, Loans &amp; Advances</b> |     |                    |                    |
| Closing Stock - WIP                         | 5   | 250,250,000        | 115,986,422        |
| Sundry Debtors                              | 6   | 262,310,634        | 172,025,113        |
| Loans & Advances                            | 7   | 34,234,648         | 15,677,000         |
| Cash at Bank balances                       | 8   | 348,445            | 3,811,004          |
|   |     | <b>547,143,727</b> | <b>307,499,539</b> |
| Current Liabilities & Provisions            | 9   | (138,372,852)      | (123,768,166)      |
| <b>Net Current Assets</b>                   |     | <b>408,770,875</b> | <b>183,731,373</b> |
| Deferred Tax Assets                         | 10  | 2,939,812          | 2,939,812          |
| <b>TOTAL</b>                                |     | <b>832,326,397</b> | <b>549,830,748</b> |
| Notes To Accounts                           | 15  |                    |                    |

As per our report of even date

**For B R R & Associates**  
Chartered Accountants

for and on behalf of the Board of Directors  
of Concurrent India Infrastructure Limited

**B.Ravinder Rao**  
Proprietor  
Membership No.: 221298

**K. Sudhir Babu**  
Managing Director

**K.P. Rao**  
Director

Place : Hyderabad  
Date : 07/12/2011

Place : Mumbai  
Date : 07/12/2011

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

**(Amount in ₹)**

| Particulars  | Sch | Year Ended<br>31-Mar-11 | Year Ended<br>31-Mar-10 |
|--|-----|-------------------------|-------------------------|
| <b>INCOME</b>  |     |                         |                         |
| Income from Operations   | 11  | 1,433,698,552           | 617,248,668             |
| Other Income   | 12  | 749,584                 | 7,824,179               |
| Change in Inventory  | 13  | (12,986,422)            | 25,500,762              |
| <b>TOTAL</b>   |     | <b>1,421,461,714</b>    | <b>650,573,609</b>      |
| <b>EXPENSES</b>  |     |                         |                         |
| Expenditure including Administrative &<br>Other Expenses                       | 14  | 1,251,446,161           | 600,146,551             |
| Depreciation   | 4   | 440,638                 | 635,752                 |
| Interest & Bank Charges  |     | 5,410,216               | 56,165                  |
| Preliminary Expenses Written Off   |     | 9,050,000               | -                       |
| <b>TOTAL</b>   |     | <b>1,266,347,015</b>    | <b>600,838,468</b>      |
| Profit Before Tax  |     | 155,114,699             | 49,735,141              |
| Provision for Taxation   |     | -                       | 5,431,129               |
| Profit After Tax   |     | 155,114,699             | 44,304,012              |
| Less: Transfer to General Reserve  |     | -                       | -                       |
| Balance carried to Balance Sheet   |     | 155,114,699             | 44,304,012              |
| Earnings per share ( Basic/diluted)<br>(Nominal Value of Share of Rs. 10 each) |     | 3.60                    | 1.03                    |
| No of Shares used in computing Earnings per share                              |     | 43059999                | 43059999                |
| Notes to Accounts  | 15  |                         |                         |

As per our report of even date

**For B R R & Associates**  
Chartered Accountants

for and on behalf of the Board of Directors  
of Concurrent India Infrastructure Limited

**B.Ravinder Rao**  
Proprietor  
Membership No.: 221298

**K. Sudhir Babu**  
Managing Director

**K.P. Rao**  
Director

Place : Hyderabad  
Date : 07/12/2011

Place : Mumbai  
Date : 07/12/2011

**Schedules Forming Part of Balance Sheet and Profit and Loss Account (Amount in ₹)**

| Particulars   | As at<br>31-Mar-11 | As at<br>31-Mar-10 |
|---|--------------------|--------------------|
| <b>Schedule 1: Share Capital</b>                      |                    |                    |
| <b>Authorized Capital</b>                             |                    |                    |
| 45,160,000 Equity Shares of Rs. 10 each               | 451,600,000        | 450,000,000        |
| <b>Issued, Subscribed &amp; Paid-up Capital</b>       |                    |                    |
| 43,059,999 Equity Shares of Rs. 10 each fully Paid-up | 430,599,990        | 430,599,990        |
| <b>Share Capital</b>                                  | <b>430,599,990</b> | <b>430,599,990</b> |
| <b>Schedule 2: Reserves &amp; Surplus</b>             |                    |                    |
| <b>General Reserve</b>                                |                    |                    |
| Opening Balance                                       | 4,235,408          | 4,235,408          |
| Add: Transfer from Profit & Loss Account              | -                  | -                  |
| Closing Balance of General Reserve (A)                | 4,235,408          | 4,235,408          |
| <b>Profit &amp; Loss Account</b>                      |                    |                    |
| Opening Balance                                       | 53,257,036         | 8,953,024          |
| Add: Transfer from Profit & Loss Account              | 155,114,699        | 44,304,012         |
| Closing Balance of General Reserve (B)                | 208,371,735        | 53,257,036         |
| <b>Share Premium</b>                                  |                    |                    |
| Opening Balance                                       | 50,299,995         | 50,299,995         |
| Add: Transfer from Profit & Loss Account              | -                  | -                  |
| Closing Balance of General Reserve (C)                | 50,299,995         | 50,299,995         |
| <b>Reserves &amp; Surplus (A + B + C)</b>             | <b>262,907,138</b> | <b>107,792,439</b> |
| <b>Schedule 3: Loan Funds</b>                         |                    |                    |
| <b>Secured Loans</b>                                  |                    |                    |
| Working Capital from Bank                             | 50,398,125         | -                  |
| Term Loan from Bank                                   | 88,020,395         | -                  |
| Others  | 400,749            | -                  |
| <b>Secured Loans (A)</b>                              | <b>138,819,269</b> | <b>-</b>           |
| <b>Un-secured Loans</b>                               |                    |                    |
| From Directors / Managers                             | -                  | 11,438,319         |
| <b>Un-secured Loans (B)</b>                           | <b>-</b>           | <b>11,438,319</b>  |
| <b>Loan Funds (A + B)</b>                             | <b>138,819,269</b> | <b>11,438,319</b>  |
| <b>Schedule 5: Inventories</b>                        |                    |                    |
| Work-In-Progress                                      | 103,000,000        | 115,986,422        |
| Raw Material  | 147,250,000        | -                  |
|   | <b>250,250,000</b> | <b>115,986,422</b> |
| <b>Schedule 6: Sundry Debtors</b>                     |                    |                    |
| Debtors Outstanding for more than 6 Months            | -                  | -                  |
| Debtors considered good                               | 262,310,634        | 158,402,136        |
| Other Debts   | -                  | 13,622,977         |
|   | <b>262,310,634</b> | <b>172,025,113</b> |

Schedule IV: Fixed Assets &amp; Depreciation

| Particulars          | Gross Block (Rs.)     |                   |           | Depreciation (Rs.)    |                      |                | Net Block (Rs.) |                      |                       |                       |
|----------------------|-----------------------|-------------------|-----------|-----------------------|----------------------|----------------|-----------------|----------------------|-----------------------|-----------------------|
|                      | As on<br>Mar 31, 2010 | Additions         | Deletions | As on<br>Mar 31, 2011 | Upto<br>Mar 31, 2010 | Additions      | Deletions       | Upto<br>Mar 31, 2011 | As on<br>Mar 31, 2010 | As on<br>Mar 31, 2011 |
| Land                 | 312,423,985           | 55,000,000        |           | 367,423,985           | -                    |                |                 | -                    | 312,423,985           | 367,423,985           |
| Air Conditioners     | 50,354                |                   |           | 50,354                | 48,817               | 1,537          |                 | 50,354               | 1,537                 | -                     |
| Electrical Fittings  | 113,961               |                   |           | 113,961               | 108,408              | 5,553          |                 | 113,961              | 5,553                 | -                     |
| Fax machine          | 22,476                |                   |           | 22,476                | 21,342               | 1,134          |                 | 22,476               | 1,134                 | -                     |
| Furniture & Fixtures | 342,500               |                   |           | 342,500               | 275,264              | 67,236         |                 | 342,500              | 67,236                | -                     |
| Office Equipment     | 172,515               |                   |           | 172,515               | 153,677              | 18,838         |                 | 172,515              | 18,838                | -                     |
| Office Premises      | 1,166,923             | 1,296,785         |           | 2,463,708             | 639,664              | 102,886        |                 | 742,550              | 527,259               | 1,721,158             |
| Computers            | 500,000               |                   |           | 500,000               | 50,000               | 243,454        |                 | 293,454              | 450,000               | 206,546               |
| <b>TOTAL</b>         | <b>314,792,714</b>    | <b>56,296,785</b> | <b>-</b>  | <b>371,089,499</b>    | <b>1,297,172</b>     | <b>440,638</b> | <b>-</b>        | <b>1,737,810</b>     | <b>313,495,542</b>    | <b>369,351,689</b>    |

**Schedules Forming Part of Balance Sheet and Profit and Loss Account (Amount in ₹)**

| Particulars   | As at<br>31-Mar-11   | As at<br>31-Mar-10 |
|---|----------------------|--------------------|
| <b>Schedule 7: Loans &amp; Advances</b>                   |                      |                    |
| Loans & Advances recoverable (Employees, Suppliers & etc) | 1,784,648            | 15,227,000         |
| Rental Deposit  | 450,000              | 450,000            |
| Current Account with Subsidiary Company                   | 32,000,000           | -                  |
|   | <b>34,234,648</b>    | <b>15,677,000</b>  |
| <b>Schedule 8: Cash &amp; Bank Balances</b>               |                      |                    |
| Cash in Hand  | 32,458               | 445,878            |
| Bank Balance with Scheduled Banks & Others                | 315,987              | 3,365,126          |
|   | <b>348,445</b>       | <b>3,811,004</b>   |
| <b>Schedule 9: Current Liabilities &amp; Provisions</b>   |                      |                    |
| Advance from Customers                                    | -                    | 1,326,894          |
| Provision for Taxation - FY 2010-11                       | -                    | 5,575,500          |
| Provision for Taxation - FY 2004-05                       | 562,558              | 562,558            |
| Sundry Creditors for Expenses                             | 679,016              | 240,855            |
| Sundry Creditors for Goods                                | 136,361,435          | 113,271,730        |
| Audit Remuneration Payable                                | 150,000              | 50,000             |
| Rent Payable  | 50,000               | 590,468            |
| Salaries Payable  | 569,843              | 2,150,161          |
|   | <b>138,372,852</b>   | <b>123,768,166</b> |
| <b>Schedule 10: Deferred Tax Assets</b>                   |                      |                    |
| Opening Balance   | 2,939,812            | 2,795,441          |
| Add: Adjustments during the Financial Year                | -                    | 144,371            |
|   | <b>2,939,812</b>     | <b>2,939,812</b>   |
| <b>Schedule 11: Income from Operations</b>                |                      |                    |
| Infrastructure  | 1,247,199,569        | 556,866,021        |
| Agriculture   | 150,859,794          | 60,382,647         |
| Logistics in support to Agriculture                       | 35,639,189           | -                  |
|   | <b>1,433,698,552</b> | <b>617,248,668</b> |
| <b>Schedule 12: Other Income</b>                          |                      |                    |
| Interest on Loan  | -                    | 5,278,531          |
| Sale of Scrap   | 749,584              | 2,545,648          |
|   | <b>749,584</b>       | <b>7,824,179</b>   |
| <b>Schedule 13: Increase / (Decrease) in Stock</b>        |                      |                    |
| Closing Stock   | 103,000,000          | 115,986,422        |
| Less: Opening Stock                                       | 115,986,422          | 90,485,660         |
|   | <b>(12,986,422)</b>  | <b>25,500,762</b>  |
| <b>Schedule 14: Expenditure</b>                           |                      |                    |
| Material Consumed   | 803,867,227          | 387,036,544        |
| NMR Labour Charges  | 401,678,196          | 194,627,539        |
| <b>Sub-total (A)</b>                                      | <b>1,205,545,423</b> | <b>581,664,083</b> |
| <b>Administrative &amp; Other Expenses</b>                |                      |                    |
| Auditors' Remuneration                                    | 150,000              | 50,000             |
| Communication Expenses                                    | 1,496,498            | 752,944            |
| Electricity Expenses                                      | 984,365              | 470,883            |

| <b>Schedules Forming Part of Balance Sheet and Profit and Loss Account</b> |                            | <b>(Amount in ₹)</b>       |
|--|----------------------------|----------------------------|
| <b>Particulars</b>   | <b>As at<br/>31-Mar-11</b> | <b>As at<br/>31-Mar-10</b> |
| Legal & Professional Charges   | 15,000                     | 6,026                      |
| Miscellaneous & Other Expenses   | 2,764,981                  | 1,351,473                  |
| Office Expenses  | 14,368                     | 7,185                      |
| Payment to Employees   | 26,235,697                 | 8,052,177                  |
| Postage, Xerox & Courier   | 25,031                     | 13,291                     |
| Printing & Stationery  | 1,435,468                  | 777,050                    |
| Rent, Rates & Taxes  | 4,516,354                  | 2,522,367                  |
| Repair & Maintenance Expenses  | 3,045,986                  | 1,789,737                  |
| Share Transfer Charges   | 150,346                    | 74,054                     |
| Staff Welfare  | 1,543,634                  | 773,637                    |
| Travelling & Conveyance  | 1,864,361                  | 995,823                    |
| Vehicle Maintenance  | 1,658,649                  | 845,821                    |
| <b>Sub-total (B)</b>   | <b>45,900,738</b>          | <b>18,482,468</b>          |
| <b>Total (A + B)</b>   | <b>1,251,446,161</b>       | <b>600,146,551</b>         |

**SCHEDULE - 15****Accounting Policies and Notes on Accounts****I. SIGNIFICANT ACCOUNTING POLICIES****a) Preparation of financial statements**

The financial statements have been prepared under the historical cost convention, in accordance with Generally Accepted Accounting Principles in India and the provisions of Companies Act, 1956.

**b) Method of Accounting**

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

**c) Fixed Assets**

Fixed Assets are stated at their original cost of acquisition, net of accumulated depreciation and CENVAT credit, and include taxes, freight and other incidental expenses related to their acquisition / construction / installation. Pre-operative expenses relating to a specific project are capitalized till all the activities necessary to prepare the qualifying asset for its intended use are completed. Expenses capitalized also include applicable borrowing costs.

**d) Investments**

Investments are classified into current and long-term investments. Current Investments are carried at lower of cost or fair market value. Any diminution in their value is recognized in the profit and loss account. Long-term investments, including investment in subsidiaries, are carried at cost. Diminution of temporary nature in the value of such long-term investments is not provided for except when such diminution is determined to be of a permanent nature.

**e) Inventories**

Inventories are valued at cost or net realizable value, whichever is less. Cost comprises of expenditure incurred in the normal course of business in bringing such inventories to its their location. Finished goods at the factory are valued at cost in all applicable cases. Obsolete, non-moving and defective inventories are identified at the time of physical verification of inventories and adequate provision, wherever necessary, is made for such inventories.

**f) Intangible Assets**

Intangible Assets are recognized in the Balance Sheet at cost, net of any accumulated amortization / impairment. Preliminary expenses are amortized over a period of 5 years. De-merger expenses are amortized over a period of ten years.

**g) Revenue Recognition**

Income is recognized when the goods are dispatched in accordance with terms of sale. Sale is inclusive of excise duty.

In respect of income from services, income is recognized as and when the rendering of services is complete. Revenue from time period services is recognized on the basis of time incurred in providing such services.

**h) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are treated as a period cost and are expensed in the year of occurrence.

**i) Depreciation**

Depreciation is provided on straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on assets added, sold or discarded is provided for on pro-rata basis.



**j) Foreign Currency Transaction**

Foreign currency transactions, being in the nature of integral operations, are accounted for at the rates of exchange prevailing as on the date of transaction. Gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account. Exchange differences relating to fixed assets are adjusted to the cost of the asset.

**k) Impairment of assets**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired.

**l) Income and Deferred Tax**

The provision made for income tax in the accounts comprises both the current and deferred tax. Current tax is provided for on the taxable income for the year. The deferred tax assets and liabilities for the year arising on account of timing differences (net) are recognized in the Profit and Loss account and the cumulative effect thereof is reflected in the Balance Sheet.

**m) Contingent Liabilities and Contingent Assets**

Liabilities, which are contingent in nature, are not recognized in the books of account but are disclosed separately in the Notes. Contingent Assets are neither recognized nor disclosed in the books of account.

**II. NOTES ON ACCOUNTS****1. Secured Loans****a) Term Loan**

During the financial year company obtained term loan from a nationalized bank.

**b) Working Capital Facilities**

During the year company obtained Working capital loan from a nationalized bank.

**2. The Company has not obtained conformation of balances for Sundry Debtors, Sundry Creditors and Loans & Advances.****3. Employee Benefits (AS - 15)**

The Company has not made any provision to Gratuity, Leave Encashment and other retirement benefits to the employees as per AS 15.

**4. Segment Reporting (AS - 17)**

Since the Company Operate in one segment only - segment reporting as required Under Accounting Standard - 17 is not disclosed here separately.

**5. Related Party Transactions (AS - 18)**

As per the Management Representation received by us , the following are the related party transactions are as follows.

| SL No. | Name of the Party               | Nature of Transaction | 2010-2011 | 2009-2010 |
|--------|---------------------------------|-----------------------|-----------|-----------|
| 1      | K.Sudhir Babu                   | Managing Director     | Nil       | Nil       |
| 2      | Vakratund Ispat Private Limited | Investment            | 100000    | Nil       |

## 6. Earnings Per Share (EPS)

**Calculation of EPS****(Rs.)**

|  | 2010-11      | 2009-10     |
|--|--------------|-------------|
| Profit after tax during the year ( Rs. )                                 | 15,51,14,699 | 4,43,04,012 |
| Earnings available to Equity Shareholders for Basic & Diluted EPS ( Rs.) | 15,51,14,699 | 4,43,04,012 |
| - Basic  | 43,059,999   | 43,059,999  |
| - Diluted  | 43,059,999   | 43,059,999  |
| Earning per Share  |              |             |
| - Basic  | 3.60         | 1.03        |
| - Diluted  | 3.60         | 1.03        |

## 7. Deferred Tax Assets &amp; Liabilities (AS - 22 )

In accordance with Accounting Standard 22 ( AS 22) issued by the ICAI, the Company has not accounted for deferred income tax during the year because the Company is following the Depreciation as per Companies Act only.

## 8. Physical Verification of Inventory and Fixed Assets

Even though the physical verification of inventory and fixed assets followed by the Management are reasonable, in our opinion the company needs to be strengthening or improve the adequate procedures and controls in relation to the size of the Company and the nature of its business.

## 9. Remuneration:

|                        | Year ended<br>31.03.2011 | Year ended<br>31.03.2010 |
|------------------------|--------------------------|--------------------------|
| Directors Remuneration | Nil                      | Nil                      |
| Auditors Remuneration  | 150,000/-                | 50,000/-                 |

## 10. Investments

Investments outstanding as on 31-03-2011 are subject to confirmations.

11. During this year the Company has incurred the expenditure toward Preliminary Expenses of Rs.90, 50,000/- It is totally written off in Profit and Loss Account during this Year.

12. Figures have been rounded off to the nearest rupee.

13. Previous year's figures have been regrouped / rearranged wherever necessary.

**SIGNATURES TO SCHEDULES 1 To 15**

As per our report of even date

**For B R R & Associates**  
Chartered Accountants

for and on behalf of the Board of Directors  
of Concurrent India Infrastructure Limited

**B.Ravinder Rao**

Proprietor  
Membership No.: 221298

**K. Sudhir Babu**  
Managing Director

**K.P. Rao**  
Director

Place : Hyderabad  
Date : 07/12/2011

Place : Mumbai  
Date : 07/12/2011

| Standalone Cashflow for the period ended 31st March 2011 |                         | (Amount in ₹)           |  |
|--|-------------------------|-------------------------|--|
| Particulars  | Year Ended<br>31-Mar-10 | Year Ended<br>31-Mar-11 |  |
| <b>A. CASH FROM OPERATING ACTIVITIES</b>                 |                         |                         |  |
| Net Profit before tax and extraordinary items            | 49,735,141              | 155,114,699             |  |
| Adjustment for :   |                         |                         |  |
| Depreciation & Amortization                              | 635,752                 | 440,638                 |  |
| Deferred Tax written off                                 | (144,371)               | -                       |  |
| interest & income  | 491,381                 | 440,638                 |  |
| <b>Operating profit before working capital changes</b>   | <b>50,226,522</b>       | <b>155,555,337</b>      |  |
| <b>Adjustment for:</b>                                   |                         |                         |  |
| Change in Sundry Debtors                                 | (43,637,072)            | (90,285,521)            |  |
| Change in Inventory                                      | (25,500,762)            | (134,263,578)           |  |
| Change in Loans & Advances                               | (3,135,537)             | (18,557,648)            |  |
| Change in Current Liabilities and Provision              | 29,595,244              | 14,604,686              |  |
| Changes in unsecured loans                               | 500,000                 | (11,438,319)            |  |
| <b>Cash generated from operations</b>                    | <b>(42,178,127)</b>     | <b>(84,385,043)</b>     |  |
| Income tax (paid)/ refunded                              | 5,575,500               | -                       |  |
| Deferred Tax Asset                                       | (144,371)               | -                       |  |
| Deferred tax written off                                 | 5,431,129               | -                       |  |
| <b>Net cash from operating activities</b>                | <b>A 2,617,267</b>      | <b>(84,385,043)</b>     |  |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>            |                         |                         |  |
| Purchase of Fixed Assets                                 | (151,399,985)           | (56,296,785)            |  |
| Investments  |                         | (1,600,000)             |  |
| Net cash from investing activities                       | <b>B (151,399,985)</b>  | <b>(57,896,785)</b>     |  |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>           |                         |                         |  |
| Loan from Bank(s)  |                         | 138,819,269             |  |
| Proceeds from shares allotment on preferential basis     | 100,599,990             | -                       |  |
| Increase in share premium                                | 50,299,995              | -                       |  |
| <b>Net cash used from financing activities</b>           | <b>C 150,899,985</b>    | <b>138,819,269</b>      |  |
| <b>Net change in cash ( A+B+C)</b>                       | <b>2,117,267</b>        | <b>(3,462,559)</b>      |  |
| Cash and cash equivalents at beginning of year           | 1,693,737               | 3,811,004               |  |
| Cash and cash equivalents at end of year                 | 3,811,004               | 348,445                 |  |

The above Cash Flow statement is prepared under the Indirect Method set out in the Accounting Standard in Cash Flow Statements (AS-3) issued by the ICAI.

As per our report of even date

**For B R R & Associates**  
Chartered Accountants

for and on behalf of the Board of Directors  
of Concurrent India Infrastructure Limited

**B.Ravinder Rao**  
Proprietor  
Membership No.: 221298

**K. Sudhir Babu**  
Managing Director

**K.P. Rao**  
Director

Place : Hyderabad  
Date : 07/12/2011

Place : Mumbai  
Date : 07/12/2011

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

Registration No. L99999MH1994PLC081145

|   |  |         |                     |                |
|---|--|---------|---------------------|----------------|
| 1 | Registration Details   |         |                     |                |
|   | State Code   | 11      |                     |                |
|   |  |         | Balance Sheet Date  | 31.03.2011     |
| 2 | Capital Raised during the year<br>(Rupees in Thousands)  |         |                     |                |
|   | Public Issue   | -       | Rights Issue        | -              |
|   | Bonus Issue  | -       | Private Placement   | -              |
| 3 | Position of Mobilization and<br>Development of Funds<br>(Rupees In Thousands)                            |         |                     |                |
|   | Total Liabilities  | 832326  | Total Assets        | 832326         |
|   | Source of Funds  |         |                     |                |
|   | Paid up Capital  | 430600  | Reserve & Surplus   | 262907         |
|   | Secured Loan   | 138819  | Unsecured Loan      | -              |
|   | <b>Application of Funds</b>  |         |                     |                |
|   | Net Fixed Assets   | 369352  | Investments         | 13120          |
|   | Net Current Assets   | 408771  | Misc. Expenditure   | -              |
|   | Goodwill On Amalgamation   | 38144   | Deferred Tax Assets | 2940           |
|   | Accumulated Losses   | -       |                     |                |
|   | <b>Performance of Company<br/>(Rupees in Thousands)</b>  |         |                     |                |
|   | Turnover   | 1421462 | Total Expenditure   | 1266347        |
|   | Profit Before Tax  | 155114  | Profit After Tax    | 155114         |
|   | Earnings per share in Rs.  | 3.6     | Dividend            | NIL            |
| 4 | <b>Generic Name of three Principal<br/>Products/ Services of the Company<br/>(as per Monetary Terms)</b> |         |                     |                |
|   | Item Code No. (ITC Code)   | NA      | Product Description | Infrastructure |

for and on behalf of the Board of Directors  
of Concurrent India Infrastructure Limited

**K. Sudhir Babu**  
Managing Director

**K.P. Rao**  
Director

Place : Mumbai  
Date : 07/12/2011

**AUDITORS' REPORT to the Board of Directors of CONCURRENT (INDIA)  
INFRASTRUCTURE LTD. on the Consolidated Financial Statements of  
CONCURRENT (INDIA) INFRASTRUCTURE LTD. and its Subsidiary.**

We have examined the attached Consolidated Balance Sheet of CONCURRENT (INDIA) INFRASTRUCTURE ('the Company') and its wholly owned subsidiary VAKRATUND ISPAT PVT LTD as at 31st March , 2011 and the Consolidated Profit & Loss Account for the year ended on the date annexed thereto ended on that date. These Consolidated financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Consolidated financial statements based on our audit.

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

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard ( AS ) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Company and its subsidiary included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the Company and its subsidiary, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of the Consolidated balance Sheet, of the consolidated state of affairs of the company and its subsidiary as at 31st March, 2011.
- (b) In the case of the Consolidated Profit and Loss Account of the consolidated results of operations of the Company and its subsidiary for the year ended on that date.

For B R R & Associates  
CHARTERED ACCOUNTANTS  
FRN: 013012S

PLACE: Hyderabad  
DATE : 07/12/2011

B.Ravinder Rao  
Proprietor  
221298

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011 (Amount in ₹)**

| Particulars                                     | Sch | As at<br>31-Mar-11        |
|---|-----|---------------------------|
| <b>SOURCES OF FUNDS</b>                         |     |                           |
| Share Capital                                   | 1   | 430,600,000               |
| Reserves & Surplus                              | 2   | 259,836,754               |
| <b>Loan Funds</b>                               |     | -                         |
| Secured Loans                                   | 3   | 138,819,269               |
| Unsecured Loans                                 |     | 4,147,273                 |
| Deferred Tax Liability                          |     | 309,493                   |
| <b>TOTAL</b>                                    |     | <b><u>833,712,789</u></b> |
| <b>APPLICATIONS OF FUNDS</b>                    |     |                           |
| <b>Fixed Assets</b>                             |     | -                         |
| Gross Block                                     |     | 447,439,186               |
| Accumulated Depreciation                        |     | 53,636,823                |
| <b>Net Block</b>                                |     | <b>393,802,363</b>        |
| <b>Goodwill on Amalgamation</b>                 |     | <b>38,144,021</b>         |
| <b>Investments</b>                              |     | 13,020,000                |
| Current Assets, Loans & Advances                |     | -                         |
| Closing Stock - WIP                             | 4   | 253,001,786               |
| Sundry Debtors                                  | 5   | 263,685,962               |
| Loans & Advances                                | 6   | 8,055,748                 |
| Cash at Bank & Hand                             | 7   | 533,191                   |
| <b>Less: Current Liabilities and Provisions</b> | 8   | 139,480,414               |
| <b>Net Current Assets</b>                       |     | <b>385,796,273</b>        |
| Deferred Tax Assets                             | 9   | 2,939,812                 |
| <b>Miscellaneous expenditure</b>                |     | -                         |
| not written off or adjusted                     |     | 10,320                    |
| <b>TOTAL</b>                                    |     | <b><u>833,712,789</u></b> |
| Notes to Accounts                               | 14  |                           |

As per our report of even date

**For B R R & Associates**  
Chartered Accountants

for and on behalf of the Board of Directors  
of Concurrent India Infrastructure Limited

**B.Ravinder Rao**  
Proprietor  
Membership No.: 221298

**K. Sudhir Babu**  
Managing Director

**K.P. Rao**  
Director

Place : Hyderabad  
Date : 07/12/2011

Place : Mumbai  
Date : 07/12/2011

**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**  
(Amount in ₹)

| Particulars  | Sch | Year Ended<br>31-Mar-11 |
|--|-----|-------------------------|
| <b>INCOME</b>  |     |                         |
| Income from Operations                                   | 10  | 1,623,081,805           |
| Other Income   | 11  | 749,584                 |
| Change in Inventory                                      | 12  | (28,858,891)            |
| <b>TOTAL</b>   |     | <b>1,594,972,498</b>    |
| <b>EXPENSES</b>  |     |                         |
| Expenditure including Administrative &<br>Other Expenses | 13  | 1,423,414,715           |
| Depreciation   |     | 3,360,755               |
| Interest & Bank Charges                                  |     | 5,464,683               |
| Preliminary Expenses Written Off                         |     | 9,050,000               |
| <b>TOTAL</b>   |     | <b>1,441,290,153</b>    |
| Profit Before Tax  |     | 153,682,345             |
| Provision for Taxation                                   |     | -                       |
| <b>Profit After Tax</b>                                  |     | <b>153,682,345</b>      |
| <b>Balance brought forward from previous year</b>        |     | <b>(1,638,030)</b>      |
| Less: Transfer to General Reserve                        |     | -                       |
| <b>Balance carried to Balance Sheet</b>                  |     | <b>152,044,315</b>      |
| Notes to Accounts  | 14  |                         |

As per our report of even date

**For B R R & Associates**  
Chartered Accountants

for and on behalf of the Board of Directors  
of Concurrent India Infrastructure Limited

**B.Ravinder Rao**  
Proprietor  
Membership No.: 221298

**K. Sudhir Babu**  
Managing Director

**K.P. Rao**  
Director

Place : Hyderabad  
Date : 07/12/2011

Place : Mumbai  
Date : 07/12/2011

| <b>SCHEDULES TO THE CONSOLIDATED ACCOUNTS</b>         |                            | (Amount in ₹)      |
|---|----------------------------|--------------------|
| <b>Particulars</b>                                    | <b>As at<br/>31-Mar-11</b> |                    |
| <b>Schedule 1: Share Capital</b>                      |                            |                    |
| Authorized Capital                                    |                            | -                  |
| 4,51,6,0000 Equity Shares of Rs. 10 each              |                            | 451,600,000        |
| <b>Issued, Subscribed &amp; Paid-up Capital</b>       |                            | -                  |
| 43,059,999 Equity Shares of Rs. 10 each fully Paid-up |                            | 430,600,000        |
| <b>Share Capital</b>                                  |                            | <b>430,600,000</b> |
| <b>Schedule 2: Reserves &amp; Surplus</b>             |                            |                    |
| General Reserve                                       |                            | -                  |
| Opening Balance                                       |                            | 4,235,408          |
| Add: Transfer from Profit & Loss Account              |                            | -                  |
| <b>Closing Balance of General Reserve (A)</b>         |                            | <b>4,235,408</b>   |
| <b>Profit &amp; Loss Account</b>                      |                            |                    |
| Opening Balance                                       |                            | 53,257,036         |
| Add: Transfer from Profit & Loss Account              |                            | 152,044,315        |
| <b>Closing Balance of General Reserve (B)</b>         |                            | <b>205,301,351</b> |
| <b>Share Premium</b>                                  |                            | -                  |
| Opening Balance                                       |                            | 50,299,995         |
| Add: Transfer from Profit & Loss Account              |                            | -                  |
| <b>Closing Balance of General Reserve (C)</b>         |                            | <b>50,299,995</b>  |
| <b>Reserves &amp; Surplus (A + B + C)</b>             |                            | <b>259,836,754</b> |
| <b>Schedule 3: Loan Funds</b>                         |                            |                    |
| <b>Secured Loans</b>                                  |                            | -                  |
| Working Capital from Bank                             |                            | 50,398,125         |
| Term Loan from Bank                                   |                            | 88,020,395         |
| Others  |                            | 400,749            |
| <b>Secured Loans (A)</b>                              |                            | <b>138,819,269</b> |
| <b>Un-secured Loans</b>                               |                            | -                  |
| From Directors / Managers                             |                            | 1,744,779          |
| From Others   |                            | 2,402,494          |
| <b>Un-secured Loans (B)</b>                           |                            | <b>4,147,273</b>   |
| <b>Loan Funds (A + B)</b>                             |                            | <b>174,966,542</b> |
| <b>Schedule 4: Inventories</b>                        |                            |                    |
| Work-In-Progress                                      |                            | 103,000,000        |
| Raw Material  |                            | 150,001,786        |
|   |                            | <b>253,001,786</b> |



| <b>SCHEDULES TO THE CONSOLIDATED ACCOUNTS</b>             |                            | (Amount in ₹)        |
|---|----------------------------|----------------------|
| <b>Particulars</b>  | <b>As at<br/>31-Mar-11</b> |                      |
| <b>Schedule 5: Sundry Debtors</b>                         |                            |                      |
| Debtors Outstanding for more than 6 Months                | 262,310,634                | -                    |
| Debtors considered good                                   | 1,375,328                  | -                    |
| Other Debts   | -                          | -                    |
|   | <b>263,685,962</b>         | <b>263,685,962</b>   |
| <b>Schedule 6: Loans &amp; Advances</b>                   |                            |                      |
| Loans & Advances recoverable (Employees, Suppliers & etc) | 7,605,748                  | -                    |
| Rental Deposit  | 450,000                    | -                    |
| Current Account with Subsidiary Company                   | 32,000,000                 | -                    |
|   | <b>40,055,748</b>          | <b>40,055,748</b>    |
| <b>Schedule 7: Cash &amp; Bank Balances</b>               |                            |                      |
| Cash in Hand  | 33,438                     | -                    |
| Bank Balance with Scheduled Banks & Others                | 499,753                    | -                    |
|   | <b>533,191</b>             | <b>533,191</b>       |
| <b>Schedule 8: Current Liabilities &amp; Provisions</b>   |                            |                      |
| Advance from Customers                                    | -                          | -                    |
| Provision for Taxation - FY 2010-11                       | -                          | -                    |
| Provision for Taxation - FY 2004-05                       | 562,558                    | -                    |
| Sundry Creditors for Expenses                             | 679,016                    | -                    |
| Sundry Creditors for Goods                                | 137,448,997                | -                    |
| Audit Remuneration Payable                                | 170,000                    | -                    |
| Rent Payable  | 50,000                     | -                    |
| Salaries Payable  | 569,843                    | -                    |
| Current Account with Holding Company                      | -                          | -                    |
|   | <b>139,480,414</b>         | <b>139,480,414</b>   |
| <b>Schedule 9: Deferred Tax Assets</b>                    |                            |                      |
| Opening Balance   | 2,939,812                  | -                    |
| Add: Adjustments during the Financial Year                | -                          | -                    |
|   | <b>2,939,812</b>           | <b>2,939,812</b>     |
| <b>Schedule 10: Income from Operations</b>                |                            |                      |
| Infrastructure  | 1,436,582,822              | -                    |
| Agriculture   | 150,859,794                | -                    |
| Logistics in support to Agriculture                       | 35,639,189                 | -                    |
|   | <b>1,623,081,805</b>       | <b>1,623,081,805</b> |
| <b>Schedule 11: Other Income</b>                          |                            |                      |
| Indirect Income   | -                          | -                    |
| Sale of Scrap   | 749,584                    | -                    |
|   | <b>749,584</b>             | <b>749,584</b>       |

| <b>SCHEDULES TO THE CONSOLIDATED ACCOUNTS</b>      |                            | (Amount in ₹)        |
|--|----------------------------|----------------------|
| <b>Particulars</b>                                 | <b>As at<br/>31-Mar-11</b> |                      |
| <b>Schedule 12: Increase / (Decrease) in Stock</b> |                            |                      |
| Closing Stock                                      |                            | 103,000,000          |
| Less: Opening Stock                                |                            | 131,858,891          |
|  |                            | <b>(28,858,891)</b>  |
| <b>Schedule 13: Expenditure</b>                    |                            |                      |
| Material Consumed                                  |                            | 967,092,572          |
| NMR Labour Charges                                 |                            | 401,678,196          |
| <b>Sub-total (A)</b>                               |                            | <b>1,368,770,768</b> |
| <b>Administrative &amp; Other Expenses</b>         |                            |                      |
| Octroi paid  |                            | 1,207,259            |
| Salaries   |                            | 140,842              |
| Insurance expenses                                 |                            | 32,263               |
| Selling & Admi Exp                                 |                            | 2,000                |
| Auditors' Remuneration                             |                            | 170,000              |
| Communication Expenses                             |                            | 1,496,498            |
| Electricity Expenses                               |                            | 6,924,130            |
| Legal & Professional Charges                       |                            | 127,699              |
| Miscellaneous & Other Expenses                     |                            | 3,619,256            |
| Office Expenses                                    |                            | 20,143               |
| Payment to Employees                               |                            | 26,235,697           |
| Postage, Xerox & Courier                           |                            | 25,555               |
| Printing & Stationery                              |                            | 1,488,496            |
| Rent, Rates & Taxes                                |                            | 4,516,354            |
| Repair & Maintenance Expenses                      |                            | 3,415,259            |
| Share Transfer Charges                             |                            | 150,346              |
| Staff Welfare                                      |                            | 1,543,634            |
| Travelling & Conveyance                            |                            | 1,869,867            |
| Vehicle Maintenance                                |                            | 1,658,649            |
| <b>Sub-total (B)</b>                               |                            | <b>54,643,947</b>    |
| <b>Total (A + B)</b>                               |                            | <b>1,423,414,715</b> |

**SCHEDULE - 14****NOTES ON CONSOLIDATED ACCOUNTS****SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT**

1. The consolidated financial statements relate to CONCURRENT (INDIA) INFRASTRUCTURE LIMITED. ( " the Company" ) has prepared the Consolidated Financial Statements, by consolidating its accounts with that of its wholly owned subsidiary VAKRATUND ISPAT PVT LTD in accordance with the Statements of Accounting standards on " Consolidated Financial Statements ( AS 21 ) issued by the Institute of Chartered Accountants of India ( ICAI ) The Consolidated Financial Statements have been prepared under the historical cost convention, on the accrual basis of accounting and comply with the mandatory accounting standards and statements issued by the ICAI. The consolidated financial statements have been prepared on the following basis:
  - (i) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balance and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 --"Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
  - (ii) In case of Foreign subsidiaries, Assets and Liabilities are consolidated at the Foreign Exchange rates prevailing at the end of the year.
  - (iii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill.
  - (iv) Minority interest's share is not there as the company is holding 100 % Equity Shares
  - (v) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

**NOTES ON ACCOUNTS TO CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :****a) Preparation of financial statements**

The financial statements have been prepared under the historical cost convention, in accordance with Generally Accepted Accounting Principles in India and the provisions of Companies Act, 1956.

**b) Method of Accounting**

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

**c) Fixed Assets**

Fixed Assets are stated at their original cost of acquisition, net of accumulated depreciation and CENVAT credit, and include taxes, freight and other incidental expenses related to their acquisition / construction / installation. Pre-operative expenses relating to a specific project are capitalized till all the activities necessary to prepare the qualifying asset for its intended use are completed. Expenses capitalized also include applicable borrowing costs.

**d) Investments**

Investments are classified into current and long-term investments. Current Investments are carried at lower of cost or fair market value. Any diminution in their value is recognized in the profit and loss account. Long-term investments, including investment in subsidiaries, are carried at cost. Diminution of temporary nature in the value of such long-term investments is not provided for except when such diminution is determined to be of a permanent nature.

**e) Inventories**

Inventories are valued at cost or net realizable value, whichever is less. Cost comprises of expendi-

ture incurred in the normal course of business in bringing such inventories to its their location. Finished goods at the factory are valued at cost in all applicable cases. Obsolete, non-moving and defective inventories are identified at the time of physical verification of inventories and adequate provision, wherever necessary, is made for such inventories.

**f) Intangible Assets**

Intangible Assets are recognized in the Balance Sheet at cost, net of any accumulated amortization / impairment. Preliminary expenses are amortized over a period of 5 years. De-merger expenses are amortized over a period of ten years.

**g) Revenue Recognition**

Income is recognized when the goods are dispatched in accordance with terms of sale. Sale is inclusive of excise duty.

In respect of income from services, income is recognized as and when the rendering of services is complete. Revenue from time period services is recognized on the basis of time incurred in providing such services.

**h) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are treated as a period cost and are expensed in the year of occurrence.

**i) Depreciation**

Depreciation is provided on straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on assets added, sold or discarded is provided for on pro-rata basis.

**j) Foreign Currency Transaction**

Foreign currency transactions, being in the nature of integral operations, are accounted for at the rates of exchange prevailing as on the date of transaction. Gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account. Exchange differences relating to fixed assets are adjusted to the cost of the asset.

**k) Impairment of assets**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired.

**l) Income and Deferred Tax**

The provision made for income tax in the accounts comprises both the current and deferred tax. Current tax is provided for on the taxable income for the year. The deferred tax assets and liabilities for the year arising on account of timing differences (net) are recognized in the Profit and Loss account and the cumulative effect thereof is reflected in the Balance Sheet.

**m) Contingent Liabilities and Contingent Assets**

Liabilities, which are contingent in nature, are not recognized in the books of account but are disclosed separately in the Notes. Contingent Assets are neither recognized nor disclosed in the books of account.

**II. NOTES ON ACCOUNTS**

1. During this Financial Year Concurrent India Infrastructure Limited has acquired the Wholly Owned Subsidiary Vakratund Ispat Private Limited.

2. Secured Loans

a) Term Loan from State Bank of India

During the financial year company obtained term loan from a nationalized bank/

## b) Working Capital Facilities from State Bank of India

During the year company obtained Working capital loan from a nationalized bank.

3. The Company has not obtained conformation of balances for Sundry Debtors, Sundry Creditors and Loans & Advances.
4. This is the first year for the company to prepare the Consolidated Financial Statements. Hence it is not practicable for the company to prepare the Cash Flow Statement
5. Employee Benefits (AS - 15)  
The Company has not made any provision to Gratuity, Leave Encashment and other retirement benefits to the employees as per AS 15 because they are not applicable to the company.
6. Segment Reporting (AS - 17)  
Since the Company Operate in one segment only - segment reporting as required under Accounting Standard - 17 is not disclosed here separately.

**7. Related Party Transactions (AS - 18)**

| Sl.No. | Name of the Party               | Nature of Transaction | 2010-2011 | 2009-2010 |
|--------|---------------------------------|-----------------------|-----------|-----------|
| 1.     | K. Sudhir Babu                  | Managing Director     | Nil       | Nil       |
| 2.     | Vakratund Ispat Private Limited | Investment            | 100000    | Nil       |

## 8. Deferred Tax Assets &amp; Liabilities ( AS - 22 )

In accordance with Accounting Standard 22 ( AS 22) issued by the ICAI, the Company has not accounted for deferred income tax during the year because the company is following the Depreciation as per Companies Act only.

- 9 While consolidating the accounts with subsidiary the inter company transactions have been eliminated.

## 10. Remuneration:

|                              | Year ended<br>31.03.2011 |
|------------------------------|--------------------------|
| Directors Remuneration       | Nil                      |
| <b>Auditors Remuneration</b> | <b>1, 50,000/-</b>       |

- 11 Even though the physical verification of inventory and fixed assets followed by the Management are reasonable, in our opinion the company needs to be strengthening or improve the adequate procedures and controls in relation to the size of the Company and the nature of its business

12. Figures have been rounded off to the nearest rupee.

13. Previous year's figures have been regrouped / rearranged wherever necessary

**SIGNATURES TO SCHEDULES 1 To 14**

As per our report of even date

**For B R R & Associates**  
Chartered Accountants

for and on behalf of the Board of Directors  
of Concurrent India Infrastructure Limited

**B.Ravinder Rao**

Proprietor  
Membership No.: 221298

Place : Hyderabad

Date : 07/12/2011

**K. Sudhir Babu**  
Managing Director

Place : Mumbai

Date : 07/12/2011

**K.P. Rao**  
Director

**ATTENDANCE SLIP**  
**CONCURRENT (INDIA) INFRASTRUCTURE LIMITED**

REGISTERED OFFICE : OFFICE NO. 218, BIG SPLASH, PLOT NO. 78 & 79, SECTOR -17,  
VASHI, NAVI MUMBAI - 400 703, MAHARASHTRA, INDIA.

(PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL )  
Joint shareholders may obtain additional slip at the venue of the meeting.

|            |  |                  |  |
|------------|--|------------------|--|
| DP. ID*    |  | Master Folio No. |  |
| Client ID* |  | No. of Shares    |  |

NAME AND ADDRESS OF SHAREHOLDER

No of share(s) Held

I hereby record my presence at the 17th ANNUAL GENERAL MEETING of the Company held on Saturday, 31st day of December, 2011 at 9.15 a.m.at Hotel Corporate, Sai Sagar, Plot No. 69, Sector-15, CBD Belapur, Navi Mumbai 400614, India.

Signature of the Share holder or Proxy

\*Applicable for investors holding shares in Dematerialized form

**PROXY FORM**

**CONCURRENT (INDIA) INFRASTRUCTURE LIMITED**

REGISTERED OFFICE : OFFICE NO. 218, BIG SPLASH, PLOT NO. 78 & 79, SECTOR -17,  
VASHI, NAVI MUMBAI - 400 703, MAHARASHTRA, INDIA.

|            |  |                  |  |
|------------|--|------------------|--|
| DP. ID*    |  | Master Folio No. |  |
| Client ID* |  | No. of Shares    |  |

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member / members of Sankhya Infotech Ltd hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ as my / our proxy to vote for me/us and on my/our behalf at the 17th ANNUAL GENERAL MEETING to be held on 31st day of December, 2011 at 9.15 a.m.at Hotel Corporate, Sai Sagar, Plot No. 69, Sector-15, CBD Belapur, Navi Mumbai 400614, India or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011.

\* Applicable for investors holding shares in dematerialized form.

Note:

- I. The proxy 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 time for holding the aforesaid meeting. The Proxy need not be a member of the company.
- II. Members holding shares under more than one folio may use photocopy of the proxy form for other folios. The company shall provide additional forms on request.

**BOOK-POST**



**Concurrent**

**CONCURRENT (INDIA) INFRASTRUCTURE LIMITED**

**Registered Office :** Office No. 218, Big Splash, Plot No. 78 & 79, Sector -17,  
Vashi, Navi Mumbai - 400 703, Maharashtra, India.

Website : [www.concurrentindia.com](http://www.concurrentindia.com)