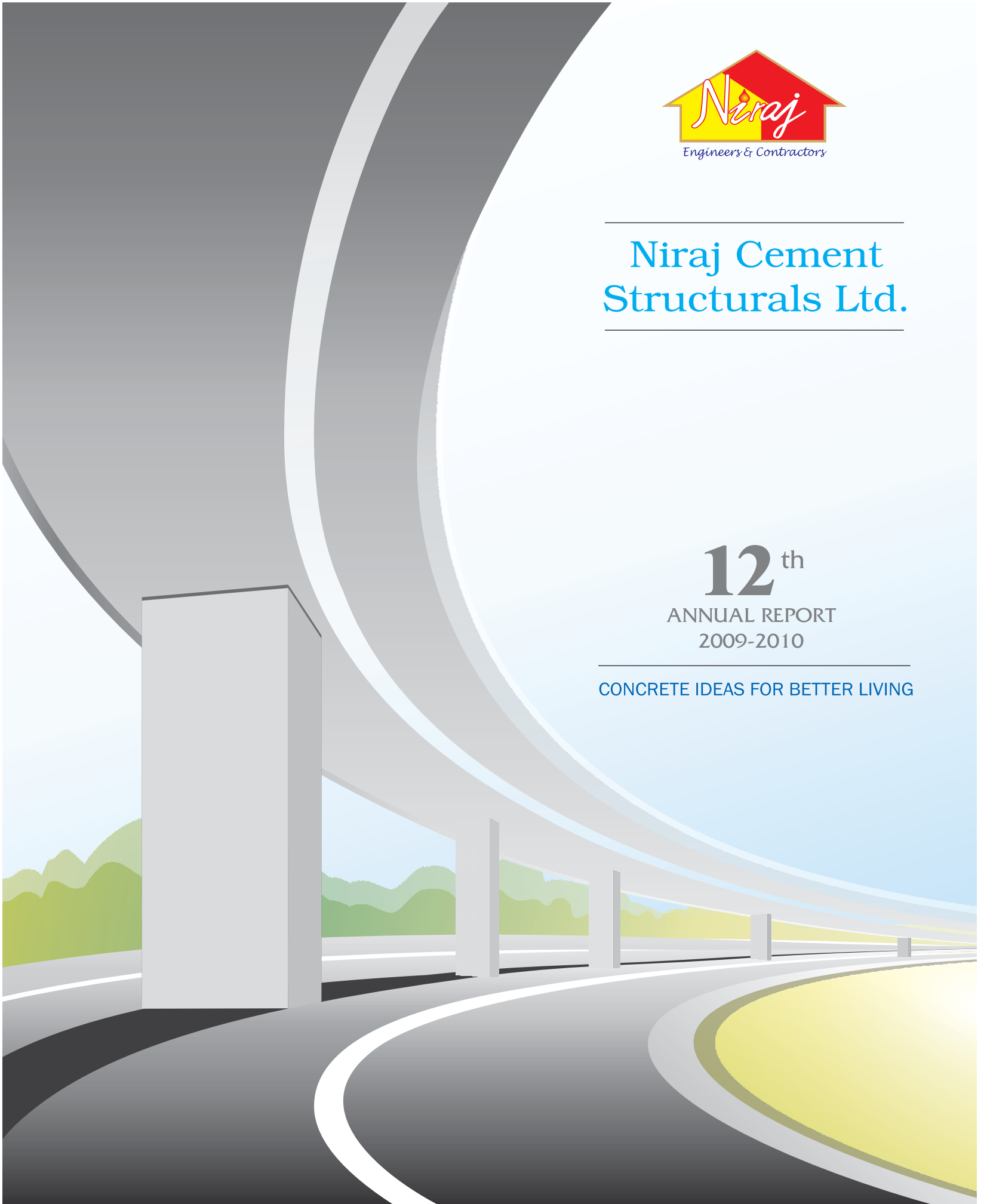




Niraj Cement Structurals Ltd.

12th
ANNUAL REPORT
2009-2010

CONCRETE IDEAS FOR BETTER LIVING





12th
ANNUAL REPORT
2009-2010

CONCRETE IDEAS FOR BETTER LIVING



Board of Directors and Management

BOARD OF DIRECTORS:

Vijay Kumar Chopra
Chairman and Managing Director

Gulshan V. Chopra
Whole – time Director

Akash H. Madan
Independent Director

G. R. Kamath
Independent Director

AUDIT COMMITTEE:

Akash H. Madan
Chairman

G. R. Kamath
Member

Gulshan V. Chopra
Member

REGISTRAR AND TRANSFER AGENT:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compund,
L B S Road, Bhandup (W),
Mumbai – 400 078.
Tel: 022-25963838 Fax: 022-25960329

REGISTERED OFFICE:

Niraj House, Sunder Baug,
Near Deonar Bus Depot, Chembur (E),
Mumbai – 400 088.

AUDITORS:

Ajay B. Garg.
Chartered Accountant
517-518, Shreekanth Chambers,
V. N. Purav Marg, Chembur (E),
Mumbai – 400 071.

BANKERS:

State Bank of India
State Bank of Indore
Union Bank of India
IDBI Bank Ltd.
State Bank of Hyderabad
Axis Bank Ltd.
YES Bank Ltd.

Contents

Board & Management	1	Balance Sheet	25
Notice	2	Profit & Loss Account	26
Directors' Report.....	9	Schedules to Accounts	27
Corporate Governance Report	12	Balance Sheet Abstract & Company's	
Management Analysis & Discussion.....	20	General Business Profile	40
Auditors' Report.....	22		

12th Annual General Meeting of the Members of Niraj Cement Structurals Limited (the "Company") will be held on Thursday, the 30th September, 2010 at 11.00 a. m. at Chembur Gymkhana, Phase II, 2nd Floor, 16th Road, Chembur, Mumbai-400 071.

Notice to Shareholders

NOTICE is hereby given that the **12th Annual General Meeting** of the Members of Niraj Cement Structurals Limited (the "Company") will be held on Thursday, the 30th September, 2010 at 11.00 a. m. at Chembur Gymkhana, Phase II, 2nd Floor, 16th Road, Chembur, Mumbai- 400 071, to transact the following business :

ORDINARY BUSINESS :

1. To review, consider and adopt the Audited Statements of Accounts for the Financial year ended on 31st March, 2010 and the Reports of the Auditors and Directors thereon.
2. To declare Dividend on Equity Shares for the period ended 31st March, 2010
3. To appoint Mr. Akash Madan, Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint Mr. Ajay B.Garg, Chartered Accountants, Mumbai as the Statutory Auditors of the Company to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting and authorize the Board to fix their remuneration

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in partial modification to the Resolution passed by the Members at the 8th Annual General Meeting held on 30th September, 2006, approving the appointment and terms of remuneration of Mr. Vijay Kumar Chopra as Chairman & Managing Director, the Company hereby approves, in accordance with the provisions of Sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the increase in remuneration of Mr. Vijay Kumar Chopra for the remaining period of his tenure of office, with effect from 1st October, 2010, as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT all other terms and

conditions of appointment of Mr. Vijay Kumar Chopra as approved earlier by the Members, shall remain unchanged."

RESOLVED FURTHER THAT any one of the Directors or the Company Secretary of the Company be and is hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in partial modification to the Resolution passed by the Members at the 8th Annual General Meeting held on 30th September, 2006, approving the appointment and terms of remuneration of Mr. G. V. Chopra as Whole Time Director, the Company hereby approves, in accordance with the provisions of Sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the increase in remuneration of Mr. G. V. Chopra for the remaining period of his tenure of office, with effect from 1st October, 2010, as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT all other terms and conditions of appointment of Mr. G. V. Chopra as approved earlier by the Members, shall remain unchanged."

RESOLVED FURTHER THAT any one of the Directors or the Company Secretary of the Company be and is hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the existing Guidelines for Preferential Issue contained in Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection Guidelines), 2000 as amended (hereinafter

referred to as “the Guidelines”) and other applicable guidelines / regulations issued by the Securities and Exchange Board of India (“SEBI”) and subject to all necessary approvals, consents, permissions and /or sanctions of any other statutory or regulatory authorities and other applicable laws, and the provisions in the Memorandum and Articles of Association of the Company and the Listing Agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to such terms and conditions as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which expression shall include any Committee constituted for the time being, thereof) and subject to such terms, conditions and modifications as the Board may in its discretion impose or agree to, the consent and approval of the Company be and is hereby accorded to the Board and the Board be and is hereby authorized to offer, issue and allot on a preferential basis upto 4,50,000 Equity Shares of the face value Rs.10/- each for cash at a price of Rs.77/- per share (including a premium of Rs.67/- per share) aggregating to Rs.3,46,50,000/- Rupees Three crores forty six lacs fifty thousand only), being the price which is in accordance with the Guidelines.

RESOLVED FURTHER THAT the Equity Shares shall rank *pari passu* in all respects with the existing Equity Shares of the Company, including entitlement to dividend;

RESOLVED FURTHER THAT the Board or any Committee thereof be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued;

RESOLVED FURTHER THAT the Board/any Committee thereof be authorized to determine, vary, modify or alter any of the terms and conditions of the issue and allotment of the Equity Shares, including reduction of the size of the issue, as it may deem expedient;

RESOLVED FURTHER THAT the Relevant Date for the preferential issue, in relation to the aforesaid Equity Shares, for the purpose of determining the issue price under the Guidelines is 31st August, 2010;

RESOLVED FURTHER THAT consent for issuance of Equity Shares as aforesaid shall also constitute approval of the shareholders of the Company in terms of Regulation 23(1)(b) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997;

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient including in relation to the issue or allotment of aforesaid securities and listing thereof with the Stock Exchanges as appropriate and to resolve and settle all questions and difficulties that may arise in the proposed issue, offer and allotment of the said securities, utilization of the issue proceeds, sign all documents and undertakings as may be required and generally to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED LASTLY THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of Directors or to any Officer or Officers of the company to give effect to this resolution.”

For and on behalf of the Board of Directors

V. K. Chopra
Chairman & Managing Director

Place : Mumbai

Date : 6th September, 2010

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. Proxy form duly stamped and executed in order to be effective, must reach the Registered Office of the Company not less than 48 hours before the time of commencement of the Annual General Meeting.
3. Corporate Members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
4. Members / proxy holders are requested to bring their attendance slip duly signed so as to avoid inconvenience.
5. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 in respect of special business under Item No. 6 to 8 above, is annexed hereto and form part of this notice.
6. Members holding shares in physical form are requested to advise any change in their registered address, to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited quoting their folio number. Members holding shares in electronic form must send the advice about change in their registered address or bank particulars to their respective Depository Participant and not to the Company.
7. Members desiring any information on the Accounts of the Company are requested to write to the Company at least 10 days in advance so as to enable the Company to keep the information ready.
8. In all correspondence with the Company or with its Share Transfer Agent, members are requested to quote their folio number and in case the shares are held in the dematerialised form, they must quote their Client ID Number and their DPID Number.
9. Investors of the Company who have not yet encashed their unclaimed/unpaid amount of Dividend/Refund are requested to approach the Registrar and Share Transfer Agents of the Company.
10. The Register of Members and Share Transfer Books of the Company shall remain closed from 25th September, 2010 to 30th September, 2010 (both days inclusive) for determining the name of Members eligible for dividend on Equity Shares.
11. If the shareholders approve the payment of dividend at the forthcoming Annual General Meeting, the dividend shall be paid to (i) all those members whose names appear in the Register of Members as on 24th September, 2010 and (ii) all those Members whose names appear on that date as beneficial owners as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
12. In terms of section 205C of the Companies Act, 1956, there is no unpaid / unencashed dividend amount liable to be transferred into Investor Education and Protection Fund.
13. Information under Clause 49 of the Listing Agreement of the Stock Exchanges with respect to the details of the Directors seeking appointment/re-appointment as given in the Annual Report/Corporate Governance Report.

Explanatory Statement Pursuant to Section 173(2) of The Companies Act, 1956

Item No. 5

The Members of the Company at the 8th Annual General Meeting held on September 30, 2006 approved the appointment of Mr. Vijay Kumar Chopra as Chairman & Managing Director for a period of five years with the monthly remuneration of Rs. 70,000/- and membership fees for the two clubs.

The compensation packages of the Members of Staff of the Company have been recently revised w.e.f. April 1, 2010. The increases were about 25% to 35% at the senior levels. This was done taking into consideration the prevailing trends in the financial sector in terms of compensation packages. It is proposed to revise the Salary Scale of Mr. V K Chopra to Rs. 2,00,000 per month with the benefits remaining the same w.e.f. October 1, 2010. However, all other terms and conditions of the appointment will remain unchanged. The increased remuneration will be subject to the overall limits as provided under Section 198, 269, 309, 310, 311 and in terms of Section I of Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

The Directors of the Company on recommendation made by the Remuneration Committee, have approved the proposal of increase in their remuneration, subject to the approval of the members. Your Directors recommend the resolution for approval by the members of the Company.

The above variation in the terms of remuneration of Mr. Vijay Kumar Chopra, as mentioned in Item No. 7 of the Notice will be treated as an abstract under Section 302 of the Companies Act, 1956.

None of the Directors of the Company except Mr. Vijay Kumar Chopra, is in any way concerned or interested in this resolution.

The members are requested to consider and approve the above proposal for increase in the salary of Mr. Vijay Kumar Chopra.

Item No. 6

The Members of the Company at the 8th Annual General Meeting held on September 30, 2006 approved the appointment of Mr. G. V. Chopra as Chairman & Managing Director for a period of five years with the monthly remuneration of Rs. 70,000/- and membership fees for the two clubs.

The compensation packages of the Members of Staff of the Company have been recently revised w.e.f. April 1, 2010. The increases were about 25% to 35% at the senior levels. This was done taking into consideration the prevailing trends in the financial sector in terms of compensation packages. It is proposed to revise the Salary Scale of Mr. G V Chopra to Rs. 2,00,000 per month with the benefits remaining the same w.e.f. October 1, 2010. However, all other terms and conditions of the appointment will remain unchanged. The increased remuneration will be subject to the overall limits as provided under Section 198, 269, 309, 310, 311 and in terms of Section I of Part II of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956.

The Directors of the Company on recommendation made by the Remuneration Committee, have approved the proposal of increase in their remuneration, subject to the approval of the members. Your Directors recommend the resolution for approval by the members of the Company.

The above variation in the terms of remuneration of Mr. G. V. Chopra, as mentioned in Item No. 7 of the Notice will be treated as an abstract under Section 302 of the Companies Act, 1956.

None of the Directors of the Company except Mr. G. V. Chopra, is in any way concerned or interested in this resolution.

The members are requested to consider and approve the above proposal for increase in the salary of Mr. G. V. Chopra.

Item No. 7

The following disclosure for the preferential issue of Equity Shares is made in accordance with the provisions of Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 ("the Guidelines").

(i) OBJECTS OF THE ISSUE:

In order to generate long term resources for implementing future growth plans, it is proposed to issue equity shares on a preferential allotment basis.

The proceeds of the proposed preferential allotment of Equity Shares will strengthen the financial position of the Company.

(ii) INTENTION OF THE PROMOTERS / DIRECTORS / KEY MANAGEMENT PERSONS TO SUBSCRIBE TO THE OFFER:

The present promoters of the Company do not intent to subscribe to this offer. None of the Directors / Key Management Personnel intends to subscribe to this offer.

(iii) CHANGE IN CONTROL:

There is no change in the management of the Company pursuant to the issue of Equity Shares on Preferential Allotment Basis.

(iv) SHAREHOLDING PATTERN OF THE COMPANY BEFORE AND AFTER THE PROPOSED ISSUE OF EQUITY SHARES:

	Pre Issue Holding		Post Issue Holding	
	No of shares	%	No of shares	%
A Promoter's Holding				
1. Promoters				
a. Indian Promoters	3,845,590	37.18	3,845,590	35.63
b. Foreign Promoters				
2. Persons acting in concert				
Sub Total	3,845,590	37.18	3,845,590	35.63
B Non-Promoters Holding				
3. Institutional Investors				
a. (i) Mutual Funds				
(ii) UTI				
b. (i) Banks				
(ii) Financial Institutions				
Insurance Companies (Central/ State Govt.Institutions/ Non-Govt.Institutions)				
c. Foreign Institutional Investors				
4. Others				
a. Private Corporate Bodies	1,401,262	13.55	1,851,262	17.15
b. Indian Public	5,095,948	49.27	5,095,948	47.22
c. NRIs/OCBs				
d. Any other (Please specify)				
Sub Total	6,497,210	62.82	6,947,210	64.37
Grand Total	10,342,800	100.00	10,792,800	100.00

Notes:

Lock in period:

The Equity Shares to be allotted to M/s Amisu Fabritex (India) Pvt. Ltd. under the proposed offering shall be subject to lock-in for a period of 1 year from the date of allotment of Equity Shares as prescribed under the Guidelines.

(v) PROPOSED TIME WITHIN WHICH ALLOTMENT WILL BE COMPLETED

The Company will complete the allotment of shares within a period of 15 days from the date of passing of the special resolution by the shareholders or where the allotment on preferential basis requires any approval by any regulatory authority or Central Government, the allotment of shares will be completed within 15 days from the date of such approval.

(vi) CERTIFICATE FROM AUDITORS:

M/s. Ajay Garg & Co., Chartered Accountants, Statutory Auditors of the Company, have certified that the proposed preferential issue is being made in accordance with the requirements contained in the Guidelines. A copy of the said certificate is available for inspection by the shareholders at the Registered Office of the Company on all working days except Public Holidays, Saturdays and Sundays between 3.00 p.m. and 5.00 p.m. prior to the date of the Annual General Meeting and will also be available for inspection at the Meeting.

(vii) DETAILS OF PROPOSED ALLOTTEE AND THE ISSUE:

Name of the Proposed Allottees	No. of Equity Shares	% of Post Issue
Amisu Fabritex (India) Pvt. Ltd.	4,50,000	4.17

PRICING OF PREFERENTIAL ISSUE:

The above Equity Shares will be issued and allotted at a price not less than the higher of the following in terms of the Guidelines:-

a. The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date; or

b. The average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date;

The price per share calculated in accordance with the Guidelines works out to Rs.77/- and the allotment will be made at Rs.10/- per share.

EXPLANATION:

[i] Relevant date for the purpose of this clause means the date thirty days prior to the date on which the meeting of general body of shareholders is held in terms of Section 81 [1A] of the Companies Act, 1956 (including any amendment to or re-enactment thereof) to consider the proposed issue, which relevant date, in the present case, is August 31, 2010.

[ii] Stock Exchange for the purpose of this clause means any of the recognized stock exchanges in which the shares are listed and in which the highest trading volume in respect of shares of the company has been recorded during the preceding six months prior to the relevant date, in the present case being the Bombay Stock Exchange Limited.

Section 81 of the Companies Act, 1956 provides, inter alia, that whenever it is proposed to issue further shares, such shares shall be offered to the existing shareholders of the Company in the manner laid down in the said Section, unless shareholders decide otherwise in the general meeting by way of a Special Resolution.

The Guidelines require that when a listed company proposes to make a preferential allotment of equity shares, the notice of the meeting, including the explanatory statement, must make the disclosures mentioned above.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of Section 81 (1A) and other applicable provisions of the Companies Act, 1956, Chapter XIII of the Guidelines, and in terms of the provisions of the Listing Agreement to issue and allot Equity Shares as stated in the Special Resolution.

Your Directors commend the above resolution for approval by the shareholders.

None of the other directors are, in any way, concerned or interested in this resolution.

For and on behalf of the Board of Directors

V. K. Chopra
Chairman & Managing Director

Place : Mumbai

Date : 6th September, 2010

THE FOLLOWING INFORMATION IS BEING FURNISHED IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS RETIRING BY ROTATION AND PROPOSED TO BE RE- APPOINTED.

Mr. Akash Madan

Age :

32 Years

Date of Appointment:

24th July, 2007

Qualification :

Post Graduate Diploma in Business Administration

Profile and Expertise:

Mr. Akash H Madan is a commerce graduate from R A Podar College of Commerce and Economics. He completed his Post Graduate Diploma in Business Administration with a specialization in Marketing from Welingkar Institute of Management in the year 2001. After brief stints with the Times of India Group and Ashok Leyland Finance Limited, he is currently a director on the board of Avsar Automotive Private Limited, a sub dealer for Ashok Leyland commercial vehicles.

Shareholding in the Company : NIL

Directorship and Committee Memberships (excluding Niraj Cement Structurals Limited)

Directorships : 1) Avsar Automotive Private Limited.

Chairman of Board Committees : Nil

Member of Board Committees : Nil

Directors' Report

Your Directors have pleasure in presenting the Annual Report along with the audited statement of Accounts for the year ended 31st March, 2010.

1. FINANCIAL RESULTS :

The highlights of the financial results for the Current financial year ended 31st March 2010 are:

(Rupees in Lacs)

	31.03.2010	31.03.2009
Total Income		
Contract Receipts	15869.74	10810.02
Other Income	306.24	246.24
Contract Receipts JV	2602.67	3230.89
Total	18778.65	14287.15
TOTAL EXPENDITURE		
Works Cost	13155.21	8329.51
Operations and Other Exp.	1794.45	1713.33
Expenses J.V	2579.73	3198.58
Depreciation	142.86	210.42
PROFIT	1106.40	835.31
Provision for Tax	380.28	102.22
Bal.B/f.Prior period Adj.	Nil	Nil
Balance Carried to Balance Sheet	726.12	733.09

2. PERFORMANCE REVIEW :

During the year under review Income from Operations increased to Rs. 18472.40 lacs from Rs. 14040.91 lacs in the previous year. The company achieved operating profit of Rs. 1106.40 lacs against Rs. 835.31 lacs in the previous year.

The Net Profit after charging interest, depreciation and deferred tax liability stood at Rs.726.12 lacs.

3. DIVIDEND :

The Board of Directors has recommend to pay a dividend of Rs.0.50 per Equity Share on 10342800 fully paid Equity Shares of Rs.10/- each for the financial year ended 31st March, 2010 subject to the approval of the members.

During the previous year the Board had recommended a Dividend of Re. 1 per Equity share which was reduced by the Shareholders in the Annual General Meeting to Re.0.50 per Equity Share.

4. OPERATIONAL PERFORMANCE :

There has been renewed emphasis on the need of Planned expenditure on the Infrastructure Development in the country coupled with the need to lead the country out of the Global recessionary trend.

During the year, the Company has being executing projects at Orissa, Jaipur, Indore, Haryana , Ludhiana, Mangalore and Lucknow.

The turnover achieved during the year is Rs.18472.40 lakhs as compared to Rs. 14040.91 lakhs during the previous year.

The Company has got orders under execution worth about Rs.1457/- crores in various stage of execution and completion.

5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO :

Information in accordance with the provisions of Section 217 (1) (E) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is not applicable to the company as it is primarily engaged in Infrastructure Projects and Civil Construction Activity.

6. DIRECTORS :

In accordance with the provisions of the Articles of Association of the Company, Mr. Akash Madan, Independent Director of the Company, retires by rotation and however, being eligible, offers himself for re-appointment at the ensuing Annual General Meeting of the shareholders of the Company. The brief resume of the Director as required under clause 49 is attached to the notice.

7. PARTICULARS OF EMPLOYEES :

The information required u/s 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 1988 is not applicable as no employee is in receipt of a remuneration in excess of Rs. 24.00 lakh during the year or part thereof.

8. AUDITORS :

Mr. Ajay B. Garg, Chartered Accountants, the Auditor to the Company, retires at the ensuing Annual General Meeting of the shareholders of the Company, and is however, eligible for re-appointment.

The Board of Directors have obtained a confirmation from him that, if re-appointed, their appointment will be within the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

Yours Directors recommend his re-appointment as Auditor at the ensuing Annual General Meeting.

9. DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to Section 217 (2A) of the Companies Act, as amended by the Companies Act, 2000 the Directors confirm that :

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any.
- Appropriate accounting policies have been selected and applied consistently and have made judgment and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as on 31st March 2010 and of the Profit of the Company for the year ended 31st March 2010.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.

10. INTERNAL CONTROL SYSTEMS :

The Company has an adequate internal control system including suitable monitoring procedures commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, authorization and approval procedures. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit committee of the Board.

11. PERSONNEL AND WELFARE :

Industrial Relations at all divisions of the company were very cordial throughout the year.

Your Directors express their sincere appreciation for the dedicated efforts put in by all the employees and for their continued contribution for ensuring improved performance of your company during the year.

12. MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

13. CORPORATE GOVERNANCE :

Your company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence and maximum long term shareholder value. Pursuant to Clause 49 of the Listing Agreement with the stock exchange, a compliance report on Corporate Governance has been annexed hereto as part of the Annual Report. The company is in compliance with the requirements and disclosures that have to be made in this regard. The Auditor's certificate on compliance with Corporate Governance requirements by the company forms part of the said report.

14. FIXED DEPOSITS :

The Company has not accepted and /or renewed, during the year under consideration, fixed deposits from the public. The Company has not accepted any deposits from the Directors and shareholders during the year under consideration.

There were no matured deposits, remained outstanding, unpaid or unclaimed, as at 31st March, 2010.

15. AUDITORS REPORT :

The observations made by the Auditors in their report has been clarified in the relevant notes forming part of the accounts, which are self explanatory and need no further elaboration.

16. ACKNOWLEDGEMENTS :

The Directors express their deep gratitude and thank to all government authorities, financial institutions, transfer agents, banks, consultants, solicitors, shareholders of the company for their continued support and encouragement. The Directors also place on record their profound admiration and sincere appreciation of the continued hard work put in by employees at all levels.

For and on behalf of the Board of Directors

V. K. Chopra
Chairman & Managing Director

Place : Mumbai
Date : 6th September, 2010

Report on Corporate Governance

Pursuant to Clause 49 of the Listing Agreement, report on Corporate Governance is given below:

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE:

The Company is committed to good Corporate Governance and endeavors to implement the Code of Corporate Governance in its true Spirit.

The philosophy of the Company in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures and enhance shareholder value without compromising in any way compliance with the laws and regulations.

The Company believes that good governance brings about sustained corporate growth and long term benefits for stakeholders. The Company also believes that for a company to succeed, it must consistently maintain commendable standards of corporate conduct towards its employees, customers and society.

2. BOARD OF DIRECTORS:

The present strength of the Board of Directors of the Company is 4 (Four) Directors. The Composition of the Board is in conformity with Clause 49 of the Listing Agreement. The composition of Board of Directors on the date of the report is as follows:-

Names of the Directors	Category of Directorship	No. of Board Meeting attended	Attendance in the last Annual General Meeting	No. of Committee in which the Director is a Member	Chairman of the Committee
Mr. Vijay Kumar Chopra	Chairman & Managing Director	15	Yes	No	No
Mr. Gulshan V. Chopra	Whole time Director	15	Yes	3	No
Mr. Akash H. Madan	Independent Director	15	Yes	3	2
Mr. G. R Kamath	Independent Director	15	Yes	3	1

The day to day management of the company is conducted by the Chairman & Managing Director subject to supervision and control of Board of Directors.

3. NUMBER OF BOARD MEETINGS HELD AND THE DATES ON WHICH HELD :

Thirteen Board Meetings were held during the period from 01st April 2009 to 31st March 2010. The dates on which the meetings were held are 29.04.2009, 29.05.2009, 6.06.2009, 29.06.2009, 06.07.2009, 31.07.2009, 28.08.2009, 25.09.2009, 31.10.2009, 05.12.2009, 31.01.2010, 16.02.2010, 22.02.2010, 27.02.2010 and 22.03.2010.

4. AUDIT COMMITTEE:

The Audit Committee consists of two independent Directors and one Executive Director. The members of the Audit Committee are:

Names of the members	Designation	Attendance at Audit Committee
Mr. Akash H. Madan	Chairman	Yes
Mr. G. R Kamath	Member	Yes
Mr. Gulshan V. Chopra	Member	Yes

The Audit Committee met four times during the year 2009-2010. The meetings were held on 29th April, 2009, 31st July, 2009, 31st October, 2009 and 30th January, 2010.

Terms of Reference:

- a. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending to the Board, the appointment, the re-appointment of Statutory Auditor and the fixation of audit fees.
- c. Reviewing major accounting policies and practices and adoption of applicable Accounting Standards.
- d. Disclosure of Contingent Liabilities.
- e. Reviewing with the management, the quarterly and annual financial statement before submission to the board for approval, with particular reference to :
 1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 2. Changes, if any, in accounting policies and reasons for the same.
 3. Compliance with listing and other legal requirements relating to financial statements
 4. Disclosure of any related party transactions.
 5. Any related party transaction.
- f. Reviewing of the adequacy of the internal control system, if any, including the structure of the internal audit department, staffing, and seniority of the official heading the department, reporting structure coverage.
- g. Discussion with the Statutory Auditors before the audit commences, about the nature and scope for audit as well as cost control discussion to ascertain any area of concern.
- h. To carry out any other function as is mentioned in the terms of the reference the Audit Committee.

The Audit Committee has been granted powers as prescribed under clause 49 (II) (C). Further as per the requirements of clause 49 (II) (E) the Audit Committee shall make mandatory review of the following information:

1. Management discussion and analysis of financial conditions and results of operations;
2. Statements of significant related party transactions (as defined by the Audit Committee), submitted by the management; and
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;

5. REMUNERATION COMMITTEE:

The Committee consists of two independent Directors and one Executive Director.

The members of Remuneration committee are as under:

Names of the members	Designation
Mr. G. R Kamath	Chairman
Mr. Gulshan V. Chopra	Member
Mr. Akash H. Madan	Member

No meeting of the committee was held during the year 2009-2010.

6. INVESTORS/SHAREHOLDERS GRIEVANCES COMMITTEE:

The Investors/Shareholders Grievances Committee overseas functions like issuance of physical share certificates on re materialization of shares, issuance of duplicate share certificates, redressing grievances received from the investors like non

receipt of dividends and Annual Report and suggesting measures to improve investor satisfaction.

Names of the members	Designation
Mr. Akash H. Madan	Chairman
Mr. Gulshan V. Chopra	Member
Mr. G. R. Kamath	Member

Mr. Akash H. Madan is the Chairman of The Investors/Shareholders Grievances Committee. Mr. Soni Agarwal is the compliance officer of the Company in terms of clause 49 of the listing Agreement. During the year the company had received 2 shareholders complaints which all stand resolved.

7. DETAILS AND REMUNERATION OF DIRECTORS:

The aggregate salary and perquisites paid for the year end 31st March, 2010 to the directors are as follows :

Names of the Directors	Sitting Fees (Rs.)	Salary & Perks (Rs.)	Total (Rs.)
Mr. Vijay Kumar Chopra	NIL	8,40,000	8,40,000
Mr. Gulshan V. Chopra	NIL	8,40,000	8,40,000
Mr. Akash H. Madan	40,000	NIL	NIL
Mr. G. R. Kamath	40,000	NIL	NIL

8. GENERAL BODY MEETINGS:

ANNUAL GENERAL MEETING:

The last three AGM of the company were held at :

Year	Location	Date	Time
2008-2009	Chembur Gymkhana, Phase II, 2 nd Floor, 16 th Road, Chembur, Mumbai- 400 071	25.09.2009	10.00 a.m.
2007-2008	Conference Room, 2nd Floor, Hotel Orchid, Chembur Station Road, Chembur, Mumbai 400 071	20.09.2008	11.00 a.m.
2006-2007	Niraj House, Sunder Baug, Near Deonar Bus Depot, Chembur, Mumbai – 400 088.	10.09.2007	11.00 a.m.

The shareholders have passed all the resolutions set out in the respective notices. Following special resolution was passed in the year 2008-09

1. Appointment of Mr. Krishan Kumar Chopra, a relative of Mr. V. K. Chopra, Chairman & Managing Director, under section 314 (1B)

There were no Special Resolutions passed during last 2 years.

Postal Ballot

No special resolution was passed through Postal Ballot at the last Annual General Meeting. No special resolution through Postal Ballot at the forthcoming Annual General Meeting.

9. DISCLOSURES :

a. There are no materially significant related party transactions i.e. transaction, material in nature, with its promoters, directors, their relatives or management, subsidiaries of the Company etc. having potential conflict with the interest of the Company at large.

b. No penalties or structures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

c. Though the Company does not have a Whistle Blower Policy in place, the Company encourages the employees to freely express their views on various issues faced by them and the HR head follow up the same for necessary resolution of it. The employees have access to the Audit Committee.

d. All the mandatory items of Clause 49 have been complied with and covered in this report. In respect of Non Mandatory requirement of Clause 49, the Company has complied with appointment of the two Non executive Directors as members of Remuneration Committee. The composition of this Committee has been detailed earlier in this report.

10. MEANS OF COMMUNICATION :

The Unaudited Quarterly Financial Results (Provisional), after being taken on record by Audit Committee and Board of Directors, are announced within one month by the end of each quarter. The said financial statements are also published within 48 hours in one English newspaper and another in vernacular newspaper. They are also uploaded on the Company's website is www.niraj.co.in.

The Management Discussion and Analysis Report forms part of this Annual Report.

11. CODE OF CONDUCT

The Company has laid down a Code of Conduct for all its Board Members and Senior Management personnel of the Company. The declaration of Managing Director is provided in this annual report. The code of conduct is available on the Company's website i.e. www.niraj.co.in

12. INFORMATION FOR SHAREHOLDERS

Date, Time and Venue of AGM	:	Thursday, the 30 th September, 2010 at 11.00 a. m. at Chembur Gymkhana, Phase II, 2 nd Floor, 16 th Road, Chembur, Mumbai- 400 071.
Dates of Book Closures	:	Saturday, the 25 th September, 2010 to Thursday, the 30 th September, 2010
Financial Year	:	1 st April 2009 – 31 st March 2010
Listing on stock exchange	:	The Company's equity shares are listed on Bombay Stock Exchange Limited
Stock Code	:	BSE 532986
ISIN No.	:	INE368I01016
Register and Transfer Agent	:	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L B S Road, Bhandup (W), Mumbai – 400 078. Tel: 022-25963838 Fax: 022-25960329
Dividend	:	5% on the Equity Shares
Newspapers in which results are normally published in	:	Free Press Journal in English and Navshakti in Marathi

Email ID for Investor Grievance
pursuant to Clause 47(f) of the
Listing Agreement

: grievances@niraj.co.in

Shareholding Pattern as on 31.3.2010:

Category	Sub-category	No. of Securities held
Promoter's holding	Indian Promoters	3845590
	Foreign Promoters	0
	Persons Acting in Concert	0
	Sub Total	3845590
Institutional Investors	Mutual Funds & UTI	0
	Banks, Fls, Insurance Co.s, Central /State Govt./Non-Govt. Institutions	1999
	FII	0
	Sub-Total	3847589
Others	Private Corporate Bodies	1158237
	Indian Public	3441395
	NRI/OCBs	30
	Any Other	1895549
	Sub Total	6495211
	Grand Total	10342800

13. THE DISTRIBUTION OF SHAREHOLDINGS AS ON 31.03.2010 IS AS FOLLOWS :

No. of equity shares held	No. of Folios	%	No. of shares	%
1 - 500	3754	84.7595	450369	4.3544
501 - 1000	258	5.8252	219283	2.1202
1001 - 2000	134	3.0255	214224	2.0712
2001 - 3000	64	1.4450	174438	1.6866
3001 - 4000	33	0.7451	121591	1.1756
4001 - 5000	35	0.7902	168967	1.6337
5001 - 10000	66	1.4902	486619	4.7049
10001 - ABOVE	85	1.9192	8507309	82.2534
Grand Total	4429	100.00	10342800	100.00

14. LISTING FEES :

The Company has paid the listing fees to all stock exchanges for the period 2009-2010

15. STOCK PRICE DATA :

Market Price Data at The Bombay Stock Exchange Limited (BSE) :

Month	SHARE PRICE		BASE INDEX	
	High	Low	High	Low
April 2009	21.40	15.50	4,252.49	3,257.05
May 2009	33.15	19.50	6,014.10	3,978.44
June 2009	44.30	33.75	6,644.98	5,451.76
July 2009	37.50	25.55	6,313.97	5,011.12

Month	SHARE PRICE		BASE INDEX	
	High	Low	High	Low
August 2009	69.70	29.60	7,048.60	6000.85
September 2009	88.50	61.10	7,602.47	6849.46
October 2009	67.80	45.75	7,883.50	7034.64
November 2009	63.60	41.90	7,693.93	6725.22
December 2009	57.45	46.00	8,425.57	7545.61
January 2010	50.60	40.10	9,118.00	7926.82
February 2010	58.55	41.10	8,631.19	7973.57
March 2010	54.00	45.15	8,634.96	8085.87

16. SHARE TRANSFER SYSTEM :

Application for transfer of shares held in the physical form are received at the company's investors services division (Registrar and Transfer Agent). All valid transfers are processed and effected normally within 15 days from the date of receipt. The shareholders are given an option to convert the shares into dematerialized form and letters to that effect are sent to all shareholders. Based on their response, the share certificates are either sent to their addresses or dematerialized with intimation to the shareholders' designated Depository Participants. The entire process, is, however, completed normally; within a period of 30 days from the date of receipt of an application.

Till date 99% of the Equity Shares of the Company are in demat form.

17. FINANCIAL CALENDAR (TENTATIVE) FOR RESULTS :

1st Quarter ending 30 th June 2010	mid of August, 2010
2nd Quarter ending 30 th September 2010	mid of November, 2010
3rd Quarter ending 31 st December 2010	mid of February, 2011
4th Quarter ending 31 st March 2011	mid of May, 2011

18. OUTSTANDING GDRS / ADRS / WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

There are no outstanding GDRs/ ADRs/ Warrants or any convertible Instruments which are to be converted into Equity Shares.

19. PLANT LOCATION

C-55, TTC Industrial Area,
Thane Belapur Road,
Navi Mumbai



Niraj Cement Structurals Ltd.

20. ADDRESS FOR CORRESPONDENCE

Niraj House, Sunder Baug,
Near Deonar Bus Depot, Chembur,
Mumbai – 400 088.
Ph.: 6602 7100
Fax.: 2551 8736
Email: grievances@niraj.co.in
www.niraj.co.in

FOR & ON BEHALF OF THE BOARD

Vijay Kumar Chopra
Chairman & Managing Director

Gulshan V. Chopra
Whole – time Director

Place: Mumbai
Dated: 6th September, 2010

DECLARATION

All the Board Members and the Senior Management Personnel have affirmed their compliance of the 'Code of Conduct for the Members of the board and Senior Management' for the period from 1st April, 2009 to the 31st March, 2010 in terms of the clause 49 (1) (D) (ii) of the Listing Agreement with the Stock Exchange.

Sd/-

Vijay Kumar Chopra
Chairman & Managing Director

Place: Mumbai
Dated: 6th September, 2010

Compliance Certificate on Corporate Governance

AUDITORS' CERTIFICATE

To the Members of Niraj Cement Structurals Limited

We have examined the compliance of the conditions of Corporate governance by M/s **Niraj Cement Structurals Ltd.** for the year ended 31st March 2010 as stipulated in clause 49 of the Listing Agreement of the said company with the 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 compliances of conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Subject to aforesaid, in our opinion and to the best of information and explanation given to us, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

As required by the Guidance note issued by the Institute of Chartered Accountants of India, we have to state that the Registrar and Share Transfer Agents of the Company have certified that they have maintained the records to show the investor's grievances against the Company and that as at 31st March 2010, there were no investors grievances remaining unattended / pending for more than 15 days.

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 Ajay B Garg
Chartered Accountant

A Garg
Mem. No 032538

Place: Mumbai,
Dated : 6th September, 2010

Management Discussion & Analysis

1. BACKGROUND

The Management Discussion and Analysis sets out the development in the business environment and the Company's Performance since last report. This analysis supplements the Directors' Report and the Audited Financial Statement forming part of this Report.

2. INDUSTRY STRUCTURE

Niraj Cement Structurals Limited is an Infrastructure and construction company, focusing on the road construction and development in India. Roads are considered to be one of the most cost effective and preferred modes of transportation. It is also a key infra structural unit which provides linkages to other modes of transportation like railways, shipping, airway, etc. Government of India has encouraged the Road development through different scheme and programmes and also by establishing various agencies like National Highways Authority of India (NHAI).

As with other infrastructure sub-sectors, India's overall road network lags seriously behind those of other developing countries of comparable economic size, in terms of both accessibility and quality. An additionally discomfoting characteristic of the road sector in India is its enormous variability in connectivity and quality at the provincial level, which in turn contributes to uneven development and often exacerbates the prevailing urban-rural divide. It is heartening to note, however, that the government has responded to the challenge and is making concerted efforts to reduce transport bottlenecks, particularly on roads. The challenge is daunting, but it is clear a start has been made.

The road development programme is thus not merely a scheme to enhance connectivity but provides direct economic opportunities to elements of the population who have been traditionally economically marginalised.

3. OPERATION, OPPORTUNITY & THREATS OPERATIONS:

The company has been operating in Infrastructure Space and has a very healthy and robust order book position. All these Projects are under various stages of execution. The Company has planned the execution of these Projects in a phased manner and have identified reputed Sub Contractors and other agencies who are also involved in executing these Projects. Suitable technical assistance alongwith Machinery and Financial assistance is being provided to the Sub Contractors.

The Company is following various techniques to monitor the execution of these projects.

OPPORTUNITY: Government emphasis on creating world class infrastructure, favorable investments climate leading to industry

growth and booming housing sectors lead to growth of road construction industry. The central and state Government have ensured that the sector gets due attention.

Private-sector (both domestic and foreign) participation rates are the highest in the National Highway Development Programed, where the incentive structure can be more easily identified and implemented. Statistics from the Department of Road Transportation and Highways (2009) indicate that a total of 86 concessions based on a Public-Private Partnership (PPP) model have been awarded to date, with 68 going to domestic firms and 18 to foreign firms. These covered a total length of 5,607 km, of which 980 km (17.4%) were completed. The total outlay for these projects was US\$ 9.4 billion. PPP projects were implemented entirely via Build-Operate-Transfer (BOT) Agreements, both toll and annuity based. 52 projects were toll based while 34 were annuity based. Most foreign firms participating in the NHDP programme did so through toll-based agreements.

The 11th plan envisions a total investment of US\$77.4 billion in roads, of which the public sector would contribute US\$51 billion and the private sector the rest. Thus, even within the existing framework, the private sector is expected to contribute approximately 33% of the total outlay. This share is expected to further increase during the 12th Plan, with the further liberalisation of existing regulations and the greater confidence fostered in the private sector (both domestic and foreign) as a result of the 'demonstration effect' from the successful completion of existing projects. In the 11th Plan, National Highways received 47% of the outlay, followed by state roads with 41% and rural roads with approximately 12%.

THREATS: The Company operates in a competitive environment. Much depends on type of project, contract value, potential margin, location of project, reputation of client etc. The company mainly competes mid segment Road Construction Companies in India. Competitive bidding, rising prices, Non availability of Land and Fixed Price Contracts are some of the key factors for slow growth in past years.

4. SEGMENT WISE PERFORMANCE OR PRODUCT WISE PERFORMANCE

The Company operate only one business segment i.e. Road Construction.

5. OUTLOOK

Long term outlook of the Company looks encouraging as the Company is executive contacts for Government and Semi-Government agencies at several places in India. Also it is bidding for the new projects that are coming up all over India. There are no state boundaries for execution of the projects. The UPA government has now identified 6,376 kms of road to be developed over the next

few years with government funding. Out of this, 5,937 kms will be developed using the World Bank fund. The government-funded road stretches (annuity projects) include several single-lane highways connecting district headquarters in the country. These stretches are neither part of the ambitious Golden Quadrilateral (GQ) highways that connect all the major metros nor part of any major arteries such as the East-West and the North-South corridors. The government plans to invite bids for 14,395 km with an estimated cost of \$20.68 billion during 2009-10. It has set a target to invest \$70 billion in road sector by the end of 2012.

6. RISK AND CONCERNS

The Global recession has shown a decline in output growth from 5.2% in 2007 to 3.2% in 2008 and an estimated 1.3% in 2009. Much of the slowdown has been in advanced economies of the USA and Europe. India, too, has been affected. After growing by over 9% for three successive years, 2005-06, 2006-07, 2007-08. India's growth for 2008-09 fell to 6.7%. With this slow-down, there has been a contraction of growth in infrastructure activities in India.

7. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has sound internal and adequate system of internal controls to ensure that all assets are protected against loss from unauthorized use or disposition, and that the transactions are authorised, recorded and reported correctly.

Internal controls are supplemented by an extensive programme of internal audit and review by management. These controls are designed to ensure that financial and other records are reliable for preparing financial information and other reports, and for maintaining regular accountability of the Company's asset.

Further, all internal control functions and its entire gamut of activities are covered by independent audit, conducted by separate internal auditors, whose finding are reviewed regularly by the Audit Committee and Management of the Company.

8. DISCUSSION ON FINANCIAL PERFORMANCE AND OPERATION PERFORMANCE

During the year under review Company's Net Profit after Tax is Rs.726.12 lacs as compared in the previous year's figure of Rs. 733.09lacs. Your Directors are continuously putting in efforts for realizing higher value in the next financial year.

9. HUMAN RESOURCE DEVELOPMENT

Human Capital is one of the key elements of your Company. The Company has employed 100 employees who are highly motivated and have been contributing toward growth of the Company. The Company's human resource policies are aimed at motivating its employees to deliver high quality performance and rewards talent with adequate compensation and accelerated career growth opportunities.

The Company has been conducting various training and development workshops for improving the knowledge levels of the employees.

CAUTIONARY STATEMENT :

Statement in this Management's Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include unavailability of finance at competitive rates-global or domestic or both, reduction in number of viable infrastructure projects, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, exchange rate fluctuations, interest and other costs.

Auditors' Report

To,
The Members of
Niraj Cement Structurals Limited

1. We have audited the annexed Balance Sheet of **NIRAJ CEMENT STRUCTURALS LIMITED** as at 31st March 2010 and also the annexed Profit & Loss account and Cash flow statement of the Company for the year ended on that date. These financial statements are the responsibility of the management of the company. Our responsibility is to express opinion on these financial statements based on our audit.

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

3. As required by the Companies (Auditors Report) order, 2003 as amended by Companies (Auditor's Report) (Amendment) order, 2004 issued by the Central Government in terms of sub section (4A) of Section 227 of the Companies Act 1956, and on the basis of such checks as we may have considered appropriate and according to the information and explanations given to us, we set out in annexure a Statement on the matters specified in the paragraph 4 and 5 of the said order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :-

- a. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper books of accounts as required by law have been kept by the company so far as appear from our examination of these books.

- c. The Balance Sheet and the Profit & Loss account and the Cash Flow statement dealt with by the report are in agreement with the books of accounts.

- d. In our opinion, these financial statements have been prepared in compliance with the applicable accounting standards referred to in Sub Clause [3c] of Section 211 of the Companies Act, 1956.

5. Based on the basis of the written representations made by all the Directors of the company as on 31st March 2010 and taken on record by the Board of Directors of the Company and in accordance with the information and explanations as made available, the Directors of the company do not, prima facie, have any disqualification as referred to in clause (g) sub-section (1) to the Section 274 of the Companies Act, 1956.

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements, together with the Notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act, 1956 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 affair of the company at 31st March 2010 and
- b. In case of Profit & Loss account, of the profit for the year ended on that date.
- c. In case of Cash flow Statement, of the cash flows for the year ended on that date.

For Ajay B. Garg
Chartered Accountant

A Garg
Mem. No 032538

Place: Mumbai,
Dated : 6th September, 2010

ARSS referred to in paragraph 3 of the Auditors' Report to the members of Niraj Cement Structurals Limited on the accounts for the year ended 31st March 2010.

1. In respect of Fixed Assets :

- a. The Company has maintained proper records to show full particulars including quantitative details and situation of the fixed assets.
- b. During the year, majority of the fixed assets have been physically verified by the management on the basis of phased programme of verification of the assets over a reasonable time. No material discrepancies were noticed on verification of the assets made during the year.
- c. In our opinion, the company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.

2. In respect of inventories :

- a. The management has conducted physical verification of inventory at reasonable intervals.
- b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and its nature of business.
- c. The company is maintaining proper records of inventory and as explained to us there were no material discrepancies noticed on physical verification of inventory, as compared to the book records.

3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or parties covered in the register maintained under section 301 of the Companies Act, 1956 :

- a. The company has not taken loans from any party covered in the Register maintained under section 301 of the Companies Act, 1956.
- b. The Company has not granted loans to parties covered in the register maintained under section 301.
- c. In our opinion, the rate of interest and other terms and conditions on which the loans has been obtained and /or given from the parties listed in register maintained under Sec. 301 of the Companies Act, 1956 are prima facie not prejudicial to the interest of the Company.
- d. The parties have repaid the Principal amounts as stipulated and have been regular in Payment of

interest.

- e. There are no overdue amounts more than one lakhs.

4. In our opinion and as per the information and explanation given to us there are adequate internal control procedure commensurate with the size of the company and nature of its business with regards to purchases of raw materials, stores, plant and machinery equipment and other assets and for sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control.

5. In respect of transactions covered under Section 301 of the Companies Act, 1956 :

- a. In our opinion and according to the information and explanations given to us, transactions that need to be entered into the Register in pursuance of section 301 of the Companies Act, 1956 have been so entered.
- b. So far we have been able to ascertain, the company has entered into transactions for purchase of goods and materials and sale of goods, materials and services in pursuance of contract or agreements entered in the Register maintained under Sec. 301 of the Companies Act, 1956 as aggregating during the year to Rs. 500,000/- or more in respect of each party. These transactions have been made at prices which are reasonable having regard to prevailing market prices available with the company for such goods and services or the prices at the relevant time.

6. In respect of Fixed Deposits :

In our opinion and as per information and explanation given to us the Company has complied with the provisions of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule 1975, with regards to the deposits accepted from the public.

7. In respect of internal audit systems :

In our opinion, the Company has an internal audit system commensurate with the size and its nature of business.

8. To the best of our knowledge and according to information given to us, the Central Government has not prescribed maintenance of cost records under sec. 209 (I) (d) of the Companies Act, 1956 in respect of any of the products of the Company.

9. In respect of statutory dues :

- a. According to the records of the company, the Company is generally regular in depositing undisputed statutory dues including the Provident Fund dues, ESIS dues, Income tax, Sales tax and other statutory dues applicable to it with the statutory authorities as on 31st March, 2010, except following dues.

Name of Statute	Nature of Amount the dues	(Rs. In Lacs)
Income Tax Act	FBT	7.67
Income Tax Act	Income Tax	231.00

- b. According to information and explanations given to us, following statutory dues which have not been deposited as on 31st March 2010 on account of dispute.

Nature of statutory dues	Forum where dispute is pending	Period to which it relates	Amount (Rs. In Lacs)
Income Tax Act, 1961	Commissioner of Income Tax (Appeals)	A.Y.2006-07	282.85
Works Contract Tax Act	Sales Tax Appellate Authority	F.Y.2004-05	0.44
ESIC	Dy. Director of ESIC	F.Y. 1995-97	2.74
ESIC	Dy. Director of ESIC	F.Y. 1997-98	2.86

Of the above ESIC dues the company has deposited an amount of Rs 2.71 lakhs as per the order of the court.

10. The company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.

11. According to information and explanations given to us, and based on the documents and records produced before us, and on the basis of the management representation on which we have placed reliance, the Company has not defaulted in repayment of dues to financial institution, banks or debenture holders.

12. According to information and explanations given to us, and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore the provisions of clause 4(xii) of the Order are not applicable to the Company.

13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.

Therefore the provisions of clause 4(xiii) of the Companies (Auditors Report) Order 2003 are not applicable to the Company.

14. In our opinion the company is not dealing in or trading in shares, securities, debentures and other investments. Therefore the provisions of clause 4(xiv) of the Companies (Auditors Report) Order 2003 are not applicable to the Company.

15. Based on our audit procedures and according to information and explanations given to us the company has not given guarantees for loans taken by others from a Bank or financial institution.

16. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, and on the basis of the management representation on which we have placed reliance, the term loans have been applied for the purpose for which they were raised.

17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, and on the basis of the management representation on which we have placed reliance, we are of the opinion that no funds raised on short term basis have been used for long term assets.

18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

19. The Company has not raised any monies by way of issue of debentures.

20. During the year the company has not raised any money by public issue and accordingly the provisions of clause 4 (xx) of the Companies (Auditor's Report) order, 2003 are not applicable to the Company.

21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For Ajay B. Garg
Chartered Accountant

A Garg
Mem. No 032538

Place: Mumbai
Dated : 6th September, 2010

Balance Sheet as at 31st March 2010

Amount in Rupees

PARTICULARS	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
I SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	103,428,000	103,428,000
Reserves and Surplus	B	1,156,332,961	1,083,720,950
Deferred Tax Liabilities	....	7,717,462	8,408,495
	TOTAL	1,267,478,422	1,195,557,446
Loan Funds			
Secured Loan	C	629,065,807	394,796,533
Unsecured Loan	D	246,678,073	417,782,075
	TOTAL	875,743,880	812,578,608
	TOTAL	2,143,222,302	2,008,136,054
II APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	E	318,495,182	284,894,281
Less : Accumulated Depreciation	....	117,006,684	102,720,072
Net Block	....	201,488,498	182,174,209
Investment		13,694,180	13,545,680
Current Assets, Loans & Advances	F	2,167,032,325	1,890,171,369
Less : Current Liabilities & Provisions	G	253,121,632	101,553,780
Net Current Assets	....	1,913,910,693	1,788,617,590
Deferred Revenue Exp.	....	14,128,931	23,798,576
	TOTAL	2,143,222,302	2,008,136,054

Notes to the Accounts

As per Our Report of even date

For Ajay B Garg

Chartered Accountant

Ajay Garg
Proprietor

V. K. Chopra
Chairman

Gulshan Chopra
Director

Place: Mumbai

Dated : 6th September, 2010

Profit & Loss Account for the period ended 31st March 2010

Amount in Rupees

PARTICULARS	SCHEDULE	PERIOD ENDED 31.03.2010	PERIOD ENDED 31.03.2009
INCOME			
Contract Receipts	H	1,847,240,663	1,404,091,012
Other Income	I	30,624,658	24,624,503
	TOTAL	1,877,865,321	1,428,715,515
EXPENDITURE			
Work Cost	J	1,562,038,395	1,152,809,116
Salaries, Wages	K	26,585,174	27,896,227
Selling, Administrative & Other Expenses	L	65,231,486	44,088,371
Interest	M	95,949,311	97,668,402
Managerial Remuneration	....	1,680,000	1,680,000
Depreciation	....	14,286,612	21,041,734
Provision for Gratuity	....	1,454,308	0
	TOTAL	1,767,225,286	1,345,183,849
PROFIT BEFORE INCOME TAX	....	110,640,035	83,531,666
Less: Deferred (Tax Asset) / Liability	....	-691,034	0
Income Tax	....	38,719,058	9,464,138
Fringe Benefit Tax	....	0	758,093
NET PROFIT AFTER TAXES		72,612,011	73,309,435
Less: APPROPRIATIONS			
Proposed Dividend	....	5,171,400	10,342,800
Dividend Tax	....	878,879	1,757,759
Prior period item written back	....	-6,050,279	0
Balance Carried to Balance Sheet		72,612,011	61,208,876
Earning Per Share (EPS)			
Number of Shares	....	10,342,800	10,342,800
EPS		7.02	7.09

Notes to the Accounts
As per Our Report of even date

For Ajay B Garg
Chartered Accountant

Ajay Garg
Proprietor

V. K. Chopra
Chairman

Gulshan Chopra
Director

Place: Mumbai
Dated : 6th September, 2010

Schedules to Balance Sheet as at 31st March 2010

Amount in Rupees

PARTICULARS	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
SHARE CAPITAL	A		
Authorised : 120,00,000 Equity Shares of Rs.10/- each	....	120,000,000	120,000,000
		120,000,000	120,000,000
Issued, Subscribed and Paid up Capital : 10342800 Equity Shares of Rs. 10/- each fully paid up	....	103,428,000	103,428,000
		103,428,000	103,428,000
RESERVES AND SURPLUS	B		
Profit and Loss A/c			
Opening Balance	....	0	0
Add: Profit during the year	....	72,612,011	61,208,876
Less: Transferred to General Reserve	....	72,612,011	61,208,876
Closing Balance		0	0
Share Premium			
Opening Balance	....	762,869,500	177,869,500
Add: Additions during the year	....	0	585,000,000
Closing Balance		762,869,500	762,869,500
General Reserve			
Opening Balance	....	320,851,450	259,642,574
Add: Transfer from P & L A/c	....	72,612,011	61,208,876
Closing Balance	....	393,463,461	320,851,450
Total	Total	1,156,332,961	1,083,720,950
SECURED LOAN :	C		
1. Bank overdraft	....	360,996,941	373,811,533
Against hypothecation of Bills and/or other collaterals and by personal guarantees of the Directors.			
2. Other Secured Loans			
Secured loan from Bank			
Secured by the hypothecation of various bank guarantees of the Contractors	....	220,023,260	0
Secured loan from Others			
Inter Corporate Loan/Deposit Secured by hypothecation of Shares	....	27,500,000	0
Secured Term Loan			
Secured by the Hypothecation of various fixed assets	....	20,545,606	20,985,000
Total	Total	629,065,807	394,796,533
UNSECURED LOAN:	D		
From Others	....	12,351,870	15,476,870
Mobilisation Advance	....	148,931,688	232,124,358
Material advance	....	85,394,515	170,180,847
		246,678,073	417,782,075

Schedule of Fixed Assets as at 31st March 2010

Schedule E **Depreciation Schedule** **Amount in Rupees**

S. No.	Asset Description	Depre. Rate	Gross Block		Depreciation			Net Block		
			As on 31-03-2009	Additions	As on 31-03-2010	As on 31-03-2009	On Op Bal	On Additions	As on 31-03-2010	As on 31-03-2009
1	Trucks/Dumpers	4.75%	42,861,593	0	42,861,593	16,745,630	2,035,926	0	18,781,556	24,080,037
2	Roller	4.75%	6,779,935	0	6,779,935	2,089,451	322,047	0	2,411,498	4,368,437
3	Motor Cars/Jeeps	9.50%	8,426,557	0	8,426,557	4,743,572	800,523	0	5,544,095	2,882,462
4	Office Equipments	4.75%	2,533,408	67,700	2,601,108	718,735	1,203,379	1,702	840,774	1,760,334
5	Loader Machine	4.75%	4,765,640	0	4,765,640	1,581,281	226,368	0	1,807,649	2,957,991
6	Furniture	6.33%	7,757,115	425,719	8,182,834	903,645	491,025	20,293	1,414,963	6,767,871
7	Computers	16.21%	4,483,630	172,910	4,656,540	1,780,586	726,796	12,383	2,519,766	2,136,774
8	Lab. Equipment	4.75%	2,982,852	359,753	3,342,605	823,066	141,685	8,569	973,320	2,369,285
9	Machinery	4.75%	30,084,176	22,777,669	52,861,845	8,472,746	1,428,998	746,102	10,647,846	42,213,999
10	Trailer	4.75%	1,068,946	0	1,068,946	307,985	50,775	0	358,760	710,186
11	Paver Machine	4.75%	60,138,316	0	60,138,316	15,782,939	2,856,570	0	18,639,509	41,498,807
12	Batching/Chilling Plant	4.75%	26,546,570	0	26,546,570	7,062,118	1,260,962	0	8,323,080	18,223,490
13	Weigh Bridge	4.75%	1,366,518	0	1,366,518	392,495	64,910	0	457,406	909,112
14	D. G Set	4.75%	7,981,507	87,000	8,068,507	2,148,234	379,122	408	2,527,763	5,540,744
15	Grader Motor	4.75%	6,660,503	0	6,660,503	2,098,044	316,374	0	2,414,418	4,246,085
16	Mobile Crane	4.75%	1,020,000	0	1,020,000	297,785	48,450	0	346,235	673,765
17	Crusher	4.75%	30,691,872	8,500,000	39,191,872	9,304,497	1,457,864	100,661	10,863,022	28,328,850
18	Excavator	4.75%	4,467,600	0	4,467,600	1,558,218	212,211	0	1,770,429	2,697,171
19	Temp Structure	100.00%	24,821,013	0	24,821,013	24,821,013	0	0	24,821,013	0
20	VHF /Wakie Takie	4.75%	584,534	27,905	612,439	121,762	27,765	847	150,374	462,065
21	Other Assets	4.75%	6,462,952	0	6,462,952	805,345	306,990	0	1,112,335	5,350,617
22	Factory Premises	3.34%	2,409,044	1,182,245	3,591,289	160,924	80,462	39,487	280,873	3,310,416
Total			284,894,281	33,600,901	318,495,182	102,720,072	13,356,161	930,451	117,006,683	201,488,499
Previous Year			254,219,798	30,674,483	284,894,281	81,771,638	21,041,733	0	102,720,072	182,174,209

Schedule to Balance Sheet as at 31st March 2010

Amount in Rupees

PARTICULARS	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
CURRENT ASSETS, LOANS & ADVANCES	F		
A Current Assets			
Stock in Trade			
As taken, valued and certified by the Director			
Raw Materials	....	26,356,839	356,744
Work in Progress, incl. Materials at site	....	113,076,580	3,061,556
At estimated realisable value on sale	....	0	125,340
Finished Goods	....	
Sundry Debtors (unsecured, Considered good)			
Debts Outstanding for a period not exceeding Six months	....	371,087,324	309,882,617
Other Debts	....	798,994,099	926,006,903
Cash & Bank Balances			
Cash in Hand	....	2,531,166	8,408,705
Balances with Scheduled banks			
In Current Accounts	....	28,119,392	23,527,991
In Fixed Deposits	....	66,079,396	208,507,457
B Loans & Advances (Unsecured, Considered good)			
Advances recoverable in cash or in kind or for value to be received and Deposits	....	296,555,249	164,357,339
Deposits	....	200,224,245	194,777,576
Staff Advance	....	1,319,510	1,267,489
Retention Money	....	23,156,845	29,628,875
Other Advances	....	19,508,420	20,262,777
Mobilisation Advances to Sub Contractors	....	220,023,260	0
Against Bank Guarantees	....	
Total	Total	2,167,032,325	1,890,171,369
CURRENT LIABILITIES & PROVISIONS	G		
A Current Liabilities			
Sundry Creditors	....	153,292,585	77,589,546
Creditors- Expenses	....	12,079,906	1,641,444
Total Current Liabilities		165,372,491	79,230,990
B Provisions			
For Tax & Dividend	....	67,070,621	22,322,790
For Gratuity	....	1,454,308	0
For Others	....	19,224,212	0
Total Provisions		87,749,141	22,322,790
Total	Total	253,121,632	101,553,780

Schedules to Profit & Loss Account for the period ended 31st March 2010

Amount in Rupees

PARTICULARS	SCHEDULE	PERIOD ENDED 31.03.2010	PERIOD ENDED 31.03.2009
INCOME	H		
Sales			
Sales	....	2,501,799	1,323,368
Contract Receipt	....	1,501,996,556	1,050,847,651
Contract Receipt Joint Venture	....	260,266,698	323,088,723
Work completed not certified	....	82,475,610	28,465,780
Transport Charges recd.	....	0	365,490
Total	Total	1,847,240,663	1,404,091,012
OTHER INCOME	I		
Miscellaneous Receipts	....	13,281,553	1,505,487
Interest Received	....	17,110,659	21,883,626
Machinery Hire charges	....	232,446	1,235,390
Total	Total	30,624,658	24,624,503
WORK COST	J		
Opening Work In Progress	....	3,543,640	10,608,000
Add : Construction and Operating Exp	....	1,671,571,335	1,145,744,756
		1,675,114,975	1,156,352,756
Less : Closing Work in Progress	....	113,076,580	3,543,640
Total	Total	1,562,038,395	1,152,809,116
CONSTRUCTION AND OPERATING EXPENSES			
Materials	....	211,974,970	231,689,144
Wages	...	1,052,956	0
Labour Charges	....	439,193	283,493
Joint venture expenses	....	257,973,238	319,857,836
Sub-Contract Charges	....	1,174,946,363	556,773,876
Transport Charges	....	4,648,598	8,880,301
Machinery Maintenance	....	75,096	1,248,091
Block Plant Expenses (RMC)	....	1,925,762	0
Electricity Charges	....	893,928	1,021,697
Loading and Unloading	....	95,824	137,464
Sales / VAT Output / Cess Tax/Excise	....	625,704	4,673,551
Repairs - Bldg. & Machinery	....	778,255	555,210
Factory Expenses	....	67,541	0
Licences & Other Fees	....	7,880	8,020
Machinery Hire Charges	....	14,908,978	18,952,920
Lease and Royalty	....	0	734,650
Water Charges	....	304,164	774,602
Truck Maint. Charges	....	852,885	153,901
Total	Total	1,671,571,335	1,145,744,756
SALARIES, WAGES AND OTHER EXPENSES	K		
Salaries , Bonus and Ex Gratia	....	24,972,559	25,549,596
Contribution to P.F. & Gratuity, ESIC	....	302,349	169,797
Staff Welfare	....	1,310,266	2,176,834
Total	Total	26,585,174	27,896,227

Schedules to Profit & Loss Account for the period ended 31st March 2010

Amount in Rupees

PARTICULARS	SCHEDULE	PERIOD ENDED 31.03.2010	PERIOD ENDED 31.03.2009
SELLING, ADMINISTRATIVE & OTHERS	L		
Advertisement	83,782	88,889
Auditor's Remuneration	551,500	551,500
Bank Charges	28,171,074	1,055,661
Brokerage & Commission	105,134	239,385
Computer Maint.	196,154	66,942
Conveyance	163,960	150,659
Donation	26,459	64,602
Insurance	981,425	615,029
Lab Testing charges	11,719	349,368
Labour Welfare Fund	0	192
Membership & Subscription	418,402	197,592
Administrative & Establishment	0	774,787
Office Expenses	1,487,666	543,837
Postage, Telegram & Courier	70,972	59,801
Printing and Stationery	638,402	700,862
Profession Tax	2,500	12,548
Professional Charges	2,923,426	876,443
Rent Rates and Property Tax	3,920,612	3,218,862
Registration ,Tender Fees & Legal Charges	3,257,779	2,346,986
Royalty Charges	460,720	0
Repairs and Maintenance - Others	8,574,227	11,269,735
Listing Fees	84,905	0
Security Charges	1,264,980	2,284,432
Site Expenses	3,520,911	7,610,562
Telephone/Fax Charges	871,937	1,029,169
Travelling Expenses	2,069,181	1,763,218
Vehicle Hire and Maint.	1,325,547	751,191
IPO Expenses	3,469,644	5,949,644
Works Contract Tax	578,468	1,516,475
Total	Total	65,231,486	44,088,371
INTEREST	M		
Bank Interest	58,382,514	36,975,386
Interest On Term Loan	9,076,047	31,134,984
Other Interest	1,952,188	29,558,032
Interest On Mobilisation Advances	26,538,562	0
Total	Total	95,949,311	97,668,402

Cash Flow Statement For The Year Ended 31st March 2010

Rs in Lakhs

CASH FLOW FROM OPERATIONAL ACTIVITY		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS :		72,612,011
ADJUSTMENTS FOR :		
Depreciation		14,286,612
Prelim. Exp W/Off		3,469,644
Provision For Gratuity		1,454,308
Finance Charges		95,949,311
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		187,771,886
ADJUSTMENTS FOR :		
(Increase)/Decrease in Trade receivables		65,808,097
(Increase)/Decrease in Inventories		(135,889,779)
(Increase)/Decrease in Loans and Advances		(350,493,473)
Increase /(Decrease) in Trade Payables		86,141,501
Other Provision Gr/IT		37,264,750
Increase /(Decrease) in Other Liabilities		65,426,352
CASH GENERATED FROM OPERATIONS		(43,970,666)
Less: Tax Paid		(39,410,092)
NET CASH GENERATED FROM OPERATIONS	A	(83,380,758)
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to Investments		(148,500)
Decrease in Deferred Revenue Exp.		6,200,000
Additions to Fixed Assets		(33,600,901)
NET CASH FROM INVESTING ACTIVITIES	B	(27,549,401)
CASH FLOW FROM FINANCING ACTIVITIES		
PROCEEDS FROM BANK BORROWING		
- For Working Capital		(12,814,592)
- For Term Loan		219,583,866
Intercompany Corporate Deposit / Loans		27,500,000
PPI- Dividend		6,050,279
Dividend paid		(5,171,400)
Dividend Tax Paid		(878,879)
Finance Charges Paid		(95,949,311)
Decrease in Loans and Advances recd		(171,104,002)
NET CASH FROM FINANCING ACTIVITIES	C	(32,784,039)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS - (A+B+C)	D	(143,714,199)
OPENING CASH AND CASH EQUIVALENTS	E	240,444,153
CLOSING CASH AND CASH EQUIVALENTS - (D+E)		96,729,954

Schedule-O

NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2010.

1. Statement of Significant Accounting Policies

- a. Basis of accounting: The financial statement have been prepared to comply in all material aspect with the Notified Accounting Standards stated in Companies Accounting Standards Rule, 2006 (as amended) and the relevant provision of the Companies Act, 1956. Except otherwise mentioned, the accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b. Fixed Assets and Depreciation :

- i. All the fixed assets purchased are stated at cost of acquisition except in case of those assets which are revalued.
- ii. Depreciation on fixed assets is provided on "Straight line Method", at the rates prescribed by Schedule XIV of the Companies Act, 1956.
- iii. Depreciation on revalued assets (if any) is provided at the rate specified u/s-205(2) (b) of the Companies Act, 1956 or estimated useful life, whichever is higher.
- iv. Depreciation on fixed assets added/disposed off during the year is provided on prorata basis with reference to the date of addition/disposal.
- v. In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over the remaining useful life.

c. Sundry Debtors / Loans and Advances:

Sundry Debtors / Loans and Advances are stated net of provision for identified doubtful debts/advances. Sundry Debtors and Loans and Advances has been taken at the reconciled amount for the parties from whom the balance confirmation was received and for the rest balances are taken as per book balance. As and

when the confirmations with respect to the balances will be received the reconciliations will be done and the adjustments, if any, on this account will be made. In the opinion of the management, subject to reconciliations referred to above, the debts and Loans and advances to the extent as stated are considered good in the Balance Sheet are fully recoverable.

d. Investments:

The Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as other investments.

e. Cash and cash equivalents:

Cash and cash equivalents in the cash flow statements comprise Cash at bank and cash in hand and short term investments with an original maturity of three months or less, as applicable.

f. Revenue Recognition:

- i) In respect of Construction contracts and in manner specified under Accounting Standards AS-7 on Construction Contracts, Revenue is recognized on Percentage completion method based on the Bills submitted, certified and sanctioned by the appropriate authorities. The relevant cost is recognized in accounts in the year of recognition of the revenue.
- ii) The total costs of contract are estimated by the Company and are based on technical and other estimates. The auditors have relied on such assumptions.

g. Contract Receipts - Joint venture:

Proportionate Consolidation method of accounting and reporting is followed in respect of Joint venture entered into by the Company. The Income from such joint venture is recognized proportionately on the basis of Bills submitted, certified and sanctioned by the appropriate

authorities. The actual expenses for such Project in Joint Venture are accounted on the basis of the Profit sharing ratio.

h. Valuation of work in progress:

- i) The work in progress has been determined by the Management at the estimated realizable value.
- ii) The value of work in progress comprises of value of material and expenses incurred at site including estimated profits thereon in terms of guidelines provided under Accounting Standards AS 7 on Construction Contracts.

i. Borrowing costs:

Borrowing costs are accounted on accrual basis. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

j. Taxation:

- a. Tax expenses comprises of current & deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with provision of The Indian Income Tax Act, 1961. Deferred Income Taxes reflect the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier year.
- b. The deferred tax is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date.

k. Impairment of Assets :

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine:

- The provision for impairment loss required, if any, or

- The reversal required of impairment loss recognised in previous periods, if any, Impairment loss is recognised when the carrying amount of asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at higher of net selling price and the value in use.

l. Retirement Benefits :

- i) The retirement benefit in the form of Provident Fund and Pension Schemes whether in pursuance of any law or otherwise is accounted on accrual basis and charged to profit and loss account of the year.
- ii) Gratuity in respect of past and present services of employees is being accounted for on accrual basis based on actuarial valuation.
- iii) No separate provision has been made in respect of leave encashment as the same is paid to the employee as and when it is claimed.

m. Provisions:

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- i) The company has a present obligation as a result of past event
- ii) A probable outflow of resources is expected to settle the obligation; and
- iii) The amount of obligation can be reliably estimated

Provisions made in terms of accounting Standard 29 are not discounted to its present value and are determined based on the management estimates required to settle the obligation at the Balance Sheet date.

n. Cash Flow Statement

The cash flow statement is prepared in the manner

set out in Accounting Standards 3. Cash and cash equivalents presented in the cash flow statement consists of cash on hand and balances with banks.

2. Disclosure as per Accounting Standard AS -15:

Defined Contribution Plan:

Company contribution to Provident fund is charged to profit and loss account of the year when the contributions to the respective funds are due.

I. Defined Benefit Plan: Gratuity liabilities are provided for based on actuarial valuation. The Actuarial valuation is done on Projected Unit Credit method. Actuarial gains or losses are recognized immediately in the statements of the profit and loss account as income or expense.

The assumptions, workings based on which gratuity liability is recognized and provided for is as below:

A) Assumptions:

Current Year

Particulars	Details
Discount rate	8.00%
Salary escalation rate	10.00%
Rate of return (expected) on plan assets	Nil (as no fund)
Benefits	As per Gratuity Act, taking limit of Rs.3.50 lakhs
Expected average remaining service	6.86 years

Retirement age : 60 years

B) Amounts to be recognized in the balance sheet:

Particulars	Amount (Rs.)
PVO at the end of year	1454308
Fair value of plan Assets at the end of year	0
Funded status	(1454308)
Unrecognized Actuarial Gain/(Loss)	0
Net Asset/(Liability) recognized in the balance sheet	(1454308)

C) Expense recognized in the statement of Profit and Loss account:

Particulars	Amount (Rs.)
Current Service Cost	329155
Interest Cost	0
Expected Return on Plan Assets	0
Net Actuarial Gain/(Loss) recognized for the year	(1125153)
Expense recognized in the statement of Profit and Loss account	1454308

D) Movements in the Liability recognized in Balance Sheet :

Particulars	Amount (Rs.)
Opening Net Liability	0
Expenses as above	1454308
Contribution paid	0
Closing Net Liability	1454308

3. Earnings per share

In terms of Accounting Standards 20, the calculation of EPS is given below:

Particulars	2009-10	2008-09
Profit after taxation as per accounts(Rs.)	7,26,12,011	7,33,09,435
Weighted Average Number of equity shares outstanding during the year	10342800	10342800
Nominal Value of share	10	10
Basic & Diluted EPS (Rs)	7.02	7.09

4. Contingent liability not provided for:

- The value of Bank guarantees given by the company for various purposes outstanding as on 31.3.2010 is Rs.9304.26 lakhs (Previous year Rs. 6312.45 Lakhs). The company has given counter guarantee for the same amount.
- The Sub Contractors have submitted Bank Guarantees to the Company for Mobilisation advances received by them, these Bank Guarantee has been assigned to M/s AXIS Bank Ltd who has in turn advanced monies to the Company. The outstanding guarantee as on 31.3.2010 is Rs. 2200.23 Lacs (Previous year NIL)
- Disputed Income tax demanded for which appeal is pending before the relevant Appellate Authorities is Rs.282.85 lakhs as detailed in para 9 below.
- Disputed ESIC demanded for which appeal is pending before the relevant Appellate Authorities is Rs.5.6 lakhs as detailed in para 10 below.

5. Payment to Auditors :

Particulars	2009-10 (Amount in Rs.)	2008-09 (Amount in Rs.)
Audit Fees	5,51,500	5,51,500

6. a) Term loans :

i) Secured loans amounting to Rs. 205.46 lakhs (previous year Rs.209.85 lakhs) from the financial institutions and banks together with interest and other charges thereon, are secured by a mortgage of a part of the company's immovable assets, both present and future.

ii) Secured Loan from Axis Bank of Rs.2200.23 lakhs (previous year – Nil) disbursed directly to sub-contractor, which are secured by Bank Guarantee of Sub-contractors.

iii) Secured Loan from others amounting to Rs.275.00 lakhs are Inter Corporate Deposit/Loan against hypothecation of Promoters shares

b) Cash Credit/Bank Overdraft facility from bank (outstanding amount of Rs.3609.97 lakhs) together with interest and other charges thereon, are secured by hypothecation of stock / book debts/Bills, other collaterals assets and personal guarantees of promoter directors of the company.

7. Other additional Quantitative information pursuant to para 3,4-C , and 4-D of part - II of Schedule VI of the Companies Act, 1956 is not ascertainable and amenable and hence not included in the Report.

8. Managerial Remuneration

Particulars	2009-10 (in Rs.)	2008-09 (in Rs.)
Basic Salary	12,00,000	12,00,000
House Rent Allowance	1,20,000	1,20,000
Medical Allowance	1,20,000	1,20,000
Total	16,80,000	16,18,000

9. Income tax matters

Particulars	2009-10 (Rs. In lakhs)
Total demand raised for income tax assessments completed up to FY 2005-06 and contested in appeal by the Company	282.85

10. ESIC Matters

Particulars	2009-10 (Rs. In lakhs)
Total demand raised for ESIC assessments For year 1995-97 and contested in appeal by the Company	2.74
Total demand raised for ESIC assessments For year 1997-98 and contested in appeal by the Company	2.86

Of the above the company has deposited an amount of Rs 2.71 lakhs as per the orders of the court.

11. Set off of advance tax and prepaid taxes against provisions made:

The advance tax, Tax deducted at Source and other prepaid taxes and provisions thereof are shown as Net of Taxes (both for VAT and Income tax) for the earlier years.

12. In absence of incomplete information from the vendors with regards to their registration (filling of Memorandum) under The Micro, Small and Medium Enterprises Development Act, 2006. (27 of 2006), the Company is unable to compile the full information required to be disclosed herein under section 22 of the said Act.

13. Segment Reporting:

a) The main business activities of company are that of execution of Infrastructure development Project through fixed price contracts. The same is considered as single segment by the Company in terms of guidelines provided in Accounting Standard 17.

b) During the year under review, the company has been operating in India and the same is considered

as single geographical segment for the purpose of disclosures.

14. Investment mentioned as above includes as follows:

Description	Rs.
Investment in Joint Venture	
Niraj-Pratibha (J/V)	1,00,00,000
PCNS Capital Investment	35,45,680
Investment in Shares	
Canara Bank 4100 shares @ Rs.35/-each	1,43,500
Punjab & Maharashtra Bank	5,000

Disclosures for transactions with related parties as required by Accounting Standard 18 issued by the Institute of Chartered Accountants of India are as follows:

a. Particulars of Joint Venture and/or concerns where control exists:

Nature	Sr.No	Name Of The Party
Jointly Controlled Operations	1	Niraj -Pratibha (J/V)
	2	Niraj -Supreme (J/V)
	3	Niraj - J.M.Mhatre (J/V)
	4	Niraj - ARSS (J/V)
	5	HGCL- Niraj- Supreme (J/V)

b. Key Management Personnel

Sr.No	Name of the person	Designation
1	Mr. Vijay Kumar Chopra	Chairman & Managing Director
2	Mr. Gulshan Vijay Chopra	Whole Time Director
3	Mr. Akash H. Madan	Independent Executive Director
4	Mr. G. R. Kamath	Independent Executive Director
5	Mr. Manoj Rastogi	CEO

15. Disclosure of transaction between the Company and Related Parties:

The details of transactions executed between the Company and related parties during the financial year 2009-10 is as per ARSS.

The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company, which has been relied upon by the auditors.

Details for Value of Imported and Indigenous Raw materials and spare parts and components consumed and % thereof is not included as the same is not applicable.

Raw Materials Rs NIL Lakhs (Previous Year NIL)

16. Expenditure in Foreign currency during the financial year on account of Royalty, Know how fees, professional and consultation fees, interest and other matters:

a. Travel Rs. NIL (previous year Rs. NIL)

17. The amount remitted during the year in Foreign currency on account of:

a. Dividend NIL (previous year NIL)

b. No. of Non Resident Shareholders NIL (Previous year NIL)

18. Earnings in foreign Currency:

a. Exports of goods calculated on F.O.B. basis - NIL (previous year NIL).

b. Royalty, Know how, professional fees and Consultation fees - NIL (Previous year NIL).

c. Interest and Dividend - NIL (Previous year NIL)

d. Other Income - NIL (Previous year NIL)

19. The balances on all personal accounts are subject to confirmation by the parties and reconciliation, if any.

20. As required by Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute Of Chartered Accountants Of India, which is mandatory in nature, the Company has recognized Deferred taxes

which result from the timing difference between the Book Profits and Tax Profits. As a result the deferred tax assets for the year aggregating Rs. 6.91 lakhs has been recognised in the Profit and Loss Account.

The break up of net Deferred tax Calculation is as under:

Particulars	2009-10 (Amount in Rs.)	2008-09 (Amount in Rs.)
Opening Balance Dr/(Cr) (A)	(84,08,496)	(84,08,496)
Deferred Assets: Timing difference in depreciable assets for the current year (B)	1,96,715	Nil
Deferred Asset: Timing difference on account of Gratuity Provision (C)	4,94,319	Nil
Net Deferred Tax Assets for the current year (D)	6,91,034	Nil
Closing Balance (E = A-D)	(77,17,462)	(84,08,496)

21. In the opinion of the management, the current assets, loans and advances are approximately stated if realized in the ordinary course of business. The provisions for current liabilities and all other liabilities is adequate and not in excess of the amount reasonably necessary.

22. Previous year's figures have been regrouped / recast / rearranged, wherever necessary.

In terms of our report of even date attached

For Ajay B Garg
Chartered Accountant

A Garg
Mem. No 032538

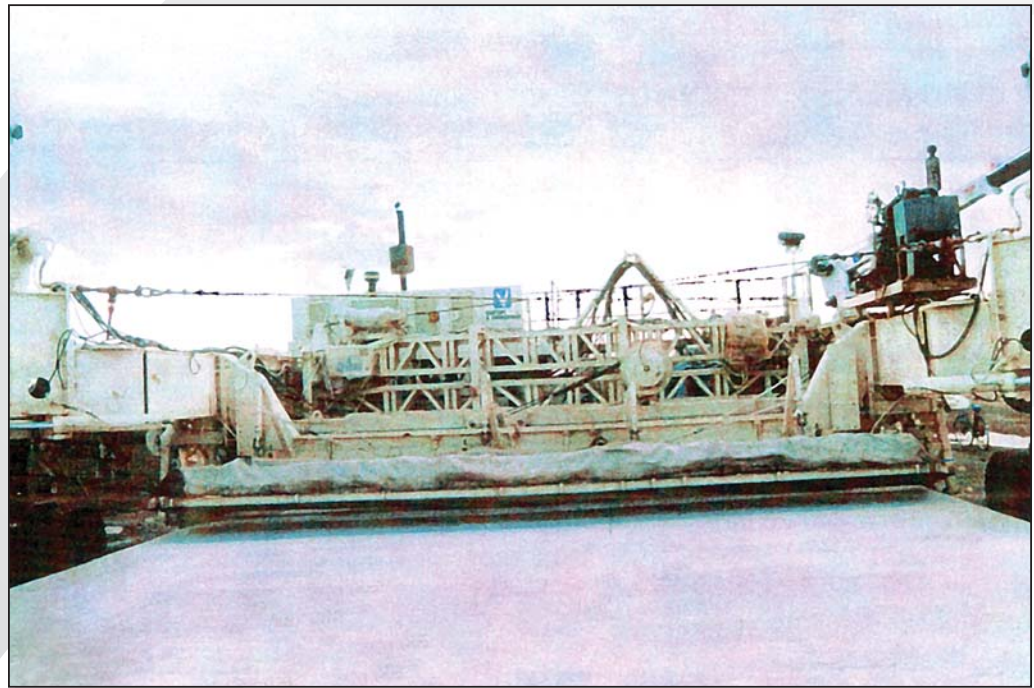
Place: Mumbai,
Dated : 6th September, 2010

Related Party Transactions For The Year Ended 31st March 2010

Name Of The Party / Person	Relation	Activity	Transaction - Rs	Max O/s On Any Day	Balance As On 31st March, 2010
Mr Vijay Kumar Chopra	Director	Salary	8,40,000	NIL	NIL
Mr Gulshan V Chopra	Director	Salary	8,40,000	NIL	NIL
Asha Trading Company	Director As Partner	Sale	16,18,004	NIL	NIL
Asha Trading Company	Director As Partner	Current Account	N A	5,98,630 Dr.	48,911 Dr.
HGCL Niraj Supreme Infrastructure P Ltd	Common Director	Expenses	18,00,000	18,00,000	18,00,000 Dr.
Mr Kishan K Chopra	Brother of Mr V K Chopra	Salary	211,800	NIL	NIL
Prakash Construction & Niraj Structurals	Partnership	Capital Account	34,45,680	34,45,680	34,45,680 Dr
Niraj- Pratibha J/V	Joint Venture	Capital Account	10,000,000	1,00,00,000	10,00,0000 Dr.
Niraj Arss J/V	Joint Venture	Contract Receipt	114,672,630	114,672,624	2293453 Cr.
Niraj Pratibha J/V	Joint Venture	Contract Receipt	145,594,068	145,594,067	0
Niraj Pratibha J/V	Joint Venture	Expenses	145,594,067	145,594,067	0
Niraj Arss J/V	Joint Venture	Expenses	112,379,171	114,672,624	0

Balance Sheet Extract And Company's General Business Profile

I REGISTRATION DETAILS Registration No. State Code Balance Sheet date	11-114307 11 31 ST March 2010
II CAPITAL RAISED DURING THE YEAR Public Issue Rights Issue Bonus Private Placement	Rs in Lakhs Nil Nil Nil Nil
III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS Total Liabilities Total Assets a. Sources of Funds Paid up Capital Reserves and Surplus Deferred Tax Liabilities Secured Loan Unsecured Loan b. Application of Funds Net fixed assets Investments Net Current Assets Misc. Expenditure	Rs in Lakhs 21432.22 21432.22 1034.28 11563.33 77.17 6290.66 2466.78 2014.88 136.94 19139.11 141.29
IV. PERFORMANCE OF THE COMPANY Turnover Total Expenditure Profit before tax Earning per share Dividend Rate % V. GENERIC NAME OF THREE PRINCIPAL PRODUCTS / SERVICE OF THE COMPANY : Product Description Civil Construction	18472.41 17672.25 1106.40 Rs.7.02 per share 5% Item Code 45203



12th

ANNUAL REPORT
2009-2010

CONCRETE IDEAS FOR BETTER LIVING



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