GPT Infraprojects Limited
"Jeewansatya"
DD-6, Salt Lake City, Sector - I
Kolkata - 700 064
www.gptgroup.co.in

ON THE FAST TRACK...

GPT Infraprojects Limited | Thirtieth Annual Report 2009-10

Forward-looking statement

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

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

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contents

Corporate information

Chairman	:	Mr. D. P. Tantia
Managing Director	:	Mr. S. G. Tantia
Executive Director	:	Mr. Atul Tantia
Non-Executive Directors	:	Mr. H. S. Sinha Mr. V. N. Purohit Dr. N. N. Som Mr. Kunal Kumthekar (Nominee Director of Nine Rivers Capital Limited, Mauritius)
Chief Operating Officer	:	Mr. Vaibhav Tantia
Chief Finance Officer	:	Mr. A. K. Dokania
Company Secretary	:	Mr. R. Mishra
Bankers	:	Allahabad Bank State Bank of India ICICI Bank Limited Axis Bank Limited IDBI Bank Limited Export Import Bank of India
Auditors	:	S. R. Batliboi & Associates (Chartered Accountants)
Registered & Corporate Office	:	Jeewansatya, DD-6 Sector I, Salt Lake City Kolkata – 700 064, India
Registrar & Transfer Agent	:	ABS Consultant Private Limited Stephen House 4 B.B.D. Bagh Kolkata – 700 001 India

Directors' Report

Dear members

We are delighted to present the 30th Annual Report on our business and operations and the audited accounts for the financial year ended 31st March 2010

1. Results of Operations

Rs. in thousands, except per share data

	2010	2009
Operating profit before interest and depreciation (EBITDA)	436,339	255,469
Interest	143,152	123,625
Depreciation	48,537	33,811
Operating profit before tax	244,650	98,033
Provision for taxation	88,129	15,395
Net profit after tax	156,521	82,638
Profit and loss account balance brought forward	139,179	73,665
Amount available for appropriation	295,700	156,303
Dividend		
Interim	17,770	-
Final	7,650	12,500
Total dividend	25,420	12,500
Dividend tax	4,222	2,124
Amount transferred to general reserve	17,500	2,500
Balance in profit and loss account	248,558	139,179
EPS		
Basic	15.07	11.56
Diluted	12.07	11.56

2. Business

Our total stand alone revenue increased to Rs. 3,072,968 thousand from Rs. 1,987,859 thousand in the previous year, at a growth rate of 55%.

Our EBITDA for the year under review is Rs. 436,339 thousand compared to Rs. 255,469 thousand for the previous year, up from 12.85% to 14.20% of the total income for the current year, an increase of 71% compared to the previous year.

Our PAT for the year ended 31st March 2010 is Rs. 156,521 thousand compared to Rs. 82,638 thousand for the year ended 31st March 2009, an increase of 89%.

3. Concrete Sleeper Business

During 2009-10, this business recorded a total income of Rs. 470,934 thousand as against Rs. 618,949 thousand, due to suspension of production at its works at Panagarh for about 62 days because of reasons attributable to major buyers.

This year we received an order from IRCON International Limited for supply of 143,000 sleepers for their project in Sri Lanka at an order valued at USD 5 Million, in a project funded by Export Import Bank of India under a Government of India Line of Credit to the Government of Sri Lanka.

The export order worth USD 12.62 million from Mozambique, a world bank-funded project, is under smooth execution which is likely to be completed in current year 2010-11, due to additional orders received from the buyer.

We are pleased to report that the plant at Ladysmith, KwaZulu Natal Province, South Africa to manufacture pre-stressed concrete sleepers against the order received from Transnet Freight Rail, a division of Transnet Limited, a company under the Ministry of Public Enterprise, Republic of South Africa undertaken during 2008-09 by your Company's overseas subsidiary namely; GPT Concrete Products South Africa (Pty) Limited, was successfully commissioned and commercial production commenced on and from 1st April 2009.

During the year ended 31st March 2010, a Memorandum of Agreement was entered into between the Company and The Government of the Republic of Namibia represented by Ministry of Works & Transport and TransNamib Holdings Limited, Namibia, under Public Private Partnership (PPP) model for the purpose of undertaking a project for setting-up a plant for manufacture and supply of concrete sleepers in Tsumeb, Namibia. This project shall have an estimated project cost of N$50 million approximately (equivalent to USD 6.60 million or Rs. 31 crore approximately).

4. Civil and core infrastructure business

During 2009-10, this division contributed towards a record total income of Rs. 2,607,002 thousand against that of Rs. 1,359,024 thousand for the previous year, a growth of 92%. This business currently has order under execution of Rs.1,148 crore as on 31st March 2010.

We are pleased to inform that the Company in joint venture with another construction company have received an order from National Highways Authority of India (NHAI) for construction of major bridges and road under the Build Operate and Transfer (BOT) on Annuity basis.

5. Wind power business

During the current year, this division contributed Rs. 14,458 thousand to the total income against that of Rs. 12,820 thousand in the previous year, indicating an increase of 13% over the last year.

6. Dividend

Your directors have declared an interim dividend of Rs. 1.25 per equity share of Rs. 10 each aggregating to Rs. 12,750 thousand (excluding Dividend tax Rs. 2,118 thousand) and Rs. 2.80 per Compulsorily Convertible Preference Shares of Rs. 140 (CCPS) aggregating to Rs. 5,020 thousand (excluding Dividend tax Rs. 833 thousand). The Board of Directors are pleased to recommend an additional final dividend of Rs. 0.75 per equity share of Rs. 10 each aggregating to Rs. 7,650 (excluding Dividend tax Rs. 1,271 thousand).

7. Share capital

In the Extra-Ordinary General Meeting of the Company held on 24th December 2009, the Company's Authorised Share Capital increased to Rs. 40,00,00,000 divided into 148,98,000 equity shares of Rs. 10 each ranking pari-passu with the existing share capital and 17,93,000 compulsorily convertible preference shares of Rs. 140 each.

During 2009-10, your Company allotted 2,00,000 equity shares of Rs. 10 each at a premium of Rs. 90 per share to GPT Employees Welfare Trust under ESOP scheme.

Preferential allotment of equity warrant

During 2009-10, with the approval of the shareholders, the Board of Directors of the Company at the meeting held on 6th January 2010 allotted 11,75,000 convertible equity warrants at a price of Rs. 140 each on preferential basis. Each equity warrant carries a right to convert into one equity share of Rs. 10 at a premium of Rs. 130 per share, over a period of 18 months from the date of allotment.

Preferential allotment of compulsorily convertible preference share (CCPS)

During 2009-10, with the approval of the shareholders, the Board of Directors of the Company at the meeting held on 6th January 2010 allotted 17,93,000 compulsorily convertible preference shares (CCPS) at a price of Rs. 140 each on preferential basis to a private equity investor. Each CCPS carries a right to convert into one equity share of Rs. 10 at a premium of Rs. 130 per share, over a period of 18 months from the date of allotment.

The above issue was raised for the purposes of long term working capital of the Company and has accordingly been utilised as such.

8. Employees Stock Option Scheme

With a view to enable its employees to participate in the future growth and success, the Company introduced Employee Stock Option Scheme-2009 ("ESOP Scheme") in the Financial Year 2009-2010. With the approval of shareholders, the Board of Directors of the Company at its meeting held on 2nd January 2010, allotted 2,00,000 equity shares of Rs. 10 each at a premium of Rs. 90 per share to GPT Employees Welfare Trust for the purpose of issuing shares to the eligible persons under the ESOP Scheme.

As approved by the members at their meeting held on 24th December 2009, the Employees Stock Option Scheme was introduced by the Company with broad parameters with a direction to the Board to frame the detailed Scheme. However, pending finalization of detailed scheme, no options have been granted to the Employees by the Compensation Committee of the Board.

The disclosures as stipulated in accordance with the SEBI Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines 1999 as at 31st March 2010 are as under:-

Date of Board Approval	: 30.11.2009
Date of Shareholder's Approval	: 24.12.2009
Number of Options to be granted	: 200,000
Vesting Period	: 1 – 5 years
Exercise Period	: 5 years from vesting period

However, the other details are not applicable pending grant of options. The broad scheme as approved by the members in their Extra Ordinary General Meeting (EGM) held on 24th December 2009 is annexed hereto.

9. Credit rating of debt instrument

During 2009-2010, the Company obtained the domestic credit ratings of BBB+ from Credit Analysis & Research Ltd (CARE) for the long term credit facilities.

10. Management's Discussion and Analysis

Management's Discussion and Analysis Report for the year under review as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

11. Directors

Mr. Vishwa Nath Purohit and Dr. Nitindra Nath Som, Directors of the Company will retire at the forthcoming Annual General Meeting by rotation and, being eligible, offer themselves for re-appointment.

During 2009-10, Mr. Kunal Kumthekar, the nominee of Nine Rivers Capital Limited, Mauritius, was appointed as an Additional Director of the Company in the Board of Directors meeting held on 6th January 2010 and as such hold office up to the date of ensuing Annual General Meeting of the Company. The Company received requisite notice in writing from a member proposing the candidature of Mr. Kumthekar to the office of a Director.

12. Subsidiary Companies

During 2009-10, your Company continues to hold 54% shareholding of a joint venture company namely GPT Concrete Products South Africa (Pty) Limited, co-promoted in South Africa with the object inter alia to manufacture and supply concrete sleepers. As reported earlier, the commercial production of the unit set up by the said subsidiary commenced on and with effect from 1st April 2009.

Your Company promoted another wholly-owned subsidiary namely GPT Investments Private Limited, incorporated on 27th March 2008 in Republic of Mauritius with the object mainly to part finance your Company's subsidiary in South Africa and other overseas projects.

The audited accounts as at and for the period ended 31st March 2010 of both the said subsidiaries are annexed to the Annual Report of your Company.

Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies:-

Name of Subsidiary	GPT Concrete Products South Africa (Pty) Limited, South Africa	GPT Investments Private Limited, Mauritius
Financial Year ending of the Subsidiary	31st March 2010	31st March 2010
No. of Equity Shares held with its face value	27,000 (PY 27,000) Equity Shares of ZAR 1 each	2,125,000 (PY 2,125,000) Equity Shares of USD 1 each
Extent of Holding	54% (PY 54%)	100% (PY 100%)
Profit / (Loss) so far as it concerns the members of the holding company and not dealt with in the holding company's accounts	Rs. 7,827 thousand (PY Loss of Rs. 4,032 thousand)	Rs. 25,606 thousand (PY Rs. 6,652 thousand)
Profit / (Loss) so far as it concerns the members of the holding company and not dealt with in the holding company's accounts	Nil (PY Nil)	Nil (PY Nil)

13. Human resources

During the year under review, there was a renewed thrust on attracting, developing and retaining talent. To improve the competence of employees, organisational effectiveness and productivity, a number of need-based training and development programmes were organised. Human relations continued to be cordial.

Your Directors wish to place on record their appreciation of all the employees for their valuable contribution.

14. Listing of the equity shares

The Company's equity shares are listed with The Calcutta Stock Exchange Ltd. (CSE) and The U.P. Stock Exchange Association Ltd. (UPSE). During 2009-10, the Company issued/allotted 2,00,000 equity shares to GPT Employees Welfare Trust under the ESOP Scheme in respect of which the both the Stock Exchange has already issued its Listing Approval to the Company.

15. Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance. The report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company, M/s. S. R. Batliboi & Associates confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report.

16. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The additional information required under the provision of Section 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1998, and forming part of the Report, is also annexed hereto.

17. Particulars of Employees

The name and other Particulars of Employees whose salary exceed the limits as prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (particulars of Employees) Rules, 1975, are given below:

Name	: Mr. Shree Gopal Tantia
Age	: 45 years
Qualification	: Graduate
Date of Employment	: 13th August 2007
Designation / Nature of Duties	: Managing Director
Remuneration received gross (Rs. in '000)	: 3,280
Experience	: 26 years
Last employment	: Managing Director, GPT Infrastructures Private Limited

Notes:

a) Remuneration received includes only salary.

b) Nature of employment is contractual. Other terms and conditions are as per the Board resolution and as per the Company rules.

c) Mr. Shree Gopal Tantia holds 13,68,022 shares in the Company which is about 13.41% of the Company's total equity shares.

18. Auditors and Auditor's Report

During 2009-10, M/s. S.M. Bengani & Company, Chartered Accountants, the Auditors of the Company resigned from the statutory auditorship of the Company. The Board placed on record its deep sense of appreciation for the co-operation and valuable advices received from him from time to time during his tenure of office as the Company's Statutory Auditors.

On the recommendation of the Audit Committee as well as the Board, your Company at its Extra-ordinary General Meeting held on 24th December 2009, appointed M/s. S.R. Batliboi & Associates, Chartered Accountants, Kolkata, as the Company's Statutory Auditors to fill up the causal vacancy caused by the resignation M/s. S.M. Bengani & Company, Chartered Accountants, to hold the office up to the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and they are not disqualified for appointment within the meaning of Section 226 of the said Act.

As regards observations contained in the Auditors' Report, the respective notes to the accounts are self-explanatory and, therefore, do not call for further comments.

19. Directors' responsibility statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' responsibility statement, it is hereby confirmed:

a. That in preparation of the annual accounts, the applicable accounting standards were followed along with a proper explanation relating to the material departures, if any;

b. That the Directors selected such accounting policies and applied them consistently, made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the Company's state of affairs as at 31st March 2010 and of the Profit and Loss Account of the Company for the year ended on that date;

c. That the Directors took proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities;

d. That the Directors prepared the annual accounts on going concern basis.

20. Acknowledgements

Your Directors acknowledge with gratitude the co-operation and assistance received from various agencies of the Government and from banks, financial institutions, financial companies, vendors, customers and our valued investors.

For and on behalf of the Board,

Registered office:
Jeewansatya
DD-6, Salt Lake City
Kolkata 700 064

D. P. Tantia
Chairman

Dated: 22nd May 2010

Annexure - I to the Directors' Report

Information under Section 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the Report of Board of Directors) Rule 1988, and forming part of the Directors' Report for the year ended 31st March 2010.

A. Conservation of energy

(i) Power factor improvement.

(ii) Campaign to create awareness amongst the employees on the necessity of conservation of energy is practiced regularly.

B. Technology absorption

Research and development (R&D)	:	The technology was developed in-house. A small R&D unit was set up to monitor and upgrade the technology developed in-house.
Technology absorption, adaptation and innovation	:	Not applicable

C. Foreign exchange earnings:

Exports (FOB)	:	Rs. 109,306 thousand (PY Rs. 189,986 thousand)
Other income	:	Rs. 23,780 thousand (PY Rs. 4,959 thousand)

D. Foreign exchange expenditure:

Foreign travel	:	Rs. 1,262 thousand (PY Rs.1,144 thousand)
Professional Fees	:	Rs. Nil (PY Rs. 4,747 thousand)
Interest	:	Rs. 802 thousand (P.Y. Rs. Nil)

For and on behalf of the Board,

D. P. Tantia
Chairman

Registered Office:
Jeewansatya
DD-6, Salt Lake City
Kolkata 700 064

Dated: 22nd May 2010

Annexure - II to the Directors' Report

Broad parameters of the Employees Stock Option Scheme 2009 ("ESOP Scheme") as approved by the members in the Extra-Ordinary General Meeting (EGM) held on 24th December 2009:

1. Total number of options to be granted:

Options exercisable into not more than 2,00,000 Equity Shares of Rs.10/- each of the Company will be available for being granted to eligible employees and directors of the Company through the Trust.

2. Identification of classes of employees entitled to participate in the ESOP Scheme:

All permanent employees and directors of the Company and Subsidiaries (excluding promoters) as may be decided by the Compensation Committee, from time to time, would be entitled to options under the ESOP Scheme.

However, the employees would be granted Stock Options based on performance and such other criteria as the Compensation Committee may, in its absolute discretion decide.

The options granted to an employee will not be transferable to any person and cannot be pledged hypothecated, mortgaged or otherwise alienated in any manner, at any time.

3. Requirements of vesting and period of vesting :

Vesting of the options shall take place over a maximum period as may be decided by the Compensation Committee with a minimum vesting period of 1 (One) year and maximum vesting period of 5 (Five) years from the date of grant. The Compensation Committee may, in its discretion, lay down certain performance matrices on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance based vesting, and the proportion in which options granted under ESOP Scheme would vest (subject to the minimum and maximum vesting period) as specified above.

4. Exercise Price:

Options would be granted at a price as per decision of the Compensation Committee.

5. Exercise Period and the process of Exercise:

The Exercise Period would commence from the date of vesting and will expire on completion of five years from the date of vesting of options. The options will be exercisable by the Employees by a written application to the Company to exercise the options in such manner, and on execution of such documents, as may be prescribed by the Compensation Committee from time to time. The options will lapse if not exercised within the specified Exercise Period.

6. Appraisal Process for determining the eligibility of the employees to ESOP:

The appraisal process for determining the eligibility of the employee will be specified by the Compensation Committee, and will be based on criteria such as seniority of employee, length of service, performance record, merit of the employee, future potential contribution by the employee and/or such other criteria that may be determined by the Compensation Committee at its sole discretion. The Compensation Committee would also determine the weight / relative importance to be attached to each criterion for determining the eligibility of the employees.

7. Maximum number of options to be issued per employee and in aggregate:

The number of options that may be granted to employees under the Scheme shall be determined by the Compensation Committee from time to time.

8. Disclosure and Accounting Policies:

The Company shall comply with the disclosure and the accounting policies prescribed by concerned Authorities.

9. Method of option valuation:

The option valuation shall not be less than 80% (Eighty Percent) of the fair market value as applicable at the time of grant of option.

For and on behalf of the Board,

Registered office:
Jeewansatya
DD-6, Salt Lake City
Kolkata 700 064

D. P. Tantia
Chairman

Dated: 22nd May 2010

Management's Discussion and Analysis

Global economic review

After a 1.7% growth in 2008, the global economy reported a 2.2% degrowth in 2009. Global output began to revive after declines in the last two quarters of 2009. Going ahead, the global economy is expected to report a growth of 2.7% and 3.2% in 2010 and 2011 respectively [Source: Global Economic Prospects, 2010].

Global output (real GDP growth, percentage change from previous year)

	2007	2008	2009e	2010f	2011f
High-income countries	2.6	0.4	(3.3)	1.8	2.3
Developing countries	8.1	5.6	1.2	5.2	5.8
World	3.9	1.7	(2.2)	2.7	3.2

[Source: World Bank]

Note: e = estimate, f = forecast; growth rates aggregated using real GDP in 2005 constant dollars

Indian economic overview

India's economy grew 7.4% in 2009-10 (6.7% in 2008-09), largely driven by a robust performance from its industrial (8.2%) and services sectors (8.7%). The country's manufacturing sector grew 8.9% against 3.2% in 2008-09. Seven of the eight core sectors/sub-sectors grew at 6.5% or higher. The country's construction sector grew 6.5% in 2009-10 (5.9% in 2008-09).

Rate of growth at factor cost 1999-2000 prices (per cent)

	2005-06	2006-07	2007-08	2008-09	2009-10
Agriculture, Forestry and Fishing	5.2	3.7	4.7	1.6	-0.2
Mining and Quarrying	1.3	8.7	3.9	1.6	8.7
Manufacturing	9.6	14.9	10.3	3.2	8.9
Electricity,Gas and Water supply	6.6	10.0	8.5	3.9	8.2
Construction	12.4	10.6	10.0	5.9	6.5
Trade, Hotels and Restaurants	12.4	11.2	9.5	5.3	8.3
Transport, Storage and Communication	11.5	12.6	13.0	11.6	
Financing, Insurance, Real Estate and Business Services	12.8	14.5	13.2	10.1	9.9
Community, Social and Personal Services	7.6	2.6	6.7	13.9	8.2
GDP at Factor Cost	9.5	9.7	9.2	6.7	7.4

[Source: CSO]

*Transport and communication included for 2009-10 in trade, hotel and restaurant

Foreign exchange reserves increased from USD 252 bn as on 31st March 2009 to USD 283.5 bn as on 31st March 2010.

Infrastructure segment

The Indian government earmarked around USD 500 bn of infrastructure investments in the Eleventh Five Year Plan. In Union Budget 2010-11, Rs.1,73,552 crore (USD 37.57 billion) was provided for infrastructure development, accounting for over 46% of the total Plan allocation.

Year-wise projected investment during the Eleventh Plan (Rs. crore at 2006-07 prices)

	2007-08	2008-09	2009-10	2020-11	2011-12	Total Eleventh Plan
Electriciy (incl. NCE)	81,954	101,553	126,380	158,027	198,611	666,525
Roads and bridges	51,822	54,789	59,200	68,370	79,971	314,152
Telecommunications	31,375	38,134	48,593	61,646	78,690	258,439
Railways (incl MRTS)	34,225	40,964	49,525	60,393	76,701	261,808
Irrigation (incl. WD)	27,497	35,916	47,189	62,266	80,433	253,301
Water supply and Sanitation	19,298	22,781	27,323	33,266	41,063	143,730
Ports	12,409	14,822	17,374	19,980	23,410	87,995
Airports	5,208	5,520	5,904	6,646	7,690	30,968
Storage	3,777	4,098	4,446	4,824	5,234	22,378
Gas	2,708	3,003	3,332	3,700	4,111	16,855
Total investment (Rs. Crore)	**270,273**	**321,579**	**389,266**	**479,117**	**595,913**	**2,056,150**
(USD bn)	**67.57**	**80.39**	**97.32**	**119.78**	**148.98**	**514.04**

The Planning Commission estimates an infrastructure investment need of a little over USD 1 trillion for the Twelfth Plan, twice the Eleventh Plan outlay. This estimate is nearly 9.95% of projected GDP compared with 7.53% in the Eleventh Plan. The Planning Commission also envisages a growing role for the private sector - nearly half the total investment in the Twelfth Plan compared with 36% in the Eleventh Plan (Source: The Financial Express).

India's infrastructure investments

(in USD billion)

Tenth Plan	Eleventh Plan	Twelfth Plan
217.86	514.04	1,018.74

Railways

The USD 18-billion Indian Railways is the country's premier transport and logistics organisation possessing Asia's largest and the world's second largest rail network under a single management. It carries 20 million passengers a day across 63,140 route km on about 18,000 trains. The freight segment accounts for about 70% of revenues. The government increased the allocation for the railways sector from Rs. 119,658 crore in the Tenth Plan to Rs. 262,808 crore in the Eleventh Five Year Plan.

Budget 2010-11 proposals

- Proposed outlay of USD 8.9 billion
- Launch 117 new trains; introduce 28 passenger and 52 long-distance express trains
- Introduce double-decker coaches on a pilot basis
- Electrify 1,000 km by 2011
- Upgrade 94 stations to Adarsh station standards

- Invest USD 281.3 million in improving passenger amenities
- Appoint a special task force to clear investment proposals in 100 days
- Develop a high-speed rail corridor through National High Speed Rail Authority
- Formulate a development strategy for North East India
- Allow private operators to run special freight trains
- Complete 25,000 km of rail lines by 2020
- Establish dedicated freight and passenger corridors
- Provide Rs.16,752 crore (USD 3.79 billion) for Railways, about Rs. 950 crore (USD 205.81 million) more than in the previous fiscal

Optimism

Private investment in railways is expected to rise from USD 217.88 million to USD 1.08 billion over three years. Some 700 km railway lines are to be doubled in the next financial year. Indian Railways is expecting a freight load of 1,100 million tonnes (888 million tonne in 2009-10; Source – www.pib.nic.in as published on 12th April 2010) and passenger traffic of 8,400 million (7,300 million in 2009-10; Source: IBEF) by 2012.

Roads

India has the world's second largest road network, aggregating over 3.30 million km and carrying 61% freight and 85% passenger traffic. The National Highways, although accounting for only 2% of the road network, carry 40% of the traffic.

Types	Length (km)	% share (approx)
National Highways	66,590	2
State highways	1,37,000	4
Major district roads	3,00,000	9
Rural roads and others	28,10,040	85
Total	33,01,400	100

(Source: Planning Commission report)

Government policy

- 100% FDI in all road development projects under the automatic route
- 100% tax exemption for ten years
- NHAI to provide grants/viability gap funding for marginal projects
- IIFCL to provide funding up to 20% of the project cost
- An increase in overseas borrowings of infrastructure sectors from USD 100 million to USD 500 million

Eleventh Five-Year Plan targets

- Six-lane 6,500 km of Golden Quadrilateral and selected National Highways
- Four-lane 6,736 km on North-South and East-West corridors
- Four-lane 20,000 km of National Highways
- Widen 20,000 km of National Highways of two lanes
- Develop 1,000 km of expressways
- Construct 8,737 km of roads including 3,846 km of highways in the Northeast
- Construct 1,29,707 km of new rural roads and renew and upgrade existing 1,77,726 km covering 60,638 rural habitations

Budget, 2010-11

- Increase the Budget allocation for road projects from Rs.175.20 billion in 2009-10 to Rs. 198.94 billion in 2010-11
- Increase the disbursement of Rs. 250 billion over three years by IIFCL under its takeout financing scheme
- 100% import duty exemption for specified road construction equipment

Optimism

Annual growth is projected at 12-15% for passenger traffic. The NHAI proposes to award around 12,000 km of road building contracts to the private sector in 2010-11 and increase road building outlay for 2010-11 by 64.6% to Rs. 47,736 crores. According to the Planning Commission, the road freight sector will grow at a 9.9% CAGR from 2007-08 to 2011-12. India intends to award 7,000 km of road construction on a BOT basis and 5,000 km on an EPC basis in 2010-11. The Indian government launched the ambitious NHDP, involving a total investment of USD 54.1 billion up to 2012.

Airports

Of 454 Indian airports and airstrips, 16 are designated as international. The Airports Authority of India (AAI) owns and operates 97 airports. According to a recent report by the Centre for Asia Pacific Aviation (CAPA), over the next 12 years, India's Civil Aviation Ministry aims to have 500 operational airports. The government intends to attract private investment in aviation infrastructure, evident from the Planning Commission report, as shown below:

	X plan	2007-08	2008-09	2009-10	2010-11	2011-12	XI plan	Share (%)
Public	3,835	1,998	2,181	2,718	3,067	3,625	13,590	39.1
Private	2,936	4,225	4,278	4,095	4,229	4,331	21,157	60.1
Total	6,771	6,223	6,459	6,814	7,296	7,956	34,748	100

Budgetary impact

The additional deduction available for investment in long-term infrastructure bonds will catalyse the execution of capital-intensive infrastructure projects.

Optimism

An investment of Rs. 290 billion between 2009-10 and 2013-14 in airport infrastructure has been estimated (Source: CRISIL). An investment of USD 110 billion has been envisaged up to 2020 – USD 80 billion in new aircraft and USD 30 billion in airport infrastructure. Additional capacities to cater to around 296.95 lakh international and 1,035.74 lakh domestic passengers will be required at 45 major airports by 2011-12. Indian airlines collectively flew 445 lakh passengers in 2009, compared with 412 lakh in 2008, registering a growth of 7.86% (Source: www.economictimes.com as published on 13th January 2010). Going by the current year statistics, passengers carried by domestic airlines from January-March, 2010 were 120.32 lakhs as against 99.82 lakhs in the corresponding period of 2009, registering a growth of over 20.54%. (Source: Ministry of Civil Aviation).

Ports

Overview

Ports handle over 90% of India's foreign trade. India has 12 major ports that handle 75% of the total traffic and 187 minor ports along its 7,517-km coastline.

Target for Eleventh Five Year Plan

- Capacity of 485 million MT in major ports and 345 million MT in minor ports (for the major ports, it was 530 MT in 2008-09; 519 MT in 2007-08 and 464 MT in 2006-07; Source: www.shipping.gov.in)
- The Eleventh Plan budgetary support for Central sector ports is Rs. 3,315 crore (2006-07 costs)

Budget, 2010-11

A project at Sagar Island is to be developed to provide an alternative port facility in West Bengal

Optimism

To meet the demands of increasing traffic owing to expanding foreign trade, India's ports are likely to increase cargo handling capacity from 785 MT to 1,855 MT by 2012 with an investment of about USD 20.61 billion (65% private sector participation). The government planned USD 9.07 billion investments in 111 shipping sector projects by 2011. Gujarat, Maharashtra and Andhra Pradesh are likely to drive the country's port capacity expansion over five years.

Power

Overview

India – traditionally dependant on thermal power which is 63% of its current capacity – is the world's sixth largest and Asia Pacific's third largest power generator after China and Japan. The country's current installed capacity stands at 157,229.48 MW.

Government policy

- Allowed 100% FDI in the power sector (except nuclear)
- Income tax exemption for a block of ten years in the first fifteen years of operations and a waiver of capital goods'

import duties on mega power projects (above 1,000 MW generation capacity)

- Foreign equity participation of 100% under the automatic route
- Private sector permission to establish coal, gas or liquid-based thermal projects of any size
- Introduction of Accelerated Power Development and Reforms Programme (APDRP) to bring down AT&C loss levels to 15% by 2011-12

Budget, 2010-11

- Increase in allocation for power sector to Rs. 5,130 cr (increase by 152%)
- Increase in available long-term funding through re-financing from IIFCL
- Increase in renewable energy sector allocation to Rs. 1,000 cr (61% increase)
- Clean energy cess of Rs. 50/MT on both domestic and imported coal
- Excise duty exemption for material supplied to mega power projects from which power supply was tied up through tariff-based competitive bidding
- Increase in MAT rates from 15% to 18%

Optimism

India's power demand is expected to increase to 315-335 GW by 2017 if the economy continues to grow at an average 8%. This will require a five- to ten-fold rise in power production, entailing investments worth USD 600 billion. India launched an ambitious Solar Energy Mission to generate 20,000 MW of solar power by 2022. Besides, an additional 60,000 circuit km of transmission network is expected to be established by 2012. Per capita consumption is estimated to increase from around 700 Kwh today to 2,643 Kwh by 2032, growing power and distribution infrastructure. An investment of USD 3 billion for the Twelfth Plan (USD 1.3 billion for Eleventh Plan) will be required for the renovation and modernisation, as well as lifespan extension of old power plants. There will be a proposed investment of USD 235.95 billion to add over 94,431 MW across the Twelfth Plan (Source: IBEF).

Segment review

Concrete sleepers and allied

GPT Infraprojects is among India's pioneers in concrete railway sleeper manufacture. The Company is also one of the country's top five concrete sleeper manufacturers. It has grown attractively, establishing manufacturing units in Panagarh and Barjora (India) and Ladysmith (South Africa). The Company possesses a cumulative annual sleeper manufacturing capacity of 800,000 units. The Company also executed projects in Bangladesh, Myanmar and Sri Lanka, among other countries. Its Panagarh unit was approved by RDSO, Ministry of Railways (India), facilitating supplies from that unit. The Company's competence lies in track superstructure design, technology absorption, plant and machinery investments, concrete sleeper plant establishment and concrete sleeper manufacture.

Highlights, 2009-10

- Created a presence in Namibia and Sri Lanka
- Started commercial production in Ladysmith, South Africa
- The World Bank funded project in Mozambique nearing completion
- Established a new plant at Barjora (India) with a capacity to manufacture 120,000 concrete sleepers

Civil and core infrastructure

The Company embarked on civil engineering projects in 2004. It executed road, bridge, irrigation and railway system construction as well as urban transit, industrial and civil aviation infrastructure projects. The Company developed an industry-wide respect for its rich technical insight, resulting in an ability to execute projects in difficult terrains. The Company achieved distinction in bridge construction for its ability to manage projects from foundation to finish. The Company is extending into other challenging infrastructure segments and projects.

Highlights, 2009-10

- Order book increased 30% from Rs. 885 crores in the previous year to Rs. 1,148 crores presently
- Gauge conversion was undertaken for the Indian Railways

Infrastructure SCOT analysis

Strengths	Challenges
*Strong private participation in the sector, reflected in a growing number of PPP projects *Increase in the number of infrastructure players with growing international support in the form of funding from banks and private equity players	*Lack of proper knowledge in project management and terrain management *Red tape related to regulatory clearances *Non-availability of long-term finance *Inadequate low cost-funds
Opportunity	**Threats**
* Growing government support to strengthen the country's infrastructure via fiscal and regulatory policies *Twelfth Plan infrastructure development outlay of USD 1.02 trillion, double the Eleventh Plan fund outlay of USD 514 billion *A reviving Indian economy (GDP growth of 7.2% for 2009-10).	* Hurdles in land acquisition * Political instability and inadequate regulatory norms may delay project delivery

Risks and concerns

At the core of the Company's risk-mitigating initiatives, there is a comprehensive and integrated risk management framework, which comprises stringent norms and prudent control. The risk management approach is in line with the Company's direction, shareholders' desired total returns, credit rating and desired risk appetite.

Human resources

GIL promotes continuous learning and a meritocracy. During the year under review, the Company's employee strength touched 1,438 individuals who underwent functional and behavioural training for enhanced productivity. A regularised recruitment process was supplemented by a transparent performance appraisal system with inbuilt feedback.

Internal controls and procedures

At GIL, stringent control systems and procedures minimised the unauthorised use of products, ensuring optimal resource utilisation. The Company conducted regular and extensive checks at every production stage and dispatch cycle to ensure strict operational and quality compliance. An Audit Committee, headed by a Non-Executive Independent Director, periodically reviewed audit observations.

Finance review

Revenues

The Company's revenue increased 55% from Rs. 198.79 crore in 2008-09 to Rs. 307.30 crore in 2009-10 owing to accelerated project execution and delivery.

Expenditure

Raw material and construction material consumption increased 53% from Rs. 88.03 crore in 2008-09 to Rs.134.60 crore in 2009-10 while power consumption declined 8% from Rs. 7.58 crore in 2008-09 to Rs.6.98 crore in 2009-10. Employee expenses rose 33% from Rs. 13.81 crore in 2008-09 to Rs.18.34 crore in 2009-10. Operating expenses increased 34% from Rs. 57.19 crore in 2008-09 to Rs. 76.51 crore in 2009-10. Hence, total expenses increased 53% from Rs. 174.45 crore in 2008-09 to Rs. 267.49 crore in 2009-10, which was slightly lower than revenue growth.

Profit

EBIDTA increased a significant 71% from Rs. 25.55 crore in 2008-09 to Rs. 43.63 crore in 2009-10 while PAT soared 89% from Rs. 8.26 crore in 2008-09 to Rs.15.65 crore in 2009-10. On the other hand, EBIDTA margin improved from 12.85% in 2008-09 to 14.20% in 2009-10 while net profit margin increased from 4.16% in 2008-09 to 5.09% in 2009-10. The growth in EBIDTA and net profit was higher than revenue growth, enhancing operational efficiency.

Interest

Interest burden increased 16% from Rs. 12.36 crore in 2008-09 to Rs. 14.32 crore in 2009-10 to fund the growing business. However, interest cover improved from 2.07 in 2008-09 to 3.06 in 2009-10 on account of a higher EBIDTA.

Tax
The Company increased its tax provisions to Rs. 8.81 crore in 2009-10 from Rs. 1.54 crore in 2008-09.

Sources of funds
During the year under review, the Company enhanced its share capital by Rs. 25.3 crore, of which 17,93,000 compulsorily convertible preference shares were issued at Rs.140, totalling Rs. 25.10 crore. Concurrently, reserves increased 51% from Rs. 23.06 crore in 2008-09 to Rs. 34.87 crore in 2009-10. Secured loans increased 42% from Rs. 54.23 crore in 2008-09 to Rs. 77.03 crore in 2009-10 owing to significant increase in cash credit and equipment finance loan from banks. On the other hand, the Company reduced unsecured loans by 10% from Rs. 25.86 crore in 2008-09 to Rs. 23.35 crore in 2009-10.

Current liabilities and provisions increased 51% from Rs. 54.78 crore in 2008-09 to Rs. 82.73 crore in 2009-10 because of growing dues to sundry creditors and higher provisions for tax and dividend.

The debt-equity ratio declined from 3.73 in 2007-08 to 2.42 in 2008-09 and 1.35 in 2009-10 as growth in net worth was more than the growth in secured loans.

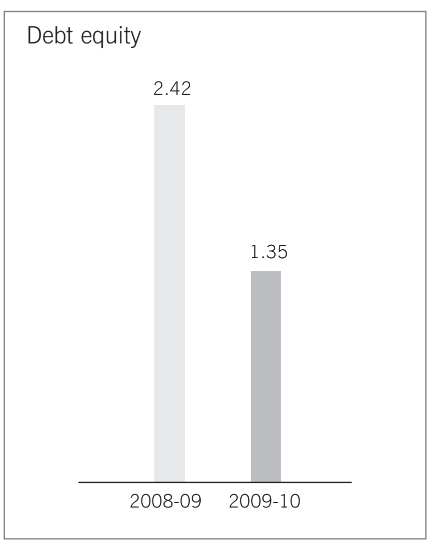
Book value per share improved from Rs. 33.06 in 2008-09 to Rs. 72.63 in 2009-10 following an issue of convertible preference shares.

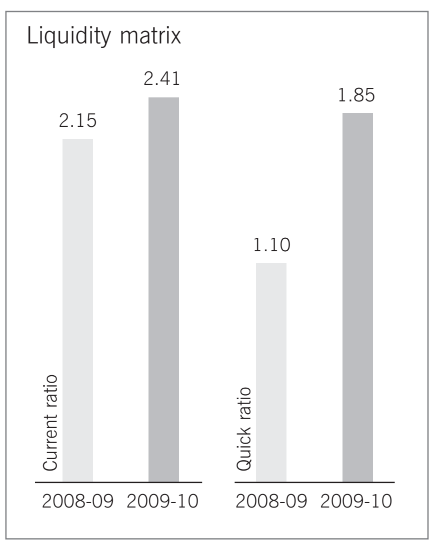
Application of funds
Gross block increased 33% from Rs. 49.67 crore in 2008-09 to Rs. 65.89 crore in 2009-10 following the addition of plant, machinery and vehicles. This also increased depreciation provision by 44% from Rs. 3.38 crore in 2008-09 to Rs. 4.85 crore in 2009-10.

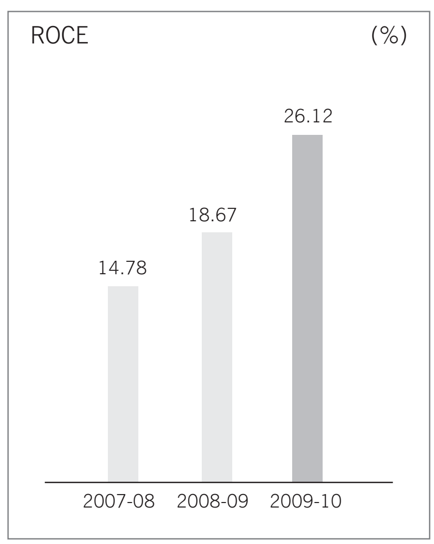
Investments declined 14% from Rs. 14.10 crore in 2008-09 to Rs. 12.15 crore in 2009-10, owing to disinvestments in a Group company and other joint ventures.

Current assets increased 69% from Rs. 117.91 crore in 2008-09 to Rs. 199.01 crore in 2009-10, mainly due to an increase in short-term loans, advances and sundry debtors, even as inventory levels declined 21% from Rs. 57.67 crore in 2008-09 to Rs. 45.76 crore in 2009-10.

Working capital
Net current assets increased 84% from Rs. 63.12 crore to Rs. 116.28 crore in 2009-10 to fund business growth. Inventories declined from 105 days of turnover equivalent in 2008-09 to 54 days in 2009-10 on account of a reduction in the level of work-in-progress goods and increased revenues. Current ratio increased from 2.15 in 2008-09 to 2.41 in 2009-10. Debtors' cycle increased from 69 days of turnover equivalent in 2008-09 to 75 days in 2009-10.







Report on Corporate Governance

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges in India (Clause 49), the report containing details of governance systems and process at GPT Infraprojects Limited is as under :-

1. Company's philosophy on Code of Governance

a. Ensure that the quantity, quality and frequency of financial and managerial information, which the management shares with the Board, fully places the Board Members in control of the Company's affairs.

b. Ensure that the Board exercises its fiduciary responsibilities towards shareowners and creditors, thereby ensuring high accountability.

c. Ensure that the extent to which the information is disclosed to present and potential investors is maximised.

d. Ensure that the decision-making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board/Committee thereof.

e. Ensure that the Board, the management, the employees and all concerned are fully committed to maximising long-term value to the shareowners and the Company.

f. Ensure that the core values of the Company are protected.

g. Ensure that the Company positions itself from time to time to be at par with any other world-class company in operating practices.

2. Board of Directors

In order to maintain optimum combination of Executive and Non-Executive Directors, the Board comprises seven Directors, of which five are Non-Executive Directors consisting three Independent Directors, one Nominee Director of private equity investor and the Non-Executive Chairman and two other are Executive Directors. The Company's day-to-day affairs are being managed by two Executive Directors, one of whom is designated as the Managing Director of the Company. Consequent to the appointment of Mr. Kunal Kumthekar as Nominee director on 6th January 2010, the Company is in the process of appointing additional independent director as required under listing agreement.

2.1 Board composition and attendance at Board meetings and last Annual General Meeting and Particulars of other Directorships, Chairmanships/Memberships

Sr. No.	Name and designation of the Director	Status	Board meetings in 2009-10		Attendance in last AGM	Other Indian Public Companies (Number)		
			Held	Attended		Directorship	Committee Chairmanship*	Committee Membership* (including Chairmanship)
1	Mr. Dwarika Prasad Tantia Chairman	Non-Executive/ Promoter director	7	7	Yes	1	Nil	Nil
2	Mr. Shree Gopal Tantia Managing Director	Executive/ Promoter Director	7	7	Yes	1	Nil	Nil
3	Mr. Atul Tantia Executive Director	Executive/ Promoter Director	7	7	No	1	Nil	Nil
4	Mr. Himangsu Sekhar Sinha Director	Independent Director	7	7	Yes	2	Nil	One
5	Mr. Viswa Nath Purohit Director	Independent Director	7	6	Yes	2	Nil	Nil
6	Dr. Nitindra Nath Som Director	Independent Director	7	6	Yes	1	Nil	Nil
7	Mr. Kunal Kumthekar** Director	Non-Executive / Nominee Director	7	1	N.A.	Nil	Nil	Nil

*In Audit Committee and Shareholders/Investors Grievance Committee of Indian Public Limited Companies and subsidiaries of Public Limited Companies.

** Mr. Kunal Kumthekar was appointed as an Additional Director of the Company at the Board of Directors Meeting held on 6th January 2010, who is the nominee of M/s. Nine Rivers Capital Limited, Mauritius.

Brief Profile of Mr. Kunal Kumthekar :

Mr. Kunal has an experience of over 17 years in the areas of private equity, investment banking and capital markets. Mr. Kunal holds an MBA in finance and a graduate degree in mechanical engineering.

2.2 Details of Board meetings held during 2009-10

Date of Board meeting	Board strength	No. of Directors present
12/05/2009	6	6
30/07/2009	6	6
31/10/2009	6	6
30/11/2009	6	6
02/01/2010	6	6
06/01/2010	6	4
30/01/2010	7	7

3. Audit Committee

The Audit Committee of the Board comprises three Non-Executive Directors of which two are Independent Directors and one is Nominee Director. During the financial year the Audit Committee of the Board was re-constituted by inducting Mr. Kunl Kumthekar, in place of Mr. Atul Tantia, Director (Operations), as a member w.e.f. 6th January 2010.

3.1 Composition of Committee and attendance of members:

Sr. No.	Name of the Director and position	Attendance in Committee meeting held on			
		12/05/2009	30/07/2009	31/10/2009	30/01/2010
1	Mr. Viswa Nath Purohit, Chairman(Independent Director)	Yes	Yes	Yes	Yes
2	Mr. Himangsu Sekhar Sinha, Member (Independent Director)	Yes	Yes	Yes	Yes
3	Mr. Atul Tantia, Member (Executive Director)	Yes	Yes	Yes	N.A
4	Mr. Kunal Kumthekar, Member (Nominee Director)	N.A.	N.A.	N.A.	Yes

In addition to the members of the Audit Committee, these meetings are attended by the heads of accounts and finance and other respective functional heads of the Company wherever necessary and those executives of the Company who are considered necessary for providing inputs to the Committee. Mr. Raghunath Mishra, Company Secretary, acts as the Secretary of the Committee.

The Chairman of the Audit Committee has accounting and financial management expertise.

3.2 Terms of reference

a. Review the financial reporting process and disclosure of its financial information

b. Review with the management the annual/quarterly financial statements before submission to the Board for approval

c. Review with the Management, the performance of Statutory Auditors, Internal Auditors and the adequacy of internal control systems

d. Review the Company's accounting policies.

e. Look into reasons for substantial defaults, if any, in payment to depositors, shareowners and creditors.

f. Recommend the appointment, re-appointment and replacement or removal of Statutory Auditors and fixation of audit fee

g. Approval of payment to Statutory Auditors for any other services rendered by them

h. Other functions as required by applicable regulations.

The Audit Committee may also review such matters as are considered appropriate by it or referred to it by the Board.

4. Shareholders'/Investors' Grievance Committee

The Shareholders/Investors Grievance Committee of the Board comprised two Directors of which one is Independent Non-Executive Director and the other is Executive Director.

4.1 Composition of Committee and attendance of members

Sr. No.	Name of the Director & position	Attendance in Committee meeting held on
1.	Mr. Himangsu Sekhar Sinha, Chairman, Independent Non-Executive Director	No Meeting was held during the financial year 2009-10
2.	Atul Tantia, Member, Executive Director	No Meeting was held during the financial year 2009-10

4.2 Terms of Reference

a. Look into the redressal of shareholders' and investors' complaints/grievances in respect of transfer of shares, non-receipt of balance sheet and non-receipt of declared dividends, among others

b. Oversee the performance of the Registrar and Share Transfer Agent and recommend measures for overall improvement in the quality of investor services;

c. Ascertain whether the Registrars and Share Transfer Agents (RTA) are sufficiently equipped with infrastructure facilities such as adequate manpower, computer and software, office space and documents handling facility, among others, to serve the shareholders/investors.

d. Recommend to the Board, the appointment, reappointment, if required, the replacement or removal of the Registrar and Share Transfer Agent and the fixation of their fees; and

e. To carry out any other function as required by the Listing Agreement of the Stock Exchanges, Companies Act and other Regulations.

4.3 Other information

Name of Non-Executive Director heading the Committee	Mr. H. S. Sinha, Independent Director
Name and Designation of Compliance Officer	Mr. R. Mishra, Company Secretary
Number of shareholders' complaints received so far	Nil
Number resolved to the satisfaction of shareholders	Not Applicable
Number of pending complaints	Not Applicable

5. Compensation Committee

During the financial year 2009-10, the Board constituted the Compensation Committee comprising three Non-Executive Directors headed by Mr. H. S. Sinha, Independent Director. The Board of Directors of the Company at its meeting held on 6th January 2010, re-constituted the said Committee by inducting Mr. Kunal Kumthekar, in place of Mr. V. N. Purohit, Independent Director, as a member w.e.f. 6th January 2010.

5.1 Composition of Committee and attendance of members

Sl. No.	Name of Director and position	Attendance in Committee meeting held on 30th December 2009
1.	Mr. Himangsu Sekhar Sinha, Chairman, Independent Non-Executive Director	Yes
2.	Mr. Dwarika Prasad Tantia, Member Non-Executive Director	Yes
3.	Mr. Viswa Nath Purohit, Member (Independent Director)	Yes
4.	Mr. Kunal Kumthekar, Member, Non-Executive Nominee Director	NA

Mr. R. Mishra, Company Secretary, acts as the Secretary of the Committee.

5.2 Terms of Reference

a) To frame/review the remuneration policy in relation to Wholetime Directors/Managing Director, Senior Officers of the Company.

b) To recommend/approve terms, conditions and compensation including commission on profits to Directors including Whlo-Time Directors.

c) To recommend/approve appointment of relatives along with its terms, conditions and compensation, of any Director under section 314 of the Companies Act.

d) To consider, recommend and/or approve Employee Stock Option Schemes and to administer and supervise the same.

e) To formulate/modify the detailed terms and conditions of the Employee Stock Option Scheme including quantum of option, exercise period, the right of an employee.

f) To frame suitable policies and systems to ensure that is no violation of SEBI regulations.

g) To perform such other functions consistent with applicable regulatory requirements.

5.3 Details of remuneration and sitting fees paid to the Directors

(Rs. in thousands)

Name and status	Salary	HRA	Commission	Sitting fees	Total
Mr. S. G. Tantia, Executive Director	3,280	Nil	Nil	Nil	3,280
Mr. Atul Tantia, Executive Director	1,064	532	Nil	Nil	1,596
Mr. D. P. Tantia, Non-Executive Director	Nil	Nil	2,536	75	2,611
Mr. H. S. Sinha, Non-Executive Director	Nil	Nil	Nil	58	58
Mr. V. N. Purohit, Non-Executive Director	Nil	Nil	Nil	45	45
Dr. Nitindra Nath Som, Non-Executive Director	Nil	Nil	Nil	30	30
Mr. Kunal Kumthekar, Non-Executive Director	Nil	Nil	Nil	11	11

5.4 Details of Shareholding of Non-Executive Directors:

Name of the Non-Executive Director	No. of Equity Shares	No. of convertible instrument
Mr. Dwarika Prasad Tantia	448,842	Nil
Mr. Himangsu Sekhar Sinha	Nil	Nil
Mr. Viswa Nath Purohit	Nil	Nil
Dr. Nitindra Nath Som	Nil	Nil
Mr. Kunal Kumthekar	Nil	Nil

6. Management Review Committee

During 2009-10, the Board constituted the Management Review Committee comprising three Directors two of whom are Executive Directors and the other is a Nominee Director.

6.1 Composition of Committee and attendance of members

Sl. No.	Name of Director and position	Attendance in Committee meeting held on 30/01/2010
1.	Mr. Shree Gopal Tantia, Chairman, Executive Director	Yes
2.	Mr. Atul Tantia, Member, Executive Director	Yes
3.	Mr. Kunal Kumthekar, Member, Non-Executive Nominee Director	Yes

Mr. R. Mishra, Company Secretary is the Secretary to the Committee.

6.2 Terms of Reference

a) To review the periodical budgets and its analysis from time to time.

b) To review major investments in new ventures and major capital expenditure.

7. Share Transfer Committee

The Share Transfer Committee of the Board comprises four Directors two of which are Non-Executive Directors including an Independent Director.

7.1 Composition of Committee and Attendance of Members

Sl. No.	Name of Director and position	Attendance in Committee meeting	
		13/11/2009	17/11/2009
1.	Mr. Dwarika Prasad Tantia, Chairman Non-Executive Director	Yes	Yes
2.	Mr. Shree Gopal Tantia, Member Executive Director	Yes	Yes
3.	Mr. Atul Tantia, Member, Executive Director	Yes	Yes
4.	Mr. Himangsu Sekhar Sinha, Member, Independent Director	Yes	Yes

In addition to the above members, Mr. R. Mishra, Company

Secretary is the Secretary to the Committee. The Committee meets as and when required on need basis in order to attend and process any of aforesaid requests from the Company's shareholders.

7.2 Terms of Reference

In accordance with Clause 49 of the Listing Agreement of the Stock Exchanges, the Board has unanimously delegated the following powers to the Committee

a) To approve and monitor share transfer and transmission

b) To approve dematerialisation and re-materialisation of securities

c) To issue duplicate share certificates

d) To approve the splitting and consolidation of shares

8. Finance Committee

The Finance Committee of the Board comprises three Directors, two of which are Executive Directors and one is Non-Executive Director.

8.1 Composition of Committee and attendance of members

Sl. No.	Name of Director and position	Attendance in Committee meeting	
		No. of Meetings held	No. of Meetings attended
1.	Mr. Dwarika Prasad Tantia, Chairman Non-Executive Director	11	11
2.	Mr. Shree Gopal Tantia, Member Executive Director	11	11
3.	Mr. Atul Tantia, Member Executive Director	11	11

8.2 Terms of Reference

a) To open and close banking account(s) of the Company in India or abroad and to authorise office bearers to operate such banking account(s) including internet banking.

b) To take loans and avail other credit facilities (funded and non-funded) from banks, financial institutions, bodies corporate, NBFCs and others with such terms and conditions as may be deemed fit and proper by the Committee from time to time subject to overall limitation of the amount which may be borrowed by the Board of Director under section 293(1)(d) of the Companies Act, 1956.

c) To authorise Directors of the Company and other person(s) to execute and sign such documents, deeds, agreements, papers and to create security on the assets of the Company in favour of the banks, financial institutions, bodies corporate, NBFCs and others to avail credit facilities and also to authorise Directors of the Company and other persons to affix common seal of the Company by any of such person so authorised to execute the documents.

d) To make loans, fixed deposits in banks or with others, advances, issue guarantees, invest in shares and securities, mutual funds, other investments in India or abroad and to authorise Directors or others to execute any documents required to be executed for the purposes and also to authorise any Director to affix common seal of the Company in their presence.

e) To enter into any joint venture/ consortium agreement(s)/ understandings with other Companies, firms, concerns, individuals for execution of any works/contract for attainment of main objects of the Company with such terms and conditions as deemed fit and proper and to authorise the Directors, employees or others to execute the same for and on behalf of the Company.

f) To submit tenders, bids, offers, quotations and to modify the same and for the purpose delegate such powers to the Directors, employees or others to enter into contracts, arrangements, agreements with the others in the manner and with such terms and conditions as felt expedient and proper.

g) To execute Power of Attorney with such powers and responsibilities as may be deemed fit and proper in favour of the Director, employees of the Company and others from time to time.

h) To enter into sub-contract agreement/understanding with any Company, firm, individual or others to sub-contract any contract awarded to the Company in part or whole of the contract on such terms and conditions as felt expedient and proper and to authorise the Directors, employees or others to execute the same for and on behalf of the Company.

i) To purchase/sale/dispose off movable and immovable assets of the Company subject to compliance of section 293(1)(a) of the Companies Act,1956, wherever applicable and for that to authorise the Directors, employees and/or others in respect thereof.

9. General meetings

9.1 The last three Annual General Meetings with details of special resolutions passed:

Date	11/07/2009	29/07/2008	21/09/2007
Time	3.00 p.m.	4.00 p.m.	2.00 p.m.
Venue	Regd. office DD-6, Sector-I, Salt Lake City, Kolkata - 700064	Regd. office DD-6, Sector-I, Salt Lake City, Kolkata - 700064	Regd. office DD-6, Sector-I, Salt Lake City, Kolkata - 700064
Details of special resolutions passed in the AGM	NIL	NIL	a) Alteration of Articles of Association b) Appointment of Directors' relative c) Change of name of the Company

9.2 During the last financial year the details of Extra-Ordinary General Meeting held and special resolution passed as under

Date	17/04/2009	29/08/2009	24/12/2009
Time	4.30 p.m.	4.30 p.m.	11.00 a.m.
Venue	Regd. office DD-6, Sector-I, Salt Lake City, Kolkata - 700064	Regd. office DD-6, Sector-I, Salt Lake City, Kolkata - 700064	Regd. office DD-6, Sector-I, Salt Lake City, Kolkata - 700064
Details of special resolution passed in the EGM	Delisting of equity shares from the Calcutta Stock Exchange and U.P. Stock Exchange	Increase in remuneration of relatives of Directors' under Section 314 of the Companies Act,1956	a) Introduction of GPT Employees Stock Option Plan-2009 b) Issue of equity shares on Preferential Allotment basis under ESOP c) Issue of compulsorily convertible preference shares on preferential allotment basis d) Issue of equity warrants on preferential allotment basis under private placement

9.3 Other information

Special resolutions that were put through postal ballot last year, details of voting pattern	Not applicable, as no special resolution was put through postal ballot in the year under review.
Person who conducted the postal ballot exercise	Not applicable
Whether special resolutions are proposed to be conducted through postal ballot	Not applicable
The procedure for postal ballot	Not applicable

10. Disclosures

a. **Disclosure on materially significant related party transactions of the Company, that may have potential conflict with the interests of the Company at large**

The Company does not have any material related party transactions, which may have potential conflict with its interests at large. In any case disclosures regarding the transactions with related parties are given in the notes to the Accounts.

b. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets during the last three years**

There has been no instance of non-compliance by the Company on any matter related to capital market in last three years.

c. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company complied with all mandatory requirements of Clause 49 of Listing Agreement.

10.1 Disclosure on non-mandatory requirements

a. **The Board**
Has a Non-Executive Chairman. The expenses incurred by him in the performance of his duties are reimbursed. No policy was laid down on tenure of Independent Directors.

b. **Compensation Committee**
The Company constituted a Compensation Committee and the full details of the same is available elsewhere in this Report.

c. **Shareholder's rights**
The Company publishes quarterly unaudited financial results in the newspapers and is also displayed it on the Company's website www.gptgroup.co.in. Accordingly it does not envisage to send the same separately to the shareholders.

d. **Audit qualifications**
The Company endeavors to maintain a regime of unqualified statements.

e. **Training of Board members**
No policy has yet been laid down by the Company.

f. **Mechanism for evaluating Non-Executive Board Members**
No policy has yet been laid down by the Company.

g. **Whistle Blower Policy**

The Company does not have any Whistle Blower Policy. However, any employee, if he/she so desires, has free access to meet or communicate with the Senior Management and report any matter of concern.

10.2 Means of communication

a. **Quarterly and half-yearly results**
The Company's quarterly and half yearly financial statements are generally published in "The Economic Times" (English language) and in "Dainik Statesman" (local language). The financial statements are also displayed on the Company's website.

b. **Annual Reports**
Annual Report containing, inter alia, Audited Annual Accounts.

c. **Website where displayed**
http://www.gptgroup.co.in

d. **Whether it also displays official news releases**
Yes, it is displayed on the above websites.

11. Management Discussions and Analysis Report

In line with the requirements of Clause 49, the Management Discussion and Analysis is also provided under various heads in this Annual Report.

12. General shareholder information

12.1 Company registration details

The Company is registered in the State of West Bengal, India. The Corporate Identification Number (CIN) of the Company is L20103WB1980PLC032872.

12.2 Annual General Meeting

Day : Saturday

Date : 17th July 2010

Time : 3 PM

Venue: Auditorium, 7th Floor, "Jeewansatya" DD-6, Salt Lake City, Sector-I, Kolkata – 700064

12.3 Financial calendar (tentative)

- **Financial year** : 1st April 2010 to 31st March 2011
- **Results for quarter ending**

- First quarter, 2010 : On or before 14th August 2010
- Second quarter, 2010 : On or before 14th November 2010
- Third quarter, 2010 : On or before 15th February 2011
- Fourth quarter (unaudited) and annual accounts (audited), 2011 : On or before 30th May 2011

- **Annual General Meeting** : Before 30th September 2011

12.4 Dates of book closure : From 13th July 2010 to 17th July 2010 (both days inclusive)

12.5 Dividend Payment date : On or after 17th July 2010

12.6 Listing details:

Exchange	Code/Trading Symbol	ISIN
(i) The Calcutta Stock Exchange Ltd.	10030117	INE390G01014
(ii) The U. P. Stock Exchange Association Ltd.	T00018	

12.6.1 Payment of listing fees: Annual listing fee for the financial year 2009-10 has been paid.

12.6.2 Market price data:

A) Calcutta Stock Exchange Limited

Month	High(Rs.)	Low(Rs.)	Quantity Traded (Shares)
April, 2009	10.05	10.05	Nil
May, 2009	10.05	10.05	Nil
June, 2009	10.05	10.05	Nil
July, 2009	10.05	10.05	Nil
August, 2009	10.05	10.05	Nil
September, 2009	10.05	10.05	Nil
October, 2009	10.05	10.05	Nil
November, 2009	10.05	10.05	Nil
December, 2009	10.05	10.05	Nil
January, 2010	10.05	10.05	Nil
February, 2010	10.05	10.05	Nil
March, 2010	94.00	92.00	600

B) U. P. Stock Exchange Association Limited : Not Available

12.6.3 Performance in comparison to broad based indices such as BSE Sensex and NSE Nifty: Not applicable

12.6.4 Registrar and Share Transfer Agents

ABS CONSULTANT PVT. LIMITED
"Stephen House" Room No-99, 6th Floor, 4-B.B.D. Bag (East), Kolkata-700001
Tel.: 033-22201043; FAX: 033-22430153
E-Mail: absconsultant@vsnl.net

12.6.5 Share transfer system in physical form

The Company has in place a proper and adequate share transfer system. The Company formed a Committee known as "Share Transfer Committee" to process share transfer request as delegated by the Board of Directors of the Company. ABS CONSULTANT PVT. LIMITED, the Registrar and Share Transfer Agent of the Company was appointed to ensure that the share transfer system in physical form is maintained.

12.7 Distribution of shareholding as on 31st March 2010

a. Distribution of shareholding according to the size of holding

No. of shares	Shareholders		Face value of shares	
	Number	Percentage	Rs.	Percentage
Upto 500	30	41.68	6,000	0.01
501 – 1000	7	9.74	43,200	0.05
1001 – 2000	1	1.36	11,530	0.02
2001 – 3000	Nil	Nil	Nil	Nil
3001 – 4000	Nil	Nil	Nil	Nil
4001 – 5000	1	1.36	46,140	0.04
5001 – 10000	3	4.18	242,210	0.23
10001 and Above	30	41.68	10,16,50,920	99.65
Total	**72**	**100**	**10,20,00,000**	**100**

b. Distribution of shares by shareholder category

Category	Nos. of shareholders	Nos. of shares held	Voting strength (%)
Promoters – Bodies Corporate	1	12,27,400	12.04
Directors, their relatives	21	42,51,978	41.68
Bodies Corporate (Domestic) / Trusts	4	19,32,998	18.95
Banks	Nil	Nil	Nil
Mutual Funds	Nil	Nil	Nil
Financial Institutions (FIs)	Nil	Nil	Nil
Foreign Institutional Investors (FIIs)	Nil	Nil	Nil
Non-Resident Individuals (NRIs)/Foreign Corporate Bodies/Overseas Corporate Bodies (OCBs)/Foreign Banks	Nil	Nil	Nil
Resident individuals	46	27,87,624	27.33
Total	**72**	**10,20,00,000**	**100**

c. Top 10 shareholders

Name(s) of shareholders	Category	No. of shares	Percentage
RNT Consultants and Investors Pvt. Limited	Public	13,82,998	13.56
Shree Gopal Tantia and Vinita Tantia	Promoter	13,68,022	13.41
GPT Ventures Pvt. Limited	Promoter	12,27,400	12.03
Om Tantia and Aruna Tantia	Promoter	9,09,504	8.92
Aruna Tantia and Om Tantia	Promoter	6,46,074	6.33
Vinita Tantia and Shree Gopal Tantia	Promoter	4,60,324	4.51
Pramila Tantia and Dwarika Prasad Tantia	Promoter	4,44,312	4.36
Atul Tantia & Kriti Tantia	Promoter	4,08,228	4.00
Naresh Chandra Keyal	Public	3,96,240	3.88
Dwarika Prasad Tantia and Pramila Tantia	Promoter	3,14,010	3.08

12.8 Dematerialisation of shares and liquidity

Shares held both in dematerialised and physical form as on 31st March 2010

Status of dematerialisation	No. of shares	Percentage of total shares
Shares held in NSDL	85,19,365	83.52
Shares held in CDSL	160	0.01
Shares held in physical form	14,80,475	14.51
Corporate action pending on preferential allotment of shares	2,00,000	1.96

12.9 Outstanding FCCBs, warrants, CCPS and ESOS conversion date and likely impact on equity

a.	Foreign Currency Convertible Bonds (FCCBs)	:	Nil
b.	Convertible warrants	:	During 2009-10, the Company issued 11,75,000 convertible equity warrants at a conversion price of Rs. 140 per share, which are outstanding as on 31st March 2010 for conversion within 18 months from the date of allotment i.e. 6th January 2010. Each warrant upon conversion, would give rise to one equity share of Rs.10 each fully paid-up aggregating to 11,75,000 equity shares of Rs.10 each fully paid-up.
c.	Compulsorily convertible preference share (CCPS)	:	During 2009-10, the Company issued 17,93,000 Compulsorily Convertible Preference Shares at a conversion price of Rs.140/- per share, which are outstanding as on 31st March 2010 for conversion within 18 months from the date of allotment i.e. 6th January 2010. Each CCPS upon conversion, would give rise to one equity share of Rs.10 each fully paid-up aggregating to 17,93,000 equity shares of Rs. 10 each fully paid-up.

d. Employees' Stock Option Plans (ESOPs)

With a view to enable its employees to participate in the future growth and success, the Company introduced Employee Stock Option Scheme-2009 (ESOP) in the financial year 2009-10. With the approval of shareholders, the Board of Directors of the Company at its meeting held on 2nd January 2010, allotted 2,00,000 equity shares of Rs. 10 each at a premium of Rs. 90 per share to GPT Employees Welfare Trust for the purpose of issuing shares to the eligible persons under the ESOP Scheme.

13. Plant locations

a) Concrete sleeper division : P-Way Depot, Panagarh, Dist. Burdwan, West Bengal
P.S. Gangajalghati, Dist. Bankura, West Bengal

b) Wind power division : Irrukandurai, Dist. Tirunelvelli, Tamil Nadu

14. Address for Correspondence

Registered / Corporate office

GPT INFRAPROJECTS LIMITED
"Jeewansatya"
DD-6, Sector-I, Salt Lake City
Kolkata 700 064, India
Tel: +91-33-4020-6450
Fax: +91-33-4020-6430
Email : gpt@gptgroup.co.in

14.1 Investor correspondence

All shareholders complaints/queries in respect of their shareholdings may be addressed to

Contact Persons: Mr. Raghunath Mishra,
Company Secretary & Compliance Officer
Tel : +91-33-40206427, Fax +91-33-40206430
Website: http://www.gptgroup.co.in
Email: rmishra@gptgroup.co.in

14.2 Queries relating to financial statements and Company performance, among others, may be addressed to

Mr. Arun Kumar Dokania, Chief Finance Officer
Tel: +91 – 33-40206405
Fax +91-33-40206430
Email : akd@gptgroup.co.in

Subject : Compliance with Code of Conduct

As required under Clause 49(I)(D) of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct as adopted by the Board of Directors for the year ended 31st March 2010.

Place: Kolkata
Date: 22nd May 2010

S. G. Tantia
Managing Director

Auditors' Certificate on Corporate Governance

To
The Members of **GPT Infraprojects Limited**

We have examined the compliance of the conditions of Corporate Governance by GPT Infraprojects Limited having its registered office at DD-6, Salt Lake City, Sector-I, Kolkata-700 064, for the year ended on 31st March 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement except that the Board of Directors of the Company consists of three independent directors as against the minimum requirement of four independent directors as per the current constituent of the Board.

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 **S. R. Batliboi & Associates**
Firm Registration No. 101049W
Chartered Accountants

Per **Vikas Mehra**
a Partner
Membership No. 94421

Place: Kolkata
Dated: 22nd May 2010

CEO / CFO Certification

The Board of Directors
GPT Infraprojects Limited

We, S. G. Tantia, Managing Director and A. K. Dokania, CFO of GPT Infraprojects Limited certify to the Board that, we have reviewed financial statements and the cash flow statement for the year ended 31st March 2010.

1. To the best of our knowledge and belief, we certify that:
   a) these statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading;
   b) these statements together present a true and fair view of the Company, and are in compliance with the existing Accounting Standards, applicable laws and regulations;
   c) there are no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
2. We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting; and deficiencies in the design or operation of such internal controls, if any of which we are aware have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
3. We have indicated to Auditors and Audit Committee that:
   a) There has not been any significant change in internal control over financial reporting during the year under reference.
   b) There has been significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
   c) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata	**A. K. Dokania**	**S. G. Tantia**
Date: 22nd May 2010	*Chief Finance Officer*	*Managing Director*

Auditors' Report

To the Members of GPT Infraprojects Limited

1. We have audited the attached Balance Sheet of GPT Infraprojects Limited ('the Company') as at 31st March 2010 and also the Profit and Loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order
4. We did not audit the financial statements of a foreign project site of the Company, whose financial statements (net of eliminations) reflect total assets of Rs.76,136 thousands as at 31st March 2010, and total revenue of Rs.129,124 thousands and net cash flows amounting to Rs.(1,490) thousands for the year then ended. These financial statements have been audited by other auditors, whose report have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the said foreign project sites, is based solely on the reports of other auditor.
5. We did not audit the financial statements of the joint ventures, whose financial statements reflect the Company's share of Rs. 8,818 thousands on the net profit of the joint venture for the year ended 31st March 2010. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the share of profit of the joint ventures, is based solely on the report of other auditors.
6. We also did not audit the financial statements of a joint venture company, whose financial statements reflect the Company's share of Rs. 8,993 thousands on the net profit of the joint venture for the year ended 31st March 2010. The Company's share in net profit have been included under other income on the basis of unaudited financial statements as certified and furnished to us by the management.
7. Without qualifying our audit opinion, attention is drawn to Note No. 6 on Schedule 24 regarding payment of remuneration of Rs. 2,508 thousands to the relatives of directors which is pending approval of the central government as required under section 314 of the Companies Act, 1956.
8. *As indicated in Note No.3a on Schedule 23, the Company, during the year has accounted for unbilled revenue of Rs.535,810 thousands in terms of Accounting Standard 7 on Construction Contracts which hitherto was being considered as a part of work in progress. Accordingly, the revenue from sales & services during the year has increased by Rs.535,810 thousands with corresponding decrease in work in progress as at 31st March 2010. However, the impact of above change on the Company's profit is not presently ascertainable.*
9. Further to our comments in the Annexure referred to above, we report that:
   i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
   ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
   iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
   v. On the basis of the written representations received from the directors, as on 31st March 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
   vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, subject to the matter referred to in para 8 above, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
      a) in the case of balance sheet, of the state of affairs of the Company as at 31st March 2010;
      b) in the case of profit and loss account, of the profit for the year ended on that date; and
      c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For **S.R. Batliboi & Associates**
Firm registration number: 101049W
Chartered Accountants

per Vikas Mehra
Partner
Membership No. 94421

Place: Kolkata
Dated : 22nd May 2010

Referred to in our report of even date to the members of GPT Infraprojects Limited as at and for the year ended 31st March 2010.

i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

c) There was no substantial disposal of fixed assets during the year.

ii) a) The management has conducted physical verification of inventory at reasonable intervals during the year.

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 the nature of its business.

c) The Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.

iii) a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clauses 4 (iii) (a) to (d) of the Order are not applicable.

b) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clauses 4 (iii) (e) to (g) of the Order are not applicable.

iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.

v) a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.

b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.

vi) The Company has not accepted any deposits from the public.

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

viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.

ix) a) Undisputed statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess have generally been regularly deposited with the appropriate authorities though there have been delays in a few cases.

b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of statute	Nature of dues	Amount (Rs.)	Period to which the amount relates (Financial year)	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of deductions u/s 80 HHC, 80IA, 40(a)(ia) and others	10,331,204	2003-04 2005-06 2006-07	CIT (A) - IV, Kolkata
West Bengal VAT Act	Disallowance of input tax credit and levy of purchase tax on purchases made from unregistered dealers	12,046,000	2005-2006 2006-2007	Sr. Joint Commissioner
CST Act	Non-submission of Forms C, D and H	30,959,000	2005-2006 2006-2007	Sr. Joint Commissioner
Central Excise Act	Interest and penalty on account of delay in deposit of excise duty on escalation prices, sale of old and used moulds etc.	146,351	2004-05 2006-07 2007-08	CCE (A) - IV, Kolkata

x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank.

xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.

xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.

xv) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof in our opinion are not prima-facie prejudicial to the interest of the Company.

xvi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

xviii) The Company has not made any preferential allotment of shares during the year to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.

xix) The Company did not have any outstanding debentures during the year.

xx) The Company has not raised any money through public issue during the year.

xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **S.R. Batliboi & Associates**
Firm registration number: 101049W
Chartered Accountants

per Vikas Mehra
Partner
Membership No.94421

Place:Kolkata
Date: 22nd May 2010

Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

Particulars	Schedule No.	As at 31.03.2010		As at 31.03.2009	
I. SOURCES OF FUNDS					
Shareholders' Funds					
a) Share Capital	1	351,020		100,000	
b) Convertible Warrants		41,125		-	
(Refer Note No 4 on Schedule 24)					
c) Reserves and Surplus	2	348,719	740,864	230,632	330,632
Loan Funds					
a) Secured Loans	3	770,296		542,269	
b) Unsecured Loans	4	233,517	1,003,813	258,590	800,859
Deferred Tax Liabilities (Net)			40,619		36,997
Total			1,785,296		1,168,488
APPLICATION OF FUNDS					
Fixed Assets	5				
a) Gross Block		658,876		496,714	
b) Less: Accumulated depreciation		160,818		113,242	
c) Net Block			498,058		383,472
d) Capital Work in progress including Capital advances.			2,998		12,680
Investments	6		121,457		141,047
Current Assets, Loans and Advances					
a) Inventories	7	457,624		576,702	
b) Sundry Debtors	8	630,992		373,125	
c) Cash and Bank Balances	9	230,785		109,227	
d) Other Current Assets	10	537,351		1,920	
e) Loans and Advances	11	133,326		118,090	
		1,990,078		1,179,064	
Less : Current Liabilities and Provisions					
a) Current Liabilities	12	732,612		518,813	
b) Provisions	13	94,683		29,005	
		827,295		547,818	
Net Current Assets			1,162,783		631,246
Miscellaneous Expenditure (to the extent not written off or adjusted)					
Preliminary Expenses			-		43
Total			1,785,296		1,168,488
Significant Accounting Policies	23				
Notes to Accounts	24				

Schedules 1 to 13, 23 and 24 referred to above form an integral part of the Balance Sheet

As per our report of even date

For **S.R. Batliboi & Associates**
Firm Registration No. 101049W
Chartered Accountants

per Vikas Mehra
Partner
Membership No. 94421

Place : Kolkata
Dated : 22nd May 2010

For and on behalf of Board of Directors

S. G. Tantia
Managing Director

D. P. Tantia
Chairman

V. N. Purohit
Director

H. S. Sinha
Director

R. Mishra
Company Secretary

Atul Tantia
Executive Director

Profit and Loss Account For the year ended 31st March 2010

(Amount in Rs. in '000 except Per share data)

Particulars	Schedule No.	2009-10	2008-09
I. INCOME			
Sales and Services	14	3,072,968	1,987,859
Less : Excise Duty		27,370	44,515
		3,045,598	1,943,344
Other Income	15	63,444	56,591
		3,109,042	**1,999,935**
II. EXPENDITURES			
Raw Materials and Construction Materials Consumed	16	1,345,992	880,303
Purchase of Trading Goods		120,095	174,501
(Increase) / Decrease in Stock	17	141,355	(96,775)
Increase / (Decrease) in Excise Duty on Finished Goods Stock		4,659	(3,131)
Operational Expenses	18	760,467	575,054
Personnel Expenses	19	183,358	138,145
Administrative and Other Expenses	20	94,521	57,774
Selling and Distribution Expenses	21	24,457	18,595
Interest and Finance Expenses	22	143,152	123,625
Depreciation		48,537	33,811
		2,866,593	**1,901,902**
Profit before Prior Period Items and Tax		242,449	98,033
Add: Prior Period Items (Net) (Refer Note No 27 of Schedule 24)		2,201	-
Profit after Prior Period Items but before Tax		244,650	98,033
Provision for Tax			
- Current Tax (Incl. Rs. 6,000 thousand (Rs. Nil) for earlier years)		84,000	11,600
- Wealth Tax		100	-
- Deferred Tax		3,623	2,895
- Fringe Benefit Tax (Incl. Rs. 406 thousand (Rs. Nil) for earlier year)		406	900
Net Profit		**156,521**	**82,638**
Profit brought forward from earlier years		139,179	73,665
Amount available for appropriation		**295,700**	**156,303**
III. APPROPRIATIONS			
Transfer to General Reserve		17,500	2,500
Interim Dividend (Refer Note No 19 on Schedule 24)		17,770	-
Proposed Dividend		7,650	12,500
Tax on Dividend		4,222	2,124
Balance carried to Balance Sheet		248,558	139,179
		295,700	**156,303**
IV. Earnings per share (Rs.) (Refer Note No 9 on Schedule 24)			
Basic		15.07	11.56
Diluted		12.07	11.56
(Face value of Rs.10/- per share)			
Significant Accounting Policies	23		
Notes to Accounts	24		

Schedules 14 to 24 referred to above form an integral part of the Profit and Loss Account

As per our report of even date

For **S.R. Batliboi & Associates**
Firm Registration No. 101049W
Chartered Accountants

per Vikas Mehra
Partner
Membership No. 94421

Place : Kolkata
Dated : 22nd May 2010

For and on behalf of Board of Directors

S. G. Tantia
Managing Director

D. P. Tantia
Chairman

V. N. Purohit
Director

H. S. Sinha
Director

R. Mishra
Company Secretary

Atul Tantia
Executive Director

Schedules forming part of the Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

		As at 31.03.2010		As at 31.03.2009
Schedule - 1 SHARE CAPITAL				
Authorised :				
14,898,000 (10,000,000) Equity Shares of Rs. 10/- each		148,980		100,000
1,793,000 (Nil) Compulsorily Convertible Preference Shares of Rs. 140/- each		251,020		-
		400,000		100,000
Issued, Subscribed & Paid Up :				
10,200,000 (10,000,000) Equity Shares of Rs. 10/-each		102,000		100,000
Less. Amount recoverable from GPT Employees Welfare Trust towards 200,000 shares allotted to the Trust (Refer Note No 3 on Schedule 24)		2,000		–
		100,000		100,000
of the above				
922,284 Fully paid Equity Shares were allotted for consideration other than Cash				
5,861,420 Fully paid Equity Shares were allotted as Bonus Shares by capitalisation of General Reserve				
1,793,000 (Nil) 2 - 6 % Compulsorily Convertible Preference Shares of Rs. 140/- each fully paid up, Convertible into 1,793,000 equity shares of Rs. 10/ each at a premium of Rs. 130/- per equity shares within 18 months from the date of allotment (i.e. 06.01.2010)		251,020		-
		351,020		100,000

Schedule - 2 RESERVES AND SURPLUS				
Capital Reserves				
State Capital Subsidies	1,693		1,693	
Share Forfeiture Account	11	1,704	11	1,704
Securities Premium Account				
As per last Account	60,492		-	
Add: Received during the year	18,000		60,492	
	78,492		60,492	
Less: Amount recoverable from GPT Employees Welfare Trust (Premium on 200,000 shares allotted to the Trust)	18,000		-	
	60,492		60,492	
Less: Share issue expenses (Refer Note No 5 on Schedule 24)	8,792	51,700	-	60,492
General Reserve				
As per last Account	29,257		30,788	
Add : Transfer from Profit and Loss Account	17,500		2,500	
	46,757		33,288	
Less: Employees retirement benefits for earlier years adjusted against reserve	-	46,757	4,031	29,257
Profit & Loss Account balance		248,558		139,179
		348,719		230,632

Schedules forming part of the Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

	As at 31.03.2010		As at 31.03.2009	
Schedule - 3 SECURED LOANS				
Term Loans				
From Indian Renewable Energy Development Agency Ltd. *		34,800		48,800
(Secured by way of first/sole charge on immovable & movable assets and receivables of Wind Power Division of the Company and Personal Guarantees of some of the Directors)				
From Scheduled Banks *		12,989		17,768
(Secured by first charge on all present and future goods, movable property including Plant and Machinery and other Fixed Assets, Book Debts, Stock of Raw Materials, Stores, Process / Finished Stocks and all Current Assets of Concrete Sleeper Division of the Company and Personal Guarantees of some of the Directors)				
Equipment Finance Loans *				
- From Banks		72,627		39,676
- From others		26,780		50,255
(Secured by first charge of equipments purchased against such loans and Personal Guarantees of some of the Directors)				
* Out of the above, Rs. 73,195 thousands (Rs. 64,320 thousands) is falling due for payment within one year				
Other Loans				
- From Schedule Banks on Cash Credit Account includes:		623,100		385,770
(Rs. 119,048 thousands (Rs. 101,988 thousands) secured by first charge on all present and future goods,movable property including Plant and Machinery and other Fixed Assets, Book Debts, Stock of Raw Materials, Stores, Process / Finished Stocks and all Current Assets of Concrete Sleeper Division of the Company and Personal Guarantees of some of the Directors)				
(Rs. 504, 052 thousands (Rs. 283,782 thousands) secured by pari passu first charge on all present and future goods, movable property including Plant & Machinery and other Fixed Assets, Book Debts, Stock of Raw Material, Stores, Process / Finished Stocks, Work in Progress and all current assets of Infrastructure Divisions of the Company (excluding assets under equipment finance) and Personal Guarantees of some of the Directors.)				
		770,296		542,269

Schedule - 4 UNSECURED LOANS				
Short Term Loans				
i) From Banks		192,760		-
ii) From Bodies Corporates		40,757		258,590
		233,517		258,590

Schedules forming part of the Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

Schedule - 5 FIXED ASSETS

		GROSS BLOCK				DEPRECIATION				NET BLOCK	
Sl. No.	Particulars	As at 31.03.2009	Additions	Sales/ Adjustments	As at 31.03.2010	As at 31.03.2009	For the year	Less: Sales/ Adjustments	As at 31.03.2010	As at 31.03.2010	As at 31.03.2009
1	Freehold Land (Incl. Land Development)	7,271	5,904	-	13,175 (a)	-	-	-	-	13,175	7,271
2	Buildings	34,308	46	-	34,354	7,543	1,300	-	8,843	25,511	26,765
3	Plant, Machinery and Equipments	410,979	107,742 (b)	-	518,721	96,424	33,572	-	129,996	388,725	314,555
4	Furniture & Fixtures	1,466	40	-	1,506	490	65	-	555	951	976
5	Computer and Office Equipments	7,465	1,791	22	9,234	2,453	1,111	4	3,560	5,674	5,012
6	Vehicles	35,225	3,332	2,767	35,790	6,332	3,270	957	8,645	27,145	28,893
7	Steel Shutterings	-	46,096 (c)	-	46,096	-	9,219	-	9,219	36,877	-
	Total	496,714	164,951	2,789	658,876	113,242	48,537	961	160,818	498,058	383,472
	Previous Year	394,414	105,795	3,495	496,714	80,987	33,811	1,557	113,242	383,472	

a) Includes Rs. 10,160 thousands (Rs. 4,255 thousands) registered in the name of GPT Metal Industries Limited,which has merged with the Company in an earlier year.

b) Includes Rs.28,562 thousands (Rs. Nil) installed on Land, Buildings and Shed rented from a related party.

c) Refer Note No 3 (b) on Schedule 23

Schedule - 6 INVESTMENTS

	Face Value per Shares	As at 31.03.2010	As at 31.03.2009
Long Term			
(Unquoted - Trade)			
a) Subsidiary Companies			
i) 27,000 Equity Shares of GPT Concrete Products South Africa (Pty) Limited, South Africa *	ZAR 1/-	149	149
ii) 2,125,000 Equity Shares of GPT Investments Private Limited , Mauritius	USD 1/-	93,542	93,542
b) Others			
Nil (110,000) Equity Shares of GPT Castings Limited, a Company under the same management.	Rs. 10/-	-	1,100
i) Investment in Capital of Joint Ventures			
GPT - GVV (JV)		391	4,563
GPT - MADHAVA (JV)		2,135	2,173
GPT - PREMCO - RDS (JV)		388	1,400
GPT - GEO (JV)		282	448
GPT - GEO - UTS (JV)		330	691
GPT - SLDN - UTS (JV)		690	602
GPT - RDS (JV)		2,021	2,731
GPT - SLDN - COPCO (JV)		10	110
GPT - UNIVERSAL (JV)		109	3
GPT - RAHEE (JV)		8,717	18,007
RAHEE - GPT (JV)		10,371	15,348
BHARAT - GPT (JV)		770	180
GPT - TRIBENI (JV)		202	–
GPT - CVCC - SLDN (JV)		813	–
PREMCO - GPT (JV)		245	–
RAHEE - GPT (NFR) (JV)		292	–
		121,457	141,047

* Pledged with Export - Import Bank of India as Security for loan given by them to the investee subsidiary Company.

Schedules forming part of the Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

	As at 31.03.2010	As at 31.03.2009
Schedule - 7 INVENTORIES		
(Refer Note No 9 on Schedule 23)		
Raw Materials	20,956	25,415
Construction Materials	164,191	93,644
Stores and Spares	31,786	75,597
Work in Progress	131,856	306,268
Finished Goods	108,835	75,778
	457,624	576,702

Schedule - 8 SUNDRY DEBTORS (Unsecured, considered Good)		
Debts outstanding for a period exceeding six months	195,261	135,513
Others Debts	435,731	237,612
	630,992*	373,125

* Includes the following :-

a) Amount due from Subsidiaries Rs. 25,437 thousands (Rs. 6,477 thousands)

b Retention Money Rs. 194,852 thousands (Rs. 84,895 thousands)

Schedule - 9 CASH AND BANK BALANCES		
Cash in hand	3,076	5,131
Cheques in Hand	1,545	500
Balance with Scheduled Banks		
- In Current Accounts	71,636	10,997
- In Fixed Deposit Account	154,510	90,998
(Receipts pledged as security / margin with sales tax authority, banks and clients)		
Balance with Non Scheduled Banks		
- In Current Accounts	18	1,601
BCI Fomento, Mozambique (Maximum balance outstanding at any time during the year Rs. 15,808 thousands (Rs.42,876 thousands)		
	230,785	109,227

Schedule - 10 OTHER CURRENT ASSETS		
Unbilled revenue on construction contracts	535,810	-
(Refer Note No 3(a) on Schedule 23)		
Interest Accrued on Fixed Deposits	1,541	1,920
	537,351	1,920

Schedule - 11 LOANS AND ADVANCES (Unsecured, considered Good)		
Loan to GPT Employees Welfare Trust (Interest free)	10	–
Advances recoverable in Cash or in Kind or for value to be received	61,165	73,025
Export Incentives / Refund Receivable	8,821	9,274
Security Deposit / Earnest Money Deposit	36,535	24,252
V.A.T. Credit (Input) recoverable	26,795	11,539
	133,326	118,090

Schedules forming part of the Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

	As at 31.03.2010	As at 31.03.2009
Schedule - 12 CURRENT LIABILITIES		
Acceptances	18,549	–
Sundry Creditors for goods, services, expenses etc.		
- dues to Micro and Small Enterprises (Refer Note No 25 on Schedule 24)	–	–
- dues to other Creditors	436,168	307,041
(Includes Rs. 2,846 thousands (Rs.1,169 thousands) due to Directors)		
Advance from Customers (partly bearing interest)	247,986	193,268
Interest Accrued but not due	2,567	–
Other Liabilities	8,529	18,504
Temporary Book Overdraft in Current account with Banks	18,813	–
	732,612	518,813

	As at 31.03.2010	As at 31.03.2009
Schedule - 13 PROVISIONS		
Income Tax (Net of Advance Tax Rs. 50,154 thousands (Rs. 21,490 thousands))	58,671	3,498
Fringe Benefit Tax (Net of Advance Tax Rs. 1,954 thousands (Rs. 1,915 thousands))	27	249
Wealth Tax	100	–
Gratuity	767	6,835
Earned Leave	5,476	3,799
Interim Dividend	17,770	–
Proposed Dividend	7,650	12,500
Dividend Tax	4,222	2,124
	94,683	29,005

Schedules forming part of the Profit and Loss Account For the year ended 31st March 2010

(Amount in Rs. in '000)

	2009-10	2008-09
Schedule - 14 SALES AND SERVICE		
Domestic		
- Finished Goods	335,467	411,907
- Traded Goods	92,400	22,529
- Contract Revenue	2,385,478	1,140,303
- Wind Power	14,458	12,820
Export (Including foreign operations)		
- Finished Goods	82,532	–
- Traded Goods	34,879	204,108
- Contract Revenue	127,754	196,192
	3,072,968	1,987,859

Schedules forming part of the Profit and Loss Account For the year ended 31st March 2010

(Amount in Rs. in '000)

		2009-10		2008-09
Schedule - 15 OTHER INCOME				
Interest Received				
- Bank Deposits (Gross) (TDS Rs.956 thousands (Rs. 955 thousands))		9,074		5,251
- Others (Gross) (TDS Rs. Nil (Rs. 32 thousands))		52		675
Share in Profit of Joint Ventures		17,595		21,775
Profit on Sale of Long Term Trade Investments		770		–
Profit on Sale of Long Term Non Trade Investments		-		388
Consultancy and Royalty Fees Received		23,780		4,431
Exchange Difference (Net)		-		12,605
Miscellaneous Income		3,259		3,902
Liability no longer required written back		5,662		–
Profit on sales of Raw Materials		51		74
Export Incentives		3,201		7,490
		63,444		56,591
Schedule - 16 RAW MATERIALS AND CONSTRUCTION MATERIALS CONSUMED				
Raw Materials				
Opening Stock		25,415		4,688
Add: Purchases		288,513		286,873
Less: Closing Stock		20,956		25,415
		292,972		266,146
Construction Materials				
Opening Stock		93,644		72,294
Add: Purchases		1,123,567		635,507
Less: Closing Stock		164,191		93,644
		1,053,020		614,157
		1,345,992		880,303
Schedule - 17 (INCREASE) / DECREASE IN STOCK				
Opening Stock				
Trading Goods	-		720	
Finished Goods	75,778		69,053	
Work In Progress	306,268	382,046	215,498	285,271
Less: Closing Stock				
Finished Goods	108,835		75,778	
Work In Progress	131,856	240,691	306,268	382,046
		141,355		(96,775)
Schedule - 18 OPERATIONAL EXPENSES				
Stores Consumed		112,314		100,496
Power & Fuel		69,822		75,799
Repairs & Maintenance				
- Plant & Machinery		41,803		31,608
- Buildings		4		45
- Others		3,850		2,287
Payment to Sub - Contractors		445,794		289,283
Site Mobilisation Expenses		14,980		14,438
Other Operational Expenses		18,743		10,303
Consultancy Fees		17,084		8,496
Carriage Inward		37,055		42,299
		761,449		575,054
Less. Capitalised		982		–
		760,467		575,054

Schedules forming part of the Profit and Loss Account For the year ended 31st March 2010

(Amount in Rs. in '000)

		2009-10		2008-09
Schedule - 19 PERSONNEL EXPENSES				
Salary,Wages, Bonus and Allowances		165,237		123,592
Director's Remuneration		7,631		4,690
(Including Sitting Fees Rs. 219 thousands (Rs. 169 thousands))				
Contribution to Provident and Other Funds		4,253		3,932
Gratuity		646		1,351
Staff Welfare Expenses		6,620		4,580
		184,387		138,145
Less. Capitalised		1,029		–
		183,358		138,145
Schedule - 20 ADMINISTRATIVE AND OTHER EXPENSES				
Rent		5,011		4,288
Rates & Taxes		3,907		615
Insurance Premium		2,808		4,117
Professional Charges & Consultancy Fees		6,771		8,092
Travelling & Conveyance Expenses		18,417		20,474
(Includes Rs.2,228 thousands (Rs.4,158 thousands) for Directors)				
Auditors' Remuneration				
As Auditors				
- Audit Fees	1,200		80	
- Limited Review Fees	200		9	
- Tax Audit Fees	-		15	
- Out of Pocket Expenses	4		-	
In any other manner				
- For Certification	56	1,460	16	120
Donation		2,000		510
Exchange Difference (Net)		28,179		–
Loss on Sale / Discard of Fixed Assets		1,356		1,402
Bad Debts Written Off		2,734		–
Miscellaneous Expenses		21,835		18,100
Preliminary Expenses written off		43		56
		94,521		57,774
Schedule - 21 SELLING AND DISTRIBUTION EXPENSES				
Advertisement		1,299		104
Selling Commission		-		1,925
Freight & Forwarding Expenses		23,158		16,566
		24,457		18,595
Schedule - 22 INTEREST & FINANCE EXPENSES				
Interest On :				
Term Loans				
- Bank	8,675		6,255	
- Others	8,417	17,092	9,851	16,106
Other Loans, Mobilisation Advance etc.				
- Bank	57,992		43,043	
- Others	49,182	107,174	44,233	87,276
Bank Commission and Other Charges		18,886		20,243
		143,152		123,625

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 23 SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of Preparation**

   The financial statements have been prepared to comply in all material respects with the accounting standards notified by the Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis, except for insurance and other claims which are accounted for on acceptance / actual receipt basis. The accounting policies applied by the Company are consistent with those used in the previous year, except for the changes as described in Note No.3 below.

2. **Use of estimates**

   The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates.

3. **Changes in Accounting Policies**

   a. During the year, the Company has accounted for unbilled revenue of Rs. 535,810 thousands in terms of Accounting Standard 7 on Construction Contracts which hitherto were being considered as a part of work in progress. Accordingly, the revenue from sales & services during the year has increased by Rs. 535,810 thousands with corresponding decrease in work in progress as at 31st March 2010. However, the impact of the above change on the Company's profit is not ascertainable.

   b. During the year, the Company has capitalised the cost of steel shutterings to be depreciated on straight line method over a period of five years (being useful life as estimated by the management) from the year of addition. Such materials were hitherto being charged to consumption on the basis of management estimates of the physical stock available. However, the impact of the above change on the Company's profit is not ascertainable.

4. **Fixed Assets**

   Fixed assets are stated at cost of acquisition inclusive of duties (net of CENVAT / VAT), taxes, incidental expenses, erection/commissioning expenses upto the date the asset is ready to be put to use.

5. **Depreciation**

   Depreciation on fixed assets except as mentioned below, is provided using the Straight Line Method at the rates prescribed under Schedule XIV of the Companies Act, 1956

   – Fixed assets acquired up to 31st March 1991 and fixed assets of the Wind Power Unit are depreciated at the rates specified in Schedule VI of the Companies Act, 1956 using written down value method

   – Steel Shutterings are depreciated over a period of five years on straight line method from the year of addition

   In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

6. **Impairment**

   The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

   A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

7. **Leases**

   Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss account on a straight-line basis over the lease term.

8. **Investments**

   Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long term investments are considered at cost, unless there is an "other than temporary" decline in value thereof, in which case, adequate provision for diminution is made in the accounts. Current Investments are carried at lower of cost and fair value on an individual investment basis.

9. **Inventories**

   Closing stock of stores and spares, raw materials, finished goods and work in progress (except for those relating to construction activities) are valued at lower of cost and net realisable value. Cost of inventories is ascertained on 'First In First Out' basis. Materials and other

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 23 SIGNIFICANT ACCOUNTING POLICIES (Contd...)

supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost in respect of raw materials and stores and spares include expenses incidental to procurement thereof. Cost in respect of finished goods represents prime cost and an appropriate portion of overhead costs and excise duty.

Construction work in progress is valued at cost. However, in case of jobs where losses are likely to occur, the stock is considered at net realisable value. Costs include materials, labour and an appropriate portion of construction overheads.

Stores, components, etc. and construction materials at sites to be used in contracts are valued at cost which is ascertained on First in First Out (FIFO) basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

10. Revenue recognition

a) Construction contracts

Revenue on contracts is recognised on percentage completion method based on the stage of completion of the contract. The stage of completion is determined as a proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total costs. When it is probable that the total contract cost will exceed the total contract revenue, the expected loss is recognised immediately. For this purpose, total contract costs are ascertained on the basis of actual costs incurred and costs to be incurred for completion of contracts in progress, which is arrived at by the management based on current technical data, forecasts and estimate of expenditure to be incurred in future including contingencies, which being technical matters have been relied on by the auditors. Revisions in projected profit or loss arising from change in estimates are reflected in each accounting period which however cannot be disclosed separately in the financial statements as the effect thereof cannot be accurately determined.

Overhead expenses representing indirect costs that cannot be directly aligned with the jobs, are distributed over the various contracts on a pro-rata basis.

b) Sale of Goods

Revenue from sale of goods is recognised on passage of title thereof to the customers, which generally coincides with delivery. Sales are net of taxes, returns, claims, trade discounts etc.

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty, Sales Tax and VAT deducted from turnover (gross) are the amount that is included in the amount of turnover (gross) and not the entire amount of liability arisen during the year.

c) Income from Services

Revenues from operation and maintenance contracts are recognised on rendering of services as per the terms of contract.

d) Interest

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

11. Foreign currency translations

Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement/conversion of monetary items are recognised as income or expenses in the year in which they arise.

Forward Exchange Contracts

The premium or discount arising at the inception of forward exchange contracts is amortised as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

Schedule - 23 SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Translation of Integral and Non-integral foreign operations

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself.

In translating the financial statements of a non-integral foreign operation for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, are translated at the closing rate; while income and expense items are translated at exchange rates at the dates of the transactions; All the resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

12. **Retirement and other employee benefits**

Retirement benefits in the form of Provident Fund being a defined contribution scheme, are charged to Profit and Loss Account of the year when the contributions to the funds are due. There are no obligations other than the contribution payable to the fund.

Gratuity (funded) being a defined benefit obligation and long term compensated absences (unfunded) are provided for based on actuarial valuation made at the end of each financial year using the projected unit credit method.

Actuarial gain and losses are recognised immediately in the statement of Profit & Loss Account as income or expenses.

13. **Income taxes**

Tax expense comprises of current and deferred income tax and fringe benefit tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that these can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes down the carrying amount of the deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax assets can be realised. Any such write down is reversed to the extent it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

14. **Employee Stock Compensation Cost:**

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

15. **Segment Reporting**

Identification of Segments

The Company has identified that its business segments are the primary segments. The Company's businesses are organised and managed separately according to the nature of activity, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter segment Transfers

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated - Common"

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 23 SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Segment Policies

The accounting policies adopted for segment reporting are in line with those of the Company.

16. **Earning Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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

17. **Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions made in terms of Accounting Standard 29 are not discounted to its present value and are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and appropriately adjusted to reflect the current management estimates. Contingent Assets are neither recognised nor disclosed in the financial statements. Contingent liabilities are not provided for and are disclosed by way of notes.

Provision for product related warranties cost is based on the claims received upto the year end as well as the management estimates of further liability to be incurred in this regard during the warranty period.

18. **Cash and Cash Equivalents**

Cash and cash equivalents as indicated in the Cash Flow Statements comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

19. **Accounting for interests in joint ventures**

In respect of joint ventures entered into with other parties in the form of ‘integrated joint ventures’, the accounting treatment is done as below in terms of Accounting Standard 27 notified by the Companies Accounting Standards Rules, 2006 (as amended) :

a) Company’s share in profits and losses is accounted for on determination of profits or losses by the Joint Ventures;

b) Investments are carried at cost, net of the Company’s share of profits or losses, recognised in the accounts.

Schedule - 24 NOTES ON ACCOUNTS

1. **Contingent liabilities not provided for in respect of** *(Rs. in ‘000)*

	As at 31.03.2010	As at 31.03.2009
Outstanding bank guarantees and Letters of Credit (Including Rs. 409,261 thousands (Rs. 235,459) given for Joint Venture)	966,590	647,898
Corporate guarantees given for subsidiaries	229,401	283,766
Disputed Sales tax demands under appeal	43,005	-
Disputed excise demands under appeal	146	112
The demand, if any, that may arise out of search and seizure proceedings initiated by Income tax authority	Amount not ascertainable	-

2. **Estimated amount of contracts remaining to be executed on Capital Account and not provided for** [Net of Advances]	Rs. 2,858 thousands	Rs. Nil

3. a) During the year, the Company has issued and allotted 200,000 equity shares of Rs.10 each at a premium of Rs.90 each aggregating to Rs.20,000 thousands to GPT Employees Welfare Trust for exercising the option under GPT Employees Stock Option Plan-2009 (the Scheme). The Scheme to be operative for this purpose is as under:

	Scheme
Date of Board Approval	30.11.2009
Date of Shareholder’s approval	24.12.2009
Number of options to be granted	200,000
Vesting Period	1 -5 Years
Exercise Period	5 years from vesting period

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

b) Further, the Company has given Rs. 20,000 thousands by way of interest free loan to the GPT Employees Welfare Trust which would be recovered from the trust on issue of the aforesaid shares to the employees in terms of the above Scheme. As per Guidance Note on Accounting for Employee Share based Payments issued by ICAI, the above loan has been adjusted to the extent of Rs.2,000 thousands in equity share capital and balance Rs.18,000 thousands in the share premium account.

4. During the year, the Company has raised Rs..41,125 thousands by issue of 1,175,000 equity warrants on preferential basis at a price of Rs.140 each (Rs.35 paid up till date) convertible into equivalent number of equity shares of Rs.10 each fully paid up at premium of Rs.130 each, within 18 months from the date of allotment, i.e., 6th January 2010.

5. The following share issue expenses incurred on issue of convertible preference shares and equity warrants during the year have been adjusted against Securities Premium Account:

		(Rs. in '000)
Professional Fees	:	Rs. 2,350
Legal Fees	:	Rs. 200
Financial Fees Etc.	:	Rs. 6,242

6. In terms of the shareholders' approval at their meeting held on 29.08.2009, the Company has paid remuneration of Rs. 2,508 thousands to two relatives of the directors who are in employment with the Company. The Company has made application to the central government for approval towards the above remuneration under section 314 of the Companies Act, 1956. Pending approval of the Company's application, such remuneration has been charged to the profit & loss account.

7. Consumption of stores and spares include Rs. 19,420 thousand being the amounts written off in respect of steel shutterings at various sites.

8. In terms of Accounting Standard - 22, net deferred tax liability (DTL) of Rs.40,619 thousands has been recognised in the accounts up to 31st March 2010.

The break-up of DTL is as follows: *(Rs. in '000)*

Particulars	As at 31.03.2010	As at 31.03.2009
Deferred Tax Liability		
On timing differences of depreciable assets	42,693	41,237
Deferred Tax Assets		
Expenses allowable against taxable income in future years	2,074	4,240
Deferred Tax Liability (Net)	**40,619**	**36,997**

9. **The break up of Earnings per Share (EPS) in terms of Accounting Standard 20 is as follows:** *(Rs. in '000, except Per share data)*

	2009-10	2008-09
Net Profit as per Profit & Loss Account	156,521	82,638
Less : Interim Dividend on convertible preference shares & tax thereon	5,854	-
Net Profit for calculation of basic EPS	150,667	82,638
Net Profit for calculation of diluted EPS	156,521	82,638
Weighted average number of equity shares in calculating basic EPS (Nos.)	10,000,000	7,147,480
Weighted average number of equity shares in calculating dilutive EPS (Nos.)	12,968,000	7,147,480
Basic EPS (Rs.)	15.07	11.56
Diluted EPS (Rs.)	12.07	11.56

10. **Segment information**

Business segment	:	The business segments have been identified on the basis of the activities undertaken by the Company. Accordingly, the Company has identified the following segments:
Concrete Sleepers and Allied	:	Consists of manufacturing of concrete sleepers, supply of plant & machinery and components for manufacturing of concrete sleepers,
Civil & Core Infrastructure	:	Consists of execution of turnkey projects,
Wind Power	:	Consists of electricity generated from wind farms,
Geographical segment	:	The Company primarily operates in India and therefore the analysis of geographical segment is demarcated into Domestic and Overseas operations:

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

Information about Primary Business Segments:

(Rs. in '000)

	Concrete Sleepers & Allied		Civil & Core Infrastructure		Wind Power		Total	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
a) Revenue (Net of Excise Duty and Cess)								
External sales	424,138	571,500	2,607,002	1,359,024	14,458	12,820	3,045,598	1,943,344
Inter Segment Sales	19,426	2,934	-	-	-	-	19,426	2,934
Total Revenue	**443,564**	**574,434**	**2,607,002**	**1,359,024**	**14,458**	**12,820**	**3,065,024**	**1,946,278**
b) Results								
Segment Results	28,863	80,658	370,975	176,255	1,597	(138)	401,435	256,775
Unallocated Income (Net of unallocated expenses)							(13,633)	(35,117)
Operating Profit							387,802	221,658
Interest & Finance Exp							143,152	123,625
Profit before tax							**244,650**	**98,033**
Provision for Taxation (Current Tax, Deferred Tax, Fringe Benefit Tax)		-		-		-	88,129	15,395
Profit after tax							**156,521**	**82,638**
OTHER INFORMATION								
a) Total Assets								
Segment Assets	367,634	270,373	1,873,440	1,138,812	70,844	79,633	2,311,918	1,488,818
Unallocated Corporate/ other Assets							300,674	227,487
Total							**2,612,592**	**1,716,305**
b) Total Liabilities								
Segment Liabilities	119,456	73,909	582,830	237,754	1,783	14	704,069	311,677
Unallocated Corporate/ other Liabilities							1,167,659	1,073,996
Total							**1,871,728**	**1,385,673**
c) Capital Expenditure	29,267	2,132	130,775	102,105	-	-	160,042	104,237
Unallocated, Corporate & others							2,003	1,558
Total							**162,045**	**105,795**
d) Depreciation	5,308	5,013	30,872	14,815	10,832	12,757	47,012	32,585
Unallocated, Corporate & others							1,525	1,226
Total							**48,537**	**33,811**
e) Non cash expenses other than depreciation included in segment expenses for arriving at Segment Results	-	-	-	-	-	-	-	-

Information about Geographical Segments:

The following table shows the distribution of the Company's sales and services by geographical market, regardless of where the goods / services were produced:

(Rs. in '000)

	2009-10	2008-09
Domestic	2,800,433	1,543,044
Overseas	245,165	400,300
	3,045,598	1,943,344

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

Assets and additions to tangible and intangible fixed assets by geographical area: The following table shows the carrying amount of segment assets and addition to segment assets by geographical area in which assets are located:

(Rs. in '000)

	Carrying amount of segment assets and Intangible assets		Addition to fixed assets and intangible assets	
	2009-10	2008-09	2009-10	2008-09
Domestic	2,235,782	1,471,535	164,890	105,444
Overseas	76,136	17,283	61	351
	2,311,918	**1,488,818**	**164,951**	**105,795**

11. In compliance with Accounting Standard – 18, the disclosures regarding related parties are as follows:

A. Name of Related parties:

a) Subsidiary Companies	GPT Investments Private Limited, Mauritius GPT Concrete Products South Africa (Pty) Limited.
b) Joint Ventures	GPT - GVV(JV) GPT - MADHAVA (JV) GPT – PREMCO-RDS (JV) GPT – GEO (JV) GPT – GEO-UTS (JV) GPT – SLDN-UTS (JV) GPT – RDS (JV) GPT – SLDN-COPCO (JV) GPT – UNIVERSAL (JV) GPT – RAHEE (JV) RAHEE – GPT (JV) BHARAT – GPT (JV) GPT – TRIBENI (JV) GPT – CVCC – SLDN (JV) PREMCO – GPT (JV) RAHEE – GPT – NFR (JV)
c) Key Management Personnel (KMP)	Mr. Dwarika Prasad Tantia – Chairman Mr. Shree Gopal Tantia – Managing Director Mr. Atul Tantia – Executive Director Mr. Vaibhav Tantia – Chief Operating Officer Mr. Arun Kumar Dokania – Chief Finance Officer
d) Relatives of Key Management Personnel (KMP)	Mrs. Pramila Tantia – Mother of Mr.Atul Tantia Mrs. Kriti Tantia – Wife of Mr.Atul Tantia Mrs. Vinita Tantia – Wife of Mr.S G Tantia Mrs. Radhika Tantia – Wife of Mr.Vaibhav Tantia M/s D P Tantia HUF – Mr. Dwarika Prasad Tantia is the karta Ms. Harshita Tantia – Daughter of Mr. S G Tantia Mr. Amrit Jyoti Tantia – Son of Mr. S G Tantia M/s S G Tantia HUF – Mr. S G Tantia is Karta Mrs. Manju Dokania – Wife of Mr. A K Dokania Mrs. Nirmala Sureka – Sister of Mr. D.P.Tantia
e) Enterprises owned or significantly influenced by the KMP/ KMP's relatives	M/s. GPT Castings Limited M/s. GPT Healthcare Private Limited M/s. GPT Ventures Private Limited M/s. Stone Products GPT Employees Welfare Trust

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

B. Details of transactions and Balances outstanding relating to Joint Ventures :

(Rs. in '000)

Name of Joint Ventures	Sales and Services	Recovery of Machine Hire/Staff Deputation Charges	Share of Profit from JV's	Purchase of Raw material	Outstanding Guarantees	Investments during the year Total	Balance outstanding as at the year end
GPT–RDS (JV)	44,484	-	775	-	54,264	-1,485	10,538
	(87,307)	(-)	(3,941)	(-)	(4,800)	(- 3,106)	(10,204)
GPT –	22,440	-	224	-	16,510	-261	15,814
MADHAVA (JV)	(52,352)	(-)	(811)	(-)	(16,510)	(2,096)	(15,402)
GPT – SLDN	135,351	-	1,658	-	18,198	-1,570	25,731
– UTS (JV)	(137,182)	(-)	(1,680)	(-)	(41,698)	(- 1,649)	(22,666)
GPT – GVV (JV)	18,552	-	391	13,534	23,798	-4,563	-5,268
	(11,274)	(-)	(262)	(-)	(41,334)	(1,305)	(-8,680)
GPT – GEO	1,078	-	11	-	-	-371	1,458
– UTS (JV)	(3,802)	(-)	(47)	(-)	(-)	(576)	(3,183)
GPT – TRIBENI	8,508	-	177	-	45,187	25	7,651
(JV)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
GPT – PREMCO	24,565	-	187	-	12,077	-1,199	6,111
– RDS (JV)	(27,517)	(-)	(219)	(-)	(-)	(3,499)	(5,459)
GPT–CVCC	175,729	-	1,812	-	76,878	-999	26,750
–SLDN (JV)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
GPT – GEO (JV)	-	-	-	-	-	-166	1,052
	(12,608)	(-)	(194)	(-)	(2,700)	(-95)	(1,261)
GPT–SLDN	-	-	-	-	5,800	-100	801
– COPCO (JV)	(11,743)	(-)	(125)	(-)	(37,575)	(- 386)	(1,072)
RAHEE –	-	8,419	995	-	9,900	-5,933	23,684
GPT (JV)	(-)	(-)	(2,392)	(-)	(23,381)	(6,500)	(27,544)
GPT – RAHEE	-	5,140	8,993	-	146,649	-18,283	9,640
(JV)	(-)	(-)	(1,707)	(-)	(67,460)	(11,300)	(18,783)
GPT-UNIVERSAL	-	-	61	-	-	45	109
(JV)	(-)	(-)	(-)	(-)	(-)	(- 189)	(3)
BHARAT - GPT	-	-	1,450	-	-	-860	770
(JV)	(-)	(-)	(434)	(-)	(-)	(- 254)	(180)
PREMCO - GPT	-	-	352	-	-	-106	245
(JV)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
RAHEE - GPT	-	-	764	-	-	-473	292
(NFR) (JV)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

C. Details of transactions and Balances outstanding relating to Others :

(Rs. in '000)

Nature of Transactions	Subsidiary Companies	Key Management Personnel	Enterprises over which KMP/ KMP's relatives having significant influence	Relatives of Key Management Personnel	Total
Consultancy/Royalty Charges Received					
GPT Concrete Products South Africa (Pty.) Limited	23,780	–	–	–	23,780
	(7,905)	(-)	(-)	(-)	(7,905)
Sale of Scrap					
GPT Castings Limited	-	–	1,645	–	1,645
	(-)	(-)	(558)	(-)	(558)
Interest Received on Advances / Loans					
GPT Investments Private Limited	52	–	–	–	52
	(-)	(-)	(-)	(-)	(-)
GPT Concrete Products South Africa (Pty.) Limited	-	–	–	–	–
	(528)	(-)	(-)	(-)	(528)
Sale of Investments					
GPT Ventures Private Limited	-	–	1,870	–	1,870
	(-)	(-)	(-)	(-)	(-)
Purchase of Raw material					
GPT Castings Limited	-	-	52,849	-	52,849
	(-)	(-)	(90,769)	(-)	(90,769)
Rent Paid					
GPT Castings Limited	-	-	15,000	-	15,000
	(-)	(-)	(-)	(-)	(-)
Stone Products	-	-	1,020	-	1,020
	(-)	(-)	(1,020)	(-)	(1,020)
Vaibhav Tantia	-	42	-	-	42
	(-)	(42)	(-)	(-)	(42)
D P Tantia	-	-	-	144	144
	(-)	(-)	(-)	(144)	(144)
Pramila Tantia	-	-	-	132	132
	(-)	(-)	(-)	(132)	(132)
GPT Healthcare Private Limited	-	-	81	-	81
	(-)	(-)	(81)	(-)	(81)
Vinita Tantia	-	-	-	144	144
	(-)	(-)	(-)	(144)	(144)
S G Tantia	-	30	-	-	30
	(-)	(30)	(-)	(-)	(30)
Salary / Remuneration Paid					
D P Tantia	-	2,536	-	-	2,536
	(-)	(1,041)	(-)	(-)	(1,041)
S G Tantia	-	3,280	-	-	3,280
	(-)	(2,400)	(-)	(-)	(2,400)
Atul Tantia	-	1,596	-	-	1,596
	(-)	(1,080)	(-)	(-)	(1,080)
Vaibhav Tantia	-	1,657	-	-	1,657
	(-)	(1,141)	(-)	(-)	(1,141)
Kriti Tantia	-	-	-	851	851
	(-)	(-)	(-)	(651)	(651)

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

C. Details of transactions and Balances outstanding relating to Others :

(Rs. in '000)

Nature of Transactions	Subsidiary Companies	Key Management Personnel	Enterprises over which KMP/ KMP's relatives having significant influence	Relatives of Key Management Personnel	Total
Salary / Remuneration Paid					
Arun Kumar Dokania	-	1,652	-	-	1,652
	(-)	(1,172)	(-)	(-)	(1,172)
Directors Sitting Fees					
D P Tantia	-	75	-	-	75
	(-)	(54)	(-)	(-)	(54)
Outstanding Guarantees					
GPT Concrete Products South Africa (Pty.) Limited	199,519	-	-	-	199,519
	(233,829)	(-)	(-)	(-)	(233,829)
Issue of Share Warrants					
GPT Ventures Private Limited	-	-	35,000	-	35,000
	(-)	(-)	(-)	(-)	(-)
Issue of Equity Shares (Incl. Securities Premium)					
GPT Employees Welfare Trust	-	-	20,000	-	20,000
	(-)	(-)	(-)	(-)	(-)
Loan Paid					
GPT Employees Welfare Trust	-	-	20,010	-	20,010
	(-)	(-)	(-)	(-)	(-)
Investments during the year					
GPT Investments Private Limited	-	-	-	-	-
	(93,542)	(-)	(-)	(-)	(93,542)
Dividend Paid					
D P Tantia	-	561	-	-	561
	(-)	(449)	(-)	(-)	(449)
S G Tantia	-	1,710	-	-	1,710
	(-)	(877)	(-)	(-)	(877)
Atul Tantia	-	522	-	-	522
	(-)	(418)	(-)	(-)	(418)
Vaibhav Tantia	-	335	-	-	335
	(-)	(268)	(-)	(-)	(268)
Arun Kumar Dokania	-	2	-	-	2
	(-)	(1)	(-)	(-)	(1)
Pramila Tantia	-	-	-	555	555
	(-)	(-)	(-)	(444)	(444)
Kriti Tantia	-	-	-	267	267
	(-)	(-)	(-)	(213)	(213)
Radhika Tantia	-	-	-	125	125
	(-)	(-)	(-)	(-)	(-)
M/s D P Tantia HUF	-	-	-	126	126
	(-)	(-)	(-)	(101)	(101)
Vinita Tantia	-	-	-	575	575
	(-)	(-)	(-)	(360)	(360)
Harshita Tantia	-	-	-	20	20
	(-)	(-)	(-)	(16)	(16)

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

C. Details of transactions and Balances outstanding relating to Others :

(Rs. in '000)

Nature of Transactions	Subsidiary Companies	Key Management Personnel	Enterprises over which KMP/ KMP's relatives having significant influence	Relatives of Key Management Personnel	Total
Dividend Paid					
Amrit Jyoti Tantia	-	-	-	322	322
	(-)	(-)	(-)	(258)	(258)
M/s S G Tantia HUF	-	-	-	196	196
	(-)	(-)	(-)	(157)	(157)
Manju Dokania	-	-	-	1	1
	(-)	(-)	(-)	(1)	(1)
Nirmala Sureka	-	-	-	1	1
	(-)	(-)	(-)	(1)	(1)
GPT Ventures Private Limited	-	-	1,531	-	1,531
	(-)	(-)	(-)	(-)	(-)
Balance outstanding as at the year end – Debit					
GPT Ventures Private Limited	-	-	770	-	770
	(-)	(-)	(-)	(-)	(-)
GPT Concrete Products South Africa (Pty.) Limited	25,586	-	-	-	25,586
	(5,488)	(-)	(-)	(-)	(5,488)
GPT Investments Private Limited	93,542	-	-	-	93,542
	(93,542)	(-)	(-)	(-)	(93,542)
GPT Castings Limited	(-)	(-)	(-)	(-)	(-)
	(-)	(-)	(6,962)	(-)	(6,962)
GPT Employees Welfare Trust	-	-	10	-	10
	(-)	(-)	(-)	(-)	(-)
Balance outstanding as at the year end – Credit					
GPT Castings Limited	-	-	14,593	-	14,593
	(-)	(-)	(-)	(-)	(-)
GPT Healthcare Private Limited	-	-	4	-	4
	(-)	(-)	(82)	(-)	(82)
D P Tantia	-	2,536	-	-	2,536
	(-)	(1,041)	(-)	(-)	(1,041)
S G Tantia	-	200	-	-	200
	(-)	(50)	(-)	(-)	(50)
Atul Tantia	-	110	-	-	110
	(-)	(78)	-	-	(78)
Vaibhav Tantia	-	190	-	-	190
	(-)	(116)	(-)	(-)	(116)
Kriti Tantia	-	-	-	123	123
	(-)	(-)	(-)	(71)	(71)
Arun Kumar Dokania	-	241	-	-	241
	(-)	(174)	-	-	(174)
Stone Products	-	-	-	-	-
	(-)	(-)	(1,396)	(-)	(1,396)

Note : Refer Schedule 3 with regards to loans personally guaranteed by certain directors of the Company.

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

12. Interest in Joint Ventures:

Particulars of the Company's interest in integrated Joint Ventures are as below:

Name of Joint Venture	Proportion of Interest	Country of Incorporation	Country of Residence
GPT – GVV(JV)	60%	India	India
GPT - MADHAVA (JV)	49%	India	India
GPT – PREMCO-RDS (JV)	45%	India	India
GPT – GEO (JV)	60%	India	India
GPT – GEO-UTS (JV)	60%	India	India
GPT – SLDN-UTS (JV)	60%	India	India
GPT – RDS (JV)	50%	India	India
GPT – SLDN-COPCO (JV)	60%	India	India
GPT – UNIVERSAL (JV)	60%	India	India
GPT – RAHEE (JV)	50% & 65%	India	India
RAHEE – GPT (JV)	50% & 51%	India	India
BHARAT – GPT (JV)	50%	India	India
GPT – TRIBENI (JV)	60%	India	India
GPT – CVCC – SLDN (JV)	37.50%	India	India
PREMCO – GPT (JV)	40%	India	India
RAHEE – GPT – NFR (JV)	51%	India	India

The Company's share of assets, liabilities, income and expenses in the Joint Ventures as at and for the year ended 31st March 2010 is as follows :-

(Rs. in '000)

Name of the joint venture	Company's share in Assets	Liabilities	Income	Expenses	Profit / Loss (-) after tax
GPT – GVV(JV)	18,516	18,516	16,588	16,197	391
	(21,612)	(21,612)	(10,903)	(10,641)	(262)
GPT - MADHAVA (JV)	7,111	7,111	11,336	11,111	225
	(8,537)	(8,537)	(26,493)	(25,652)	(811)
GPT – PREMCO-RDS (JV)	3,017	3,017	11,338	11,150	188
	(8,728)	(8,728)	(12,700)	(12,481)	(219)
GPT – GEO (JV)	544	544	-	-	-
	(896)	(896)	(7,758)	(7,654)	(194)
GPT – GEO-UTS (JV)	737	737	663	652	11
	(2,307)	(2,307)	(2,340)	(2,293)	(47)
GPT – SLDN-UTS (JV)	15,334	15,334	83,723	82,065	1,658
	(15,670)	(15,670)	(84,855)	(83,175)	1,680)
GPT – RDS (JV)	4,442	4,442	23,469	22,694	775
	(7,678)	(7,678)	(75,366)	(71,425)	(3,941)
GPT – SLDN-COPCO (JV)	482	482	-	-	-
	(979)	(979)	(7,226)	(7,101)	(125)
GPT – UNIVERSAL (JV)	1,943	1,943	2,702	2,642	60*
	(-)	(-)	(-)	(-)	(-)
GPT – RAHEE (JV)**	130,139	130,139	88,178	79,185	8,993*
	(53,501)	(53,501)	(70,939)	(69,232)	(1,707)
RAHEE – GPT (JV)	42,954	42,954	62,250	61,295	955*
	(33,493)	(33,493)	(108,512)	(106,120)	(2,392)
BHARAT – GPT (JV)	1,854	1,854	29,004	27,554	1,450
	(3,293)	(3,293)	(8,689)	(8,254)	(434)

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

The Company's share of assets, liabilities, income and expenses in the Joint Ventures as at and for the year ended 31st March 2010 is as follows :-

(Rs. in '000)

Name of the joint venture	Company's share in				
	Assets	Liabilities	Income	Expenses	Profit / Loss (-) after tax
GPT – RAHEE - NFR (JV)	6,306	6,306	15,140	14,376	764
	(-)	(-)	(-)	(-)	(-)
GPT – CVCC – SLDN (JV)	31,741	31,741	68,644	66,832	1,812
	(-)	(-)	(-)	(-)	(-)
PREMCO – GPT (JV)	1,514	1,514	6,878	6,527	351*
	(-)	(-)	(-)	(-)	(-)
GPT – TRIBENI (JV)	4,645	4,645	5,373	5,196	177
	(-)	(-)	(-)	(-)	(-)

Capital Expenditure Commitments and Contingent Liabilities of the Joint Ventures – Rs. Nil (Rs. Nil)

* Includes profit of Rs. 216 thousands (Rs. Nil) pertaining to earlier years and considered as prior period items in the accounts.

** Based on provisional Balance Sheet as certified and furnished by the management.

13. **Managerial remuneration**

a) Details of managerial remuneration are as follows:

(Rs. in '000)

	2009-10	2008-09
I. Sitting fees to directors	219	169
II. Managing and Executive Directors:		
Salary and Allowances*	4,876	3,480
Total	**5,095**	**3,649**
III. Non-executive Directors		
Commission	2,536	1,041
Total	**7,631**	**4,690**

* As the future liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and therefore, not included above.

b) Computation of net profit under Section 349 of the Companies Act, 1956 for calculation of commission payable to non-executive director:

(Rs. in '000)

	2009-10	2008-09
Profit before taxation as per Profit & Loss Account	244,650	98,033
Add: Remuneration to Directors	7,412	4,521
Directors' Sitting Fees	219	169
Loss on sale/discard of Fixed Assets	1,356	1,402
Net Profit for the purpose of Directors' Commission	253,637	104,125
Directors' commission @ 1% of net profits as calculated above	2,536	1,041

14. **Particulars of unhedged Foreign Currency Exposure at the Balance sheet date:**

(Rs. in '000)

Particulars	As at 31.03.2010	As at 31.03.2009
Sundry Debtors	135,291	147,909
Cash and Bank Balance	231	1,721
Loans & Advances	11,029	26,550
Investments	93,691	93,691
Unsecured Loan	47,140	-
Current Liabilities	18,165	37,618

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

(Amount in Rs. in '000)

	2009-10	2008-09
15. Earnings in foreign currency (Accrual basis)		
F.O.B. Value of exports	109,306	189,986
Consultancy and Royalty Income	23,780	4,959
Income from foreign operations	129,330	196,192
Miscellaneous	52	21
16. Expenditure in foreign currency (Accrual basis)		
Travelling	1,262	1,144
Professional Fees	-	4,747
Interest	685	-
Expenditure for foreign operations	151,056	119,109
17. Value of imports calculated on CIF basis		
Construction Materials	11,961	-

18. Additional information pursuant to Paragraphs 3 & 4 of Part II of Schedule VI to the Companies Act, 1956.

a) Particulars pertaining to Finished Goods:

(Rs. in '000)

Quantitative Information		Concrete Sleepers		Wind Power Generation	
	Unit	2009-10 Nos.	2008-09 Nos.	2009-10 Kwh in '000	2008-09 Kwh in '000
Licensed Capacity		600,000	600,000	NA	NA
Installed Capacity		600,000	480,000	7,300	7,300
Opening Stock*	Qty	49,575	56,742	-	-
	Value	71,073	67,780	-	-
Production	Qty	292,812	234,517	5,257	4,695
Sales	Qty	251,448	241,684	5,257	4,695
	Value	416,565	411,767	14,458	12,820
Closing Stock*	Qty	90,939	49,575	-	-
	Value	107,838	71,073	-	-

* Includes rejected sleepers at nil value.

According to the Company, construction activity is a service activity and therefore, in terms of para 3(ii)(c) of Part II of Schedule VI to the Companies Act, 1956, the gross income determined from construction activity has been duly disclosed vide Schedule -14.

b) Raw materials Consumed (Pertaining to manufacture of Concrete Sleepers):

Particulars		2009-10		2008-09	
	Unit	Quantity	Rs. in '000	Quantity	Rs. in '000
H.T.S. Wire	MT	2,763	117,233	2,387	105,952
Special Cement	MT	16,536	78446	14,149	71,077
Stone Aggregates	MT	44,144	23,299	39,147	14,812
Sand	Cft	452758	1,667	371,585	1,601
SGCI Inserts	No	1,194,389	66,115	980,003	65,997
PE Dowels	No	70,939	683	109,863	1,134
MS Round	MT	50	1,546	98	3,351
Total			**290,989**		**263,924**

The above does not include the figures relating to construction activities and project export on turnkey basis for which no quantitative information are applicable.

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

c) Value of imported and indigenous Raw Materials, Construction Materials and Stores & Spares consumed:

	2009-10		2008-09	
	Percentage	Rs. in '000	Percentage	Rs. in '000
i) Raw Materials				
Imported	0.00%	-	0.00%	-
Indigenous	100.00%	292,972	100.00%	266,146
Total :	**100.00%**	**292,972**	**100.00%**	**266,146**
ii) Construction Materials				
Imported	1.04%	10,954	0.00%	
Indigenous	98.24%	1,042,066	100.00%	614,157
Total :	**100.00%**	**1,053,020**	**100.00%**	**614,157**
iii) Stores & Spares				
Imported	0.00%	-	0.00%	-
Indigenous	100.00%	112,314	100.00%	100,496
Total :	**100.00%**	**112,314**	**100.00%**	**100,496**

19. On 7th April 2010, the Company has declared and paid dividend at Rs. 1.25 per equity share and Rs. 2.80 per Compulsorily convertible preference shares aggregating to Rs. 17,770 thousands. This dividend being for current year 2009-10 and also paid before annual general meeting, has been considered as interim dividend in these accounts.

20. Trading Goods:

Quantitative Information	2009-10		2008-09	
	Quantity (MT)	Value (Rs. in '000)	Quantity (MT)	Value (Rs. in '000)
Item:				
Opening Stock				
Steel	-	-	-	-
HTS Wire	-	-	-	-
Others	-	-	-	720
Total	**-**	**-**	**-**	**720**
Purchases				
Steel	2,261	79,568	621	20,809
HTS Wire	429	19,722	1,828	98,114
Others	-	20,805		55,578
Total		**120,095**		**174,501**
Sales				
Steel	2,261	83,798	621	22,528
HTS Wire	429	28,963	1,828	121,998
Others	-	14,518	-	82,111
Total	**-**	**127,279**		**226,637**
Closing stock				
Steel	-	-	-	-
HTS Wire	-	-	-	-
Others	-	-	-	-
Total	**-**	**-**	**-**	**-**

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

21. **Construction contracts disclosure:**

Information relating to Construction contracts as per Accounting Standard 7 (Revised) are given below: *(Rs. in '000)*

	2009-10	2008-09
Contract income recognised as revenue during the year	2,385,478	1,140,303
Aggregate amount of costs incurred and recognised profits (less recognised losses) till date	4,763,950	2,579,903
Advances received (unadjusted)	218,191	61,791
Retention amount	194,852	84,895
Gross amount due from customers for contract work	845,935	397,062
Gross amount due to customers for contract work	115	-

22. The Company is in the process of obtaining confirmations with respect to its debtors, creditors and advances. Adjustments, if any, arising out of such confirmations will be considered in subsequent period.

23. Disclosures of outstanding loans and advances given and investments made by the Company together with maximum amount thereof as required under clause 32 of the Listing Agreement are as below: *(Rs. in '000)*

Particulars	Amount outstanding at year end	Maximum outstanding during the year
Loans and advances to Subsidiary Companies:		
GPT Investments Private Limited, Mauritius	Nil	1,195
	(Nil)	(23,330)

24. a) Gratuity and leave benefit plans (AS 15 Revised)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded.

(Rs. in '000)

Movement in defined benefit obligation	Gratuity (Funded) Rupees	Gratuity (Funded) Rupees	Gratuity (Funded) Rupees
	2009-10	2008-09	2007-08
Obligation at the beginning of the year	6,131	3,232	2,618
Current Service Cost	1,036	1,036	614
Interest Cost	491	258	209
Acturial (gain) / loss	(141)	1,652	(209)
Benefits paid	(160)	(47)	-
Obligation at the year end	**7,357**	**6,131**	**3,232**
Change in Plan Assets			
Plan assets at period beginning, at fair value	2,759	1,464	1,252
Expected return on plan assets	740	118	100
Actuarial gain / (Loss)	-	(126)	(7)
Contributions	3,251	1,351	119
Benefits paid	(160)	(48)	-
Plan Assets at the year end, at fair value	**6,590**	**2,759**	**1,464**
Reconciliation of present value of the obligation and the fair Value of plan assets.			
Fair Value of plan assets at the end of the year	6,590	2,759	1,464
Present value of the defined benefit obligations at the end of the year	7,357	9,594*	3,232
*Including Rs.3463 thousands excess provided in the accounts			
Liability / (Assets) recognised in the Balance Sheet	**767**	**6,835**	**1,768**
Cost for the Year			
Current service cost	1,036	1,036	614
Interest cost	491	258	209
Expected return on plan assets	(740)	(118)	(100)
Actuarial (gain) / loss	(141)	(140)	109
Net Cost recognised in the Profit and Loss account	**646**	**1,036**	**614**

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

(Rs. in '000)

Movement in defined benefit obligation	Gratuity (Funded) Rupees 2009-10	Gratuity (Funded) Rupees 2008-09	Gratuity (Funded) Rupees 2007-08
Assumptions used to determine the benefit obligations :			
Interest rate	8.00%	8.00%	8.00%
Estimated rate of return on plan assets	8.00%	8.00%	8.00%
Expected rate of increase in Salary	5.00%	5.00%	5.00%
Actual return on plan assets	740	(13)	93
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:			
Funded with insurer	100%	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

b) The Company has a defined benefit plan for leave. Every employee is entitled to cash equivalent of unutilised leave balance at the time of retirement. The scheme is unfunded.

The following tables summarises the components of net benefit expenses recognised in the profit & loss account and amounts recognised in the balance sheet for the respective plans.

(Rs. in '000)

Movement in defined benefit obligation	Leave Encashment (Unfunded) Rupees 2009-10	Leave Encashment (Unfunded) Rupees 2008-09	Leave Encashment (Unfunded) Rupees 2007-08
Obligation at the beginning of the year	3,799	2,524	1,951
Current Service Cost	1,987	1,641	889
Interest Cost	304	189	166
Acturial (gain) / loss	(614)	(555)	(482)
Benefits paid	-	-	-
Obligation at the year end	5,476	3,799	2,524
Change in Plan Assets			
Plan assets at period beginning, at fair value			
Expected return on plan assets			
Actuarial gain / (Loss)	Not Applicable	Not Applicable	Not Applicable
Contributions			
Benefits paid			
Plan Assets at the year end, at fair value	Not Applicable	Not Applicable	Not Applicable
Reconciliation of present value of the obligation and the fair Value of plan assets.			
Fair Value of plan assets at the end of the year	-	-	-
Present value of the defined benefit obligations at the end of the year	5,476	3,799	2,524
Liability / (Assets) recognised in the Balance Sheet	5,476	3,799	2,524
Cost for the Year			
Current service cost	1,986	1,641	889
Interest cost	304	189	166
Expected return on plan assets	-	-	-
Actuarial (gain) / loss	(614)	(555)	(482)
Net Cost recognised in the Profit and Loss account	1,676	1,275	573
Assumptions used to determine the benefit obligations :			
Interest rate	8.00%	8.00%	8.50%
Estimated rate of return on plan assets	Not Applicable	Not Applicable	Not Applicable
Expected rate of increase in Salary	5.00%	5.00%	6.00%
Actual return on plan assets	Not Applicable	Not Applicable	Not Applicable

Schedules forming part of the Statement of Accounts as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

c) Amount incurred as expense for defined contribution plans

(Rs. in '000)

Particulars	2009-10	2008-09
Contribution to Provident Fund	3,597	2,565

Notes:

a. The estimates of future salary increase considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b. Since the Company has adopted AS-15 (revised) on employees benefits with effect from 1st April 2007, the disclosures as mentioned in (a) above are given from the year 2007-08 onwards.

c. The leave liabilities are non - funded. Accordingly, information regarding planned assets are not applicable.

25. Based on the information/documents available with the Company, no creditor is covered under The Micro, Small and Medium Enterprises Development Act, 2006. As a result, no interest provision/payments has been made by the Company towards such creditors, if any, and no disclosures thereof are made in this accounts.

26. The Company has operating leases for office premises that are renewable on a periodic basis and are cancelable by giving a notice period ranging from one month to three months. The amount of rent expenses included in Profit and Loss Account towards operating Leases aggregate to Rs. 5,011 thousands, (Rs. 4,288 thousands).

27. Details of Prior Period Items (Net)

(Rs. in '000)

Particulars	2009-10	2008-09
Income		
Gratuity Liability Written Back	3,464	-
Share of Profit in Joint Venture	216	-
Total (a)	**3,680**	-
Expenses		
Selling Commission	249	-
Machinery Hire Charges	1,230	-
Total (b)	**1,479**	-
Total (a-b)	**2,201**	-

28. Previous year's figures including those given in brackets, have been regrouped / re-arranged wherever considered necessary. The figures of previous year were audited by another firm of chartered accountants.

As per our report of even date

For **S.R. Batliboi & Associates**
Firm Registration No. 101049W
Chartered Accountants

per Vikas Mehra
Partner
Membership No. 94421

Place : Kolkata
Dated : 22nd May 2010

For and on behalf of Board of Directors

S. G. Tantia
Managing Director

D. P. Tantia
Chairman

V. N. Purohit
Director

H. S. Sinha
Director

R. Mishra
Company Secretary

Atul Tantia
Executive Director

Cash Flow Statement For the year ended 31st March 2010

(Amount in Rs. in '000)

		2009-10		2008-09
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		**244,650**		**98,033**
Adjustment for :				
Depreciation	48,537		33,811	
Profit on Sale of Long Term Trade Investments	(770)		-	
Profit on Sale of Long Term Non Trade Investments	-		(388)	
Loss on Sale / Discard of Fixed Assets	1,356		1,402	
Interest on deposits from Banks/ loans, advances etc. (Gross)	(9,126)		(5,926)	
Bad Debts / Investments written off	2,734		7	
Liability no longer required written back	(5,661)		-	
Preliminary Expenses written off	43		56	
Interest Expenses	124,266	161,379	123,625	152,587
Operating Profit before working capital changes		**406,029**		**250,620**
(Increase) / Decrease in Loans & Advances	(15,228)		(60,721)	
(Increase) / Decrease in Other Current Assets	(535,809)		3,725	
(Increase) / Decrease in Sundry Debtors	(260,602)		(23,301)	
(Increase) / Decrease in Inventories	119,078		(168,275)	
Increase / (Decrease) in Current Liabilities & provisions	212,042	(480,519)	204,021	(44,551)
Cash Generated from operations		**(74,490)**		**206,069**
Direct Taxes paid		(29,455)		(6,046)
Net Cash from Operating Activities (A)		**(103,945)**		**200,023**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Loan to GPT Employees Welfare Trust (Interest free)		(10)		-
Purchase of fixed assets (including capital work in progress)		(162,045)		(105,795)
Sale of Fixed Assets/CWIP		7,246		538
(Purchase) / Sale of Investments		20,359		(123,761)
Interest received		9,505		5,590
Investment in Bank Fixed Deposit (Net)		(38,916)		(90,999)
Net Cash used in Investing Activities (B)		**(163,861)**		**(314,427)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Bank Borrowings (net)		444,582		104,647
Proceeds/ (Repayment) from/to Body Corporate (net)		(241,307)		26,026
Proceeds from issue of Preferential Convertible Warrants		41,125		58,605
Proceeds from issue of Compulsorily Convertible Preference Shares		251,020		-
Share Issue Expenses		(8,792)		-
Dividend paid		(12,500)		(7,034)
Interest Paid		(121,557)		(123,624)
Tax on Dividend		(2,124)		(1,195)
Net Cash from Financing Activities (C)		**350,447**		**57,425**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		82,641		(56,979)
Cash and Cash Equivalents - Opening Balance		18,229		75,208
Cash and Cash Equivalents - Closing Balance		**100,870 ***		**18,229**
*Comprises of the following:				
Cash on hand		3,076		5,131
Cheques on hand		1,545		500
Balance with Scheduled Banks:				
In Current Account		71,636		10,997
In Fixed Deposits **		24,595		-
Balance with Non Scheduled Banks				
- In Current Accounts		18		1,601
		100,870		18,229
**Excluding Fixed Deposits having maturity of more than three months		129,915		90,998

As per our report of even date

For **S.R. Batliboi & Associates**
Firm Registration No. 101049W
Chartered Accountants

per Vikas Mehra
Partner
Membership No. 94421

Place : Kolkata
Dated : 22nd May 2010

For and on behalf of Board of Directors

S. G. Tantia
Managing Director

D. P. Tantia
Chairman

V. N. Purohit
Director

H. S. Sinha
Director

R. Mishra
Company Secretary

Atul Tantia
Executive Director

Balance Sheet Abstract

Information Pursuant to part IV of Schedule VI of the Companies Act, 1956

I. Registration Details

Registration No.	L20103WB1980PLC032872		
State Code	21	Balance Sheet Date	31 (Date) 03 (Month) 2010 (Year)

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	251020

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	1785155	Total Assets	1785155
Sources of Funds			
Paid-up Capital	351020	Reserves & Surplus	348719
Secured Loans	770155	Unsecured Loans	233517
Deferred tax Liability	40619	P. C. Warrants	41125
Application of Funds			
Net Fixed Assets	501056	Investments	121458
Net Current Assets	1162641	Misc. Expenditure	NIL
Accumulated Losses	NIL		

IV. Performance of Company (Amount in Rs. Thousands)

Turnover (Gross Revenue)	3111243	Total Expenditure	2866593
Profit before Tax	244650	Profit after Tax	156521
Basic Earnings Per Share in Rs.	15.07	Dividend rate %	20

V. Generic Names of Three Principal Products / Services of Company

Product Description	**Item Code No.** (ITC Code)
Concrete Sleepers	6810000
Civil & Core Infrastructure	NOT APPLICABLE
Electrical Energy	2716000

Auditors’ Report

The Board of Directors GPT Infraprojects Limited

1. We have audited the attached consolidated balance sheet of GPT Infraprojects Limited (the Company) and its subsidiaries, as at 31st March 2010, and also the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of the subsidiaries, whose financial statements reflect total assets of Rs.421,673 thousands as at 31st March 2010, and total revenue of Rs. 195,318 thousands and cash flows amounting to Rs. 4,556 thousands for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
4. We did not audit the financial statements of a foreign project site of the Company, whose financial statements (net of eliminations) reflect total assets of Rs.76,136 thousands as at 31st March 2010, and total revenue of Rs.129,124 thousands and net cash flows amounting to Rs.(1,490) thousands for the year then ended. These financial statements have been audited by other auditors, whose report have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the said foreign project sites, is based solely on the reports of the other auditor.
5. We did not audit the financial statements of the joint ventures, whose financial statements reflect the Company’s share in total assets of Rs.121,846 thousands as at 31st March 2010 and total revenue of Rs.339,244 thousands and cash flows amounting to Rs.4,029 thousands for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included for the joint ventures, is based solely on the report of other auditors.
6. We also did not audit the financial statements of a joint venture company, whose financial statements reflect the Company’s share in total assets of Rs.130,139 thousands as at 31st March 2010 and total revenue of Rs.88,134 thousands and cash flows amounting to Rs.9,791 thousands for the year then ended. These financial statements and other financial information have been consolidated in these accounts on the basis of unaudited financial statements as certified and furnished to us by the management.
7. Without qualifying our audit opinion, attention is drawn to Note No. 6 on Schedule 24 regarding payment of remuneration of Rs. 2,508 thousands to the relatives of directors which is pending approval of the central government as required under section 314 of the Companies Act, 1956.
8. As indicated in Note No.4a on Schedule 23, the Company, during the year has accounted for unbilled revenue of Rs.535,810 thousands in terms of Accounting Standard 7 on Construction Contracts which hitherto was being considered as a part of work in progress. Accordingly, the revenue from sales & services during the year has increased by Rs.535,810 thousands with corresponding decrease in work in progress as at 31st March 2010. However, the impact of above change on the Company’s profit is not presently ascertainable.
9. We report that the consolidated financial statements have been prepared by the Company’s management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated financial statements, Accounting Standards (AS) 23, Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard (AS) 27, Financial Reporting of Interests in Joint Ventures notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended)
10. Based on our audit and on consideration of the reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements subject to the matter referred to in para 8 above give a true and fair view in conformity with the accounting principles generally accepted in India:
    (a) in the case of the consolidated balance sheet, of the state of affairs of the Company and its subsidiaries as at 31st March 2010;
    (b) in the case of the consolidated profit and loss account, of the profit of the Company and its subsidiaries for the year ended on that date; and
    (c) in the case of the consolidated cash flow statement, of the cash flows of the Company and its subsidiaries for the year ended on that date.

For **S.R. Batliboi & Associates**
Firm registration number: 101049W
Chartered Accountants

per Vikas Mehra
Partner
Membership No. 94421

Place: Kolkata
Dated : 22nd May 2010

Consolidated Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

Particulars	Schedule No.	As at 31.03.2010		As at 31.03.2009	
SOURCES OF FUNDS					
Shareholders' Funds					
(a) Share Capital	1	351,020		100,000	
(b) Convertible Warrants		41,125		-	
(Refer Note No 4 on schedule 24)					
(c) Reserves and Surplus	2	339,382	731,527	230,973	330,973
Minority Interest			-		(1,694)
(Refer Note No 1(ii) on schedule 23)					
Loan Funds					
(a) Secured Loans	3	1,004,406		786,677	
(b) Unsecured Loans	4	234,117	1,238,523	258,590	1,045,267
Deferred Tax Liabilities (Net)			51,040		36,997
Total			2,021,090		1,411,543
APPLICATION OF FUNDS					
Fixed Assets	5				
(a) Gross Block		1,066,935		878,347	
(b) Less: Accumulated depreciation		215,590		116,113	
(c) Net Block			851,345		762,234
(d) Capital Work in progress including Capital advances			2,998		13,138
Investments	6		-		1,100
Current Assets, Loans and Advances					
(a) Inventories	7	538,211		610,355	
(b) Sundry Debtors	8	633,880		356,277	
(c) Cash and Bank Balances	9	260,418		120,484	
(d) Other Current Assets	10	605,420		1,920	
(e) Loans and Advances	11	180,293		170,770	
		2,218,222		1,259,806	
Less : Current Liabilities and Provisions					
(a) Current Liabilities	12	959,901		603,461	
(b) Provisions	13	91,717		21,511	
		1,051,618		624,972	
Net Current Assets			1,166,604		634,834
Miscellaneous Expenditure					
(to the extent not written off or adjusted)					
Preliminary Expenses			143		237
(Proportionate Share in Joint Ventures Rs.143 thousands (Rs. Nil))					
Total			2,021,090		1,411,543
Significant Accounting Policies	23				
Notes to Accounts	24				

Schedules 1 to 13, 23 and 24 referred to above form an integral part of the Balance Sheet

As per our report of even date

For **S.R. Batliboi & Associates**
Firm Registration No. 101049W
Chartered Accountants

per Vikas Mehra
Partner
Membership No. 94421

Place : Kolkata
Dated : 22nd May 2010

For and on behalf of Board of Directors

S. G. Tantia
Managing Director

D. P. Tantia
Chairman

V. N. Purohit
Director

H. S. Sinha
Director

R. Mishra
Company Secretary

Atul Tantia
Executive Director

Consolidated Profit and Loss Account For the year ended 31st March 2010

(Amount in Rs. in '000)

Particulars	Schedule No.	2009-10	2008-09
I. INCOME			
Sales and Services	14	3,487,381	2,224,959
Less : Excise Duty		27,370	44,515
		3,460,011	2,180,444
Other Income	15	75,748	61,352
		3,535,759	**2,241,796**
II. EXPENDITURES			
Raw Materials and Construction Materials Consumed	16	1,503,189	1,005,975
Purchase of Trading Goods		120,095	174,501
(Increase) / Decrease in Stock	17	104,558	(103,027)
Increase / (Decrease) in Excise Duty on Finished Goods Stock		4,660	(3,131)
Operational Expenses	18	930,219	663,490
Personnel Expenses	19	199,194	147,537
Administrative and Other Expenses	20	85,175	80,799
Selling and Distribution Expenses	21	24,466	18,595
Interest and Finance Expenses	22	164,050	126,106
Depreciation		100,439	34,171
		3,236,045	**2,145,016**
Profit before Prior Period Items and Tax		299,714	96,780
Add. Prior Period Items (Net) (Refer Note No. 18 on Schedule 24)		3,316	-
(Includes Proportionate Share in Joint Venture Rs. 717 thousands (Rs. Nil))			
Profit after Prior Period Items but before Tax		303,030	96,780
Provision for Tax			
- Current Tax (Incl. Rs. 6,000 thousands (Rs. Nil) for Earlier Years)		93,058	11,804
(Includes Proportionate Share in Joint Venture Rs. 8,570 thousands (Rs. Nil))			
- Wealth Tax		100	-
- Deferred Tax		14,043	2,895
- Fringe Benefit Tax (Incl. Rs. 406 thousands (Rs. Nil) for earlier years)		406	900
Net Profit		**195,423**	**81,181**
Less / (Add) Minority Interest - Share of Minority Gain / (Loss)		6,404	(1,814)
Net Profit after Minority Interest		189,019	82,995
Profit brought forward from earlier years		139,520	73,649
Amount available for appropriation		**328,539**	**156,644**
III. APPROPRIATIONS			
Transfer to General Reserve		17,500	2,500
Interim Dividend (Refer Note No 12 on Schedule 24)		17,770	-
Proposed Dividend		7,650	12,500
Tax on Dividend		4,222	2,124
Balance carried to Balance Sheet		281,397	139,520
		328,539	**156,644**
IV. Earning per share (Rs.) (Refer Note No 9 on schedule 24)			
Basic		18.32	11.61
Diluted		14.58	11.61
(Face value of Rs. 10/- per share)			
Significant Accounting Policies	23		
Notes to Accounts	24		

Schedules 14 to 24 referred to above form an integral part of the Profit and Loss Account

As per our report of even date

For **S.R. Batliboi & Associates**
Firm Registration No. 101049W
Chartered Accountants

per Vikas Mehra
Partner
Membership No. 94421

Place : Kolkata
Dated : 22nd May 2010

For and on behalf of Board of Directors

S. G. Tantia
Managing Director

D. P. Tantia
Chairman

V. N. Purohit
Director

H. S. Sinha
Director

R. Mishra
Company Secretary

Atul Tantia
Executive Director

Schedules forming part of the Consolidated Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

		As at 31.03.2010		As at 31.03.2009
Schedule - 1 SHARE CAPITAL				
Authorised :				
14,898,000 (10,000,000) Equity Shares of Rs. 10/-each		148,980		100,000
1,793,000 (Nil) Compulsorily Convertible Preference Shares of Rs. 140/- each)		251,020		-
		400,000		100,000
Issued, Subscribed & Paid Up :				
10,200,000 (10,000,000) Equity Shares of Rs. 10/-each		102,000		100,000
Less. Amount recoverable from GPT Employees Welfare Trust towards 200,000 shares allotted to the Trust (Refer Note No 3(b) on Schedule 24)		2,000		-
		100,000		100,000
of the above				
922,284 Fully paid Equity Shares were allotted for consideration other than cash				
5,861,420 Fully paid Equity Shares were allotted as Bonus Shares by capitalisation of General Reserve				
1,793,000 (Nil) 2 - 6 % Compulsorily Convertible Preference Shares of Rs. 140/- each fully paid up Convertible into 1,793,000 equity shares of Rs. 10/ each at a premium of Rs. 130/ per equity shares within 18 months from the date of allotment (i.e. 06.01.2010)		251,020		-
		351,020		100,000

Schedule - 2 RESERVES AND SURPLUS				
Capital Reserves :				
State Capital Subsidies	1,693		1,693	
Share Forfeiture Account	11	1,704	11	1,704
Securities Premium Account :				
As per last Account	60,492		-	
Add: Received during the year	18,000		60,492	
	78,492		60,492	
Less: Amount recoverable from ESOP Trust (Premium on 200,000 shares allotted to the Trust)	18,000		-	
	60,492		60,492	
Less: Share issue expenses (Refer Note No 5 on Schedule 24)	8,792	51,700	-	60,492
General Reserves :				
As per last Account	29,257		30,788	
Add : Transfer from Profit and Loss Account	17,500		2,500	
	46,757		33,288	
Less: Employees retirement benefits for earlier years	-		4,031	
adjusted against reserve	-	46,757	4,031	29,257
Foreign Exchange Translation Reserve*		(42,176)		-
Profit & Loss Account balance		281,397		139,520
		339,382		230,973

* Net of minority interest Rs. 4,710 thousands as indicated in the Profit & Loss Account

Schedules forming part of the Consolidated Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

		As at 31.03.2010		As at 31.03.2009
Schedule - 3 SECURED LOANS				
Term Loans		**34,800**		**48,800**
From Indian Renewable Energy Development Agency Ltd. * (Secured by way of first/sole charge on immovable & movable assets and receivables of Wind Power Division of the Company and Personal Guarantees of some of the Directors)				
From Scheduled Banks *		12,989		17,767
(Secured by first charge on all present and future goods, movable property including Plant & Machinery and other Fixed Assets, Book Debts, Stock of Raw Materials, Stores Process / Finished Stocks and all Current Assets of Concrete Sleeper Division of the Company and Personal Guarantees of some of the Directors)				
From Scheduled Banks *		199,072		234,040
(From Export - Import Bank of India) (Secured by first charge on all present and future fixed assets of GPT Concrete Products SA (Pty) Ltd, a subsidiary, pari passu charge over receivables, corporate and personal guarantee of some of the directors and relatives)				
Equipment Finance Loans *				
- From Banks		72,627		39,677
- From others		26,781		50,255
(Secured by first charge of equipments purchased against such loans and Personal Guarantees of some of the Directors)				
*Out of the above Rs.134,585 thousands (Rs. 64,320 thousands) are falling due for payment within one year)				
Other Loans				
- From Schedule Banks on Cash Credit Account includes:		652,983		389,660
(Rs. 119,048 thousands (Rs. 101,988 thousands) secured by first charge on all present and future goods,movable property including Plant and Machinery and other Fixed Assets, Book Debts, Stock of Raw Materials, Stores, Process / Finished Stocks and all Current Assets of Concrete Sleeper Division of the Company and Personal Guarantees of some of the Directors)				
(Rs. 504, 052 thousands (Rs. 283,782 thousands) secured by pari passu first charge on all present and future goods, movable property including Plant & Machinery and other Fixed Assets, Book Debts, Stock of Raw Material, Stores, Process / Finished Stocks, Work in Progress and all current assets of Infrastructure Divisions of the Company (excluding assets under equipment finance) and Personal Guarantees of some of the Directors)				
(Rs. 29,882 thousands (Rs. 3,890 thousands) secured by first charge on inventory and receivables, pari passu charge on Fixed Assets of GPT Concrete Products SA (Pty) Ltd, a subsidiary Corporate Guarantees and Personal Guarantees of some of the Directors				
		999,252		780,199
Add: Proportionate Share in Joint Ventures		5,154		6,478
		1,004,406		786,677

		As at 31.03.2010		As at 31.03.2009
Schedule - 4 UNSECURED LOANS				
Short Term Loans				
i) From Banks		192,760		-
(ii) From Bodies Corporates		40,757		258,590
		233,517		258,590
Add: Proportionate Share in Joint Ventures		600		-
		234,117		258,590

Schedules forming part of the Consolidated Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

Schedule - 5 FIXED ASSETS

		GROSS BLOCK				DEPRECIATION				NET BLOCK	
Sl. No.	Particulars	As at 31.03.2009	Additions	Sales/ Adjustments	As at 31.03.2010	As at 31.03.2009	For the year	Less: On Sale / Adjustments	As at 31.03.2010	As at 31.03.2010	As at 31.03.2009
1	Freehold Land (Incl. Land Development)	7,271	5,904	-	13,175 (a)	-	-	-	-	13,175	7,271
2	Buildings	95,039	9,249	-	104,288	7,543	9,785	-	17,328	86,960	87,496
3	Plant, Machinery and Equipments	695,473	112,864 (b)	-	808,337	96,424	70,402	-	166,826	641,511	599,049
4	Furniture & Fixtures	1,466	1,066	-	2,532	490	158	-	648	1,884	976
5	Computer and Office Equipments	7,629	3,109	22	10,716	2,467	1,246	4	3,709	7,007	5,162
6	Vehicles	38,059	3,332	2,767	38,624	6,678	3,882	958	9,602	29,022	31,381
7	Steel Shutterings	-	46,096 (c)	-	46,096	-	9,219	-	9,219	36,877	-
		844,937	181,620	2,789	1,023,768	113,602	94,692	962	207,332	816,436	731,335
	Add : Proportionate Share in Joint Ventures	33,410	9,757	-	43,167	2,511	5,747	-	8,258	34,909	30,899
	Total	878,347	191,377	2,789	1,066,935	116,113	100,439	962	215,590	851,345	762,234
	Previous Year's Total	396,368	485,474	3,495	878,347	83,498	34,171	1,556	116,113	762,234	

(a) Includes Rs. 10,160 thousands (Rs. 4,255 thousands) registered in the name of GPT Metal Industries Limited,which has merged with the Company in an earlier year.

(b) Includes Rs.28,562 thousands (Rs. Nil) installed on Land, Buildings and Shed rented from a related party.

(c) Refer Note No 4 (b) on Schedule 23

		As at 31.03.2010		As at 31.03.2009
Schedule - 6 INVESTMENTS				
Long Term	**Face Value**			
(Unquoted - Trade)	**per Shares**			
Nil (110,000) Equity Shares of GPT Castings Limited, a Company under the same management.	Rs. 10/-	-		1,100
		-		1,100

Schedule - 7 INVENTORIES				
(Refer Note No 10 on Schedule 23)				
Raw Materials		41,477		25,415
Construction Materials		164,191		105,664
Stores and Spares		33,275		75,597
Work in Progress		131,856		306,268
Finished Goods		157,026		75,778
		527,825		588,722
Add: Proportionate Share in Joint Ventures		10,386		21,633
		538,211		**610,355**

Schedules forming part of the Consolidated Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

		As at 31.03.2010		As at 31.03.2009
Schedule - 8 SUNDRY DEBTORS				
(Unsecured, considered Good)				
Debts outstanding for a period exceeding six months		164,976		116,100
Others Debts		403,005		211,637
		567,981		327,737
Add: Proportionate Share in Joint Ventures		65,899		28,540
		633,880*		356,277

* Includes Retention Money Rs. 173,331 thousands (Rs. 84,895 thousands)

		As at 31.03.2010		As at 31.03.2009
Schedule - 9 CASH AND BANK BALANCES				
Cash in hand		3,092		5,139
Cheques in Hand		1,545		500
Balance with Scheduled Banks				
- In Current Accounts		72,113		10,997
- In Fixed Deposit Account (Receipts pledged as security / margin with sales tax authority, banks and clients)		161,490		90,999
Balance with Non Schedule Banks				
- In Current Accounts		18		1,601
- BCI Fomento, Mozambique (Maximum balance outstanding at any time during the year Rs.15,808 thousands (Rs.42,876 thousands))				
- Ned Bank, South Africa		395		2,946
(Maximum balance outstanding at any time during the year Rs. 27,994 thousands (Rs. 130,778 thousands))				
- HSBC Offshore Banking, Mauritius		19		376
Maximum balance outstanding at any time during the year Rs. 2,310 thousands (Rs. 25,320 thousands))				
		238,672		112,558
Add: Proportionate Share in Joint Ventures		21,746		7,926
		260,418		120,484

		As at 31.03.2010		As at 31.03.2009
Schedule - 10 OTHER CURRENT ASSETS				
Unbilled revenue on construction contracts (Refer Note no 4(a) on Schedule 23)		535,810		-
Interest Accrued on Fixed Deposits		1,541		1,920
		537,351		1,920
Add: Proportionate Share in Joint Ventures		68,069		-
		605,420		1,920

Schedules forming part of the Consolidated Balance Sheet As at 31st March 2010

(Amount in Rs. in '000)

	As at 31.03.2010	As at 31.03.2009
Schedule - 11 LOANS AND ADVANCES		
(Unsecured,considered good)		
Loan to GPT Employees Welfare Trust (Interest Free)	10	-
Advances recoverable in Cash or in Kind or for value to be received	56,381	73,397
Export Incentives / Refund Receivable	8,821	9,274
Security Deposit / Earnest Money Deposit	37,479	24,323
V.A.T. Credit (Input) recoverable	26,771	21,210
	129,462	128,204
Add: Proportionate Share in Joint Ventures	50,831	42,566
	180,293	170,770

	As at 31.03.2010	As at 31.03.2009
Schedule - 12 CURRENT LIABILITIES		
Acceptances	18,756	-
Sundry Creditors for goods, services, expenses etc.		
- dues to Micro and Small Enterprises	-	-
(Refer Note No 16 on Schedule 24)		
- Dues to other Creditors	508,680	349,928
(Includes Rs. 2,846 thousands (Rs.1,169 thousands) due to Directors)		
Advance from Customers (partly bearing interest)	228,695	178,706
Interest Accrued but not due	3,005	2,059
Other Liabilities	8,529	11,904
Temporary Book Overdraft in Current account with Banks	18,813	-
	786,478	542,597
Add: Proportionate Share in Joint Ventures	173,423	60,864
	959,901	603,461

		As at 31.03.2010	As at 31.03.2009
Schedule - 13 PROVISIONS			
Income Tax	(Net of Advance Tax Rs. 50,550 thousands (Rs. 21,490 thousands))	58,762	3,701
Fringe Benefit Tax	(Net of Advance Tax Rs. 1,954 thousands (Rs.1,915 thousands))	27	249
Wealth Tax		100	-
Gratuity		767	6,835
Earned Leave		5,476	3,800
Interim Dividend		17,770	-
Proposed Dividend		7,650	12,500
Dividend Tax		4,222	2,124
		94,774	29,209
Add: Proportionate Share in Joint Ventures		(3,057)	(7,698)
		91,717	21,511

Schedules forming part of the Consolidated Profit and Loss Account

For the year ended 31st March 2010

(Amount in Rs. in '000)

	2009-10	2008-09
Schedule - 14 SALES AND SERVICE		
Domestic		
- Finished Goods	335,467	411,907
- Traded Goods	92,400	22,529
- Contract Revenue	2,177,195	1,140,303
- Windpower	14,458	12,820
Export (Including foreign operations)		
- Finished Goods	277,850	-
- Traded Goods	34,879	204,108
- Contract Revenue	127,754	196,192
	3,060,003	1,987,859
Add: Proportionate Share in Joint Ventures	427,378	237,100
	3,487,381	2,224,959

	2009-10	2008-09
Schedule - 15 OTHER INCOME		
Interest Received		
- Bank Deposits (Gross) (TDS Rs.957 thousands (Rs. 955 thousands))	9,458	5,251
- Others (Gross) (TDS Rs. Nil (Rs. 32 thousands))	10	8,799
Profit on sale of long term trade Investments	770	-
Profit on sale of long term non trade Investments	-	388
Exchange Difference (Net)	53,500	20,265
Miscellaneous Income	2,836	19,085
Liability no longer required written back	5,662	-
Profit on sale of Raw Materials	51	74
Export Incentives	3,201	7,490
	75,488	61,352
Add: Proportionate Share in Joint Ventures	260	-
	75,748	61,352

	2009-10	2008-09
Schedule - 16 RAW MATERIALS AND CONSTRUCTION MATERIALS CONSUMED		
Raw Materials		
Opening Stock	25,415	4,688
Add. Purchases	437,379	286,873
Less. Closing Stock	41,477	25,415
	421,317	266,146
Construction Materials		
Opening Stock	105,664	72,294
Add. Purchases	1,103,428	647,527
Less. Closing Stock	164,191	105,664
	1,044,901	614,157
	1,466,218	880,303
Add: Proportionate Share in Joint Ventures	36,971	125,672
	1,503,189	1,005,975

Schedules forming part of the Consolidated Profit and Loss Account

For the year ended 31st March 2010

(Amount in Rs. in '000)

	2009-10		2008-09	
Schedule - 17 (INCREASE) / DECREASE IN STOCK				
Opening Stock				
Trading Goods	-		720	
Finished Goods	75,778		69,053	
Work In Progress	306,268	382,046	215,498	285,271
Less: Closing Stock				
Finished Goods	157,026		75,778	
Work In Progress	131,856	288,882	306,268	382,046
		93,164		(96,775)
Add: Proportionate Share in Joint Ventures		11,394		(6,252)
		104,558		(103,027)

	2009-10	2008-09
Schedule - 18 OPERATIONAL EXPENSES		
Stores Consumed	124,097	102,900
Power & Fuel	71,170	75,799
Repairs & Maintenance		
- Plant & Machinery	43,969	31,608
- Building	4	-
- Others	6,060	2,535
Payment to Sub - Contractors	455,581	289,283
Site Mobilisation Expenses	14,980	14,438
Other Operational Expenses	26,821	11,004
Consultancy Fees	17,084	8,496
Carriage Inward	37,479	42,300
	797,245	578,363
Less. Capitalised	982	-
	796,263	578,363
Add: Proportionate Share in Joint Ventures	133,956	85,127
	930,219	663,490

	2009-10	2008-09
Schedule - 19 PERSONNEL EXPENSES		
Salary,Wages, Bonus and Allowances	177,367	128,915
Director's Remuneration	7,631	4,690
(Including Sitting Fees Rs. 219 thousands (Rs.169 thousands))		
Contribution to Provident and Other Funds	4,253	3,932
Gratuity	646	1,351
Staff Welfare Expenses	6,833	4,644
	196,730	143,532
Less: Capitalised	1,029	-
	195,701	143,532
Add: Proportionate Share in Joint Ventures	3,493	4,005
	199,194	147,537

Schedules forming part of the Consolidated Profit and Loss Account

For the year ended 31st March 2010

(Amount in Rs. in '000)

		2009-10		2008-09
Schedule - 20 ADMINISTRATIVE AND OTHER EXPENSES				
Rent		5,681		4,636
Rates & Taxes		3,979		1,860
Insurance Premium		3,911		4,315
Professional Charges & Consultancy Fees		13,022		20,782
Travelling & Conveyance Expenses		21,995		21,720
(Includes Rs. 2,228 thousands (Rs.4,158 thousands) for Directors)				
As Auditors				
- Audit Fee	1,200		579	
- Limited Review Fee	200		-	
- Tax Audit Fees	-		15	
- Out of Pocket Expenses	4		-	
In any other manner				
- for Certification	56	1,460	25	619
Donation		2,031		510
Loss on Sale / Discard of Fixed Assets		1,356		1,402
Bad Debts Written Off		2,734		-
Miscellaneous Expenses		25,639		8,679
Preliminary Expenses written off		43		56
		81,851		64,579
Add: Proportionate Share in Joint Ventures		3,324		16,220
		85,175		**80,799**

		2009-10		2008-09
Schedule - 21 SELLING AND DISTRIBUTION EXPENSES				
Advertisement		1,308		104
Selling Commission		-		1,925
Freight & Forwarding Expenses		23,158		16,566
		24,466		18,595
Add: Proportionate Share in Joint Ventures		-		-
		24,466		**18,595**

		2009-10		2008-09
Schedule - 22 INTEREST & FINANCE EXPENSES				
Interest on :				
- **Term Loans**				
Bank	24,283		5,939	
Others	8,417	32,700	9,455	15,394
- **Other Loans, Mobilisation Advance etc**				
Bank	61,812		48,391	
Others	49,225	111,037	39,714	88,105
- **Bank Commission and Other Charges**		19,563		22,092
		163,300		125,591
Add: Proportionate Share in Joint Ventures		750		515
		164,050		**126,106**

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 23 SIGNIFICANT ACCOUNTING POLICIES

1. **Principles of Consolidation**

The consolidated financial statements which relate to GPT Infraprojects Limited, (the Company) and its subsidiaries and Joint Ventures have been prepared in accordance with the applicable Accounting Standards notified by the Companies Accounting Standards Rules, 2006 (as amended) on the following basis:

(i) The financial statements of the Company and its subsidiaries have been consolidated, in terms of Accounting Standard (AS) 21 'Consolidated Financial Statements', on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and any unrealised profits/losses. The excess/shortfall of cost to the Company of its investments in the Subsidiary Companies as on the date of investment is recognised in the financial statements as Goodwill/Capital Reserve as the case may be.

The subsidiary companies considered in the financial statements are as follows:

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest	
		31.03.2010	31.03.2009
GPT Investments Private Limited, Mauritius	Mauritius	100%	100%
GPT Concrete Products South Africa (Pty) Limited	South Africa	54%	54%

(ii) Minorities' interest in net profit/loss of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is also identified and presented in the Consolidated Balance Sheet separately. However, the net amount of minority interest being a negative figure due to adverse balance arising on consolidation of foreign subsidiaries, has not been indicated in the Balance Sheet and adjusted with the foreign exchange translation reserve in Schedule-2.

(iii) In terms of Accounting Standard (AS) 27 'Financial Reporting of Interests in Joint Venture', the Company's proportionate interests in the Joint Ventures are consolidated as separate line items in the financial statements along with the book values of assets, liabilities, income and expenses, after eliminating intra-group balances/transactions and unrealised profit and losses resulting from the transactions between the Company and the joint ventures.

(iv) Particulars of interest in joint ventures:

Name of Joint Venture	Proportion of Interest	Country of	
		Incorporation	Residence
GPT – GVV(JV)	60%	India	India
GPT - MADHAVA (JV)	49%	India	India
GPT – PREMCO-RDS (JV)	45%	India	India
GPT – GEO (JV)	60%	India	India
GPT – GEO-UTS (JV)	60%	India	India
GPT – SLDN-UTS (JV)	60%	India	India
GPT – RDS (JV)	50%	India	India
GPT – SLDN-COPCO (JV)	60%	India	India
GPT – UNIVERSAL (JV)	60%	India	India
GPT – RAHEE (JV)	50% & 65%	India	India
RAHEE – GPT (JV)	50% & 51%	India	India
BHARAT – GPT (JV)	50%	India	India
GPT – TRIBENI (JV)	60%	India	India
GPT – CVCC – SLDN (JV)	37.50%	India	India
PREMCO – GPT (JV)	40%	India	India
RAHEE – GPT – NFR (JV)	51%	India	India

(v) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and are presented, to the extent possible, in the same manner as the Company's separate financial statements.

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 23 SIGNIFICANT ACCOUNTING POLICIES (Contd...)

(vi) The Consolidated Financial Statements have been prepared based on the audited Financial Statements of the subsidiaries and joint ventures, except in case of the following joint venture which have been incorporated on the basis of unaudited financial statements certified and furnished to us by the management.

Sl No.	Name of the Company	Nature of relationship
1.	GPT – Rahee (JV)	Joint Venture

2. **Basis of preparation**

The financial statements have been prepared to comply in all material respects with the accounting standards notified by the Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis/ except for insurance and other claims which are accounted for on acceptance / actual receipt basis. The accounting policies applied by the Company are consistent with those used in the previous year, except for the changes as described in Note No. 4 below.

3. **Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates.

4. **Changes in Accounting Policies**

a. During the year, the Company has accounted for unbilled revenue of Rs. 535,810 thousands in terms of Accounting Standard 7 on Construction Contracts which hitherto were being considered as a part of work in progress. Accordingly, the revenue from sales & services during the year has increased by Rs. 535,810 thousands with corresponding decrease in work in progress as at 31st March 2010. However, the impact of the above change on the Company's profit is not ascertainable.

b. During the year, the Company has capitalised the cost of steel shutterings to be depreciated on straight line method over a period of five years (being useful life as estimated by the management) from the year of addition. Such materials were hitherto being charged to consumption on the basis of management estimates of the physical stock available. However, the impact of the above change on the Company's profit is not ascertainable.

5. **Fixed Assets**

Fixed assets are stated at cost of acquisition inclusive of duties (net of CENVAT / VAT), taxes, incidental expenses, erection/commissioning expenses upto the date the asset is ready to be put to use.

6. **Depreciation**

Depreciation on fixed assets except as mentioned below, is provided using the Straight Line Method at the rates prescribed under Schedule XIV of the Companies Act, 1956

– Fixed assets acquired upto 31st March 1991 and fixed assets of the Wind Power Unit are depreciated at the rates specified in Schedule VI of the Companies Act, 1956 using written down value method

– Steel Shutterings are depreciated over a period of five years on straight line method from the year of addition

In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

7. **Impairment**

The carrying amounts of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

8. **Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets, are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss account on a straight-line basis over the lease term.

9. **Investments**

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

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 23 SIGNIFICANT ACCOUNTING POLICIES (Contd...)

investments are classified as long-term investments. Long term investments are considered at cost, unless there is an "other than temporary" decline in value thereof, in which case, adequate provision for diminution is made in the accounts. Current Investments are carried at lower of cost and fair value on an individual investment basis.

10. Inventories

Closing stock of stores and spares, raw materials, finished goods and work in progress (except for those relating to construction activities) are valued at lower of cost and net realisable value. Cost of inventories is ascertained on 'First In First Out' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost in respect of raw materials and stores and spares include expenses incidental to procurement thereof. Cost in respect of finished goods represents prime cost and an appropriate portion of overhead costs and excise duty.

Construction work in progress is valued at cost. However, in case of jobs where losses are likely to occur, the stock is considered at net realisable value. Costs include materials, labour and an appropriate portion of construction overheads.

Stores, components, etc. and construction materials at sites to be used in contracts are valued at cost which is ascertained on First in First Out (FIFO) basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

11. Revenue recognition

(a) Construction contracts

Revenue on contracts is recognised on percentage completion method based on the stage of completion of the contract. The stage of completion is determined as a proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total costs. When it is probable that the total contract cost will exceed the total contract revenue, the expected loss is recognised immediately. For this purpose, total contract costs are ascertained on the basis of actual costs incurred and costs to be incurred for completion of contracts in progress, which is arrived at by the management based on current technical data, forecasts and estimate of expenditure to be incurred in future including contingencies, which being technical matters have been relied on by the auditors. Revisions in projected profit or loss arising from change in estimates are reflected in each accounting period which however cannot be disclosed separately in the financial statements as the effect thereof cannot be accurately determined.

Overhead expenses representing indirect costs that cannot be directly aligned with the jobs, are distributed over the various contracts on a pro-rata basis.

(b) Sale of Goods

Revenue from sale of goods is recognised on passage of title thereof to the customers, which generally coincides with delivery. Sales are net of taxes, returns, claims, trade discounts etc.

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Excise Duty, Sales Tax and VAT deducted from turnover (gross) are the amount that is included in the amount of turnover (gross) and not the entire amount of liability arisen during the year.

(c) Income from Services

Revenues from operation and maintenance contracts are recognised on rendering of services as per the terms of contract.

(d) Interest

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

12. Foreign currency translations

Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on the settlement/conversion of monetary items are recognised as income or expenses in the year in which they arise.

Schedule - 23 SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Forward Exchange Contracts

The premium or discount arising at the inception of forward exchange contracts is amortised as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

Translation of Integral and Non-integral foreign operations

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself.

In translating the financial statements of a non-integral foreign operation for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, are translated at the closing rate; while income and expense items are translated at exchange rates at the dates of the transactions; All the resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognised as income or as expenses in the same period in which the gain or loss on disposal is recognised.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

13. **Retirement and other employee benefits**

Retirement benefits in the form of Provident Fund being a defined contribution scheme, are charged to Profit and Loss Account of the year when the contributions to the funds are due. There are no obligations other than the contribution payable to the fund.

Gratuity (funded) being a defined benefit obligation and long term compensated absences (unfunded) are provided for based on actuarial valuation made at the end of each financial year using the projected unit credit method.

Actuarial gain and losses are recognised immediately in the statement of Profit & Loss Account as income or expenses.

14. **Income taxes**

Tax expense comprises of current and deferred income tax and fringe benefit tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that these can be realised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes down the carrying amount of the deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax assets can be realised. Any such write down is reversed to the extent it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

15. **Employee Stock Compensation Cost:**

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

16. **Segment Reporting**

Identification of Segments

The Company has identified that its business segments are the primary segments. The Company's businesses are organised and managed separately according to the nature of activity, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter segment Transfers

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 23 SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Allocation of common costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated - Common"

Segment Policies

The accounting policies adopted for segment reporting are in line with those of the Company.

17. **Earning Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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

18. **Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions made in terms of Accounting Standard 29 are not discounted to its present value and are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and appropriately adjusted to reflect the current management estimates. Contingent Assets are neither recognised nor disclosed in the financial statements. Contingent liabilities are not provided for and are disclosed by way of notes.

Provision for product related warranties cost is based on the claims received upto the year end as well as the management estimates of further liability to be incurred in this regard during the warranty period.

19. **Cash and Cash Equivalents**

Cash and cash equivalents as indicated in the Cash Flow Statements comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

Schedule - 24 NOTES ON ACCOUNTS

1. **Contingent liabilities not provided for in respect of** *(Amount in Rs. in '000)*

	As at 31.03.2010	As at 31.03.2009
Outstanding bank guarantees and Letters of Credit (Including Rs. 409,261 thousands (Rs. 235,459) given for Joint Venture)	966,590	647,898
Corporate guarantees given	229,401	283,766
Disputed income Tax and sales tax demands under appeal	43,005	-
Disputed excise demands under appeal	146	112
The demand, if any, that may arise out of search and seizure proceedings initiated by Income tax authority Amount not ascertainable	-	
2. **Estimated amount of contracts remaining to be executed on Capital Account and not provided for** [Net of Advances]	Rs. 2,858 thousands	Rs. Nil

3. a) During the year, the Company has issued and allotted 200,000 equity shares of Rs.10 each at a premium of Rs.90 each aggregating to Rs.20,000 thousands to GPT Employees Welfare Trust for exercising the option under GPT Employees Stock Option Plan-2009 (the Scheme). The Scheme to be operative for this purpose is as under:

	Scheme
Date of Board Approval	30.11.2009
Date of Shareholder's approval	24.12.2009
Number of options to be granted	200,000
Vesting Period	1 -5 Years
Exercise Period	5 years from vesting period

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

(b) Further, the Company has given Rs. 20,000 thousands by way of interest free loan to the GPT Employees Welfare Trust which would be recovered from the trust on issue of the aforesaid shares to the employees in terms of the above Scheme. As per Guidance Note on Accounting for Employee Share based Payments issued by ICAI, the above loan has been adjusted to the extent of Rs.2,000 thousands in equity share capital and balance Rs.18,000 thousands in the share premium account.

4. During the year, the Company has raised Rs.41,125 thousands by issue of 1,175,000 equity warrants on preferential basis at a price of Rs.140 each (Rs.35 paid up till date) convertible into equivalent number of equity shares of Rs.10 each fully paid up at premium of Rs.130 each, within 18 months from the date of allotment , i.e., 6th January 2010.

5. The following share issue expenses incurred on issue of convertible preference shares and equity warrants during the year have been adjusted against Securities Premium Account:

	(Rs. in '000)
Professional Fees	: Rs. 2,350
Legal Fees	: Rs. 200
Financial Fees Etc.	: Rs. 6,242

6. In terms of the shareholders' approval at their meeting held on 29.08.2009, the Company has paid remuneration of Rs. 2,508 thousands to two relatives of the directors who are in employment with the Company. The Company has made application to the central government for approval towards the above remuneration under section 314 of the Companies Act, 1956. Pending approval of the Company's application, such remuneration has been charged to the profit & loss account.

7. Consumption of stores and spares include Rs. 19,420 thousand being the amounts written off in respect of steel shutterings at various sites.

8. In terms of Accounting Standard - 22, net deferred tax liability (DTL) of Rs.51,040 thousands has been recognised in the accounts up to 31st March 2010.

The break-up of DTL is as follows: *(Rs. in '000)*

Particulars	As at 31.03.2010	As at 31.03.2009
Deferred Tax Liability		
On timing differences of depreciable assets	54,158	41,237
Deferred Tax Assets		
Expenses allowable against taxable income in future years	3,118	4,240
Deferred Tax Liability (Net)	**51,040**	**36,997**

9. The break up of Earnings per Share (EPS) in terms of Accounting Standard 20 is as follows:

	2009-10	2008-09
Net Profit as per Profit & Loss Account (Rs.'000)	189,019	82,995
Less : Interim Dividend on convertible preference shares & tax thereon (Rs. '000)	5,854	-
Net Profit for calculation of basic EPS (Rs.'000)	183,165	82,995
Net Profit for calculation of diluted EPS (Rs.'000)	189,019	82,995
Weighted average number of equity shares in calculating basic EPS (No.)	10,000,000	7,147,480
Weighted average number of equity shares in calculating dilutive EPS (No.)	12,968,000	7,147,480
Basic EPS(Rs.)	18.32	11.61
Diluted EPS (Rs.)	14.58	11.61

10. Segment information

Business segment : The business segments have been identified on the basis of the activities undertaken by the Company. Accordingly, the Company has identified the following segments:

Concrete Sleepers and Allied : Consists of manufacturing of concrete sleepers, supply of plant & machinery and components for manufacturing of concrete sleepers

Civil & Core Infrastructure : Consists of execution of turnkey projects

Wind Power : Consists of electricity generated from wind farms

Geographical segment : The Company primarily operates in India and therefore the analysis of geographical segment is demarcated into Domestic and Overseas operations:

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

Information about Primary Business Segments:

(Rs. in '000)

	Concrete Sleepers & Allied		Civil & Core Infrastructure		Wind Power		Total	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
(a) Revenue (Net of Excise duty and Cess)								
External sales	619,456	571,501	2,826,097	1,596,123	14,458	12,820	3,460,011	2,180,444
Inter Segment Sales	19,426	2,934	-	-	-	-	19,426	2,934
Total Revenue	**638,882**	**574,435**	**2,826,097**	**1,596,124**	**14,458**	**12,820**	**3,479,437**	**2,183,378**
(b) Results								
Segment Results	119,034	78,521	398,504	176,255	1,597	(138)	519,135	254,638
Unallocated Income (Net of unallocated expenses)							(52,055)	(31,752)
Operating Profit							467,080	222,886
Interest & Finance Exp							164,050	126,106
Profit before tax							303,030	96,780
Provision for Taxation (Current Tax, Deferred Tax, Fringe Benefit Tax)		-		-		-	107,607	15,599
Profit after tax before minority interest							195,423	81,181
OTHER INFORMATION								
(a) Total Assets								
Segment Assets	781,895	548,242	2,030,270	1,183,896	70,844	79,633	2,883,009	1,811,771
Unallocated Corporate/ other Assets							189,700	224,745
Total							**3,072,709**	**2,036,516**
(b) Total Liabilities								
Segment Liabilities	191,775	118,801	736,962	279,450	1,783	14	930,520	398,265
Unallocated Corporate/ other Liabilities							1,410,662	1,307,278
Total							2,341,182	1,705,543
(c) Capital Expenditure	45,935	350,355	140,493	102105	-	-	186,428	452,460
Unallocated, Corporate & others							2,003	1,558
							188,431	454,018
(d) Depreciation	51,463	5,373	36,619	14,815	10,832	12,757	98,914	32,945
Unallocated, Corporate & others							1,525	1,226
Total							**100,439**	**34,171**
(e) Non cash expenses other than depreciation included in segment expenses for arriving at Segment Results	-	-	-	-	-	-	-	-

Geographical Segments:

The following table shows the distribution of the Company's consolidated sales and services by geographical market, regardless of where the goods / services were produced:

(Rs. in '000)

	2009-10	2008-09
Domestic	3,019,528	1,780,144
Overseas	440,483	400,300
	3,460,011	2,180,444

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

Assets and additions to tangible and intangible fixed assets by geographical area: The following table shows the carrying amount of segment assets and addition to segment assets by geographical area in which assets are located:

(Rs. in '000)

	Carrying amount of segment assets and Intangible assets		Addition to fixed assets and intangible assets	
	2009-10	2008-09	2009-10	2008-09
Domestic	2,316,476	1,460,510	174,607	105,444
Overseas	566,533	351,261	16,729	348,574
	2,883,009	1,811,771	191,336	454,018

11. In compliance with Accounting Standard – 18, the disclosures regarding related parties are as follows:

A. Name of Related parties:

a) Joint Ventures:	GPT - GVV(JV) GPT - MADHAVA (JV) GPT – PREMCO-RDS (JV) GPT – GEO (JV) GPT – GEO-UTS (JV) GPT – SLDN-UTS (JV) GPT – RDS (JV) GPT – SLDN-COPCO (JV) GPT – UNIVERSAL (JV) GPT – RAHEE (JV) RAHEE – GPT (JV) BHARAT – GPT (JV) GPT – TRIBENI (JV) GPT – CVCC – SLDN (JV) PREMCO – GPT (JV) RAHEE – GPT – NFR (JV)
b) Key Management Personnel (KMP):	Mr. Dwarika Prasad Tantia - Chairman Mr. Shree Gopal Tantia – Managing Director Mr. Atul Tantia – Executive Director Mr. Vaibhav Tantia – Chief Operating Officer Mr. Arun Kumar Dokania – Chief Finance Officer
c) Relatives of Key Management Personnel (KMP):	Mrs. Pramila Tantia – Mother of Mr. Atul Tantia Mrs. Kriti Tantia – Wife of Mr. Atul Tantia Mrs. Radhika Tantia – Wife of Mr. Vaibhav Tantia M/s D P Tantia HUF – Mr. Dwarika Prasad Tantia is the Karta Mrs. Vinita Tantia – Wife of Mr. S G Tantia Ms. Harshita Tantia – Daughter of Mr. S G Tantia Mr. Amrit Jyoti Tantia – Son of Mr. S G Tantia M/s S G Tantia HUF – Mr. S G Tantia is Karta Mrs. Manju Dokania – Wife of Mr. A K Dokania Mrs. Nirmala Sureka – Sister of Mr. D.P.Tantia
d) Enterprises owned or significantly influenced by the KMP/ KMP's relatives :	M/s. GPT Castings Limited M/s. GPT Healthcare Private Limited M/s. GPT Ventures Private Limited M/s. Stone Products GPT Employees Welfare Trust

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

B. Details of transactions relating to Joint Ventures :

(Rs. in '000)

Name of Joint Ventures	Sales and Services	Recovery of Machine Hire/Staff Deputation Charges	Purchase of Raw material	Outstanding Guarantees	Balance outstanding as at the year end
GPT-CVCC-SLDN (JV)	109,831	-	-	48,049	16,211
	(-)	(-)	(-)	(-)	(-)
GPT – RDS (JV)	22,242	-	-	27,132	4,259
	(43,654)	(-)	(-)	(2,400)	(3,736)
GPT – MADHAVA (JV)	11,444	-	-	8,420	6,976
	(26,699)	(-)	(-)	(8,420)	(6,747)
GPT – SLDN – UTS (JV)	54,141	-	-	7,279	10,016
	(54,873)	(-)	(-)	(16,679)	(8,826)
GPT – GVV (JV)	7,421	-	5,414	9,519	-2,263
	(4,510)	(-)	(-)	(16,534)	(-5,297)
GPT – GEO – UTS (JV)	431	-	-	-	451
	(1,521)	(-)	(-)	(-)	(997)
GPT – TRIBENI (JV)	3,403	-	-	18,075	2,980
	(-)	(-)	(-)	(-)	(-)
GPT – PREMCO – RDS (JV)	13,511	-	-	6,642	3,147
	(15,135)	(-)	(-)	(-)	(2,232)
GPT – GEO (JV)	-	-	-	(-)	308
	(5,043)	(-)	(-)	(1,080)	(325)
GPT – SLDN – COPCO (JV)	-	-	-	2,320	317
	(4,697)	(-)	(-)	(15,030)	(385)
GPT-RAHEE (JV)	-	2,559	-	62,325	458
	(-)	(468)	(-)	(28,671)	(388)
RAHEE- GPT (JV)	-	3,595	-	4,950	6,657
	(-)	(6,428)	(-)	(11,691)	(6,098)

C. Details of transactions and Balances outstanding relating to Others :

(Rs. in '000)

Nature of Transactions	Subsidiary Companies	Key Management Personnel	Enterprises over which KMP/ KMP's relatives having significant influence	Relatives of Key Management Personnel	Total
Other Income					
GPT Castings Limited	-	-	1,645	-	1,645
	(-)	(-)	(558)	(-)	(558)
Sale of Investments					
GPT Ventures Private Limited	-	-	1,870	-	1,870
	(-)	(-)	(-)	(-)	(-)
Expenditure:					
Purchase of Raw material					
GPT Castings Limited	-	-	52,849	-	52,849
	(-)	(-)	(90,769)	(-)	(90,769)
Rent Paid					
GPT Castings Limited	-	-	15,000	-	15,000
	(-)	(-)	(-)	(-)	(-)

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

C. **Details of transactions and Balances outstanding relating to Others :**

(Rs. in '000)

Nature of Transactions	Subsidiary Companies	Key Management Personnel	Enterprises over which KMP/ KMP's relatives having significant influence	Relatives of Key Management Personnel	Total
Stone Products	-	-	1,020	-	1,020
	(-)	(-)	(1,020)	(-)	(1,020)
Vaibhav Tantia	-	42	-	-	42
	(-)	(42)	(-)	(-)	(42)
D P Tantia	-	144	-	-	144
	(-)	(144)	(-)	(-)	(144)
Pramila Tantia	-	-	-	132	132
	(-)	(-)	(-)	(132)	(132)
GPT Healthcare Private Limited	-	-	81	-	81
	(-)	(-)	(81)	(-)	(81)
Vinita Tantia	-	-	-	144	144
	(-)	(-)	(-)	(144)	(144)
S G Tantia	-	30	-	-	30
	(-)	(30)	(-)	(-)	(30)
Salary / Remuneration Paid					
D P Tantia	-	2,536	-	-	2,536
	(-)	(1,041)	(-)	(-)	(1,041)
S G Tantia	-	3,280	-	-	3,280
	(-)	(2,400)	(-)	(-)	(2,400)
Atul Tantia	-	1,596	-	-	1,596
	(-)	(1,080)	(-)	(-)	(1,080)
Vaibhav Tantia	-	1,657	-	-	1,657
	(-)	(1,141)	(-)	(-)	(1,141)
Kriti Tantia	-	-	-	851	851
	(-)	(-)	(-)	(651)	(651)
Arun Kumar Dokania	-	1,652	-	-	1,652
	(-)	(1,172)	(-)	(-)	(1,172)
Directors Sitting Fees					
D P Tantia	-	75	-	-	75
	(-)	(54)	(-)	(-)	(54)
Dividend Paid					
D P Tantia	-	561	-	-	561
	(-)	(449)	(-)	(-)	(449)
S G Tantia	-	1,710	-	-	1,710
	(-)	(877)	(-)	(-)	(877)
Atul Tantia	-	522	-	-	522
	(-)	(418)	(-)	(-)	(418)
Vaibhav Tantia	-	335	-	-	335
	(-)	(268)	(-)	(-)	(268)
Arun Kumar Dokania	-	2	-	-	2
	(-)	(1)	(-)	(-)	(1)
Pramila Tantia	-	-	-	555	555
	(-)	(-)	(-)	(444)	(444)
Kriti Tantia	-	-	-	267	267
	(-)	(-)	(-)	(213)	(213)
Radhika Tantia	-	-	-	125	125
	(-)	(-)	(-)	(-)	(-)
M/s D P Tantia HUF	-	-	-	126	126
	(-)	(-)	(-)	(101)	(101)

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

C. Details of transactions and Balances outstanding relating to Others :

(Rs. in '000)

Nature of Transactions	Subsidiary Companies	Key Management Personnel	Enterprises over which KMP/ KMP's relatives having significant influence	Relatives of Key Management Personnel	Total
Vinita Tantia	-	-	-	575	575
	(-)	(-)	(-)	(360)	(360)
Harshita Tantia	-	-	-	20	20
	(-)	(-)	(-)	(16)	(16)
Amrit Jyoti Tantia	-	-	-	322	322
	(-)	(-)	(-)	(258)	(258)
M/s S G Tantia HUF	-	-	-	196	196
	(-)	(-)	(-)	(157)	(157)
Manju Dokania	-	-	-	1	1
	(-)	(-)	(-)	(1)	(1)
GPT Ventures Private Limited	-	-	1,531	-	1,531
	(-)	(-)	(-)	(-)	(-)
Nirmala Sureka	-	-	-	1	1
	(-)	(-)	(-)	(1)	(1)
Issue of Share Warrants					
GPT Ventures Private Limited	-	-	35,000	-	35,000
	(-)	(-)	(-)	(-)	(-)
Issue of Equity Shares (Incl. Securities Premium)					
GPT Employees Welfare Trust	-	-	20,000	-	20,000
	(-)	(-)	(-)	(-)	(-)
Loan Paid					
GPT Employees Welfare Trust		-	20,010	-	20,010
		(-)	(-)	(-)	(-)
Balance outstanding as at the year end – Debit					
GPT Ventures Private Limited	-	-	770	-	770
	(-)	(-)	(-)	(-)	(-)
GPT Employees Welfare Trust	-	-	10	-	10
	(-)	(-)	(-)	(-)	(-)
Balance outstanding as at the year end – Credit					
GPT Castings Limited	-	-	14,593	-	145,93
	(-)	(-)	(-)	(-)	(-)
GPT Healthcare Private Limited	-	-	4	-	4
	(-)	(-)	(82)	(-)	(82)
D P Tantia	-	2,536	-	-	2,536
	(-)	(1,041)	(-)	(-)	(1,041)
S G Tantia	-	200	-	-	200
	(-)	(50)	(-)	(-)	(50)
Atul Tantia	-	110	-	-	110
	(-)	(78)	(-)	(-)	(78)
Vaibhav Tantia	-	190	-	-	190
	(-)	(116)	(-)	(-)	(116)
Kriti Tantia	-		-	123	123
	(-)		(-)	(71)	(71)
Arun Kumar Dokania	-	241	-	-	241
	(-)	(174)	(-)	(-)	(174)
Stone Products	-		-	-	-
	(-)		(1,396)	(-)	(1,396)

Note : Refer Schedule 3 with regards to loans personally guaranteed by certain directors of the Company.

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

12. On 7th April 2010, the Company has declared and paid dividend at Rs. 1.25 per equity share and Rs. 2.80 per Compulsorily convertible preference shares aggregating to Rs. 17,770 thousands. This dividend being for current year 2009-10 and also paid before annual general meeting, has been considered as interim dividend in these accounts.

13. **Construction contracts disclosure**

Information relating to Construction contracts as per Accounting Standard 7 (Revised) are given below: *(Rs. in '000)*

	2009-10	2008-09
Contract income recognised as revenue during the year	2,604,573	1,377,403
Aggregate amount of costs incurred and recognised profits (less recognised losses) till date	4,763,950	2,579,903
Advances received (unadjusted)	198,900	61,791
Retention amount	173,331	84,895
Gross amount due from customers for contract work	485,935	397,062
Gross amount due to customers for contract work	115	-

14. The Company is in the process of obtaining confirmations with respect to its debtors, creditors and advances. Adjustments, if any, arising out of such confirmations will be considered in subsequent period.

15. a) Gratuity and leave benefit plans (AS 15 Revised)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded.

(Rs. in '000)

Movement in defined benefit obligation	Gratuity (Funded) Rupees	Gratuity (Funded) Rupees	Gratuity (Funded) Rupees
	2009-10	2008-09	2007-08
Obligation at the beginning of the year	6,131	3,232	2,618
Current Service Cost	1,036	1,036	614
Interest Cost	491	258	209
Acturial (gain) / loss	(141)	1,652	(209)
Benefits paid	(160)	(47)	-
Obligation at the year end	**7,357**	**6,131**	**3,232**
Change in Plan Assets			
Plan assets at period beginning, at fair value	2,759	1,464	1,252
Expected return on plan assets	740	118	100
Actuarial gain / (Loss)	-	(126)	(7)
Contributions	3,251	1,351	119
Benefits paid	(160)	(48)	-
Plan Assets at the year end, at fair value	**6,590**	**2,759**	**1,464**
Reconciliation of present value of the obligation and the fair Value of plan assets			
Fair Value of plan assets at the end of the year	6,590	2,759	1,464
Present value of the defined benefit obligations at the end of the year	7,357	9,594*	3,232
*Including Rs.3463 thousands excess provided in the accounts			
Liability / (Assets) recognised in the Balance Sheet	**767**	**6,835**	**1,768**
Cost for the Year			
Current service cost	1,036	1,036	614
Interest cost	491	258	209
Expected return on plan assets	(740)	(118)	(100)
Actuarial (gain) / loss	(141)	(140)	109
Net Cost recognised in the Profit and Loss account	**646**	**1,036**	**614**

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

(Rs. in '000)

Movement in defined benefit obligation	Gratuity (Funded) Rupees 2009-10	Gratuity (Funded) Rupees 2008-09	Gratuity (Funded) Rupees 2007-08
Assumptions used to determine the benefit obligations :			
Interest rate	8.00%	8.00%	8.00%
Estimated rate of return on plan assets	8.00%	8.00%	8.00%
Expected rate of increase in Salary	5.00%	5.00%	5.00%
Actual return on plan assets	740	(13)	93
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:			
Funded with insurer	100%	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

(b) The Company has a defined benefit plan for leave. Every employee is entitled to cash equivalent of unutilised leave balance at the time of retirement. The scheme is unfunded.

The following tables summarise the components of net benefit expenses recognised in the profit & loss account and amounts recognised in the balance sheet for the respective plans.

(Rs. in '000)

Movement in defined benefit obligation	Leave Encashment (Unfunded) Rupees 2009-10	Leave Encashment (Unfunded) Rupees 2008-09	Leave Encashment (Unfunded) Rupees 2007-08
Obligation at the beginning of the year	3,799	2,524	1,951
Current Service Cost	1,987	1,641	889
Interest Cost	304	189	166
Acturial (gain) / loss	(614)	(555)	(482)
Benefits paid	-	-	-
Obligation at the year end	5,476	3,799	2,524
Change in Plan Assets			
Plan assets at period beginning, at fair value			
Expected return on plan assets			
Actuarial gain / (Loss)	Not Applicable	Not Applicable	Not Applicable
Contributions			
Benefits paid			
Plan Assets at the year end, at fair value	Not Applicable	Not Applicable	Not Applicable
Reconciliation of present value of the obligation and the fair Value of plan assets.			
Fair Value of plan assets at the end of the year	-	-	-
Present value of the defined benefit obligations at the end of the year	5,476	3,799	2,524
Liability / (Assets) recognised in the Balance Sheet	**5,476**	**3,799**	**2,524**
Cost for the Year			
Current service cost	1,986	1,641	889
Interest cost	304	189	166
Expected return on plan assets	-	-	-
Actuarial (gain) / loss	(614)	(555)	(482)
Net Cost recognised in the Profit and Loss account	**1,676**	**1,275**	**573**
Assumptions used to determine the benefit obligations :			
Interest rate	8.00%	8.00%	8.50%
Estimated rate of return on plan assets	Not Applicable	Not Applicable	Not Applicable
Expected rate of increase in Salary	5.00%	5.00%	6.00%
Actual return on plan assets	Not Applicable	Not Applicable	Not Applicable

Schedule forming part of the Consolidated Balance Sheet and Profit & Loss Account as at and for the year ended 31st March 2010

Schedule - 24 NOTES ON ACCOUNTS (Contd...)

c) Amount incurred as expense for defined contribution plans

(Rs. in '000)

Particulars	2009-10	2008-09
Contribution to Provident Fund	3,597	2,565

Notes:

a. The estimates of future salary increase considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b. Since the Company has adopted AS-15 (revised) on employees benefits with effect from 1st April 2007, the disclosures as mentioned in (a) above are given from the year 2007-08 onwards.

c. The leave liabilities are non - funded. Accordingly, information regarding planned assets are not applicable.

16. Based on the information/documents available with the Company, no creditor is covered under The Micro, Small and Medium Enterprises Development Act, 2006. As a result, no interest provision/payments has been made by the Company towards such creditors, if any, and no disclosures thereof are made in this accounts.

17. The Company has operating leases for office premises that are renewable on a periodic basis and are cancelable by giving a notice period ranging from one month to three months. The amount of rent expenses included in Profit and Loss Account towards operating Leases aggregate to Rs. 5,681 thousands, (Rs. 4,636 thousands).

18. **Details of Prior Period Items (Net)**

(Rs. in '000)

Particulars	2009-10	2008-09
Income		
Gratuity Liability Written Back	3,464	-
Others	717	
Total (a)	**4,181**	**-**
Expenses		
Selling Commission	249	-
Machinery Hire Charges	616	-
Total (b)	**865**	**-**
Total (a-b)	**3,316**	**-**

19. Previous year's figures including those given in brackets, have been regrouped / re-arranged wherever considered necessary. The figures of previous year were audited by another firm of chartered accountants

As per our report of even date

For **S.R. Batliboi & Associates**
Firm Registration No. 101049W
Chartered Accountants

per Vikas Mehra
Partner
Membership No. 94421

Place : Kolkata
Dated : 22nd May 2010

For and on behalf of Board of Directors

S. G. Tantia
Managing Director

D. P. Tantia
Chairman

V. N. Purohit
Director

H. S. Sinha
Director

R. Mishra
Company Secretary

Atul Tantia
Executive Director

Consolidated Cash Flow Statement For the year ended 31st March 2010

(Amount in Rs. in '000)

		2009-10		2008-09
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		**303,030**		**96,780**
Adjustment for :				
Depreciation	100,439		34,171	
Profit on Sale of Long Term Trade Investments	(770)		-	
Profit on Sale of Long Term Non Trade Investments	-		(388)	
Loss on Sale / Discard of Fixed Assets	1,356		1,402	
Interest on deposits from Banks/ loans, advances etc. (Gross)	(9,468)		(14,050)	
Bad Debts / Investments written off	2,734		7	
Liability no longer required written back	(5,662)		-	
Preliminary Expenses written off	43		56	
Interest Expenses	143,737	232,409	126,106	147,304
Operating Profit before working capital changes	535,439		244,084	
(Increase) / Decrease in Loans & Advances	(9,466)		(18,108)	
(Increase) / Decrease in Other Current Assets	(603,879)		-	
(Increase) / Decrease in Sundry Debtors	(280,335)		(98,059)	
(Increase) / Decrease in Inventories	72,145		(201,929)	
Increase / (Decrease) in Current Liabilities & provisions	356,765	(464,770)	315,005	(3,091)
Cash Generated from operations		70,670		240,993
Direct Taxes paid		(33,984)		(13,745)
Net Cash from Operating Activities (A)		**36,686**		**227,248**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Loan to GPT Employees Welfare Trust (Interest free)		(10)		-
Purchase of fixed assets (including capital work in progress)		(188,014)		(485,474)
Sale of Fixed Assets/CWIP		7,248		537
Sale of Investments		1,870		16,318
Interest received		9,847		13,714
Investment in Bank Fixed Deposit (Net)		(45,897)		(90,999)
Net Cash used in Investing Activities (B)		**(214,956)**		**(545,904)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Bank Borrowings (net)		434,563		320,115
Proceeds from contribution by Minorities		(4,710)		
Proceeds/ (Repayment) from/to Body Corporate (net)		(241,307)		26,026
Proceeds from issue of Preferential Convertible Warrants		41,125		58,605
Proceeds from issue of Compulsorily Convertible Preference Shares		251,020		-
Share Issue Expenses		(8,792)		-
Dividend paid		(12,500)		(7,034)
Interest Paid		(142,791)		(123,584)
Tax on Dividend		(2,124)		(1,195)
Net Cash from Financing Activities (C)		**314,484**		**272,933**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		136,214		(45,723)
Effect of Foreign currency Translation		(42,176)		-
Cash and Cash Equivalents - Opening Balance		29,485		75,208
Cash and Cash Equivalents - Closing Balance		**123,522***		**29,485**
*Comprises of the following:				
Cash on hand		4,001		5,450
Cheques on hand		7,950		500
Balance with Scheduled Banks:				
In Current Account		86,545		18,612
In Fixed Deposits **		24,594		-
Balance with Non Scheduled Banks				
- In Current Accounts		432		4,923
		123,522		29,485
**Excluding Fixed Deposits having maturity of more than three months		136,896		90,999

As per our report of even date

For **S.R. Batliboi & Associates**
Firm Registration No. 101049W
Chartered Accountants

per Vikas Mehra
Partner
Membership No. 94421

Place : Kolkata
Dated : 22nd May 2010

For and on behalf of Board of Directors

S. G. Tantia
Managing Director

D. P. Tantia
Chairman

V. N. Purohit
Director

H. S. Sinha
Director

R. Mishra
Company Secretary

Atul Tantia
Executive Director

Corporate data

Directors	:	Shree Gopal Tantia Atul Tantia Arun Kumar Dokania Mowlooda Randera Taher Dhanun Ujoodha
Company secretary	:	Kross Border Trust Services Limited St Louis Business Centre Cnr Desroches & St Louis Streets Port Louis Mauritius
Registered office	:	St Louis Business Centre Cnr Desroches & St Louis Streets Port Louis Mauritius
Auditors	:	Lancasters, Chartered Accountant 14 Lancaster Court, Lavoquer Street Port Louis Mauritius
Bankers	:	HSBC Bank (Mauritius) Limited 6th Floor, HSBC Centre Ebene Mauritius

Directors' report

The directors are pleased to present their report together with the audited financial statements of the Company for the year ended 31st March 2010.

Principal activity
The principal activities of the Company are that of investments holding and of management and marketing consultancy services.

Results and dividend
The results for the period are shown on page 6.

The directors do not recommend the payment of a dividend for the year under review. (2009: NIL)

Statement of directors' responsibilities in respect of financial statements
Company law requires the directors to prepare financial statements for each financial period giving a true and fair view of the state of affairs of the Company and of the profit or loss of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

They are also responsible for the safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern on the year ahead.

By order of the Board

Dhanun Ujoodha
Director

Date: 19th May 2010

Statement from secretary for the year ended 31st March 2010

Statement from secretary under Section 166 (d) of the Companies Act 2001

In accordance with section 166 (d) of the Companies Act 2001, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies, all such returns as are required of the Company under the Companies Act 2001.

For and on behalf of

KROSS BORDER TRUST SERVICES LIMITED
Company Secretary

Date: 19th May 2010

Auditors' Report

To the shareholders of,
GPT Investments Private Limited

Report of the Financial Statements

We have audited the financial statements of GPT Investments Private Limited, which comprise the statement of financial position at 31st March 2010, and the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes.

Directors' responsibilities for the financial statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act, 2001. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material mis-statements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibilities

Our responsibilities are to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements on pages 6 to 22 give a true and fair view of the financial position of the Company at 31st March 2010 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Mauritius Companies Act, 2001.

Other matter

This report, including the opinion, has been prepared for and only for the Company's shareholders, as a body, in accordance with section 205 of the Mauritius Companies Act, 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Report on Other Legal and Regulatory Requirements

Companies Act, 2001

We have no relationship with or interests in the Company other than in our capacity as auditors.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Lancasters,
Chartered Accountants
14, Lancaster Court
Lavoquer Street
Port Louis
Mauritius

Date : 19th May 2010

Statement of comprehensive income For the year ended 31st March 2010

USD

	Note	01.04.09 -31.03.10	27.03.08 -31.03.09
Revenue	5	659,131	370,433
Expenses		(115,961)	(239,068)
Profit before taxation		543,170	131,365
Taxation	6	(10,863)	(4,019)
Profit for the year/period		532,307	127,346
Other comprehensive income		-	-
Total comprehensive income for the year/period		**532,307**	**127,346**

The notes on pages 10 to 22 form part of these financial statements

Statement of financial position at 31st March 2010

USD

	Note	2010	2009
ASSETS			
Non-current assets			
Investments	7	108	108
Receivables	8	2,636,431	2,229,300
Total non-current assets		**2,636,539**	**2,229,408**
Current assets			
Other receivables	9	168,375	22,625
Cash and cash equivalents		417	7,432
Total current assets		**168,792**	**30,057**
Total assets		**2,805,331**	**2,259,465**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	10	2,125,000	2,125,000
Revenue reserves		659,653	127,346
Total capital and reserves		**2,784,653**	**2,252,346**
Current liabilities			
Other payables	11	18,585	3,100
Tax payable	6	2,093	4,019
Total current liabilities		**20,678**	**7,119**
Total equity and liabilities		**2,805,331**	**2,259,465**

Approved by the Board on 19th May 2010

Dhanun Ujoodha *Director*

Mowlooda Randera Taher *Director*

The notes on pages 10 to 22 form part of these financial statements

Statement of changes in equity For the year ended 31st March 2010

	Share capital USD	Revenue reserves USD	Total USD
Issue of shares	2,125,000	-	2,125,000
Total comprehensive profit for the period	-	127,346	127,346
Balance at 31st March 2009	2,125,000	127,346	2,252,346
Total comprehensive profit for the year	-	532,307	532,307
Balance at 31st March 2010	**2,125,000**	**659,653**	**2,784,653**

The notes on pages 10 to 22 form part of these financial statements

Statement of cash flows For the year ended 31st March 2010

USD

	01.04.09 -31.03.10	27.03.08 -31.03.09
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year/period	532,307	127,346
Adjustments for:		
Interest receivable	(65,612)	(160,433)
Taxation	10,863	4,019
	477,558	(29,068)
Change in receivables	(145,750)	(22,625)
Change in other payables	15,485	3,100
Cash generated from/(used in) operating activities	**347,293**	**(48,593)**
Tax paid	(12,789)	-
Net cash generated from/(used in) operating activities	**334,504**	**(48,593)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments	-	(108)
Loan advanced to related party	(341,519)	(2,068,867)
Net cash used in investing activities	**(341,519)**	**(2,068,975)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of Shares	-	2,125,000
Net cash from financing activities	**-**	**2,125,000**
Net movement in cash and cash equivalents	(7,015)	7,432
Cash and cash equivalents at 1st April 2009/27th March 2008	7,432	-
Cash and cash equivalents at 31st March 2010/2009	**417**	**7,432**

The notes on pages 10 to 22 form part of these financial statements

Notes to and forming part of the financial statements For the year ended 31st March 2010

1. **General information**

   The Company was incorporated as a private limited Company on 27th March 2008. The principal activities of the Company are that of investments holding and of management and marketing consultancy services.

   The Company, as a holder of a Category 1 Global Business Licence under the Companies Act and the Financial Services Act 2007 is required to carry on its business in a currency other than the Mauritian rupee. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies, the Company has chosen to retain the United States Dollar (USD) as its reporting currency.

2. **Reporting period**

   The financial statements have been prepared for the whole year and therefore comparative amounts in the statement of comprehensive income, statement of financial position, statement of changes in equity and statement of cash flows, which had been prepared for the period from 27th March 2008, date of incorporation, to 31st March 2009, are not comparable.

3. **Basis of preparation**

   (a) **Statement of compliance**

   The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

   (b) **Basis of measurement**

   The financial statements have been prepared on a historical cost basis.

   (c) **Functional and presentation currency**

   The financial statements are presented in United States Dollar (USD) which is the Company's functional currency.

   (d) **Use of the estimates and judgement**

   The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

(e) Change in accounting policies

The accounting policies are consistent with those adopted in the previous period, except for the following:

Adoption of new standards and interpretations effective for the current financial year

- Revised IAS 1 Presentation of Financial Statements

IAS 1(2007) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements.

- Amendments to IFRS 7 Improving Disclosures about Financial Instruments

The amendments require enhanced fair value measurement and liquidity risk disclosures. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy.

4. Significant accounting policies

The principal accounting policies adopted are as follows:

(a) Revenue recognition

Revenue is recognised as follows:

Technical service fee - as services are performed and when it is probable that the economic benefits associated with the transaction will flow to the Company.

Interest income – as it accrues, using the effective interest method.

(b) Taxation

Income tax expense comprises of current and deferred tax. Income tax expense is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of prior years.

Deferred tax is recognised using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(c) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary terms is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments, which are recognised in other comprehensive income. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(d) Available-for-sale financial assets

Investments are valued in accordance with IAS 39 and have been classified as available-for-sale.

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale. The Company's investments in equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences available-for-sale equity instrument are recognised in other comprehensive income and presented within equity in the fair value reserve. When an investment is derecognised, the cumulative gain or loss in other comprehensive income is transferred to profit or loss.

(e) Impairment of assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment in respect of an available-for-sale financial asset is calculated by reference to its current fair value. Individually significant financial assets are tested for impairment on an individual basis.

All impairment is recognised in the statement of comprehensive income. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to the statement of comprehensive income.

An impairment is reversed if the reversal can be related objectively to an event occurring after the impairment was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised directly in the statement of comprehensive income. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

(f) Non-derivative financial assets

Financial assets are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

The Company classifies its financial assets in the following categories : at fair value through profit and loss, loans and receivables, held to maturity investments and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprises cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Other receivables

Other receivables are stated at cost less impairment.

(g) Non-derivative financial liabilities

Financial liabilities are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company has the following non-derivative financial liabilities: other payables.

Other payables

Other payables are recognised at fair value, net of transaction costs incurred. Other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

(h) Related parties

Related parties may be individuals or other entities where the individual or other entities has the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in governing the financial and operating policies, or vice versa, or where the Company are subject to common control of common significant influence.

(i) Expenses

All expenses are recognised in the statement of comprehensive income on an accrual basis.

(j) Provisions

A provision is recognised if, as a result of a past event, the Company have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(k) New standards, interpretations not yet adopted

Other than those adopted early as explained in the note 3(e), a number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31st March 2010, and have not been applied in preparing these financial statements. None of these will have an effect on the financial statements of the Company.

Notes to and forming part of the financial statements For the year ended 31st March 2010

5. Revenue

USD

	01.04.09 -31.03.10	27.03.08 -31.03.09
Income from management services	252,000	210,000
Interest on loan	226,045	160,433
Exchange gain	181,086	-
	659,131	370,433

6. Taxation

The Company is subject to income tax in Mauritius at the rate of 15%. It is, however, entitled to a tax credit equivalent to the higher of the foreign tax paid and a deemed credit of 80% of the Mauritian tax on its foreign source income.

Recognised in the statement of comprehensive income

USD

	01.04.09 -31.03.10	27.03.08 -31.03.09
Total income tax expense in statement of comprehensive income	10,863	4,019

The reconciliation of the actual tax charge with the effective tax charge is as follows:

Reconciliation of effective tax rate

USD

	01.04.09 -31.03.10	27.03.08 -31.03.09
Profit before taxation	543,170	131,365
Income tax at 15%	81,476	19,705
Non-deductible expenses	-	388
Exempt income	(27,163)	-
Foreign tax credit	(43,450)	(16,074)
Income tax as per Statement of comprehensive income		
Less tax paid under APS	10,863	4,019
	(8,770)	-
Current tax liability	2,093	-

7. Investments

USD

	2010	2009
At 1st April	108	-
Additions during the year/period	-	108
At 31st March	108	108

Name of company	Type and number of shares	% holding	Country of incorporation
GPT Concrete Products South Africa Pty Ltd	500 shares of ZAR 1 each	1	South Africa

The above shares have been pledged with Export-Import Bank of India as guarantee in connection to loan of USD 4.76 million contracted by GPT Concrete Products South Africa Pty. Ltd.

8. Receivables

USD

	2010	2009
Loan advanced to related party	2,410,386	2,068,867
Interest	226,045	160,433
	2,636,431	2,229,300

The above loan bears interest at the rate of Prime Lending Rate as applicable in South Africa.

9. Other receivables

USD

	2010	2009
Non-trade receivables and prepaid expenses	168,375	22,625

Notes to and forming part of the financial statements For the year ended 31st March 2010

10. Share capital

USD

	2010	2009
Stated share capital		
2,125,000 ordinary shares of USD 1 each	2,125,000	2,125,000

11. Other payables

USD

	2010	2009
Accrued expenses	18,585	3,100

12. Related party transactions

During the year/period under review, the Company entered into the following related party transactions. *USD*

	Nature	2010	2009
Transaction during the year/period			
GPT Concrete Products South Africa Pty Ltd	Loan granted	341,519	2,068,867
GPT Concrete Products South Africa Pty Ltd	Interest receivable	65,612	160,433
Balances outstanding at 31st March:			
GPT Concrete Products South Africa Pty Ltd	Loan receivable	2,410,386	2,068,867
GPT Concrete Products South Africa Pty Ltd	Interest receivable	226,045	160,433

13. Financial instruments

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position are as follows:

USD

	Carrying amount 2010	Fair value 2010	Carrying amount 2009	Fair value 2009
Investment	108	108	108	108
Receivables	2,636,431	2,636,431	2,229,300	2,229,300
Other receivables	168,000	168,000	21,000	21,000
Cash & cash equivalent	417	417	7,432	7,432
Total financial assets	**2,804,956**	**2,804,956**	**2,257,840**	**2,257,840**
Other payables	18,585	18,585	3,100	3,100
Total financial liabilities	**18,585**	**18,585**	**3,100**	**3,100**

Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- currency risk
- liquidity risk
- market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Credit risk

Credit risk represents the potential loss that the Company would incur if counterparties fail to perform pursuant to the terms of their obligations to the Company. The Company limits its credit risk by carrying out transactions through companies within the group. At the statement of financial position date, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Notes to and forming part of the financial statements For the year ended 31st March 2010

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit risk at the reporting date was:

USD

	Carrying Amount	
	2010	2009
Receivables	2,636,431	2,229,300
Other receivables	168,000	21,000
Cash and cash equivalents	417	7,432
	2,804,848	2,257,732

Currency risk

The Company has financial instruments denominated in ZAR. Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to the ZAR may change in a manner, which has a material effect on the reported values of the Company's assets and liabilities, which are denominated in ZAR.

The currency profile of the Company's financial assets and liabilities are summarised as follows: *USD*

	Financial assets 2010	Financial liabilities 2010	Financial assets 2009	Financial liabilities 2009
USD	2,804,848	18,585	2,257,732	3,100
ZAR	108	-	108	-
	2,804,956	18,585	2,257,840	3,100

Interest rate risk

The sensitivity analysis below has been determined based on the exposure to interest rates at the statement of financial position date. A 50 basis point increase or decrease is used when reporting interest rate risk.

If interest rates has been 50 basis points (bps) higher/ lower and all other variables held constant, the profit for the year ended 31st March 2010 would increase/ decrease by USD 12,052(2009: USD10,344) attributable to the Company exposure to interest rates on variable rate of interest.

USD

Before sensitivity analysis	Basic interest rate 2010	Average principal amount 2010	Interest Accrued 2010
Loan receivable 1 year	0.0938	2,410,386	226,045

After sensitivity analysis + 50bps	Basic interest rate 2010	Average principal amount 2010	Interest Accrued 2010
Loan receivable 1 year	0.0988	2,410,386	238,097
Increase/Decrease in loan interest received			12,052

Before sensitivity analysis	Basic interest rate 2009	Average principal amount 2009	Interest Accrued 2009
Loan receivable 1 year	0.077546	2,068,867	160,433

After sensitivity analysis + 50bps	Basic interest rate 2009	Average principal amount 2009	Interest Accrued 2009
Loan receivable 1 year	0.082546	2,068,867	170,777
Increase/Decrease in loan interest received			10,344

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the Company's contractual maturities of financial liabilities *USD*

31st March 2010	Carrying amount	Within one year	One-five years	More than five years
Other payables	18,585	18,585	-	-
	18,585	18,585	-	-
31st March 2009				
Other payables	3,100	3,100	-	-
	3,100	3,100	-	-

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

14. **Capital management**

The Company's primary objectives when managing capital are to safeguard the Company's ability to continue as a going concern. As the Company is part of a larger group, the Company's sources of additional capital and policies for distribution of excess capital may also be affected by the group's capital management objectives.

The Company defines "capital" as including all components of equity. Trading balances that arise as a result of trading transactions with other group Companies are not regarded by the Company as capital.

The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the group to which the Company belongs. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company or the group. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

15. **Holding company**

The Company is a wholly owned subsidiary of GPT Infraprojects Limited, a company incorporated in India.

Statement of comprehensive income For the year ended 31st March 2010

USD

	01.04.09 -31.03.10	27.03.08 -31.03.09
Revenue		
Income from management services	252,000	210,000
Interest on loan	226,045	160,433
Exchange gain	181,086	-
	659,131	370,433
Expenses		
Salaries	105,000	77,596
Professional fees & legal expenses	4,150	1,025
Accounting and audit fees	3,100	3,100
License fees	1,500	2,125
Interest 1,183	-	
Bank Charges	1,028	1,400
Consulting fees	-	148,030
Set up costs	-	2,590
Administration charges	-	2,167
Disbursements	-	805
Legal fees	-	200
Sundries	-	30
	115,961	**239,068**
Profit before taxation	**543,170**	**131,365**

Corporate data

Country of incorporation and domicile	:	South Africa
Nature of business and principal activities	:	Manufacturing of concrete sleepers
Directors	:	Dwarika Prasad Tantia Atul Tantia
Registered office	:	Houghton Estate Office Park 2nd Floor, Palm Grove 2 Osborn Road Houghton 2198, South Africa
Business address	:	Danskraal Station Yard Transnet Freight Rail Fairciough Road Ladysmith 3370, South Africa
Postal address	:	P. O. Box 1879 Ladysmith 3370 KZN South Africa
Auditors	:	RAiN Registered Auditors
Secretary	:	ER Goodman Secretarial Services CC
Company registration number	:	2007/031165/07

Independent Auditor's Report

To the members of,
GPT Concrete Products South Africa (Pty) Ltd

We have audited the financial statements of GPT Concrete Products SA (Pty) Ltd, which comprise the statement of financial position as at 31st March 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the directors' report, as set out on pages 4 to 19.

Directors' Responsibility for the Financial Statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa, 1973. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of GPT Concrete Products SA (Pty) Ltd as at 31st March 2010, and its financial performance and its cash flows for the year then ended in accordance with South African Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa, 1973.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the fact that supplementary information set out on pages 20 to 21 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

RAIN
Registered Auditors
Per: Safeea Rahiman

Johannesburg
17th May 2010

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of South Africa, 1973 to maintain adequate accounting records and are responsible for the content and integrity of the Financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Company as at the end of the financial year and the results of its operations and cash flows for the year then ended. in conformity with South African Statements of Generally Accepted Accounting Practice. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice and arc based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately, responsible for the system of internal financial control established by the Company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Company and all employees are required to maintain the highest ethical standards in ensuring the Company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Company is on identifying, assessing, managing and monitoring all known forms of risk across the Company. While operating risk cannot be fully eliminated, the Company endeavours to minimise it by ensuring that appropriate infrastructure. controls systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the Company's cash flow forecast for the year to 31st March 2011 and, in the light of this review and the current financial position, they are satisfied that the Company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently receiving and reporting on the Company's financial statements. The financial statements have been examined by the Company's external auditors and their report is presented on page 2.

The financials statements set out on pages 4 to 2l. which have been prepared on the going concern basis. were approved by the board on 17th May 2010 and were signed on its behalf by:

Dwarika Prasad Tantia

Atul Tantia

Directors' Report

The directors submit their report for the year ended 31st March 2010.

1. Review of activities

   Main business and operations

   The Company is engaged in manufacturing of railway concrete sleepers and operates principally in South Africa.

   The operating results and state of affairs of the Company are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Events after the reporting period

   The directors are not aware of any matter or circumstance arising since the end of the financial year.

3. Authorised and issued share capital

   There were no changes in the authorised or issued share capital of the Company during the year under review.

4. Non-current assets

   There were no major changes in the nature of the non-current assets during the year under review nor in the policy relating to their use.

5. Directors

   The directors of the Company during the year and to the date of this report are as follows:

Name	Nationality
Dwarika Prasad Tantia	Indian
Atul Tantia	Indian

6. Secretary

   The secretary of the Company is ER Goodman Secretarial Services CC of:

   Business address
   Houghton Estate Office Park
   2nd Floor, Palm Grove 2 Osborn Road
   Houghton
   2198

   Postal address
   P. O. Box 890825
   Lyndhurst
   2106

7. Auditors

   RAiN will continue in office in accordance with section 270(2) of the Companies Act.

Dwarika Prasad Tantia

GPT CONCRETE PRODUCTS SOUTH AFRICA (PTY) LTD

(Registration number 2007/031165/07)

Financial statements for the year ended 31st March 2010

Statement of Financial Position For the year ended 31st March 2010

Figures in Rand	Note(s)	31 March 2010	31 March 2009
Assets			
Non-Current Assets			
Property, plant and equipment	3	60,264,014	65,142,999
Current Assets			
Inventories	6	11,475,677	2,250,789
Trade and other receivables	7	4,883,019	2,057,389
Cash and cash equivalents	8	145,120	553,277
		16,503,816	4,861,455
Total Assets		76,767,830	70,004,454
Equity and Liabilities			
Equity			
Share capital	9	50,000	50,000
Retained income		1,602,832	(754,999)
		1,652,832	(704,999)
Liabilities			
Non-Current Liabilities			
Loans from shareholders	4	16,194,888	16,194,888
Other financial liabilities	10	32,542,250	43,827,750
Deferred tax	5	1,704,813	-
		50,441,951	60,022,638
Current Liabilities			
Loans from shareholders	4	3,345,609	1,551,575
Other financial liabilities	10	71,682	385,635
Trade and other payables	11	16,370,872	8,021,222
Bank overdraft	8	4,884,884	728,383
		24,673,047	10,686,815
Total Liabilities		75,114,998	70,709,453
Total Equity and Liabilities		76,767,830	70,004,454

Statement of Comprehensive Income For the year ended 31st March 2010

Figures in Rand	Note(s)	Year ended 31 March 2010	Year ended 31 March 2009
Revenue	12	32,177,551	-
Cost of sales	13	(15,908,515)	-
Gross profit		16,269,036	-
Other income		12,063,238	2,181,914
Operating expenses		(19,330,972)	(2,915,036)
Operating profit (loss)	14	9,001,302	(733 122)
Investment revenue	15	63,288	-
Finance costs	16	(5,001,946)	(21,861)
Profit (loss) before taxation		4,062,644	(754,983)
Taxation	17	(1,704,813)	-
Profit (loss) for the year		2,357,831	(754,983)
Other comprehensive income		-	-
Total comprehensive income (loss)		2,357,831	(754,983)

Statement of Changes in Equity

Figures in Rand	Share capital	Retained income	Total equity
Balance at 1st April 2008			
Changes in equity	50,000	(16)	49,984
Total comprehensive loss for the year		(754,983)	(754,983)
Total changes	**-**	**(754,983)**	**(754,983)**
Balance at 1st April 2009			
Changes in equity	50,000	(754,999)	(704,999)
Total comprehensive income for the year	-	2,357,831	2,357,831
Total changes	**-**	**2,357,831**	**2,357,831**
Balance at 31st March 2010	**50,000**	**1,602,832**	**1,652,832**
Note(s)	9		

Statement of Cash Flows

Figures in Rand	Note(s)	Year ended 31 March 2010	13 Months ended 31 March 2009
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		29,416,121	124,525
Cash paid to suppliers and employees		(16,511,938)	2,922,707
Cash generated from operations	19	12,904,183	3,047,232
Interest income		63,288	-
Finance costs		(5,001,946)	(21,861)
Net cash from operating activities		**7,965,525**	**3,025,371**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	3	(2,724,764)	(65,210,315)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds on share issue	9		
Proceeds from other financial liabilities		-	44,213,387
Repayment of other financial liabilities		(11,599,453)	-
Proceeds from shareholders loan		-	17,796,466
Repayment of shareholders loan		1,794,034	-
Net cash from financing activities		**(9,805,419)**	**62,009,853**
Total cash movement for the year		**(4,564,658)**	**(175,091)**
Cash at the beginning of the year		(175,106)	(15)
Total cash at end of the year		**(4,739,764)**	**(175,106)**

Accounting Policies

1. Presentation of Financial Statements

The financial statements have been prepared in accordance with South African Statements of Generally Accepted Accounting Practice, and the Companies Act of South Africa, 1973. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts represented in the financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgements include:

Trade receivables

The Company assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the Company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

Impairment testing

The Company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the value in use of goodwill and tangible assets are inherently uncertain and could materially change over time. They are significantly affected by a number of factors including production estimates, supply demand, together with economic factors such as exchange rates, inflation and interest rates.

1.2 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Company; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Item	Average useful life	2009
Buildings	8	5
Plant and machinery	8	5
Furniture and fixtures	8	5
Motor vehicles	5	5
IT equipment	8	3

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

1.3 Financial instruments

Initial recognition and measurement

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

For financial instruments which are not at fair value through profit or loss, transaction costs are included in the initial measurement of the instrument.

Loans from group companies

These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint ventures and associates and are recognised initially at fair value plus direct transaction costs.

Subsequently these loans are measured at amortised cost using effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts.

Loans to shareholders, directors, managers and employees

These financial assets are classified as loans and receivable.

Accounting Policies

Subsequently these loans are measured at amortised cost using effective interest rate method, less any impairment loss recognised to reflect irrecoverable amounts.

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other receivables are classified as loans and receivables.

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Bank overdraft and borrowings

Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs.

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income,
- a transaction or event which is recognised, in the same or a different period, directly in equity, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

Any contingent rents are expensed in the period they are incurred.

1.6 Inventories

Inventories are measured at the lower of cost and net realisable value.

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Accounting Policies

1.7 Impairment of assets

The Company assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.8 Revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

  Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

  Interest is recognised, in profit or loss, using the effective interest rate method.

1.9 Turnover

Turnover comprises of sales to customers. Turnover is stated at the invoice amount and is exclusive of value added taxation.

1.10 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.11 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred, and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted.

Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.12 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;

Accounting Policies

- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Notes to the Financial Statements

Figures in Rand	2010	2009

2. Changes in accounting policy

Change in estimated useful lives

During the year, the Company changed its accounting policy with respect to the esimated useful lives of certain classes of property, plant and equipment. The effect of the changes was not material.

3. Property, plant and equipment

	2010			2009		
	Cost / Valuation	Accumulated depreciation	Carrying value	Cost / Valuation	Accumulated depreciation	Carrying value
Buildings	12,877,229	(1,397,883)	11,479,346	11,372,904	-	11,372,904
Plant and machinery	38,041,887	(6,044,116)	31,997,771	37,216,281	-	37,216,281
Furniture and fixtures	167,773	(15,306)	152,467	-	-	-
Motor vehicles	530,603	(165,514)	365,089	530,603	(64,700)	465,903
Office equipment	209,195	(15,530)	193,665	-	-	-
IT equipment	36,983	(9,446)	27,537	30,758	(2,616)	28,142
Sleeper moulds	15,857,287	-	15,857,287	15,855,347	-	15,855,347
Laboratory equipment	214,122	(23,270)	190,852	204,422	-	204,422
Total	**67,935,079**	**(7,671,065)**	**60,264,014**	**65,210,315**	**(67,316)**	**65,142,999**

Reconciliation of property, plant and equipment - 2010

	Opening balance	Additions	Depreciation	Total
Buildings	11,372,904	1,504,325	(1,397,883)	11,479,346
Plant and machinery	37,216,281	825,606	(6,044,116)	31,997,771
Furniture and fixtures	-	167,773	(15,306)	152,467
Motor vehicles	465,903	-	(100,814)	365,089
Office equipment	-	209,195	(15,530)	193,665
IT equipment	28,142	6,225	(6,830)	27,537
Sleeper moulds	15,855,347	1,940	-	15,857,287
Laboratory equipment	204,422	9,700	(23,270)	190,852
	65,142,999	2,724,764	(7,603,749)	60,264,014

Reconciliation of property, plant and equipment - 2009

	Opening balance	Additions	Depreciation	Total
Opening balance				
Buildings	-	11,372,904	-	11,372,904
Plant and machinery	-	37,216,281	-	37,216,281
Motor vehicles	-	530,603	(64,700)	465,903
IT equipment	-	30,758	(2,616)	28,142
Sleeper moulds	-	15,855,347	-	15,855,347
Laboratory equipment	-	204,422	-	204,422
	-	65,210,315	(67,316)	65,142,999

A register containing the information required by paragraph 22(3) of Schedule 4 of the Companies Act is available for inspection at the registered office of the Company.

Notes to the Financial Statements

4. Loans to (from) shareholders

Figures in Rand	2010	2009
GPT Investments Private Limited	(19,540,497)	(17,746.463)
This loan is repayable in 14 (fourteen) equal installments commencing from one year after commencement of commercial production.		
Interest on this loan is charged at the prime lending rate as applicable in South Africa and is paid quarterly by the borrower.		
	(19,540,497)	(17,746,463)
Non-current liabilities	(16,194,888)	(16,194,888)
Current liabilities	(3,345,609)	(1,551,575)
	(19,540,497)	(17,746,463)

5. Deferred tax

Figures in Rand	2010	2009
Deferred tax asset		
Accelerated capital allowances for tax purposes	(1,874,011)	-
Interest capitalised	(231,201)	(757,005)
Tax losses available for set off against future taxable income	400,399	757,005
	(1,704,813)	-
Reconciliation of deferred tax asset (liability)		
Increase (decrease) in tax losses available for set off against future taxable income	(356,606)	757,005
Originating temporary difference on tangible fixed assets	(1,117,006)	(757,005)
Originating temporary difference on interest capitalisation	(231,201)	-
	(1,704,813)	-

6. Inventories

Figures in Rand	2010	2009
Raw materials, components	3,354,616	2,181,915
Finished goods	7,877,764	-
Other direct consumables	243,297	68,874
	11,475,677	2,250,789

7. Trade and other receivables

Figures in Rand	2010	2009
Trade receivables	3,523,551	-
Prepayments	64,200	-
Deposits	1,295,268	13,200
VAT	-	1,811,086
Employee costs in advance	-	10,500
Customs - SARS	-	222,603
	4,883,019	2,057,389

8. Cash and cash equivalents

Figures in Rand	2010	2009
Cash and cash equivalents consist of:		
Cash on hand	2,569	1,529
Bank balances	142,551	551,748
Bank overdraft	(4,884,884)	(728,383)
	(4,739,764)	(175,106)
Current assets	145,120	553,277
Current liabilities	(4,884,884)	(728,383)
	(4,739,764)	(175,106)

The overdraft facility of R 7 million and bank guarantee limit of R I million is secured by :

a) A first charge on inventory and receivables.

b) A second charge on fixed assets (fixed charge held by Export-Import bank of India).

c) Corporate guarantee of GPT Infraprojects Ltd and personal guarantee of DP Tantia, Atul Tantia, Sreegopal Tantia and Vaibhav Tantia.

d) Cash margin of 20 % on bank guarantees issued (100% for amounts in excess of R I million).

Notes to the Financial Statements

9. Share capital

Figures in Rand	2010	2009
Authorised		
50,000 Ordinary shares of RI each	50,000	50,000
Issued		
50,000 Ordinary shares of RI each	50,000	50,000

10. Other financial liabilities

Figures in Rand	2010	2009
Held at amortised cost		
Export-Import bank of India	32,613,932	44,213,385
This loan is payable in 14 (fourteen) quarterly installments commencing from one year after commencement of commercial production		
The loan was obtained in US dollars and the outstanding balance is USD 4,420,000 (2009: USD 4,530,000) to date. Interest is charged at a rate linked with LIBOR.		
Non-current liabilities		
At amortised cost	32,542,250	43,827,750
Current liabilities		
At amortised cost	71,682	385,635
	32,613,932	44,213,385

11. Trade and other payables

Figures in Rand	2010	2009
Trade payables	16,612,228	7,953,198
VAT	3,986	-
Accrued expenses	(315,342)	68,024
Other payables	70,000	-
	16,370,872	8,021,222

12. Revenue

Figures in Rand	2010	2009
Sale of goods	32,177,551	-

13. Cost of sales

Figures in Rand	2010	2009
Sale of goods		
Cost of goods sold	13,204,928	-

14. Operating profit

Figures in Rand	2010	2009
Operating profit (loss) for the year is stated after accounting for the following:		
Operating lease charges		
Premises		
• Contractual amounts	622,421	65,200
Consulting and professional fees	6,457,699	853,742
(Profit) on exchange differences	(12,022,939)	(2,160,001)
Depreciation on property, plant and equipment	7,603,750	67,316
Employee costs	2,265,099	260,985

15. Investment revenue

Figures in Rand	2010	2009
Interest revenue		
Bank	63,288	-

Notes to the Financial Statements

16. Finance costs

Figures in Rand	2010	2009
Group companies	-	4,930
Shareholders	1,794,034	266
Trade and other payables	4,220	-
Bank	3,203,692	16,665
	5,001,946	21,861

17. Taxation

Figures in Rand	2010	2009
Major components of the tax expense		
Deferred		
Originating and reversing temporary differences	1,704,813	-
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit	4,062,644	(754,983)
Tax at the applicable tax rate of 28% (2009: 28%)	1,137,540	(211,395)
Tax effect of adjustments on taxable income		
Non-deductable expenses	2,819	18,858
Tax losses carried forward	564,454	192,537
	1,704,813	-

No provision has been made for 2010 tax as the Company has no taxable income.
The estimated tax loss available for set off against future taxable income is Rs. 4,133,588 (2009: Rs. 3,391,256)

18. Auditors' remuneration

Figures in Rand	2010	2009
Fees	95,602	64,070

19. Cash generated from operations

Figures in Rand	2010	2009
Profit/(loss) before taxation	4,062,644	(754,983)
Adjustments for:		
Depreciation and amortisation	7,603,750	67,316
Interest received	(63,288)	-
Finance costs	5,001,946	21,861
Other non-cash items	(1)	-
Changes in working capital:		
Inventories	(9,224,888)	(2,250,789)
Trade and other receivables	(2,825,630)	(2,057,388)
Trade and other payables	8,349,650	8,021,215
	12,904,183	3,047,232

20. Related parties

Relationships

Holding company	GPT Infraprojects Limited
Shareholder with significant influence	GPT Investments (Pty) Ltd

Related party balances

Figures in Rand	2010	2009
Loan accounts - Owing (to) by related parties		
GPT Investments (Pty) Ltd	(19,540,497)	(17,746,464)
Amounts included in Trade receivable (Trade Payable) regarding related parties		
GPT Infraprojects Limited	(3,849,711)	(1,032,555)
GPT Investments (Pty) Ltd	(1,082,287)	-
Related party transactions		
Consulting fee paid to related parties		
GPT Investments (Pty) Ltd	5,630,362	493,742
Royalties paid to related parties		
GPT Infraprojects Limited	120,328	-
Interest paid to related parties		
GPT Investments (Pty) Ltd	1,794,033	-

Notes to the Financial Statements

21. Directors' emoluments

No emoluments were paid to the directors during the year.

22. Risk management

Financial risk management

Interest rate risk

The Company's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Company only deposits cash with major banks with high quality credit standing and limits exposure to any one counter-party.

Foreign exchange risk

The Company does not hedge foreign exchange fluctuations.

Foreign currency exposure at the end of the reporting period

Figures in Rand	2010	2009
Liabilities		
Export-Import Bank of India (2010: $4,420,000 (2009: $4,530,000))	32,542,250	43,827,750
GPT Infraprojects (2010: $506,537 (2009: $106,724))	3,729,383	1,032,555
International Railways Technologies (2010: $344,598 (2009: $535,138))	2,537,103	5,261,846
GPT Investments (Pty) Ltd (2010: $147,000 (2009: $ Nil))	1,082,288	-
Exchange rates used for conversion of foreign items were: USD	7.3625	9.675

Detailed Income Statement

Figures in Rand	Note(s)	Year ended 31 March 2010	13 Months ended 31 March 2009
Revenue			
Sale of goods		32,177 551	-
Cost of sales			
Opening stock		(68,874)	-
Purchases		(21,257,115)	(68,874)
Cost of manufactured goods		(2,703,587)	-
Closing stock		8,121,061	68,874
	13	**(15,908,515)**	**-**
Gross profit		**16,269,036**	**-**
Other income			
Discount received		38,634	3
Other income		1,665	21,910
Interest received	15	63,288	-
Profit on exchange differences		12,022,939	2,160,001
		12,126,526	**2,181,914**
Expenses (Refer to page 21)		(19,330,972)	(2,915,036)
Operating profit (loss)	14	9,064,590	(733,122)
Finance costs	16	(5,001,946)	(21,861)
Profit (loss) before taxation		**4,062,644**	**(754,983)**
Taxation	17	1,704,813	-
Profit (loss) for the year		**2,357,831**	**(754,983)**

The supplementary information presented does not form part of the financial statements and is unaudited

GPT CONCRETE PRODUCTS SOUTH AFRICA (PTY) LTD

(Registration number 2007/031165/07)

Financial statements for the year ended 31st March 2010

Detailed Income Statement

Figures in Rand	Note(s)	Year ended 31 March 2010	13 Months ended 31 March 2009
Operating expenses			
Accounting fees		(23,438)	(24,552)
Advertising		(1,500)	(6,120)
Auditors remuneration	18	(95,602)	(64,070)
Bank charges		(103,280)	(332,878)
Cleaning		(130,218)	(15,776)
Computer expenses		(11,350)	(2,556)
Consulting and professional fees		(6,457,699)	(853,742)
Consumables		(1,941,270)	(450,335)
Depreciation, amortisation and impairments		(7,603,750)	(67,316)
Donations		(5,100)	-
Employee costs		(652,566)	(260,985)
Entertainment		(35,445)	(15,079)
Customs duty		(5,957)	-
General office expense		(19,280)	(9,663)
Staff transport		(19,745)	-
Sundry assets written off		(180,630)	(167,002)
Fines and penalties		(4,966)	(1,614)
Gifts		-	(622)
Insurance		(181,754)	(37,195)
Lease rentals on operating lease		(110,400)	(65,200)
Legal expenses		(16,273)	(65,736)
Levies		-	(5,810)
Motor vehicle expenses		(222,176)	(76,946)
Postage		(17,993)	(15,462)
Printing and stationery		(21,247)	(3,883)
Repairs and maintenance		(364,053)	(19,692)
Royalties and license fees		(120 328)	-
Secretarial fees		(9,700)	(16,837)
Security		(323,072)	(116,548)
Staff welfare		(35,146)	(12,056)
Subscriptions		(2,426)	(728)
Telephone and fax		(110,495)	(41,849)
Transport and freight		(63,920)	(44)
Travel - local		(30,829)	(73,942)
Travel - overseas		(316,794)	(82,452)
Utilities		(92,570)	(8,346)
		(19,330,972)	**(2,915,036)**

The supplementary information presented does not form part of the financial statements and is unaudited.