MAYTAS INFRA LIMITED

Annual Report 2009-2010

MAYTAS INFRA

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Annual Report

2009-2010




Maytas Infra Limited

Maytas House - Headquarters of Maytas Infra Limited

Contents

Board of Directors

Ravi Parthasarathy
Vimal Kishore Kaushik
Ved Jain
Anil Kumar Agarwal
Arun K. Saha
Karunakaran Ramchand

Company Secretary

G. Venkateswar Reddy

Auditors

S. R. Batliboi & Associates
Chartered Accountants
Oval Office, 18, i Labs Centre
Hitech City, Madhapur
Hyderabad – 500 081

Bankers

Allahabad Bank
Axis Bank Limited
Bank of India
Bank of Maharashtra
BNP Paribas
ICICI Bank Limited
IDBI Bank Limited
Indian Overseas Bank
Kotak Mahindra Bank Limited
Punjab National Bank
Standard Chartered Bank
State Bank of Hyderabad
State Bank of India
Vijaya Bank

Registrar & Share Transfer Agent

Karvy Computershare Private Limited
No. 17-24, Vittalrao Nagar, Madhapur
Hyderabad – 500 081
Telephone No. 040-23420819 to 24
Fax No. 040-23420814, Email ID: einward.ris@karvy.com

Registered Office

6-3-1186/5/A. IIIrd Floor
Amogh Plaza, Begumpet, Hyderabad – 500 016
Tel: +91-40-40409333; 23408100
Fax: 040-23401107
www.maytasinfra.com

Notice

NOTICE is hereby given that the Twenty-second Annual General Meeting of the Members of Maytas Infra Limited will be held on Thursday the 23rd day of September, 2010 at 11.00 a.m. at KLN Prasad Auditorium, 3rd Floor, The Federation of Andhra Pradesh Chambers of Commerce and Industry, FAPCCI House, 11-6-841, Red Hills, Hyderabad – 500 004 to transact the following business:

ORDINARY BUSINESS :

(1) To receive, consider and adopt the Audited Balance Sheet as at March 31, 2010, the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and the Auditors thereon.

(2) To appoint a Director in place of Mr. Ravi Parthasarathy, who retires by rotation and, being eligible, offers himself, for re-appointment.

(3) To consider, and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s SR Batliboi & Associates, Chartered Accountants, Institute of Chartered Accountants of India, Registration Number 101049W, be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting at a remuneration as may be determined by the Board of Directors of the Company".

SPECIAL BUSINESS :

(4) To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification(s) or re-enactment thereof (the Act), relevant provisions of the Articles of Association of the Company, Mr. Vimal Kaushik be and is appointed as Managing Director of the Company for a period of three years with effect from January 8, 2010, on following terms and conditions, with authority delegated to the Board of Directors or Remuneration Committee thereof (hereinafter referred to as "the Board") to alter, vary and revise the terms of the said appointment subject to the relevant provisions of the Act.

(a) Consolidated Salary : Rs. 15,00,000/- per month.

(b) Perquisites : In addition to the Consolidated Salary, the Managing Director shall also be entitled to the following perquisites :

(i) Company provided unfurnished accommodation. In case no accommodation is provided, House Rent Allowance @ Rs. 93,750/- per month.

(ii) Chauffeur driven car as per Company policy. In case MD does not wish to avail of this facility, he may avail of an all inclusive lump-sum Vehicle Allowance @ Rs. 45,000/- per month in lieu of the Company car. The use of car for private purposes will be billed by the Company.

(iii) Leave Travel Allowance @ Rs. 31,000/- per annum.

(iv) Medical Reimbursement @ Rs. 27,000/- per annum.

(v) House Maintenance Allowance @ Rs. 30,000/- per annum.

(vi) Lunch coupons @ Rs. 24,000/- per annum

(vii) A Mobile phone, a landline telephone / fax at residence. However, personal long distance calls will be billed by the Company.

(viii) One Club Membership. This does not include Life Membership fees.

(ix) Personal Accident Insurance Policy as may be approved by the Board from time to time.

(x) Mediclaim Insurance Policy for Managing Director, his spouse (if dependent), two dependent children below the age of 24 and dependent parents. The premium of the policy should be Rs. 45,000/- per annum (approx).

(xi) All payments to Managing Director are subject to Deduction of Tax at Source in terms of applicable statutory provisions from time to time.

(c) Performance Related Pay/ Incentive : Such remuneration by way of performance based rewards/ incentives, in addition to the above salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board at the end of each financial year, subject to the overall ceilings stipulated in Sections 198 and 309 of the Act, including amendments thereto.

(d) Minimum Remuneration : Notwithstanding anything to the contrary herein contained where in any financial year the currency of tenure of Managing Director, the Company has no profits or its profits are inadequate, remuneration by way of salary, performance based rewards/ incentive and perquisites shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Act, whichever is lower, unless otherwise determined by the Board, subject to approval of the MCA, if required.

Explanation : For the purpose of calculating the limit under the Act, perquisites, allowances shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such rules, the perquisites, allowances shall be evaluated at the actual cost. Leave Encashment will not be included in the computation of the ceiling on perquisites.

(e) General Conditions :

(i) The total remuneration payable to the Managing Director along with other Whole-time Directors of the Company, if any, shall not exceed 10% of the net profits during any financial year. In case there are no other Whole-time Director, the total remuneration payable to the Managing Director shall not exceed 5% of the net profits during any financial year or such other limit as may be prescribed by the Central Government.

(ii) The Managing Director shall not be liable to retire by rotation.

(iii) The Managing Director shall not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof.

(iv) The Managing Director shall be entitled to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company or as may be decided by the Board, within the overall limits prescribed under the Act.

(v) Mr. Vimal Kaushik will cease to be Director on cessation of his employment with the Company.

(vi) Managing Director, during the tenure of his appointment or after completion of the services/ contract, will not disclose any proprietary, confidential or classified information relating to the Project/activities/tasks, business or operations of the Company, without the written consent of the Board.

(vii) During the tenure of his appointment, the Managing Director will not engage, either directly or indirectly, in any other business or professional activities, whether or not it may conflict with the business activities or business prospect of the Company, without the written consent of the Board".

"RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company, be and is hereby authorised, jointly or severally, to take all necessary steps to give effect to the foregoing resolution including but not limited to :

– Apply/represent the case before the Ministry of Corporate Affairs, Government of India, or any other statutory/ regulatory authority(ies) whenever any approval is required.
– Sign, correspond and liaison with the concerned authorities for and on behalf of the Company.
– Issue of public notice in terms of the provisions of the Companies Act, 1956".

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

"RESOLVED THAT pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 (the Act), consent of the Company be and is hereby accorded to the Board of Directors of the Company and/or committee thereof (hereinafter referred to as "the Board") to create mortgages and/or charges on all or any of the assets and properties, immovable and movable, both present and future including the undertaking of the Company (and including the Company's interest as mortgagee in various properties belonging to the borrowers of the Company or otherwise) and including floating charge/ assignment or hypothecation on a pari passu basis over the Company's book debt/s, receivables, actionable claims, outstanding loans and advances and other assets and properties of the Company and including mortgages or charges over the specific security as agreed upon between the Company and the concerned lenders, with interest thereon at the respective agreed rates, penal/ additional interest liquidated damages, costs, charges, expenses and/or monies, if any, due thereon, monies on the aforesaid securities already borrowed or to be borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) over the aggregate of the Paid-up Capital and Free Reserves of the Company upto Rs. 5,000 Crores or such other amount as the borrowing power of the Company, determined by the Members of the Company, pursuant to Section 293(1)(d) of the Act from time to time".

"RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise and execute all such documents for creating the aforesaid mortgage and/or charge and on such terms and conditions as may be deemed fit, proper or appropriate in their absolute discretion and do all such acts, things and matters as may be necessary for giving effect to the foregoing Resolution".

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

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, ("SEBI (ICDR) Regulations 2009") and other applicable Rules, Regulations and Guidelines, if any, prescribed by the Securities and Exchange Board of India ("the SEBI"), the Reserve Bank of India (the "RBI"), Stock Exchanges and/or any other regulatory authorities and in terms of the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and subject to such approvals, consents, permissions and/or sanctions, if any of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/ or sanction and which may be agreed to, consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company and / or Committee thereof (hereinafter referred to as the Board"), to create, offer, issue, allot and deliver equity shares not exceeding 4,00,000 (Four Lakh only) of Rs.10/- (Rupees Ten only) each, at a price to be decided upon in accordance with SEBI (ICDR) Regulations 2009, in addition to the existing paid up equity share capital, in one or more tranches, to the various Bankers of the Company, details whereof are provided in the Explanatory Statement to this Notice, through preferential issue in such manner and on terms, conditions and price as may be determined by the Board in accordance with Chapter VII of the SEBI (ICDR) Regulations 2009 or other applicable Statutory provisions, rules or regulations".

"RESOLVED FURTHER THAT the Relevant Date for the purpose of determining the price of the equity shares will be the date of Final CDR Empowered Group Meeting held for approving the CDR Package, being June 4, 2010 in terms of relevant provisions of SEBI (ICDR) Regulations 2009 as amended from time to time".

"RESOLVED FURTHER THAT the Equity shares to be allotted shall be subject to lock-in requirements as prescribed by the SEBI (ICDR) Regulations 2009 as amended from time to time".

"RESOLVED FURTHER THAT all equity shares proposed to be allotted pursuant to this resolution shall be listed on the Stock Exchanges on which existing equity shares of the Company are listed".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to decide the date for the issue of equity shares, finalise the allotment of the equity shares on the basis of the subscriptions received, finalise and arrange for the submission of any documents with any Government and Regulatory Authorities, Institutions or Bodies, as may be required and applicable, decide the pricing and terms and conditions of the equity shares, and all other related matters, as per applicable laws, regulations or guidelines for the time being applicable, decide the number of equity shares to be issued, and determination of the price of the shares in accordance with the SEBI (ICDR) Regulations 2009, authorise any Director(s) or other Officer or Officer(s) of the Company, including power of attorney holder in this regard, to do such acts, deeds and things in connection with and incidental thereto, as the authorized person at the Board's absolute discretion and as may deem fit and necessary or desirable in connection with the issue and allotment of the equity shares, to seek listing of the equity shares on any stock exchanges at which the equity shares of the Company already listed and proposed to be listed in future, submitting the listing applications to such stock exchange(s) and taking all necessary actions that may be required in connection with the obtaining of such listing approvals and to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable".

"RESOLVED FURTHER THAT all the equity shares proposed to be allotted pursuant to this Resolution shall be subject to Memorandum and Articles of Association of the Company and rank pari passu with the existing equity shares of the Company in all respects including for payment dividend".

"RESOLVED FURTHER THAT such of these equity shares to be issued in case not subscribed be disposed of by the Board to such persons and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Company including offering or placing them with other Banks / Financial Institutions/ Investment Institutions / Mutual Funds / Foreign Institutional Investors or such other persons or otherwise as the Board may in its absolute discretion decide".

"RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolutions, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may at their sole discretion deem necessary, desirable or expedient to the issue and allotment of equity shares and listing of the equity shares with the stock exchange(s) on which the Company's equity shares are listed as well as to resolve and settle any question, difficulty or doubt that may arise in regard to issue, offer and allotment of equity shares, without being required to seek any further consent or approval of the Shareholders".

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

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, ("SEBI (ICDR) Regulations 2009") and other applicable Rules, Regulations and Guidelines, if any, prescribed by the Securities and Exchange Board of India ("the SEBI"), the Reserve Bank of India (the "RBI"), Stock Exchanges and/or any other regulatory authorities and in terms of the Listing agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and subject to such approvals, consents, permissions and/or sanctions, if any of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/ or sanction and which may be agreed to by the Board, consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company and/or Committee thereof (hereinafter referred to as "the Board"), to create, offer, issue, allot and deliver not exceeding 5,00,000 (Five Lakhs only) 6% Cumulative Redeemable Preference Shares (CRPS) of Rs.100/- (Rupees One hundred only) each aggregating to Rs.5,00,00,000/- (Rupees Five Crores only), in one or more tranches, to the various Bankers of the Company, details whereof are provided in the Explanatory Statement to this Notice, through preferential issue in such manner and on such terms, conditions and price as may be determined by the Board in accordance with Chapter VII of the SEBI (ICDR) Regulations 2009 or other applicable statutory provisions, rules and regulations".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to decide the date for the issue of CRPS, finalise the allotment of the CRPS on the basis of the subscriptions received, finalise and arrange for the submission of any documents with any Government and Regulatory Authorities, Institutions or Bodies, as may be required and applicable, decide the pricing and terms and conditions of the CRPS, and all other related matters, as per applicable laws, regulations or guidelines for the time being applicable, decide the number of CRPS to be issued, and determination of the price in accordance with the SEBI (ICDR) Regulations 2009, authorise any Director(s) or Officer(s) of the Company, including any power of attorney holder granted in this regard, to do such acts, deeds and things in connection with and incidental thereto, as the authorized person at his absolute discretion may deem fit and necessary or desirable in connection with the issue and allotment of the CRPS".

"RESOLVED FURTHER THAT pursuant to the foregoing CRPS issued but not subscribed be disposed of by the Board, to such persons and in such manner and on such terms as the Board may in its absolute discretion think beneficial to the Company including offering or placing them with other Banks/ Financial Institutions/ Investment Institutions / Mutual Funds/ Foreign Institutional Investors or such other persons without being required to seek any further consent or approval of the Shareholders".

"RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing Resolutions, the Board, be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may at their sole discretion deem necessary, desirable or expedient to the issue and allotment of CRPS and to resolve and settle any question, difficulty or doubt that may arise in regard to any such issue, offer and allotment of CRPS, without being required to seek any further consent or approval of the Shareholders"

By order of the Board
For Maytas Infra Limited

Place : Mumbai
Date : July 30, 2010

G. Venkateswar Reddy
Company Secretary

NOTES:

(1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. BLANK FORM IS ATTACHED.

(2) The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business set out above is annexed hereto and forms part of the Notice.

(3) Details required under Clause 49 of the Listing Agreement with Stock Exchanges in respect of Directors seeking appointment / re-appointment at the Annual General Meeting are incorporated in the Report on Corporate Governance forming part of this Annual Report.

(4) Members / Proxies are requested to hand over the enclosed Attendance Slip duly filled in, at the entrance for attending the meeting.

(5) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf in the meeting.

(6) Documents referred to in the accompanying Notice and Explanatory Statement are available for inspection at the Registered Office of the Company during office hours between 11 a.m. and 5.00 p.m. on all working days prior to the date of the Annual General Meeting.

(7) The Register of Members and Share Transfer Books of the Company will remain closed from September 20, 2010 to September 23, 2010 (both days inclusive) for the Annual General Meeting.

(8) Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the Registrars of the company i.e. Karvy Computershare Private Limited, Plot No. 17-24 Vittal Rao Nagar, Madhapur, Hyderabad – 500 081 in respect of their physical share folios, if any.

(9) Shareholders are requested to bring their copies of Annual Report to the Annual General Meeting.

(10) Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.

(11) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

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

Item No. 4 :

At the Meeting of the Board of Directors of the Company held on January 8, 2010, Mr. Vimal Kishore Kaushik has been appointed as Managing Director of the Company in terms of Section 269 of the Companies Act, 1956 (the Act) for a period of three years effective January 8, 2010.

Since the Company has incurred losses for Financial Year 2008-09, in terms of provisions of Clause B of Section II of Part II of Schedule XIII of the Act, the Company is paying Managerial Remuneration as per ceiling prescribed under the schedule. Moreover as per Schedule XIII provisions the concerned Company would be required to fulfill the following pre-conditions :

(a) the Remuneration is approved by the Remuneration Committee;

(b) the Company has not defaulted in repayment of any of its debts for a continuous period of 30 days in the preceding Financial Year before the date of such appointment; and

(c) the appointment is approved by the Shareholders of the Company through a special resolution.

Since the Company has defaulted repayment of loans to Banks/ Financial Institutions, the appointment of Managing Director would require the approval of Central Government. The Company had approached the Central Government to seek requisite approval for appointment of Managing Director and payment of managerial remuneration in terms of his terms of appointment.

Brief Profile of Mr. Vimal Kishore Kaushik

Mr. Vimal Kishore Kaushik is an engineer from Madhav Institute of Technology, Gwalior. He was associated with Punj Lloyd for 37 years where he handled responsibilities in operations both in India and abroad. Beginning his career in air-conditioning, Mr. Vimal Kaushik moved to the specialised field of acoustical insulation of aero engine test beds for fighter and jumbo engines. He was in charge of insulation and painting projects in Algeria, Iraq, Sudan and Kuwait for eight years. In his capacity as an Executive Director at Punj Lloyd, he is credited for setting up the prestigious pipe coating yard at Kandla. At Punj Lloyd, Mr. Vimal Kaushik led the complete operations of the Company with responsibility for all the SBUs - Pipelines, Tankage & Terminals, Turnkey and Composite Construction, Civil Construction and Telecom.

Other Information :

(a) **General Information** :

(i) Nature of Industry : Construction & Infrastructure Development.

(ii) Date or expected date of commencement of commercial production: Not applicable since the Company is an existing Company.

(iii) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable.

(iv) Financial performance of the Company.

(Rs. in lakhs)

Particulars	FY 2008-09	FY 2007-08	FY 2006-07
Total Income	139246.35	167015.27	61252.29
Total Expenditure	185430.92	153559.34	53368.29
Profit/(Loss) After Tax	(48978.77)	9964.05	5311.99

Other Financial Data	FY 2008-09	FY 2007-08	FY 2006-07
Dividend (%)	-	15%	10%
Earning Per Share	(83.23)	18.44	10.62
Return on Networth	-	15.26	20.02

(v) Foreign Investments or collaborators, if any : NIL

(b) **Information about the Managing Director :**

(i) **Background Details**.

Mr. Vimal Kishore Kaushik is an engineer from Madhav Institute of Technology, Gwalior. He was associated with Punj Lloyd Limited, a renouned engineering corporate for 37 years where he handled responsibilities in operations both in India and abroad.

(ii) **Past Remuneration** :

S.No.	Name of the Organization	Period	Amount/Rs.
1.	Punj Lloyd Ltd.	2006-07	89,50,450
2.	Punj Lloyd Ltd.	2007-08	2,12,62,374
3.	Punj Lloyd Ltd.	2008-09	4,03,42,102

(iii) **Details of Remuneration paid:**
During the Financial Year **2009-10**, an amount of Rs.12 lakhs was paid to Mr.Vimal Kishore Kaushik, pending approval of Central Government for the remuneration proposed in the resolution.

(iv) Job Profile and his suitability and comparative remuneration profile with respect to industry, size of the company, profile of the position & person.

Position Description	**Person Description & suitability**	**Market benchmark in compensation**
Managing Director	Mr. Vimal Kishore Kaushik is an engineer from Madhav Institute of Technology, Gwalior. He was associated with Punj Lloyd for 37 years where he handled responsibilities in operations both in India and abroad. Beginning his career in air-conditioning, Vimal Kaushik moved to the specialised field of acoustical insulation of aero engine test beds for fighter and jumbo engines. He was in charge of insulation and painting projects in Algeria, Iraq, Sudan and Kuwait for eight years. In his capacity as an Executive Director at Punj Lloyd, he is credited for setting up the prestigious pipe coating yard at Kandla. While at Punj Lloyd, Mr. Vimal Kaushik led the complete operations of Punj Lloyd with responsibility for all the SBUs - Pipelines, Tankage & Terminals, Turnkey and Composite Construction, Civil Construction and Telecom.	For Organizations with turnover range of Rs. 1000 and employee strength of 1,000- the remuneration of the Managing Director is in the range of Rs. 2.5 Cr. to Rs. 3.5 Crs. p.a.

(c) **Other Information :**

(i) **Reason of loss or inadequate profit :**

The Company has reported a turnover of Rs. 1,335 Crores for the year ended March 31, 2009 as against Rs. 1,637 Crores for the Previous Year, a reduction of 18.47%. The Company has reported a net loss of Rs. 489.79 Crores as against net profit of Rs. 99.64 Crores of the Previous Year.

The losses for the year are broadly on account of un-absorbed fixed expenses like personnel cost, interest, depreciation and administrative costs and secondly due to low level of operations against planned for the year. During the year, the Company has also provided a notional loss on account of restatement of foreign currency loans and various provisions created and write offs against advances. The Company has also recorded the share of loss from joint venture contracts as against profits accrued in the previous year. There are losses on account of variations in the work done and client not certifying the work done by the Company and levy of Liquidated Damages and encashment of Performance Bank Guarantees by clients in certain cases.

(ii) **Steps taken or proposed to be taken for improvement & expected increase in productivity and profits in measurable terms:**

The Company, at present, has an order book of approx Rs. 7500 Crores in the Irrigation, Power, Roads, Buildings and Railways sectors with bulk of them approx Rs. 6000 Crores in the Irrigation Sector and Rs. 1500 Crores distributed among all the other sectors. With a four years equivalent order book in hand, MIL is confident of rebuilding itself, with its qualifications intact, once the bank facilities are restored

As part of the rebuilding exercise, the Company is working closely with its new Promoters, IL&FS who have significant presence across all major verticals in Infrastructure Sector. The immediate objective is to restore credibility with all Stakeholders, namely, Customers, Bankers, Government and its Agencies, Joint Venture Partners and Others.

The Company has been able to attract the Saudi Binladin Group (SBG) of Saudi Arabia as a Strategic Partner in the Company. SBG would be investing 20% in the equity share capital of MIL at Rs. 195.30 per share leading to an investment of around Rs. 300 crores.

The participation of the SBG Group as Co-Promoter in MIL envisages creation of a strong amalgam of technological and financial resource pools with a diversified presence across the entire infrastructure and contracting space. This will enable MIL rebuild its strengths in the EPC space through a steady flow of contracts, agglomeration of execution capacity, access to the Indian infrastructure space and servicing of large value national and international projects. IL&FS and SBG Group have agreed to work closely and provide business support to MIL over a period of time.

With the induction of SBG, MIL is now well poised to systematically exploit niche segments of the EPC business. The Company should be in a position to diversify its geographical and sectoral mix and introduce newer and more efficient processes and solutions to its customers. This would result in improved delivery times, cost savings and better quality of product. With these build blocks in place, MIL would be able to stage a quicker turnaround of operating and financial performance.

(d) **Disclosures :**

The remuneration proposed to be paid to Mr.Vimal Kishore Kaushik was as stated above.

The Board recommends the resolution for the approval of the Members.

Except Mr. Vimal Kishore Kaushik, none of the Directors of the Company may be deemed to be concerned or interested in the resolutions.

The terms and conditions as set out in Resolution No 4 above should also be treated as an Abstract of Memorandum of Interest under Section 302 of the Companies Act, 1956.

Item No. 5:

The borrowings by a Company, in general, is required to be secured by mortgage or charge on all or any of the movable or immovable properties of the Company in such form and manner as may be determined by the Board of Directors of the Company or Committee thereof from time to time, in consultation with the lender(s).

The mortgage and/or charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the Company, with a power to the charge holders to take over the management of the business and concern of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 293(1)(a) of the Companies Act, 1956. Hence, it is necessary for the Members to pass a resolution under the said Section.

The Directors recommend the resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members in terms of relevant provisions of the Companies Act, 1956.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Item No.6 and 7 :

At the Extra-ordinary General Meeting of the Company held on July 19, 2010 approval was obtained to issue Equity Shares and 6% Cumulative Redeemable Preference Shares (CRPS) to various CDR Lenders of the Company as follows :

(a) up to 28,20,000 Equity shares of Rs. 10 each on preferential basis , at a price to be determined in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009

(b) up to 55,00,000 6% Cumulative Redeemable Preference Shares (CRPS) of Rs. 100 each as per details provided in the Resolution subject to relevant provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009.

The above shares were proposed to be issued against Funded Interest Term Loan (FITL). However, the above quantum of shares would not be sufficient to extinguish the entire FITL. The Board of Directors of the Company, on a comprehensive review, proposed to offer additional 4,00,000 Equity Shares of Rs.10/- each at a price to be decided upon as per the SEBI (ICDR) Regulations 2009 and an additional 5,00,000 – 6% Cumulative Redeemable Preference Shares (CRPS) of Rs.100/- at par to the CDR Lenders in order to enable the Company to completely convert the FITL into Share Capital of the Company. In view of this, the approval of Members is requested to issue and allot the requisite number of additional shares against the conversion of entire FITL into Share Capital of the Company.

The 'Relevant Date' for the purpose of fixation of price for equity shares will be the date of Final CDR Empowered Group Meeting held for approving the CDR Package, being June 4, 2010 and in terms of the SEBI (ICDR) Regulations 2009 as amended from time to time.

Disclosure under Regulation 73(1) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, regarding proposed issue and allotment of equity shares and specified securities as preferential allotment :

(a) The objects of the preferential issue. The equity shares and preference shares are proposed to be issued with an objective of complying with the Corporate Debt Restructuring requirements.

(b) The proposal of the promoters, directors or key management personnel of the issuer to subscribe to the offer.
The promoters, directors or key management personnel do not propose to subscribe to the offer. The offer is meant for only to the Bankers of the Company pursuant to the CDR Scheme.

(c) The shareholding pattern of the issuer before and after the preferential issue.

S.No.	Category	Pre-preferential holding (as on July 16, 2010)		Equity shares to be allotted up to a maximum of	Post-Preferential issue shareholding after proposed allotment of equity shares		Preference Shares (CRPS) to be allotted up to a maximum of
(i)	(ii)	(iii)	(iv) %	(v)	(vi)	(vii) %	(viii)
A.	Promoters' Shareholding						
	a. Indian	21778624	37.01		21778624	28.09	
	b. Foreign			15459133*	15459133*	19.94	
	Sub-Total (A)	21778624	37.01		37237757	48.03	
B.	Public Shareholding						
	1. NRIs/FIIs/OCBs	3281798	5.58		3281798	4.23	
	2. Govt./Banks/ Mutual Funds	3261876	5.54		3261876	4.21	
	3. CDR Consortium Banks**	0		3220000[#]	3220000[#]	4.15	6000000[@]
	4. General Public Shareholding						
	a. Bodies Corporate	17472693	29.69		17472693	22.54	
	b. Individuals	13055865	22.18		13055865	16.84	
	Sub-Total (B)	37072232	62.99		40292232	51.97	
C.	Custodian for GDRs						
	GRAND TOTAL	**58850856**	**100.00**	**18679133**	**77529989**	**100.00**	**6000000[@]**

* Pursuant to the Resolution No.2 of the Notice of Extra-Ordinary General Meeting held on July 19, 2010.

** CDR Consists of 10 banks, namely Allahabad Bank, Bank of India, Bank of Maharashtra, ICICI Bank, IDBI Bank, Indian Overseas Bank, Punjab National Bank, State Bank of Hyderabad, State Bank of India and Vijaya Bank.

Including issue of 28,20,000 equity shares to the CDR Lenders as approved by the Members in the Extra-Ordinary General Meeting held on July 19, 2010.

@ Including issue of 55,00,000 - 6% Cumulative Redeemable Preference Shares (CRPS) to the CDR Lenders as approved by the Members in the Extra-Ordinary General Meeting held on July 19, 2010.

Note: The pre-issue shareholding has been calculated, based on the shareholding of the Company as on July 16, 2010 and post issue is after allotment of shares pursuant to the above resolutions together with the resolutions passed vide Resolution Nos.2 and 3(A) in the Extra-ordinary General Meeting held on July 19, 2010.

(d) The time within which the preferential issue shall be completed.
The allotment of the equity shares will be completed as per SEBI (ICDR) Regulations, 2009.

The certificate from the Statutory Auditors of the Company stating that the issue is being made in accordance with the requirements of SEBI (ICDR) Regulations 2009 including fixation of issue price as per the SEBI (ICDR) Regulations 2009, will be placed before the Annual General Meeting proposed to be held on September 23, 2010 for verification of Members.

(e) The identity of the proposed allottee, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue.

S.No.	Name and addresses of the proposed allottees	Pre-preferential holding (as on July 16, 2010)		Equity shares to be allotted up to a maximum of	Post-Preferential issue shareholding after proposed allotment of equity shares		Preference Shares (CRPS) to be allotted up to a maximum of
	CDR CONSORTIUM BANKS						
1.	Allahabad Bank						
2.	Bank of India						
3.	Bank of Maharashtra						
4.	ICICI Bank Limited						
5.	IDBI Bank Limited	Nil		3220000*	3220000*	4.15%	6000000@
6.	Indian Overseas Bank						
7.	Punjab National Bank						
8.	State Bank of Hyderabad						
9.	State Bank of India						
10.	Vijaya Bank						

* Including issue of 28,20,000 equity shares to the CDR Lenders as approved by the Members in the Extra-Ordinary General Meeting held on July 19, 2010.

@ Including issue of 55,00,000 – 6% Cumulative Redeemable Preference Shares (CRPS) to the CDR Lenders as approved by the Members in the Extra-Ordinary General Meeting held on July 19, 2010.

There will neither be any change in the composition of the Board nor any change in the control of the Company on account of the proposed preferential issue. However, there will be corresponding change in the shareholding pattern as well as voting rights consequent to preferential issue.

(f) An undertaking that the issuer shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.

The Company undertakes that it shall re-compute the price of the specified securities in terms of the provisions of these regulations where it is required to do so.

(g) An undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

The Company undertakes that if the amount payable on account of the re-computation of price, if any, is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

By order of the Board
For Maytas Infra Limited

Place : Mumbai
Date : July 30, 2010

G. Venkateswar Reddy
Company Secretary

Directors' Report

The Shareholders
Maytas Infra Limited

Your Directors take pleasure in presenting the Twenty-Second Annual Report along with the Audited Accounts for the Financial Year ended March 31, 2010.

FINANCIAL RESULTS :

(Rs. in Crores)

Particulars	2009-10	2008-09
Gross Income	1003.96	1392.46
(Loss) / Profit before Interest, Depreciation, exceptional items and Tax	(46.46)	(148.08)
Interest and Finance Charges	150.94	180.88
Depreciation	83.67	67.59
(Loss) / Profit before exceptional items, tax and Prior period items	(281.07)	(396.55)
Exceptional items (net)	39.48	(65.30)
(Loss) / Profit before Tax and Prior period items	(241.59)	(461.85)
Provision for Taxes	-	2.60
Less: Prior Period Expenses (net)	8.05	25.34
(Loss) / Profit after Tax	(249.64)	(489.79)
Transfer (from)/ to General Reserves	-	(11.05)
Paid up Capital	58.85	58.85
Share application money pending allotment	354.27	-
Reserves and Surplus (Net of Profit & Loss A/c debit balance)	(145.41)	104.23
Net worth	268.04	163.19
Earnings per share (In Rupees)		
- Basic	(42.42)	(83.23)
- Diluted	(42.42)	(83.23)

Previous year's figures have been regrouped / rearranged to conform to those of the current year.

DIVIDEND :

Due to losses incurred by the Company, your Directors express their inability to recommend any dividend to the Shareholders for the year.

OVERVIEW :

The operations of your Company are coming on track after an unprecedented crisis as fallout of the Satyam episode. At the direction of the Company Law Board (CLB), four nominees of Infrastructure Leasing & Financial Services Limited (IL&FS), a new promoter of your Company, are inducted on the Board of your Company. The reconstituted Board took steps to restore confidence of all stakeholders and to rehabilitate the operations of the Company. For operational convenience as well as to focus on critical areas, Executive Committee and Audit Committee of the Board of Directors of the Company had been re-constituted. Steps had been taken to stabilize and revive operations, build up employee morale as well as to co-operate with various Inspection Agencies to provide requisite details for investigation process undertaken by them.

Pursuant to the foregoing, it is expected that your Company would make a turnaround in the near term.

CAPITAL :

(1) Induction of New Investor :

Your Company was able to induct the Saudi BinLadin Group (SBG) of Saudi Arabia as a Strategic Partner in the Shareholders' consortium. SBG Projects Investments Limited, a part of SBG, has executed a Shareholders' Agreement on June 19, 2010 for investment of 20% in the equity share capital of your Company i.e. Rs. 301.92 crores. SBG and IL&FS are in the process of making an Open Offer to acquire an additional 20% from the market as per SEBI regulations. The induction of SBG as a Strategic Partner would be a very positive development, highlighting a closer working relationship between India and Saudi Arabia in the area of construction and infrastructure.

SBG is one of the largest contractor, developer and diversified conglomerate having headquarters in Jeddah, Saudi Arabia. The sectors of the SBG Group mandated areas include Roads, Railways, Tunnels, Buildings, Airports and Townships. Over the years, the Group has built strong technological credentials in various areas of the EPC business with execution of many prestigious projects in the region. The Group has a work force of around 90,000 employees, of which 6,800 are professional engineers in various disciplines. The underlying strategy of SBG is to provide customers design and build options by adopting the most advanced management, engineering and procurement systems resulting in cutting edge technological solutions. SBG is seeking to augment its portfolio and execution capacity in Saudi Arabia.

The partnership decision has been made by SBG after a thorough operational due diligence of the Company and have found the competencies and skill sets of your Company as satisfactory and scalable. From a SBG perspective, your Company would provide an ideal platform for developing a world class professionally managed EPC Company in India.

The partnership of the SBG in your Company would envisage creation of a strong amalgam of technological and financial resource pools with a diversified presence across the entire infrastructure and contracting space. This would enable your Company rebuild its strengths in the EPC space through a steady flow of contracts, agglomeration of execution capacity, access to the Indian infrastructure space and servicing of large value national and international projects. IL&FS and SBG have agreed to work closely and provide business support to your Company over a period of time. SBG would have access to opportunities in the booming Indian infrastructure space and simultaneously it would leverage upon the talent pool of your Company for strengthening its international capabilities. This partnership would enable SBG in project development skills as well as financial structuring capabilities in India.

Thus, with the induction of SBG, your Company would be well poised to systematically exploit niche segments of the EPC business. The Company is expected to be in a position to diversify its geographical and sectoral mix and introduce newer and more efficient processes and solutions to its customers. This would result in improved delivery times, cost savings and other better quality of products.

(2) Capital through CDR Package :

The CDR Lenders have sanctioned a Corporate Debt Restructuring Scheme whereby the CDR Lenders have agreed to convert the Secured Loan of around Rs. 354.27

Crore into Equity and Preference Capital of the Company. This would result in reducing the debt burden and increase in Networth of your Company.

REVIVAL OF OPERATIONS :

After induction of IL&FS as the new Promoter of the Company, the Company with the help of Government Nominees on the Board of your Company, has taken following steps as a part of revival of business operations :

- Corporate Debt Restructuring Package (CDR)
- Investments in BOT Projects
- One Time Settlement with Banks
- Recovery of Inter Corporate Deposits
- Review of HR and Appointment of Senior Executives
- Audit and Compliance Framework

(1) Corporate Debt Restructuring (CDR) Package :

Your Company had approached Corporate Debt Restructuring Cell for restructuring its outstanding liabilities. The Empowered Group of CDR Cell had sanctioned CDR package in July 2009. On IL&FS taking over the mantle as new Promoters of the Company, discussions were held with CDR/Non CDR Lenders with Monitoring Committee of CDR Lenders for renegotiating the July 2009 CDR package. Subsequently, series of meetings and discussions were held with Empowered Group of CDR Cell for approval of the revised CDR package. As a result, the Letter of Approval was issued by CDR Cell on June 26, 2010 sanctioning the revised CDR package to the Company.

(2) BOT Investments :

The status in respect of various BOT Investments have been reviewed and accordingly, comprehensive steps were taken to start the process of resolving issues with JV Partners amicably.

Your Company has created a Trust and domiciled its investments at a fair value of Rs. 575 Crores in the Trust pursuant to the terms and conditions of the CDR package.

(3) One Time Settlement with Banks :

As a part of rehabilitation and revival process, your Company reviewed the status of discussion with banks regarding settlement of dues and CDR Package. The discussion progressed well and few non-CDR bankers agreed for One Time Settlements in respect of outstanding dues. Negotiation with other banks is in progress and amicable settlement is expected in the near term.

(4) Recovery of Inter Corporate Deposits (ICDs) :

Your Company had placed ICDs of an aggregate amount of Rs 391.64 crores in thirteen Companies. These Companies used the funds for onward lending to other Private Limited Companies, who in turn transferred these funds to Satyam Computer Services Ltd. (currently named as Mahindra Satyam). Your Company has taken up the matter with Ministry of Corporate Affairs, Government of India as well as communicated to Mahindra Satyam for recovery of ICDs amount.

(5) Review of HR and Appointment of Senior Executives :

You would recall that due to crisis in the previous year, attrition rate of your Company was significant compared to industry standards. This had affected the morale of employees at all levels. Under the circumstances, the Board had taken steps to build up morale and to infuse confidence in employees by suitable measures including framework for retention bonus, ESOP schemes and a transparent performance appraisal process.

With the object of strengthening operations of the Company, senior executives having proven track record have been recruited. Mr. Vimal Kaushik had been appointed as Managing Director of the Company. He had been associated with a reputed Engineering Company for 37 years and had handled operations both in India and abroad. Several other key positions have been filled in to strengthen the organization structure and to gear up to meet the challenges before the Company. Senior Executives of IL&FS Group have been appointed as Officers on Special Duty to handle critical areas like Finance & Accounts and Banking Relations.

(6) Audit and Compliance Framework :

With the object of ensuring compliance with policies, procedures as well as various statutory provisions and obligations which your Company were subjected to, Audit and Compliance Framework of the Company was strengthened by the appointment of independent Chartered Accountants firm as Internal Auditors of the Company in addition to the in-house Internal Audit team. The In-house Audit team was mandated to focus on project and other operational areas whereas the External Internal Auditors would audit all corporate activities and take overview of ongoing projects and operations of the Company.

FUTURE OUTLOOK :

With the various steps taken by the Management, the Board and the Promoters and with the support of the Company Law Board and Government Nominee Directors, the Company is in the process of restoring normalcy in operations. The Management has taken steps with regard to completion of the current projects under execution in an orderly manner. New mandates have been provided by IL&FS, the new Promoters in Transportation Sector.

With the induction of SBG, the Company would be able to tap the Market for higher value added Projects both in India as well as in the Middle East.

FIXED DEPOSITS :

Your Company did not invite or accept deposits from the public during the year under review.

SUBSIDIARIES :

A statement pursuant to Section 212 of the Companies Act, 1956 containing the details of the Subsidiaries together with financials thereof, forms part of the Annual Report. The following are the Subsidiaries of the Company :

(1) Maytas Infra Assets Limited (MIAL) :

MIAL was incorporated in February 2008, as a wholly owned Subsidiary, to carry on the business of infrastructure projects and for consolidation of all investments made by your Company in BOT projects. Your Company has invested an amount of Rs. 0.05 crores in Equity and paid Rs. 19.40 Crores towards Share Application Money and reimbursement of expenses in MIAL till March 31, 2010. No projects were secured during the year. The investment and the amount advanced, Rs. 17.67 Crores approximately, have been considered as impaired as they are not represented by any realizable assets and therefore have been provided for fully during the year under review.

(2) Maytas Mineral Resources Limited (MMRL) :

MMRL was incorporated in February 2008 as a wholly owned Subsidiary for exploring business in mining. MMRL was in the process of identifying domestic and overseas mining opportunities for various commodities like coal, iron ore and base metals. Your Company had invested an amount of Rs 0.05 crores towards equity and Rs. 4.92 Crores towards share application money in MMRL till March 31, 2010. No projects were secured during the year. The investment and the amount advanced aggregating to Rs. 4.94 Crores have been considered as impaired as they are not represented by any realizable assets and therefore have been provided for fully during the year under review.

(3) Pondicherry Tindivanam Tollway Limited (PTTL) :

PTTL, which was formed in March 2007 for executing the Pondicherry - Tindivanam Section of the National Highway, awarded by National Highways Authority of India, had ceased to be a Subsidiary of your Company during the year since your Company divested part of its stake in October 2009. The balance investment of Rs. 17.59 Crores has been sold to Maytas Investment Trust, pursuant to the terms of CDR package deal.

(4) Maytas Metro Limited (MML) :

The Maytas/Navabharat/IL&FS/ITD lead consortium had technically qualified in the bids and won the financial bid by offering highest premium to the GoAP in July 2008. Subsequently, the Consortium had formed the "MML" as SPV in September 2008 to develop the Hyderabad Metro Rail Project on BOT basis and signed Concession Agreement with Government of Andhra Pradesh (GoAP) on September 19, 2008 for a period of 35 years of concession including the five years of construction period. The GoAP had cancelled the Concession Agreement on July 7, 2009 without giving any prior notice to the Company as per the terms and conditions of the Concession Agreement and invoked the security deposit of Rs. 60.00 Crores. MML had filed the Writ Petition seeking for natural Justice in High Court of Andhra Pradesh on July 24, 2008 and the case is pending before the High Court.

MML has been considered as a Subsidiary of your Company by virtue of current equity shareholding. Your Company has invested an amount of Rs. 0.045 Crores towards the equity and arranged funds to the extent of Rs. 74.78 crores. The investment and the amount advanced aggregating to Rs. 74.83 Crores have been considered as impaired as they are not represented by any realizable assets and therefore have been provided for fully during the year under review.

(5) Maytas Vasishta Varadhi Limited (MVVL) :

MVVL, a Subsidiary of your Company, was incorporated in April 2008 for executing the construction of bridge across Godavari River at Narasapur on BOT (Annuity) Basis, awarded by Andhra Pradesh Road Development Corporation (APRDC). Your Company has invested an amount of Rs. 0.05 Crores towards the equity and Rs 2.62 Crores towards share application money and reimbursement of expenses till March 31, 2010. Your Company has entered into an agreement with the potential Contractors who will assume the responsibility for the execution of the Project subject to approval of the Andhra Pradesh State Road Development Corporation.

(6) Special Purpose Vehicles (SPVs) for BOT Projects :

In the case of project companies promoted for development of various BOT projects, your Company could not meet certain equity calls from BOT SPVs due to the severe liquidity crunch. In the interest of the Projects, your Company has divested its equity holdings by inducting Strategic Investors/ Partners in the following projects :

(a) Cyberabad Expressways Limited
(b) Hyderabad Expressways Limited
(c) Pondicherry Tindivanam Tollway Limited
(d) Western UP Tollway Limited
(e) Machilipatnam Port Limited

The Company has domiciled the following investments to Maytas Investment Trust during the year :

(a) Cyberabad Expressways Limited
(b) Hyderabad Expressways Limited
(c) Pondicherry Tindivanam Tollway Limited
(d) Himachal Sorang Power Limited
(e) KVK Nilachal Power Private Limited
(f) SV Power Private Limited
(g) Gautami Power Limited
(h) Bangalore Elevated Tollway Limited
(i) Brindavan Infrastructure Company Limited

CONSOLIDATED FINANCIAL STATEMENTS :

The Consolidated Financial Statements of your Company, together with its Subsidiaries, Associates and Joint Venture Entities for the Financial Year ended March 31, 2010, prepared in accordance with the Accounting Standard 21, 23 and 27 notified by Companies (Accounting Standards) Rules, 2006, are attached herewith.

DIRECTORS :

Pursuant to the directions of Company Law Board (CLB), Directors representing erstwhile Promoter Group, namely, Mr. Teja Raju and Mr B Narasimha Rao submitted their resignation from the Board of Directors of the Company. Similarly, in terms of CLB Order, the Government withdrew nomination of Dr K Ramalingam and Mr. O. P. Vaish from the Board of the Company.

At the Meeting of the Board of Directors held on September 29, 2009, four nominees of IL&FS i.e. Mr. Ravi Parthasarathy, Mr. Hari Sankaran, Mr. Arun K. Saha and Mr. K Ramchand were inducted on the Board of the Company. In the same meeting, Mr. Ravi Parthasarathy was appointed as Chairman of the Board of Directors unanimously. The Board also constituted Executive Committee of the Board chaired by Mr. Arun K. Saha to take various steps for day-to-day administrative and other matters.

Subsequently, as a part of reorganization process, Mr. Hari Sankaran stepped down from the Board of the Company and Mr. Vimal Kishore Kaushik was appointed in his place. Mr. Kaushik was then appointed as Managing Director of the Company for a term of three years effective January 8, 2010.

In terms of provisions of the Companies Act, 1956 (the Act) and Articles of Association of the Company, Mr Ravi Parthasarathy retires by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible offers himself for re-appointment. Similarly, approval of the Members of the Company for terms of appointment of Mr Vimal Kaushik, Managing Director of the Company, would be obtained at the ensuing AGM.

DIRECTORS' RESPONSIBILITY STATEMENT :

Section 217 (2AA) of the Companies Act, 1956 as amended in December 2000 requires the Board of Directors to provide a statement to the members of the Company in connection with maintenance of books, records, and preparation of Annual Accounts in conformity with accepted accounting standards and past practices followed by the Company. Pursuant to the foregoing, and on the basis of representations received from operating management, and after due enquiry, it is confirmed that :

(1) in the preparation of the accounts for the Financial Year ended March 31, 2010, the applicable accounting standards have

been followed and that there are no material departures in the preparation of annual accounts;

(2) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2010 and of the profit of the Company for the year ended on that date;

(3) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(4) the Directors have prepared the accounts on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA) :

A separate section titled "Management Discussion and Analysis" confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed hereto and forms part of this Annual Report.

CORPORATE GOVERNANCE :

A separate section titled "Report on Corporate Governance" including a certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed hereto and forms part of this Annual Report.

AUDITORS :

The Statutory Auditors of the Company M/s SR Batliboi & Associates, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting.

M/s SR Batliboi & Associates, Chartered Accountants, being eligible, offer themselves for re-appointment and are proposed to be appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

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

Replies to the Audit Qualifications :

(1) Clause No. 6 – Recovery of Inter Corporate Deposits :

Reply : Prior to April 1, 2009, the erstwhile Promoters had given Inter Corporate Deposits aggregating to Rs. 391.64 Crores to various Companies. Of the foregoing, documentary evidences have established that for an amount of Rs. 323.78 Crores. Mahindra Satyam Computer Services Limited, is the ultimate beneficiary. The Company has made a claim of Rs. 323.78 Crores together with interest receivable thereon from Mahindra Satyam Computer Services Limited. The Company is confident of recovering the Inter Corporate Deposits together with interest due thereon. During the current year, the management following conservative policy has reversed the amount of interest already accrued on ICD and no further interest has been accrued during the year.

(2) Clause i (b) - of Annexure to Audit Report – Physical verification of assets- Reconciliation of book balances and physical balances is under progress :

Reply : The Company maintained proper books of accounts and records including those for Fixed Assets. Physical verification of fixed assets was done at regular intervals both by internal and external agencies.

Due to the unprecedented events post January 2009, most of the projects were either cancelled or preclosed. Access was denied to the Company by the Client till recently. New management has initiated steps for physical verification of the Fixed Assets at both active and cancelled project sites. Demobilisation of machinery was taken up by the Company from the cancelled projects and options for hiring the same have been negotiated. Reconciliation of the book balances and physical balances is under progress.

The Company also has put in place a process of verifying the Fixed Assets periodically by the Internal Audit team. Based on this, the Internal Audit team would be verifying Fixed Assets on an ongoing basis.

(3) Clause ii (c) - Physical verification of inventory and shortage of stock :

Reply : The Company maintained proper books of account and records including those for inventories and physical verification was carried out at regular intervals.

The Company had witnessed unprecedented events during the last Financial Year and many of its projects were either cancelled or preclosed with the Clients. Due to this, most of the staff have left the organization. Inventory was under the control of the Client and the Company was not allowed access upto some point in time.

In this scenario, the Company had initiated physical verification of the inventory by the Internal Auditors and based on their Reports, shortage of stock was accounted for in the books of accounts.

The Company also has put in place a process of verifying the stocks periodically by the Internal Audit team. Based on this, the Internal Audit team would be verifying stocks on an ongoing basis.

(4) Clause iii (a) and (c) - Loans granted to Companies :

Reply : The maximum amount of Rs. 47.87 Crs. pertains to Inter Corporate Deposit given to a Company in the Financial Year 2008-09 by the erstwhile Promoters. This Company ceased to be a company covered in the Register maintained under Section 301 of the Companies Act, 1956 with effect from September 29, 2009. Steps have been initiated for recovering the deposit together with interest thereon and the Company is confident of recovering the deposit together with interest thereon.

During the current year, the management following conservative policy has reversed the amount of interest already accrued on inter Corporate Deposit and no further interest has been accrued during the year.

(5) Clause (iii) and (iv) – Documentation in relation to revenue and expenditure at few project sites was weak:

Reply: This refers to revenue and expenditure from certain irrigation projects executed under Joint Venture which are treated as Jointly Controlled Operations but recognized on a proportionate basis in the financial statements. Post-Satyam episode, the Company faced certain problems with some of its Joint Venture partners. The said Joint Venture partners during the period did not adhere to the documentations as required by the agreements. After the CLB order of appointing IL & FS as the new promoter, discussions have been initiated with the said Joint Venture partners for adhering to the documentation. The Company has put in place certain documentations and has also got the Joint Venture partners to agree to such documentation. The company is confident of setting right the documentation in the coming year.

(6) Clause ix (a) - Delays in remittance of statutory dues :

Reply : The Company in general has been regular in remitting the statutory dues in time. Due to the unprecedented / extraordinary events faced by the Company during the last Financial Year, the operations of the Company suffered drastically. This led to severe liquidity crunch in the first half of the year leading to delay in payment of the statutory dues. These dues have been subsequently remitted

After the new Promoters have stepped in, emphasis has been laid on total statutory compliance. As a matter of internal control system also, statutory dues are being duly monitored for accurate and timely remittances on an ongoing basis. This is evidenced by only slight delays in deposit of statutory dues in the later part of the Financial Year.

(7) Clause x - Accumulated losses at the end of the Financial Year are more than fifty percent of net worth :

Reply : Due to the effects of unprecedented events and liquidity crunch, the operations of the Company had been badly affected. Most of the projects were cancelled or preclosed in the midst of operations which led to the increase in operational losses. Apart from this, slow realizations from the clients, stoppage of credit by vendors, loss from the live projects have led to the increase in accumulated losses over and above fifty percent of its net worth.

With the revival of operations by new Promoters in the later part of the Financial Year, the Company is confident of the future business performance and growth based on the following :

- Order book of the Company is more than 7,500 Crores.
- Critical support and guidance of the Government appointed Independent Directors on the Board.
- Restructuring of Debt under the revised CDR package allowing additional credit facilities to the Company which would gradually ramp up operations in the current year.
- One time settlement with the non CDR banks.
- Induction of professionals at all the Management levels.
- Strategic alliance with the Saudi BinLadin Group Company, namely, SBG Projects Investments Limited.

(8) Clause xi - Defaults in repayment of dues to banks which are not part of CDR and OTS :

Reply : The Company was regular in payment of interest to banks until the unprecedented events took place. Defaults have occurred due to the severe liquidity crunch faced by the Company. The Company has approached CDR cell for Corporate Debt restructuring and obtained an approval from the CDR Empowered Group in July 2009. Upon induction of IL&FS as the new Promoter, the Scheme has been modified and approval of the Lenders was obtained at its Meeting held on March 30, 2010.

The Company has been negotiating with the banks other than those covered under CDR for one time settlement and four of the banks have come forward and settled during the Financial Year 2009-10. Subsequent to the Balance Sheet date, two other banks have opted for one time settlement with the Company. As per the terms of the settlement, interest from January, 1 2009 to the date of settlement is waived off by the banks.

Kotak Mahindra Bank Ltd. (KMBL) had sanctioned a loan of Rs. 35 Crore for Pondicherry Tindivanam Tollway Limited (PTTL) Project against the security of exclusive charge on the receivables from PTTL Project. However, KMBL had appropriated an amount of Rs. 4.13 Crore received from the GSPL project against the PTTL project loan. The Bank had recalled the loan facility of the Company and initiated the recovery proceedings through DRT Mumbai. Aggrieved by the same, the Company is contesting the matter.

Negotiations are in progress with balance two non CDR Banks for one time settlement.

Replies to the Audit Qualifications – Consolidated Financials :

(1) Clause 3 - Representations from Auditors of Subsidiaries / Joint Venture entities :

Reply : Representation letters were sent by the Company to Auditors of Subsidiaries / Joint Venture entities but no response was received from the Auditors of those Subsidiaries/Joint Ventures. The Management has arranged for Audited Financial Statements in respect of these entities.

(2) Clause 5 (a) - Unaudited Financial Statements of a Subsidiary:

Reply : The Auditors have qualified their Report for the year ended March 31, 2010 stating that one of the Subsidiary has been consolidated based on the unaudited financial statements. The qualification relates to Pondicherry Tindivanam Tollway Limited whose accounts were not audited. Hence Management certified accounts were provided to the Auditors. The project was hived off during the year.

(3) Clause 5 (b) - Consolidation of a jointly controlled entity based on unaudited accounts drawn up to December 31, 2009 :

Reply : The Auditors have qualified their Report stating that the Financial Statements have been consolidated based on unaudited accounts in respect of a Jointly Controlled entity. This relates to Himachal JV which expressed its inability to provide audited financial accounts as at March 31, 2010 as arbitration award in respect of the claims made by them was at the final stage. Hence, the management certified accounts of the Joint Venture as at December 31, 2009 were taken for consolidation in the Financial Statements.

(4) Clause 7 - Recovery of Inter Corporate Deposits :

Reply : Prior to April 1, 2009 the erstwhile Promoters had given Inter Corporate Deposits aggregating to Rs. 391.64 Crs. to various Companies. Of the foregoing, documentary evidences have established that for an amount of Rs. 323.78 Crs. Mahindra Satyam Computer Services Limited is the ultimate beneficiary. The Company has made a claim of Rs. 323.78 Crs together with interest receivable thereon from Mahindra Satyam Computer Services Limited. The Company is confident of recovering the Inter Corporate Deposits together with interest due thereon. During the current year, the management following conservative policy has reversed the amount of interest already accrued on ICDs and no further interest has been accrued during the year.

EMPLOYEES :

The relations with the employees have been cordial throughout the year under review. Your Directors place on record their sincere appreciation in respect of the services rendered by the employees of the Company at all levels.

PARTICULARS OF EMPLOYEES :

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975 as amended forms part of this Report. However, in pursuance of Section 219(1)(b)(iv) of the Companies Act, 1956, this Report is being sent to all the Shareholders of the Company excluding the aforesaid information and the said particulars are made available at the Registered Office of the Company. The Members interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

ESOP 2007, 2008 and 2009 :

Pursuant to the approval of the Members of the Company obtained at the 21st AGM held on November 9, 2009, the Company had implemented Employee Stock Option Scheme 2009 (ESOP) for the employees of the Company as well as for its subsidiaries. ESOP has been introduced to enable the employees to participate in future growth and financial success of the Company as well as to build up employee morale after the Satyam episode.

Disclosure as required by Clause 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme), Guidelines, 1999, as amended, are as per Annexure enclosed.

ENVIRONMENTAL POLICY :

Your Company is committed to carrying out all its activities with requisite measures to protect the environment. Accordingly, your Company is committed by policy to not only abide by the prevailing legal requirements but also to have a futuristic approach in carrying out continuous improvement in this regard.

DETAILS U/S 217(1)(e) OF THE COMPANIES ACT, 1956 :

Particulars as per Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are as under :

Conservation of Energy :

The conservation of energy in all the possible areas is undertaken as an important means of achieving cost reduction. Savings in electricity, fuel and power consumption receive due attention of the management on a continuous basis.

Technology Absorption :

Timely completion of the projects as well as meeting the budgetary requirements are the two critical areas where different techniques help to a great extent. Many innovative techniques have been developed and put to effective use in the past and the efforts to develop new techniques continue unabated.

Foreign Exchange Earnings & Outgo :

	(Rs. Crores)
Earned	NIL
Outgo	2.62

ACKNOWLEDGMENTS :

Your Directors place on record their gratitude to the Bankers, Financial Institutions, various Agencies of the State and the Central Government Authorities, Clients, Consultants, Suppliers, Sub-Contractors, Members and the Employees for their valuable support and co-operation and look forward to continued enriched relationships in the years to come.

By Order of the Board
for Maytas Infra Limited

Place : Hyderabad
Date : July 19, 2010

Ravi Parthasarathy
Chairman

Annexure to Directors' Report

ESOP 2007, 2008 and 2009

Pursuant to the provisions of Guideline 12 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme), Guidelines, 1999, as amended, the details of stock options as on March 31, 2010 under the Employee Stock Option Scheme of the Company are as under:

(1) **Summary of Status of ESOPs Granted :**

The position of the existing schemes is summarized as under :

Sr. No	Particulars	ESOP 2007	ESOP 2008	ESOP 2009
1	Details of the Meeting	Authorised by Shareholders of the Company on March 30, 2007	Authorised by Shareholders of the Company on September 30, 2008	Authorised by Shareholders of the Company on November 9, 2009
2	Approved	Upto 2% of Equity Share Capital of the Company	Upto 3% of Equity Share Capital of the Company	Upto 10% of Equity Share Capital of the Company
3	The Pricing Formula	Exercise Price equal to IPO Price	Exercise Price equal to Market Price / 10% Discount to Market Price/ 20% Discount to Market Price	Exercise Price equal to Market Price
4	Options Granted	644,967	148,000	12,01,407
5	Options Vested	42,892	19,500	0
6	Options Exercised	856	0	0
7	Options Forfeited / Surrendered	0	0	0
8	Options Lapsed	536,882	83,000	0
9	Total Number of Options in force as on March 31, 2010	107,229	65,000	12,01,407
10	Variation in terms of ESOP	Not Applicable	Not Applicable	Not Applicable
11	Total number of shares arising as a result of exercise of options	856	0	0
12	Money realised by exercise of options (Rs. in Lakhs)	3.32	0	0

(2) Employee-wise details of options granted during the Financial Year 2009 -10 to :

(a) Senior Managerial Personnel – ESOP 2009

	Name of the KMP	Designation	No. of Options granted
(i)	Ravi Parthasarathy	Chairman	22,535
(ii)	Vimal Kishore Kaushik	Managing Director	30,047
(iii)	Arun K. Saha	Director & Chairman of the Executive Committee	30,047
(iv)	Ramchand Karunakaran	Director	15,023
(v)	Ramesh Chandra Bawa	Officer on Special Duty	15,023
(vi)	Sandeep Garg	President	15,023
(vii)	Chander Sheel Bansal	President	20,153
(viii)	Rajendra Nimje	President	19,651
(ix)	Kallepalli Subba Raju	Vice President	17,870
(x)	C. S. Raju	Vice President	17,870
(xi)	Srinivas Sagi	Chief Information Officer	15,092
(xii)	K. Laxmi Narsaiah	Vice President	11,016
(xiii)	M. M. Wagle	Officer on Special Duty	15,774
	Total		**2,45,124**

(b) Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year : Senior Managerial Personnel – ESOP 2007/ESOP 2008/ESOP 2009

NIL

(c) Identified employees who were granted option, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant

NIL

(3) Weighted average exercise price of options granted during the year whose

(a) Exercise price equals market price	NA
(b) Exercise price is greater than market price	NA
(c) Exercise price is less than market price	176.90

Weighted average fair value of options granted during the year whose

(a) Exercise price equals market price	0.00
(b) Exercise price is greater than market price	95.32
(c) Exercise price is less than market price	0.00

(4) The stock-based compensation cost calculated as per the intrinsic value method for the Financial Year 2009-10 is Rs. 0.22 Crores. If the stock-based compensation cost was calculated as per the fair value method prescribed by SEBI, the total cost to be recognised in the Financial Statements for the year 2009-10 would be Rs. 0.63 Crores. The effect of adopting the fair value method on the net income and earnings per share is presented below :

(Rs in Crores)

Pro Forma Adjusted Net Income and Earning Per Share		
Particulars	**2009-10**	**2008-09**
Net Loss as reported	(249.64)	(489.79)
Add: Intrinsic Value Compensation Cost	0.22	0.11
Less: Fair Value Compensation Cost	0.63	0.32
Adjusted Pro Forma Net Loss	(250.05)	(490.00)
Earning Per Share: Basic		
As Reported (Rs.)	(42.42)	(83.23)
Adjusted Pro Forma (Rs.)	(42.49)	(83.26)
Earning Per Share: Diluted		
As Reported (Rs.)	(42.42)	(83.23)
Adjusted Pro Forma (Rs.)	(42.49)	(83.26)

(5) Method and Assumptions used to estimate the fair value of options granted during the year :

The fair value has been calculated using the Black Scholes option Pricing model

The Assumptions used in the model are as follows:

Variables	As on March 23, 2010
1. Risk Free Interest Rate	6.67% - 7.38%
2. Expected Life	2.50 Years - 4.50 Years
3. Expected Volatility	68.34%
4. Dividend Yield	0.19%
5. Price of the underlying share in market at the time of the option grant.(Rs.)	176.50

Management Discussion and Analysis

(A) Economic Overview :

– **Indian Economy and Industrial Growth :**

The Indian Economy was able to withstand the pressures of global economic crisis due to conservative policies. In these turbulent times a far sighted approach towards the prospects of future growth has kept the economy buoyant. The Indian economy is currently experiencing a time of renewed optimism with growth momentum picking up gradually in recent months.

The GDP growth rate for 2009-10 recorded a growth of 7.4 percent as against the estimates of 7.2 percent, better than the 6.7 percent recorded for FY 2008-09.

The Indian Industry made a substantial recovery during later half of 2009-10. Index of Industrial Production (IIP) figures for the entire fiscal shows industrial production register growth of 10.4 percent as against 2.8 percent during 2008-09.

– **Overview of Infrastructure Industry :**

In spite of acute recessionary pressures of previous year and early half of the fiscal year 2009-10, the Core Infrastructure industries turned in a satisfactory performance during 2009-10. As against a modest growth of 3.0 percent in 2008-09, the core sector grew by 5.5 percent in 2009-10. The key performers led by cement industry and followed by coal and power sectors.

The Infrastructure Industry continues to remain in spotlight. The Union Budgetary allocation for the FY 2010-11 provides for Rs. 1.73 thousand Crores for infrastructure, which accounts for over 46 percent of the total plan allocation. The emphasis is on the need for accelerated development of high quality physical infrastructure such as roads, ports, airports and railways, which are essential for a sustained economic growth. In addition to this, the disbursement for infrastructure by India Infrastructure Finance Company Ltd. (IIFCL), is expected to reach Rs.20,000 Crores in 2010-11 as against Rs.9,000 crores in the year 2009-10. Refinancing of bank lending to infrastructure projects by IIFCL is expected to be more than double in 2010-11. Preparatory activities have been completed for creation of six industrial investment nodes with eco-friendly world class infrastructure.

– **Global Economic Situation :**

The economic recession and slowdown which had crippled many economies across the globe during the past year continued to be a matter of concern even this year. The huge stimulus packages announced by most of the developed economies halted the recession but could not achieve the desired results in most countries. The recent economic crisis in Europe and the fiscal positions of several European high-income countries poses a new challenge for the world economy. Nevertheless, with the efforts on by all countries, on the whole, the optimism and prospect of healthy global economic environment is being persevered.

(B) Opportunities :

The Eleventh Five Year Plan (2007-12) offers immense opportunities in the areas of infrastructure business :

(1) Irrigation & Water :

- The recommended outlays for irrigation in State Plans total to Rs.1,82,050 Crore.
- The state sector Schemes, i.e. Acceleration Irrigation Benefit Program (AIBP) and others contribute to another Rs. 47,015 Crore.
- The total projected Gross Budgetary Support (GBS) for the Eleventh Plan for Ministry of Water Resources (MoWR) is Rs.3,246 Crore (current price).
- Eleventh plan aims to cover 100% of the urban population for drinking water, sanitation and waste management.
- The planning commission estimates total investments of Rs.23,430 Crore in water supply and sanitation sector over five years.
- Apart from Irrigation works in Andhra Pradesh, MIL is planning for taking new works in MP, Orissa and Chhattisgarh. Water sector has immense potential in India and abroad. MIL is planning to expand its capabilities in this sector to target huge water pipeline works, Water treatment plants and STPs. Strategic Joint Ventures are being worked out.

(2) Roads :

- 46,000 kms of road is proposed to be developed by 2012, apart from widening of another 21,000 kms through PPP.
- Upgrade of 12,109 km under NHDP Phase – III at an estimated cost of Rs.80,626 Crore.
- Six-laning of 6500 km National Highways (NHs) comprising 5700 km of Golden Quadrilateral (GQ) and balance 800 km of the sections of NH under NHDP phase – V at a cost of Rs.41,210 Crore.
- Construction of express ways of 1000 km at a cost of Rs.16,680 Crore.

(3) Power :

- Target for additional power generation capacity of 78,577 MW.
- Government of India has a gigantic plan to add 1,64,569 MW of generating capacity in the next decade.
- Ultra Mega Power Projects at Chattisgarh, Karnataka, Maharastra, Orissa and Tamilnadu are in pipeline.
- Rajiv Gandhi Rural Electrification Plan to be continued during the total period of Eleventh Five Year Plan with a capital subsidy of Rs.28,000 Crore.
- Transmission capacity to grow from 16,550 MW to 37,150 MW by 2012.
- From 2,20,794 CKT KM transmission line network, India is planning to take it to 2,93,372 CKT KM by 2012.
- Govt. is promoting investment through JV with PGCIL using competitive bidding route.
- Capacity expansion is required to evacuate power from surplus regions to the deficit regions.

- **International Opportunities :** There is huge potential of growth in different countries which are either Under-developed or Developing countries across the globe.

There is huge potential for establishing Thermal Power plants in different African countries and Hydro Power Projects in neighboring countries like Nepal, Bhutan and Bangladesh etc. There is lot of scope in the areas of establishing Transmission Lines and Sub-stations in different Middle-East countries. MIL is putting its best efforts to catch hold of opportunities wherever available.

(4) Railways :

- Major initiatives taken to improve the railways network, namely doubling of lines, gauge conversion/ upgradation, upgradation of signaling – involving an expenditure of Rs.70,000 Crore.
- Dedicated freight Corridors of 2700 kms with an investment of more than Rs.28,000 Crore in Eastern and Western Corridor.

(5) Buildings & Structures :

- Steps taken by Government of India to boost the real estate market through lower interest rates and planned incentives for low cost housing is expected to drive demand for this sector in the medium term.
- With impending economic recovery, the corporate India is expected to go ahead with the planned capex which in turn will drive the demand for creation of commercial and industrial structures.

(6) Oil & Gas :

- GAIL and Gujarat State Petroleum Corporation (GSPC) plan to build another 1,400-1,500 km pipeline connecting the KG basin to central India. The project cost is estimated at Rs.40 billion to Rs.50 billion.
- GAIL plans to invest Rs.55.58 billion during 2009-10. Of this, Rs.40.2 billion will be invested in pipeline projects, and the rest in E&P, petrochemicals, CGD and Telecom. For the Eleventh Plan as a whole it plans to invest Rs.111.21 billion to set up new pipelines and increase its capacity to around 300 mmscmd.
- RGTIL plans to lay 1,140 km more of pipelines – the 470 km Vijayawada-Nellore-Chennai and 670 km Chennai-Tuticorin pipelines – during the Eleventh Plan period.
- Bharat Oman Refineries Limited plans to set up a single-point mooring system, and a crude oil storage terminal at Vadinar in Gujarat and a 935 km long crude pipeline from Vadinar to Bina.
- As for pipelines, the 2009-10 budget proposed a 100 percent deduction of capital expenditure (excluding expenditure incurred on acquiring land) on laying and operation of cross-country natural gas, crude oil and petroleum product pipelines, including storage facilities with retrospective effect for pipelines built after April 1, 2007. It proposes to withdraw the 10-year tax holiday that was provided earlier.

(C) Performance during the year :

Even though during the year under review, your Company had to incur significant losses, predominantly due to the impact of the fall out of unforeseen conditions of the previous year, the work force and the organization has been prepared to embrace the situation and to look forward for future.

Subsequent to the entry of IL&FS as Promoter during September 2009, your Company has strengthened the human resources by reinforcing excellent skills in the areas of business development, estimation, engineering, planning and project execution to cater to the anticipated levels of growth. During, the year, your Company has successfully passed through the litmus test of ISO compliance and has been certified as compliant to ISO 9001:2008, the latest Quality Management Standards which are valid from 27th March, 2010 till 26th March, 2013. AQA International, USA, after audits of our selected projects and support functions, recommended your Company for recertification. This is certainly an achievement by its own standards and denotes commitment of the organisation towards delivering sustained international standards of quality in spite of stringent operational environment.

Details of Projects bagged during the FY 2009-10 :

(Rs. Crores)

	Description of the Project	Value
(a)	**Pune-Solapur** – Augmentation of the existing road from km 144.4 to km 249 (approximately 104 km) on the Pune-Solapur section of National Highway No.9 in the State of Maharashtra.	775
(b)	**DLF Metro** - Construction of elevated viaduct and station buildings for Metro Rail Project, Gurgaon from Sikanderpur to NH-8 DLF Phase-II station.	183

Details of Projects completed during the FY 2009-10 :

(Rs. Crores)

	Description of the Project	Value
(a)	Chattisgarh Package No.1-Rehabilitation and upgrading of Rajnandgaon (km.0) to Mohla (km.72.4) Section.	66
(b)	Two substations in AP of 132 KV (NCL factory) and 220 KV (APTRANSCO).	15

(D) Discussion on Financial Performance :

Notwithstanding the economic slowdown and the exigencies, your Company, has been able to retain healthy order book. The order book of the Company as on March 31, 2010 is as below:

Sector	Orders on hand* (Rs. in Crore)
Irrigation	5,651
Roads & Bridges	1,072
Power	436
Buildings & Structures	127
Railways	356
Total	**7,642**

* including Rs.644 Crores towards Company's share of order book in Joint Venture as at March 31, 2010.

Overall Financial Performance :

During the first two quarters of the financial year 2009-10, the Company was reeling under the impact of exigencies and had to pass through very stringent cash flow situations. As a result, several running projects either came to a grinding halt or progressed at a very slower pace. During these tumultuous times, the Government Directors, nominated by Government of India steered the Company by offering helping hand and by infusing confidence at various levels in the Company and also with customers and vendors. During the second half, IL&FS

made their entry as Promoter and brought up the process of revival. The overall performance during the year partially reflects the effect of this revival processes. The numbers mentioned below are on a stand-alone basis.

(1) Turnover: The Company has achieved a turnover of Rs.955.44 crore for the financial year as against Rs. 1,334.87 Crore of the previous year.

(2) Profit after tax: Profit after tax is Rs. (249.64) Crore against Rs. (489.79) Crore in 2008-09.

(3) Earnings per share: EPS has increased from Rs. (83.23) to Rs. (42.42) in 2009-10.

(4) Share Capital: There is no change in the Company's share capital during the year.

(5) Net worth: During the year the Company's net worth increased from Rs.163.19 Crore to Rs.268.04 Crore in 2009-10.

(6) Debt: During the year your Company successfully negotiated the CDR package with the lenders, coupled with OTS (One Time Settlements) with some of the banks. The details of the CDR scheme and the OTS have been furnished in the Notes to Accounts.

(7) Fixed Assets: The Company's fixed asset base (Gross Block) increased marginally from Rs.534.98 Crore to Rs.537.00 Crore in 2009-10.

(8) Investments: During the year, the Company has sold certain investments to Maytas Investment Trust. As a result, its investments at the balance sheet date stands at Rs.36.65 Crore as against Rs.335.96 Crore as at the end of the previous year.

(E) Outlook :

Your Company has successfully sailed through indomitable exigencies of the past year. This was made possible by the daunting commitments exhibited by the associates and highly competent leadership and support from the Government Directors. In addition, your Company by reinforcing strong work force in estimation and business development teams have commenced extensive search for new work contracts overseas and within the country. This new outlook and vision is expected to provide abundant scope for development. The Business Development activities have been started in the countries like Libya, Iraq, Oman to name a few. Your Company has also initiated actions to give impetus to "Oil & Gas" vertical to tap into the vast opportunities in this sector.

(F) Challenges, Risks and Concerns :

The Indian infrastructure industry has tremendous scope for the future and just coming out of the recent economic downturn. In the current turbulent macro economic environment, the Company perceives following risks and concerns.

(1) <u>Liquidity Position</u> : The earlier concerns about the liquidity risk have been averted due to the support provided by new Promoters and setting up of additional fund & non-fund based credit limits from scheduled banks. Some of the halted projects have been revived and able to generate inflows, thereby providing movement to working capital cycle. During the year, the Company laid emphasis and put in place effective measures to collect the old dues from clients and has succeeded in doing so to some extent. The overall cash flow situation has improved during the year and the Company does not foresee any liquidity risk.

(2) <u>Changes in Government policies including change in tax structure</u>: While of late, Government policies are tending to be more stable than they were in the past, the Company does provide for such contingencies at the time of bidding if the attendant costs cannot be passed on to the customer through the contract itself.

(3) <u>Price Inflation Risk</u> : Extraordinary fluctuations in the raw material prices have been witnessed over the last one year. The Company has a centralized purchase department to meet the requirements of all its projects and is therefore able to source large volumes at best price and terms.

(4) <u>Slowdown in Government Spending</u> : Given the current size of the order book and the number of infrastructure projects that are in the pipeline, your Company is confident of maintaining the present levels of operations.

(G) Internal Control System and their Adequacy :

The Company has put in place adequate and effective internal control systems to ensure that all the assets and interests of the Company are safeguarded, transactions are authorised, recorded & reported properly, and reliability of accounting data and its accuracy are ensured with proper checks and balances.

A renewed emphasis on Internal Audit process and in-house Governance policies has been the practice of the day. The Company has continued its efforts to align all its processes and controls with best practices.

(H) Human Resources & Industrial Relations :

The Company has implemented several plans to attract and retain skilled manpower at all levels. The Company also implemented training programs for its employees to develop their both hard and soft skills required for their profession.

Cautionary Statement :

Statements in this Annual Report, describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward Looking Statements" within the meaning of applicable laws or regulations. Actual results could differ materially from those expressed or implied.

Report on Corporate Governance

I A brief statement on Company's philosophy on Code of Governance

Corporate Governance envisages attainment of the highest levels of transparency, disclosure, financial controls, accountability and equity in all facets of its operations, and in all its interactions with its stakeholders, including shareholders, employees, lenders, Government and the society at large. Maytas philosophy on Corporate Governance aims at institutionalizing the spirit of the Code of Governance, both in letter and spirit, and develop superior governance practices.

The details of statutory compliance are set forth below:

II Board of Directors :

As on March 31, 2010 the Board consisted of six directors including Chairman. The Board originally consisted of four nominees appointed by the Ministry of Company Affairs (MCA), vide its Orders dated March 05, 2009 and April 2, 2009, pursuant to the Order of the Hon'ble Company Law Board dated March 5, 2009 and two Whole Time Directors. Hon'ble Company Law Board, vide its Order dated. August 31, 2009, has appointed Infrastructure Leasing and Financial Services Limited (IL&FS) as the new promoter of the Company and authorised the new promoter to assume the management of the Company, by appointing four of its nominees on the Board one of whom shall be the Chairman. Consequently IL&FS has nominated Mr. Ravi Parthasarathy, Mr. Hari Sankaran, Mr. Arun K. Saha and Mr. Karunakaran Ramchand as Directors on the Board. Further, Hon'ble Company Law Board has also authorised the MCA to withdraw, at its choice, two of its four nominees from the Board of Directors of Maytas Infra Limited. In view of the aforesaid Order, the MCA has withdrawn Mr. O. P. Vaish and Dr. K. Ramalingam from the Board of Maytas Infra Limited vide MCA order dated September 23, 2009.

Subsequently Mr. Hari Sankaran resigned from the Board and Mr. Vimal Kishore Kaushik was appointed as Managing Director of the Company with effect from January 8, 2010.

(1) The constitution of the Board during the year is as below:

Sl No.	Name of the Director	Category	No. of other Directorships held in other Public Limited Companies	Number of Committee Chairmanships/Memberships held in other Public Limited Companies	
				Member	Chairman
1.	Mr. Ravi Parthasarathy	Non Executive Director	12	0	0
2.	Mr. Vimal Kishore Kaushik[1]	Managing Director	2	0	0
3.	Mr. Ved Kumar Jain	Nominee Director	1	0	0
4.	Mr. Anil Kumar Agarwal	Nominee Director	2	0	0
5.	Mr. Arun Kumar Saha	Non Executive Director	13	7	3
6.	Mr. Karunakaran Ramchand	Non Executive Director	13	4	1
7.	Mr. Hari Sankaran[2]	Non Executive Director	12	1	0
8.	Mr. B. Teja Raju[3]	Whole time Director	12	2	0
9.	Dr. K. Ramalingam[3]	Nominee Director	0	0	0
10.	Mr. O. P. Vaish[3]	Nominee Director	6	3	0
11.	Mr. B. Narasimha Rao[3]	Whole time Director	5	0	0

[1] Appointed as Managing Director with effect from January 08, 2010

[2] Ceased to be a Director due to resignation on January 08, 2010

[3] The number of Directorships and attendance details of Directors mentioned above are based on the disclosures made by them in March 2009. All of them have ceased to be Directors as on March 31, 2010.

(2) Board Meetings :

During the Year under review 22 meetings were held on 17-Apr-09, 28-Apr-09, 09-May-09, 15-May-09, 09-Jun-09, 02-Jul-09, 18-Jul-09, 07-Aug-09, 19-Aug-09, 29-Aug-09, 31-Aug-09, 31-Aug-09, 01-Sep-09, 16-Sep-09, 29-Sep-09, 29-Sep-09, 14-Oct-09, 08-Nov-09, 17-Dec-09, 08-Jan-10, 17-Mar-10, and 29-Mar-10.

(3) Details of Attendance of Directors at the Board Meetings

Sl No.	Name of the Director	Board Meetings held during the Directorship of the Director in 2009-10	Board Meetings attended during the FY 2009-10	Whether present at the previous AGM
1.	Mr. Ravi Parthasarathy	8	8	Yes
2.	Mr. Vimal Kishore Kaushik	3	1	NA
3.	Mr. Ved Kumar Jain	22	22	Yes
4.	Mr. Anil Kumar Agarwal	22	22	Yes
5.	Mr. Arun Kumar Saha	8	7	Yes
6.	Mr. K. Ramchand	8	6	Yes
7.	Mr. Hari Sankaran	6	5	Yes
8.	Mr. B. Teja Raju	15	15	NA
9.	Mr. B. Narasimha Rao	15	13	NA
10.	Mr. O. P. Vaish	15	10	NA
11.	Dr. K.Ramalingam	15	15	NA

(a) Directors' Compensation and Disclosures :

After the Government Nominee Directors are appointed on the Board, the Board of Directors have resolved to pay only a nominal sitting fee at the rate of Re.1/- per meeting for each Non-Executive Director for attending Board Meeting or Meeting of any Committee thereof. The Board further resolved that reimbursement of actual travel and out of pocket expenses incurred for attending such Meetings shall be made. However, the Non-Executive Directors did not accept this sitting fee and offered their services without any sitting fee. As a result the Company did not pay any sitting fee to any of the Non-Executive Directors during the year.

Remuneration paid to Executive Directors is disclosed in the Notes on Accounts forming part of this Annual Report.

(b) Brief Profile of the Directors :

Brief resume of the Directors who sought appointment/ reappointment, nature of their expertise in specific functional areas is provided below:

(i) **Mr. Ravi Parthasarathy :**

Mr Ravi Parthasarathy, Chairman, Infrastructure Leasing & Financial Services Limited (IL&FS) holds a Masters Degree in Business Administration from the Indian Institute of Management, Ahmedabad. Mr. Ravi Parthasarathy joined IL&FS in 1987 as President & Chief Executive Officer and was appointed as Managing Director in 1989. He was elevated as Vice Chairman & Managing Director in 1994, and as Chairman & Managing Director in November 2004, and as Chairman of IL&FS in May 2006.

Directorships of Mr Ravi Parthasarathy :

Chairman of :

(1) Infrastructure Leasing & Financial Services Limited

(2) IL&FS Cluster Development Initiatives Limited

(3) IL&FS Education & Technology Services Limited

(4) IL&FS Energy Development Company Limited

(5) IL&FS Financial Services Limited

(6) IL&FS Infrastructure Development Corporation Limited

(7) IL&FS Property Management & Services Limited

(8) Maytas Infra Limited

Director of :

(9) IL&FS Investment Managers Limited

(10) IL&FS Maritime Infrastructure Company Limited

(11) IL&FS Transportation Networks Limited

(12) Manipal Acunova Limited

(13) New Tirupur Area Development Corporation Limited

(14) ORIX Auto Infrastructure Services Limited

Alternate Director of :

Tamil Nadu Water Investment Company Limited

Director of Foreign Company(ies) :

Elsamex S. A.

(ii) **Mr Vimal Kishore Kaushik :**

Mr. Vimal Kishore Kaushik is an Engineer from Madhav Institute of Technology, Gwalior. He was associated with Punj Lloyd for 37 years where he handled responsibilities in operations both in India and abroad. Beginning his career in air-conditioning, Vimal Kaushik moved to the specialised field of acoustical insulation of aero engine test beds for fighter and jumbo engines. He was in charge of insulation and painting projects in Algeria, Iraq, Sudan and Kuwait for eight years. In his capacity as an Executive Director at Punj Lloyd, he is credited for setting up the prestigious pipe coating yard at Kandla. While at Punj Lloyd, Mr. Vimal Kaushik led the complete operations of the company with responsibility for all the SBUs – Pipelines, Tankage & Terminals, Turnkey and Composite Construction, Civil Construction and Telecom.

List of Directorships of Mr. Vimal Kishore Kaushik:

(1) North Karnataka Expressway Limited

(2) Thiruvanthapuram Road Development Co. Ltd.

(c) Code of Conduct :

As per the requirement of Clause 49 of the Listing Agreement with the Stock Exchanges, the Board has laid down a Code of Conduct for all Board Members, Senior Management Personnel and designated employees of the Company. The Code of Conduct is posted on the website of the Company. All Board Members and Senior Management Personnel affirm compliance with the Code.

(4) Committees of the Board :

(a) Audit Committee :

(i) **Composition :**

The Audit Committee of the Company comprises of three Directors of which two are Non-Executive Independent Directors. All members of the Committee are eminent persons with varied knowledge in their respective fields. The Chairman of the Committee, Mr. Ved Kumar Jain, is the past President of the Institute of Chartered Accountants of India with vast knowledge and expertise.

The composition of the Audit Committee as on March 31, 2010 and the attendance at the meetings held during the year are stated below :

Sr No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Mr. Ved Kumar Jain	7	7
2.	Mr. Anil Kumar Agarwal	7	7
3.	Mr. Arun K. Saha[4]	3	3

[4] Appointed on the Board with effect from September 29, 2009, and only three meetings of the Audit Committee have been held during the tenure of the Director till March 31, 2010.

(ii) **Terms of reference of the Audit Committee :**

The Audit Committee ensures the objectivity, credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance of legal requirements and associated matters.

The terms of reference of the audit committee are as follows:

– Regular review of accounts, accounting policies and disclosures

– Review the major accounting entries based on exercise of judgement by the management and review of significant adjustments arising out of audit

– Review any qualifications in the draft audit report

– Establish and review the scope of the independent audit including the observations of the Auditors and review of the quarterly, half-yearly and annual financial statements, before submission to the Board

– Upon completion of the audit, discussions with the independent Auditors to ascertain any area of concern

– Establish the scope and frequency of the internal audit, review the findings of the Internal Auditors and ensure the adequacy of internal control systems

– Examine reasons for substantial defaults in payment to depositors, debenture holders, shareholders and creditors

– Examine matters relating to the Director's Responsibility Statement for compliance with Accounting Standards and accounting policies

– Oversee compliance with Stock Exchange legal requirements, concerning financial statements, to the extent applicable

– Examine any related party transactions, i.e., transactions of the Company that are of a material nature with the promoters or management, relatives, etc. that may have potential conflict with the interests of the Company

– Appointment and remuneration of statutory and Internal Auditors

– Such other matters as may from time to time be required under any statutory, contractual or other regulatory requirement.

(b) Remuneration Committee :

(i) **Constitution and Attendance :**

The Remuneration Committee of Directors of the Company has been constituted to recommend/ review the remuneration package of the Executive Directors.

The Remuneration Committee has been reconstituted in the Board Meeting held on September 29, 2009 The reconstituted Remuneration Committee is chaired by Mr. Anil Kumar Agarwal (Nominee Director) and the other Members are, Mr. Ved Kumar Jain (Nominee Director) and Mr. Ravi Parthasarathy (Non-Executive Director).

The composition of the Remuneration Committee as on March 31, 2010 and the attendance at the meeting held during the year are stated below :

Sr. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Mr. Anil Kumar Agarwal	1	1
2.	Mr. Ved Kumar Jain	1	1
3.	Mr. Ravi Parthasarathy	1	0

(ii) **Terms of Reference :**

The principal responsibilities and functions of the Remuneration Committee include the following:

– Determine the remuneration, review performance and decide on variable pay of Executive Directors.

– Establish and administer employee compensation and benefit plans.

– Determine the number of stock options to be granted under the Company's Employees Stock Option Schemes and administer any stock option plan.

Such other matters as may from time to time be required under any statutory, contractual or other regulatory requirement.

(iii) **Remuneration Policy :**

Remuneration to the Executive Directors comprises of Salary, Perquisites and performance related pay/incentive. The Committee shall consider the following, while determining the remuneration to Executive Directors

– financial position of the Company,

– prevailing trend in the industry,

– qualification, experience and past performance of the person.

Remuneration paid to the Executive Directors is disclosed in the notes on accounts, which forms part of this Report.

– Remuneration to Non-Executive Directors.

The non-executive directors are paid sitting fee at the rate of Rs.1/- for each Board Meeting and for each Committee Meeting attended. Further, actual travel and out of pocket expenses incurred for attending the meetings, is reimbursed.

(c) Shareholders'/Investors' Grievance Committee :

(i) **Constitution and attendance :**

The Shareholders'/Investors' Grievance Committee is constituted to supervise the investor relations and redressal of investors' grievances in the terms of Clause 49 of the Listing Agreement.

During the year ended March 31, 2010 four meetings of the Shareholders'/Investors' Grievance Committee were held on August 29, 2009, November 8, 2009, January 8, 2010 and March 23, 2010. The details of attendance for the above mentioned Meetings are as below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Mr. Anil Kumar Agarwal	3	3
2.	Mr. Ved Kumar Jain	3	3
3.	Mr. Arun K. Saha	3	3
4.	Mr. O. P. Vaish[5]	1	1

[5] Ceased to be Director with effect from September 29, 2009.

The Committee was reconstituted in the Board Meeting held on September 29, 2009.

(ii) **Terms of Reference :**

The terms of reference of the Investors' Grievance Committee are as follows :

– Supervise investor relations and redressal of investors' grievances in general and relating to non-receipt of dividends, interest, non-receipt of balance sheet in particular.

– Approve the transfer and transmission of shares from time to time.

– Delegate the powers to the Registrar of the Company for transfer, transmission of shares from time to time in accordance with the regulatory requirement.

– Such other matters as may from time to time be required under any statutory, contractual or other regulatory requirement.

The details of the complaints received during the Financial Year 2009-10 and the status of the same are as below:

The company has received 52 complaints during the year. All the complaints have been promptly attended to and there are no complaints outstanding as on March 31, 2010.

Mr. G. Venkateswar Reddy, Company Secretary, acts as the Secretary to all the aforementioned Committees.

(5) General Body Meetings:

(a) Annual General Meetings (AGMs):

Venue, date and time of the Annual General Meetings held during the preceding 3 Financial Years are as follows:

Financial Year	Date, Time and Venue	Special Resolutions
2008 - 09	November 09, 2009 10.30 a.m. Sri Satya Sai Nigamagamam, 8-3-987/2, Srinagar Colony, Hyderabad – 500 073	i. Consent of the Members for the appointment of Mr. B. Narasimha Rao as Whole time Director of the Company during the period January 30, 2009 to September 29, 2009, and for the payment of remuneration of Rs. 45,00,000 per annum. ii. Appointment of Mr. G Venkateswar Reddy as Manager of the Company for a period of one year with effect from September 29, 2009. iii. Consent of the Members, to ratify and/or approve the payment of Rs. 94,11,013/- made to Mr. P. K. Madhav in excess of the remuneration payable to him in accordance with the provisions of Schedule XIII of the Act for the Financial Year 2008-09, and waive the recovery of such excess remuneration, subject to the approval of Central Government. iv. the consent of the Company to ratify and/or approve the payment of Rs. 92,95,758/- made to Mr. C. S. Bansal in excess of the remuneration payable to him in accordance with the provisions of Schedule XIII of the Act for the Financial Year 2008-09, and waive the recovery of such excess remuneration, subject to the approval of Central Government. v. the consent of the Company, to ratify and/or approve the payment of Rs. 80,876/- for the Financial Year 2008-09 and the payment of Rs. 3,92,628/- for the period April 1, 2009 to September 29, 2009 made to Mr. B. Narasimha Rao in excess of the remuneration payable to him in accordance with the provisions of Schedule XIII of the Act, and waive the recovery of such excess remuneration, subject to the approval of Central Government. vi. To issue and allot employees who are in permanent employment of the Company, including any Director of the existing or future holding/subsidiary Companies, whether whole time or otherwise, options exercisable into not more than 10% of the paid up share capital of the company, i.e. 58,85,000 equity shares of the Company. vii. To issue and allot to employees of the holding company of the Company and to employees of the present and future Subsidiary companies of the Company which include permanent employees, Directors (whether Whole-time or not, including Alternate Directors), to issue and allot Equity Shares of the Company ranking pari passu with existing equity shares of the Company, on such terms and conditions and to such employees as the Board may decide from time to time where broad terms and conditions of ESOS 2009. viii. Consent of the Members to ratify the variation in the utilization of the Initial Public Offer (IPO) proceeds, to the extent of Rs. 105.40 Crores, by revising/ re-scheduling between the investments in associate companies and other project related investments and commitments in view of the competitive and dynamic nature of the business.

2007-08	September 30, 2008 11.00 a.m. Sri Satya Sai Nigamagamam, 8-3-987/2, Srinagar Colony, Hyderabad – 500 073	i. To issue and allot employees who are in permanent employment of the Company, including any Director of the existing or future holding/subsidiary Companies, whether whole time or otherwise, options exercisable into not more than 3% of the paid up share capital of the company, i.e. 17,65,500 equity shares of the Company. ii. To issue and allot employees who are in permanent employment of the existing or future holding/ subsidiary Companies, including any Director of the existing or future holding/ subsidiary Companies, whether whole time or otherwise, options exercisable into not more than 3% of the paid up share capital of the company, i.e. 17,65,500 equity shares of the Company. iii. Resolution pursuant to provisions of Section 163 of the Companies Act, 1956, for the consent of members of the Company for keeping the Register of members together with the Index of members, the copies of annual returns, the copies of certificates and documents required to be annexed with the annual return under Section 160/161 of the Companies Act, 1956 and/or any of the documents as required to be kept at the Registered office of the Company, at the office of Registrar and Transfer Agent of the Company, Karvy Computershare Private Limited, Plot No.17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081.
2006-07	August 31, 2007, 11.00 a.m Registered Office, 6-3-1186/5/A, III Floor, Amogh Plaza, Begumpet, Hyderabad – 500 016	NIL

(b) Extraordinary General Meetings (EGMs) :

Venue, date and time of the Extraordinary General Meetings held during the preceding 3 years and special resolutions passed are as follows:

Date & Time	Venue	Special Resolution Passed
March 30, 2007 at 11.00 a.m.	Registered Office, 6-3-1186/5/A, III Floor, Amogh Plaza, Begumpet, Hyderabad – 500 016	1) Issue of 88,50,000 Equity Shares Under Initial Public Offer(IPO) Issue of Shares to the employees of the Company under Employee Stock Option (ESOP) Guidelines. 2) Make investment, give loans and provide guarantees/securities
January 24, 2007 at 10.00 a.m.	Registered Office, 6-3-1186/5/A, III Floor, Amogh Plaza, Begumpet, Hyderabad – 500 016	Change in the designation of Mr. B. Teja Raju from Managing Director to Vice Chairman.
December 30, 2006 at 2.30 p.m.	Registered Office, 6-3-1186/5/A, III Floor, Amogh Plaza, Begumpet, Hyderabad – 500 016	(1) Conversion from Private Limited Company to Public Limited Company (2) Appointment of Mr. P. K. Madhav as Whole Time Director of the Company for a period of 5 years w.e.f. November 1, 2006.

There are no postal ballot resolutions passed during the preceding 3 years.

(6) Disclosures :

(a) During the year under review, certain transactions have been entered into with related parties. The details thereof have been given under the Notes on Accounts.

(b) During the year under review, there has not been any occasion of non-compliance by the Company, However

(i) The composition of Board of Directors of the Company is in accordance with the Order of the Hon'ble Company Law Board dated August 31, 2009.

(ii) The Hon'ble Company Law Board vide its Order dated December 31, 2009, granted extension of time for publishing the quarterly financial results for the quarters ended September 30, 2009, December 31, 2009 and March 31, 2010 upto June 30, 2010.

No penalties or strictures have been imposed on the Company by stock exchanges or SEBI or any other statutory authority on any matter related to capital markets over the last three years.

(c) Maytas has established a well-documented Risk Management framework. Under this framework, risks are identified across all business processes of the Company on a continuing basis.

(d) The company applied equity method of accounting (as per the Accounting Standard 23) to the investments which involves reflecting the Company's share of results of the Associate Companies operations. The same has been disclosed in the Directors' Report.

(e) The details of Subsidiary Companies are disclosed in the Directors' Report.

(7) Means of Communication :

(a) Quarterly/Half Yearly/Yearly Results are published in leading English and Telugu Newspapers. The same are also placed on the Company's website www.maytasinfra.com

(b) Official news releases are displayed on the Company's website www.maytasinfra.com. Official Media Releases are sent to the Stock Exchanges.

(c) The Company's website www.maytasinfra.com contains a separate section dedicated to "Investor Relations" where shareholders' information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.

(d) Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

(e) The Company has designated the cs@maytasinfra.com email-id exclusively for investor services.

(8) Management Discussion and Analysis (MDA) :

MDA forms part of the Directors' Report and is presented in the Annual Report under a separate heading.

(9) Whistle Blower Policy :

The Company established a mechanism for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. This mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit committee in exceptional cases. The existence of the mechanism is appropriately communicated within the organization.

(10) General Information to Shareholders :

(a) Date, time and Venue of the 22nd Annual General Meeting:

Date : September 23, 2010

Time : 11.00 a.m.

Venue : Federation of Andhra Pradesh Chamber of Commerce & Industry
FAPCCI House
3rd Floor, KLN Prasad Auditorium
Red Hills
Hyderabad – 500 004

(b) Book Closure Date :

The Register of Members and Share Transfer Books of the Company will be closed from September 20 – 23, 2010 (both days inclusive) for the purpose of 22nd Annual General Meeting.

(c) Financial Calendar :

Financial Year of the Company is 1st April to 31st March. The tentative calendar for consideration of financial results for the Financial Year 2010-11 is given below:

Particulars	Tentative
Results for quarter ending June 30, 2010	August 2010
Results for quarter ending Sept 30, 2010	November 2010
Results for quarter ending Dec 31, 2010	February 2011
Results for year ending March 31, 2011	May 2011

(d) Listing on Stock Exchanges :

The Company's Shares are listed on the following Stock Exchanges with effect from October 25, 2007

Stock Exchange	Scrip Code
The National Stock Exchange of India Limited (NSE) 5th Floor, "Exchange Plaza" Bandra Kurla Complex Bandra (E) Mumbai – 400 051	MAYTASINFR
The Bombay Stock Exchange Limited (BSE) Department of Corporate Services P. J. Towers, Dalal Street Mumbai – 400 001	532907

The Company has paid the listing fees payable to the BSE and NSE for the Financial Year 2010-11. The Company has paid Annual Custodial Fees for the year 2010-11 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

(e) Share Transfer Procedure :

The share transfers which are received in physical form are processed and the share certificates are returned to the respective shareholders within the statutory time limit, subject to the documents being valid and complete in all respects. The Company obtains half yearly certificates from a Company Secretary in practice on compliance regarding share transfer formalities and submits a copy thereof to the Stock Exchanges in terms of Clause 47 (c) of the Listing Agreement.

(f) Prevention of Insider Trading :

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, the company has instituted a comprehensive code of conduct for prohibition of Insider Trading in Company's shares

(g) Corporate Identity Number (CIN) :

CIN of the Company, allotted by Ministry of Corporate Affairs, Government of India is L45201AP1988PLC008624

(h) Distribution of shareholding as on March 31, 2010:

Distribution Schedule - Consolidated as on 31-03-2010					
Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1 – 5000	47065	94.60	2513236	25132360	4.27
5001 – 10000	1021	2.05	829532	8295320	1.41
10001 – 20000	674	1.35	1041285	10412850	1.77
20001 – 30000	284	0.57	728973	7289730	1.24
30001 – 40000	127	0.25	455796	4557960	0.77
40001 – 50000	132	0.26	636910	6369100	1.08
50001 – 100000	192	0.39	1466486	14664860	2.49
100001 & Above	257	0.52	51178638	511786380	86.96
TOTAL	49752	100.00	58850856	588508560	100.00

(i) Dematerialisation of Shares and Liquidity :

The Company's shares are available for dematerialization in both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 95.21% of shares have been dematerialized as on March 31, 2010. The distribution of shareholdings in categorywise is as under:

Summary of Shareholding as on 31-03-2010			
Category	No. of Holders	Total Shares	% to Equity
PHYSICAL	19	2816805	4.79
NSDL	34593	50912392	86.51
CDSL	15140	5121659	8.70
TOTAL	49752	58850856	100.00

ISIN: INE 369I01014

(j) Secretarial Audit for Reconciliation of Capital :

As stipulated by SEBI, a qualified practicing company secretary carries out the secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid up capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is placed before the Board of Directors. The audit, inter alia confirms that the total listed and paid up capital of the company is in agreement with the aggregate of the total no. of shares in dematerialized form held with NSDL and CDSL and total no. of shares in physical form.

(k) Investor Safeguards :

Investors may note the following to avoid risks while dealing in securities:

(a) Electronic Clearing Services (ECS) mandate.

ECS helps in quick remittances of dividend without possible loss / delivery in postal transit. Members may register their ECS details with their respective DPs.

(b) Encash Dividends in time

Encash your dividends promptly to avoid hassles of revalidation.

(c) Register Nominations

To enable successors to get the shares transmitted in their favour without hassle, the members may register their nominations directly with their respective DPs.

(d) Confidentiality of Security Details

Do not hand over signed blank transfer deed / delivery instruction slips to any unknown person.

(e) Dealing of Securities with Registered Intermediaries

Members must ensure that they deal with only SEBI registered intermediaries and must obtain a valid contract note/ confirmation memo from the broker / sub-broker, within 24 hours of execution of trade and it should be ensured that the contract note / confirmation memo contains order no., trade time, quantity, price and brokerage.

(l) Shareholding Pattern as on March 31, 2010 :

Shareholding Pattern as on 31-03-2010			
Category	No. of Holders	Total Shares	% to Equity
Promoters	1	1,32,45,250	22.51
Promoter Group	2	85,33,374	14.50
Bodies Corporates	920	1,64,42,000	27.94
Resident Individuals	45,995	1,30,80,698	22.23
Mutual Funds	7	23,47,219	3.99
Foreign Institutional Investors	15	21,32,036	3.62
H U F	2,051	16,83,028	2.86
Clearing Members	347	9,95,956	1.69
Non Resident Indians	408	3,65,213	0.62
Indian Financial Institutions	1	20,812	0.04
Trusts	4	5,252	0.01
Overseas Corporate Bodies	1	18	0.00
Total	**49,752**	**5,88,50,856**	**100.00**

(m) Share Price Volume Data :

Month	BSE				NSE			
	High Price	Low Price	Sensex		High Price	Low Price	S&P CNX NIFTY	
			High	Low			High	Low
Apr-09	47.20	34.05	11,492.10	9,546.29	47.35	33.40	3517.25	2965.70
May-09	77.35	37.55	14,930.54	11,621.30	77.90	37.20	4509.40	3478.70
Jun-09	95.60	66.40	15,600.30	14,016.95	95.15	66.20	4693.20	4143.25
Jul-09	98.35	56.00	15,732.81	13,219.99	98.40	54.25	4669.75	3918.75
Aug-09	112.80	77.10	16,002.46	14,684.45	112.75	77.10	4743.75	4353.45
Sep-09	151.00	118.40	17,142.52	15,356.72	151.25	118.40	5087.60	4576.60
Oct-09	179.90	123.00	17,493.17	15,805.20	180.15	123.00	5181.95	4687.50
Nov-09	182.00	136.30	17,290.48	15,330.56	190.20	136.00	5138.00	4538.50
Dec-09	166.50	143.60	17,530.94	16,577.78	166.40	143.25	5221.85	4943.95
Jan-10	211.80	154.00	17,790.33	15,982.08	211.90	154.00	5310.85	4766.00
Feb-10	180.70	140.20	16,669.25	15,651.99	180.85	150.00	4992.00	4675.40
Mar-10	196.30	151.75	17,793.01	16,438.45	196.80	151.50	5329.55	4935.35

(n) The Company has not issued any GDRs or ADRs or Warrants or Convertible Instruments.

(o) Compliance Certificate of the Auditors :

A Certificate from S. S. Reddy & Associates, Company Secretaries in Practice, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed hereinafter.

(p) Registrar & Transfer Agents (RTA) :
Karvy Computershare Private Limited, Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081. Telephone No. 040 - 23420819 to 24, Fax No. 040 – 23420814, Email ID: einward.ris@karvy.com

(q) Investor Correspondence :
Registered Office Address :
6-3-1186/5/A, III Floor Amogh Plaza
Begumpet, Hyderabad – 500 016
Tel Phone No. +91 40 40409333/23408100
Fax No. +91 40 23401107 / 23418501
Web site: www.maytasinfra.com

Company Secretary & Compliance Officer :
Mr. G. Venkateswar Reddy
6-3-1186/5/A, III Floor Amogh Plaza
Begumpet, Hyderabad – 500 016
Telephone No. +91 40 40409333/23408100
Fax No. +91 40 23401107 / 23418501
E-mail id: cs@maytasinfra.com

Declaration :

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby declared that all the board members and senior managerial personnel of the Company have affirmed the compliance of Code of Conduct for the year ended March 31, 2010.

Certificate Regarding Compliance of Conditions of Corporate Governance

To

The Members of Maytas Infra Limited

We have examined the compliance of conditions of Corporate Governance by Maytas Infra Limited, for the year ended on March 31, 2010, as stipulated in Clause 49 of the Listing Agreement signed with stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement except that –

i) Compliance relating to consideration and publication of quarterly financial results in terms of Clause 41 of the Listing Agreement for the quarters ended September 30, 2009, December 31, 2009 and March 31, 2010 within the time limits in terms of Listing Agreement. and

ii) Compliance in respect of composition of Board of Directors of the Company in terms Clause 49(1A) of the Listing Agreement.

However, it is noted that:

i) The Hon'ble Company Law Board vide Orders dated 31st December, 2009 has granted extension of time up to June 30, 2010, for publishing financial results for the quarters ended September 30, 2009, December 31, 2009 and March 31, 2010; and

ii) The Composition of Board of Directors of the Company is controlled and constituted by the Company Law Board vide Order dated August 31, 2009.

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. S. Reddy & Associates
Company Secretaries in Practice

Place : Hyderabad
Date : 28-06-2010

S. Sarweswara Reddy
CP No. 7478

Auditors' Certificates as required under Clause 14 of the SEBI (Employees Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999

To
The Board of Directors,
Maytas Infra Limited

1. We have examined the compliance of the conditions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 (as amended) ("SEBI Guidelines") for the year ended March 31, 2010, as stipulated in Clause 14 of the SEBI Guidelines in respect of Maytas Infra **Employees Stock Option Scheme, 2007** framed by Maytas Infra Limited ("the Company").
2. The compliance of conditions of SEBI Guidelines is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the SEBI Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company. Also we have not updated our procedures for events beyond March 31, 2010 and accordingly do not comment upon changes if any, beyond that date.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has implemented the above Scheme in accordance with the SEBI Guidelines and the resolution passed by the Company in the general meeting held on March 30, 2007.

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

per Vikas Kumar Pansari
Partner
Membership No.: 93649

Place : Hyderabad
Date : July 19, 2010

To
The Board of Directors,
Maytas Infra Limited

1. We have examined the compliance of the conditions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 (as amended) ("SEBI Guidelines") for the year ended March 31, 2010, as stipulated in Clause 14 of the SEBI Guidelines in respect of Maytas Infra **Employees Stock Option Scheme, 2008** framed by Maytas Infra Limited ("the Company").
2. The compliance of conditions of SEBI Guidelines is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the SEBI Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company. Also we have not updated our procedures for events beyond March 31, 2010 and accordingly do not comment upon changes if any, beyond that date.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has implemented the above Scheme in accordance with the SEBI Guidelines and the resolution passed by the Company in the general meeting held on September 30, 2008.

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

per Vikas Kumar Pansari
Partner
Membership No.: 93649

Place : Hyderabad
Date : July 19, 2010

To
The Board of Directors,
Maytas Infra Limited

1. We have examined the compliance of the conditions of Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 (as amended) ("SEBI Guidelines") for the year ended March 31, 2010, as stipulated in Clause 14 of the SEBI Guidelines in respect of Maytas Infra **Employees Stock Option Scheme, 2009** framed by Maytas Infra Limited ("the Company").
2. The compliance of conditions of SEBI Guidelines is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the SEBI Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company. Also we have not updated our procedures for events beyond March 31, 2010 and accordingly do not comment upon changes if any, beyond that date.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has implemented the above Scheme in accordance with the SEBI Guidelines and the resolution passed by the Company in the general meeting held on November 09, 2009.

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

per Vikas Kumar Pansari
Partner
Membership No. 93649

Place : Hyderabad
Date : July 19, 2010

Chief Executive Officer and Chief Financial Officer Certification

(Under Clause 49 of the Listing Agreement with the Stock Exchanges)

To
The Board of Directors,
Maytas Infra Limited

In relation to the Audited Financial Accounts of the Company as at March 31, 2009, we hereby certify that

a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee:

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Vimal Kishore Kaushik
Managing Director

M. M. Wagle
Officer on Special Duty

Place : Hyderabad
Date : July 19, 2010

Auditors' Report

To

The Members of Maytas Infra Limited

1. We have audited the attached Balance Sheet of Maytas Infra Limited ('the Company') as at March 31, 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 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. The accompanying financial statements include the Company's share of losses (net) aggregating to Rs.1.80 Crores (Losses for the year ended March 31, 2009 – Rs.18.29 Crores) from Integrated Joint Ventures in which the Company is a co-venturer. The financial statements of these Joint Venture entities as at and for the year ended March 31, 2010 were audited by other auditors whose reports have been furnished to us. We have relied solely on the audit reports of other auditors in this regard.

5. We invite your attention to the following:

   a) Note no. 6 of Schedule 25 to the financial statements. The accompanying financial statements has been prepared on a going concern basis after giving effect to the corporate debt restructuring (CDR) package including accounting for the disposal of certain investments to an Independent Trust, as approved by the CDR cell in their meeting held on March 30, 2010 and vide letter of approval dated June 26, 2010.

   b) Note no. 9 of Schedule 25 to the financial statements regarding recoverability of certain current and fixed assets aggregating to Rs. 218.27 Crores qualified in our previous year's audit report. During the current year, an amount of Rs.85.21 Crores has been charged off to the Profit and Loss Account considered as irrecoverable/ doubtful of recovery.

      As at March 31, 2010, a sum of Rs. 63.70 Crores is recoverable against current and fixed assets. Based on internal assessment and/or legal opinion, the same has been considered good of recovery and consequently, no further adjustments have been made in this regard.

   c) Note no.10 of Schedule 25 to the financial statements regarding interest on Inter Corporate Deposits amounting to Rs. 48.52 Crores up to March 31, 2009 qualified in our previous year's audit report, out of which Rs.48.10 Crores has been charged off during the year and no further interest accrued thereon.

   d) With regard to note 21 of Schedule 25 to the financial statements pertaining to remuneration paid by the Company to its directors, which was in excess of the limits specified under Schedule XIII of the Companies Act, 1956 by Rs. 1.87 Crores and Rs. 0.16 Crore for the year ended March 31, 2009 and March 31, 2010 respectively. The approval in respect of the aforesaid is awaited from the Central Government. The ultimate outcome of the matter cannot be presently determined. Pending, the final outcome, no adjustments have been made in this regard in the financial statements.

   We have not qualified our opinion in respect of the matters referred in the Paragraphs 5(a) to 5(d) above.

6. *As at March 31, 2010, the Company had Inter Corporate Deposits (ICDs) outstanding of Rs. 391.64 Crores. Management has represented that the Company has taken steps to recover the amounts and is of the opinion that all deposits are fully recoverable. Accordingly no adjustments have been made to the accompanying financial statements in respect of the same. Pending final outcome of the recovery process, we are unable to comment on the extent of recoverability of the aforesaid amounts. Our audit report on the financial statements for the year ended March 31, 2009 was also qualified in respect of the aforesaid matter.*

7. Further to our comments in the Annexure referred to in paragraph 3 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. *except as discussed in paragraph 6 above,* 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 March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 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 give the information required by the Companies Act, 1956, in the manner so required, and *except to the extent of impact, if any, on account of matters discussed in paragraph 6 above,* give a true and fair view in conformity with the accounting principles generally accepted in India:

      a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;

      b. in the case of the Profit and Loss Account, of the Loss 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 Kumar Pansari**
Partner
Membership No.: 93649

Place : New Delhi
Date : June 28, 2010

Annexure to the Auditors' Report

Annexure referred to in paragraph 3 of our report of even date

Re: Maytas Infra Limited ('the Company')

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

(b) The Company has conducted physical verification of assets as per the regular programme of verification, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. *The reconciliation between book balances and physical balances is under progress.* As informed, no material discrepancies were noticed on such verification and there will not be any material impact on account of differences between physical and book balances.

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

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

(b) The procedures of physical verification of inventory followed by Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory in so far as such records were examined by us and no material discrepancies were noticed on physical verification *except for shortage of Rs.9.67 Crores* which has been properly dealt with in the books of account.

(iii) (a) The Company has granted unsecured loans to a company covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 47.87 Crores, which was outstanding since previous year and the aggregate balance of loans as at March 31, 2010 was Rs. 47.87 Crores. However as at March 31, 2010, the company is not covered in the register maintained under Section 301 of the Companies Act, 1956.

(b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.

(c) *In respect of loans granted, repayment of the principal amount was not as stipulated and payment of interest has also not been regular.*

(d) Based on our audit procedures and the information and explanation made available to us, in case where overdue amount is more than rupees one lakh, reasonable steps have been taken by the Company for recovery of the principal and interest.

(e) 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. Accordingly, the provisions of Clauses (iii)(f) and (iii)(g) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(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, fixed assets and for the sale of goods and services. *However, in few cases, documentation in relation to revenue and expenditure at few project sites was weak,* which has been addressed during the year and the management is in the process of further strengthening the internal controls over the same. 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 given to us, we are of the opinion that the Company has entered particulars of all contracts or arrangements referred to in Section 301 that are required to be entered in the register maintained under Section 301 of the Companies Act, 1956.

(b) In respect of transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs entered into during the financial year, because of the unique and specialized nature of the contracts involved and absence of any comparable prices, we are unable to comment whether the transactions were made at 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, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess have *not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases in the earlier part of the year. However, in the later part of the year, there have been slight delays in few cases in the deposit of statutory dues.*

Further, since the Central Government has till date not prescribed the amount of cess payable under Section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

(b) According to the information and explanations given to us, undisputed dues 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 statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Annexure to the Auditors' Report

Name of the Statute	Nature of the dues	Amount (Rs. Crores)	Period to which the amount relates	Due Date	Date of Payment
AP VAT Act, 2005	Sales Tax	1.22	2008-09	April 15, '09	Not paid
Income Tax Act, 1961	Tax Deducted at Source	0.05	April '09 and May '09	May 07, '09 and June 07, '09	Paid on May 24, 2010
Employees' Provident Fund and Miscellaneous Act, 1952	Provident Fund	0.37	Various dates	Various dates	Paid on June 28, 2010

(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 the Statute	Nature of dues	Amount (Rs. Crores)	Period to which the amount relates	Forum where dispute is pending
AP Value Added Tax, 2005	Sales Tax and Penalty	0.65	2005-06, 2006-07 and 2007-08	Sales Tax Appellate Tribunal, Hyderabad
AP Value Added Tax, 2005	Penalty	1.44	2007-08	Appellate Deputy Commissioner, Hyderabad
AP Value Added Tax, 2005	Sales Tax	27.06	2007-08	High Court of Andhra Pradesh
Karnataka Value Added Tax, 2003	Sales Tax	13.84	2007-08	Assistant Commissioner of Commercial Taxes, Bangalore
Assam Value Added Tax, 2003	Sales Tax	0.05	2006-07	Deputy Commissioner of Taxes and Appeals, Guwahati
UP Trade Tax Act, 1948	Sales Tax	6.37	2007-08	Joint Commissioner of Commercial Taxes, Lucknow
Central Sales Tax Act, 1956	Penalty for Sales Tax	0.50	2002-03 2003-04	Sales Tax Appellate Tribunal, Hyderabad
Central Excise Act, 1944	Excise Duty	8.32	2006-07 to 2008-09	Directorate General of Central Excise Intelligence
Finance Act, 1994	Service Tax	9.70	2007-08 and 2008-09	Office of Commissioner of Customs & Central Excise, Hyderabad
Finance Act, 1994	Penalty on Service Tax	0.28	2006-07 and 2007-08	Additional Commissioner Customs, Central Excise & Service Tax, Hyderabad
Income Tax Act, 1961	Income Tax	0.24	2004-05	Appellate Tribunal and CIT(A)

(x) *The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash loss during the year and in the immediately preceding financial year.*

(xi) Based on our audit procedures and as per the information and explanations given by the management, there are no dues to debenture holders. *There have been defaults in repayment of dues to the financial institutions and banks during the year, which have been subsequently rescheduled by way of Corporate debt restructuring package (CDR) as disclosed in the Note No. 6(e) of Schedule 25 to financial statements and One Time Settlement (OTS) executed up to March 31, 2010 as disclosed in the Note No. 7 of Schedule 25 to financial statements.*

Annexure to the Auditors' Report

The defaults for banks which are not part of CDR and OTS discussed above are:

Name of the Bank	Nature of dues	Amount (Rs. Crores)	Due Date	Date of Payment
Kotak Mahindra Bank Limited	Principal and interest	36.74	Various dates	Not Paid
Standard Chartered Bank-Buyers credit	Principal and interest	19.92	Various dates	Converted into term Loan
BNP Paribas	Principal and interest	47.75	Various dates	Not Paid
Axis Bank Limited *	Interest	3.39	Various dates	Not Paid
ING Vysya Bank *	Principal and interest	10.14	Various dates	Not Paid

* Subsequently One Time Settlement has been done.

(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 Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) 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. The guarantee is no longer outstanding as at the balance sheet date.

(xvi) Based on information and explanations given to us by 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 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 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) We have verified that the end use of money raised by public issue is as disclosed in the Note No. 16(a) of Schedule 25 to the financial statements.

(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 Kumar Pansari**
Partner
Membership No.: 93649

Place : New Delhi
Date : June 28, 2010

Balance Sheet as at March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

	Schedules	As at March 31, 2010		As at March 31, 2009	
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	58.85		58.85	
Share application money pending allotment *(Refer Note 6 (e) of Schedule 25)*		354.27		-	
Employee stock options outstanding	2	0.33		0.11	
Reserves and surplus	3	289.92		289.92	
			703.37		348.88
Loan Funds					
Secured loans	4	793.74		1,590.61	
Unsecured loans	5	106.34		76.61	
			900.08		1,667.22
			1,603.45		**2,016.10**
APPLICATION OF FUNDS					
Fixed Assets	6				
Gross block		537.00		534.98	
Less : Accumulated Depreciation		208.89		130.08	
Net block		328.11		404.90	
Capital work-in-progress including capital advances		7.25		26.34	
			335.36		431.24
Intangible Assets	7		-		0.20
Investments	8		36.65		335.96
Current Assets, Loans and Advances					
Inventories	9	153.97		300.31	
Sundry debtors	10	550.10		476.79	
Cash and bank balances	11	52.48		57.29	
Other current assets	12	33.53		83.54	
Loans and advances	13	592.24		781.74	
		1,382.32		**1,699.67**	
Less : Current Liabilities and Provisions					
Current Liabilities	14	521.53		595.71	
Provisions	15	64.68		40.95	
		586.21		**636.66**	
Net Current Assets			796.11		1,063.01
Profit and loss account - Debit balance			435.33		185.69
			1,603.45		**2,016.10**
Notes to Accounts	25				

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

for S.R. BATLIBOI & ASSOCIATES
Firm Registration No. : 101049W
Chartered Accountants

per **Vikas Kumar Pansari**
Partner
Membership No.: 93649

Place : New Delhi
Date : June 28, 2010

for and on behalf of the Board of Directors of
Maytas Infra Limited

Vimal Kishore Kaushik
Managing Director

Arun K. Saha
Director

G. Venkateswar Reddy
Company Secretary

Place : New Delhi
Date : June 28, 2010

Profit and Loss Account for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

	Schedules	For the year ended March 31, 2010	For the year ended March 31, 2009
Income			
Revenues	16	955.44	1,334.87
Other income	17	50.32	75.88
		1,005.76	**1,410.75**
Expenditure			
Decrease / (Increase) in Work-in-Progress	18	70.35	(55.16)
Material consumed	19	258.70	630.72
Personnel expenses	20	53.30	113.09
Contract expenses	21	634.27	759.36
Administrative and Selling expenses	22	33.80	92.53
Financial expenses	23	150.94	180.88
Depreciation/Amortisation (Refer Note 3 of Schedule 25)	6 & 7	83.67	67.59
		1,285.03	**1,789.01**
Add : Company's share in Loss of integrated Joint Ventures		(1.80)	(18.29)
Loss before exceptional items, tax and prior period items		**(281.07)**	**(396.55)**
Exceptional items (net)	24	39.48	(65.30)
Loss before tax and prior period items		**(241.59)**	**(461.85)**
Provision for taxation			
- Fringe benefit tax		-	1.30
- Deferred tax charge		-	0.64
- Taxes for earlier years		-	0.66
Total Tax Expenses		**-**	**2.60**
Loss after tax and before prior period items		**(241.59)**	**(464.45)**
Prior period items (net) (net of tax Rs. Nil) (Refer Note 28 of Schedule 25)		8.05	25.34
Loss after tax		**(249.64)**	**(489.79)**
Add: Balance brought forward from previous year		(185.69)	293.05
Appropriations			
Transferred from general reserve		-	(11.05)
Deficit carried to Balance Sheet		**(435.33)**	**(185.69)**
Earnings per share (in Rupees)			
(Refer Note 34 of Schedule 25)			
Basic		(42.42)	(83.23)
Diluted		(42.42)	(83.23)
Nominal value of shares		10.00	10.00
Notes to Accounts	25		

The schedules referred to above and notes to accounts form an integral part of Profit and Loss Account.

This is the Profit and Loss Account referred to in our report of even date.

for S.R. BATLIBOI & ASSOCIATES
Firm Registration No. : 101049W
Chartered Accountants

per **Vikas Kumar Pansari**
Partner
Membership No.: 93649

Place : New Delhi
Date : June 28, 2010

for and on behalf of the Board of Directors of
Maytas Infra Limited

Vimal Kishore Kaushik
Managing Director

Arun K. Saha
Director

G. Venkateswar Reddy
Company Secretary

Place : New Delhi
Date : June 28, 2010

Cash flow statement for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

		for the year ended 2009 - 10	for the year ended 2008 - 09
A. Cash flow from operating activities			
Net (Loss) before taxation and prior period items		**(241.59)**	**(461.85)**
Less : Prior period expenses (net of tax Rs. Nil)		(8.05)	(25.34)
Adjustments for:			
Company's share of loss / (profit) from integrated Joint Ventures		1.80	18.29
Depreciation / amortisation		83.67	67.59
Unrealised foreign exchange loss/(gain) - (net)		(19.24)	34.05
Unrealised foreign exchange loss / (gain) on derivatives (net)		1.12	(8.37)
Liabilities no longer required written back		(15.31)	(2.23)
Provision for retirement benefits		(1.61)	1.09
Interest income		(4.29)	(55.54)
Income from Mutual Funds		(0.78)	-
Loss on sale / discard of fixed assets (net)		2.02	0.62
Profit on settlement of projects		(6.59)	-
Interest expense		141.29	168.43
Employee stock compensation expenses		0.22	0.11
Provision for estimated losses		36.44	12.49
Provision for future loss on settlement of a contract		2.03	12.64
Provision for liquidated damages		4.19	10.55
Gains on transfer of investments		(265.00)	-
Gain on one time settlement with banks		(121.63)	-
Reversal of CDR interest		(21.04)	-
Profit on sale of investments		(4.05)	-
Long term investments written off		-	0.30
Provision for diminution in value of Long term investments		8.60	0.04
Provision for Performance Bank Guarantee invoked		54.69	-
Advances written off		109.05	9.88
Bad debts written off		52.70	-
Stock written off		9.67	-
Work-in-progress written off		70.68	-
Provision for doubtful debtors/advances/interest accrued on deposits		66.85	47.37
Operating loss before working capital changes		**(64.16)**	**(169.88)**
Movements in working capital :			
Decrease / (Increase) in sundry debtors		(130.84)	162.98
Decrease / (Increase) in inventories		44.90	(73.43)
Decrease / (Increase) in loans and advances		96.42	(361.09)
Decrease / (Increase) in other current assets		1.23	(25.61)
Increase/(Decrease) in current liabilities and provisions		60.76	(78.97)
Cash used in operations		**8.31**	**(546.00)**
Direct taxes paid		(21.00)	(39.44)
Net cash (used) in operating activities	**(A)**	**(12.69)**	**(585.44)**
B. Cash flows from investing activities			
Purchase of fixed assets		(10.36)	(81.93)
Proceeds from Sale of fixed assets		2.21	7.95
Purchase of Investments in associates		-	(72.92)
Investment in Mutual funds (net)		(30.38)	-
Proceeds from Sale of Investments including share application money in asscociates and joint ventures		32.99	-
Purchase of investment in subsidiaries		-	(3.43)
Advance to subsidiaries		0.05	(16.10)
Invested as share application money		(8.02)	(16.08)
Invested as debenture application money		-	(1.03)
Investment in Short term deposits (net)		9.86	(14.56)
Cash and Bank balances acquired from Joint Ventures *(Refer note 27 on Schedule 25)*		5.10	-
Interest received		3.80	10.63
Income from mutual funds received		0.78	-
Net cash from / (used) in investing activities	**(B)**	**6.03**	**(187.47)**

Cash flow statement for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

		for the year ended 2009 - 10	for the year ended 2008 - 09
C. Cash flows from financing activities			
Proceeds from issuance of share capital		-	0.03
Proceeds from long term borrowings		66.98	1,091.96
Proceeds received as per Company Law Board Order (Promoter's Contribution)		55.00	-
Short term borrowings (Net)		-	351.48
Repayment of long term borrowings		(90.07)	(762.67)
Interest paid		(20.20)	(139.51)
Dividends paid		-	(8.83)
Tax on Dividend paid		-	(1.50)
Net cash from financing activities	**(C)**	**11.71**	**530.96**
Net (Decrease) in cash and cash equivalents (A + B + C)		**5.05**	**(241.95)**
Cash and cash equivalents as at the beginning of the year		15.18	257.13
Cash and cash equivalents as at the end of the year		20.23	15.18
Reconciliation of Cash and Cash equivalents :			
Components of Cash and Cash equivalents			
Cash and cheques on hand		0.26	0.24
Balance with banks :			
- on Current accounts		19.97	14.94
- on Unpaid dividend accounts*		0.00	0.00
Total Cash and cash equivalents		**20.23**	**15.18**
Add :			
Fixed Deposit Accounts not considered as cash equivalents		7.72	8.49
Margin money deposits not considered as cash equivalents		24.53	33.62
Cash and Bank balances as per Schedule 11		**52.48**	**57.29**

* These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.

During the current year, certain investments (including share application money) in subsidiaries, associates and joint ventures were sold to Maytas Investment Trust for a total consideration of Rs 575. The said transaction is considered as non cash transaction for the purpose of cash flow. *(Refer Note 6(e) of Schedule 25)*.

This is the cashflow statement referred in our report of even date.

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

per **Vikas Kumar Pansari**
Partner
Membership No.: 93649

Place : New Delhi
Date : June 28, 2010

for and on behalf of the Board of Directors of Maytas Infra Limited

Vimal Kishore Kaushik	**Arun K. Saha**	**G. Venkateswar Reddy**
Managing Director	Director	Company Secretary

Place : New Delhi
Date : June 28, 2010

Schedules to Balance Sheet

(All amounts in Rs. Crore except for share data or as otherwise stated)

	As at March 31, 2010		As at March 31, 2009	
Schedule 1 : Share Capital				
Authorised				
75,000,000 (March 31, 2009 : 75,000,000) equity shares of Rs.10 each		75.00		75.00
Issued, subscribed and paid up				
58,850,856 (March 31, 2009 : 58,850,856) equity shares of Rs.10 each fully paid		58.85		58.85
Notes :				
1. Of the above equity shares, 40,000,000 (March 31, 2009 : 40,000,000) equity shares of Rs.10 each were allotted as fully paid bonus shares by capitalisation of General Reserve.				
2. Refer Note 16 (a) and 16 (b) of Schedule 25 for disclosure on Initial Public Offer and option on unissued share capital.				
Schedule 2 : Employee Stock options Outstanding				
(Refer Note 16 (b) of Schedule 25) (i)				
Employee stock options outstanding	0.47		0.47	
Less : Deferred Employee compensation cost	0.14		0.36	
		0.33		**0.11**
Schedule 3 : Reserves and Surplus				
General Reserve				
Balance as per last Balance Sheet	-		11.05	
Add: Transferred to Profit and Loss Account	-		(11.05)	
		-		-
Securities Premium Account				
Balance as per last Balance Sheet	289.92		289.89	
Add : Received during the year from ESOP allotment	-		0.03	
		289.92		289.92
		289.92		**289.92**
Schedule 4 : Secured Loans ***(Refer Note No. 6, 7 , 8 and 11 of Schedule 25)***				
From Banks				
Foreign currency loans [including Buyer's line Credit Rs.2.83 (March 31, 2009 : Rs.22.22)]		104.40		153.51
[Repayable within one year Rs. 40.83 (March 31, 2009 : Rs.69.38)]				
Term loan/Working capital term loan (net of offset/adjustment of Rs. 575 (March 31, 2009 : Rs. Nil) receivable from Maytas Investment Trust)		340.75		440.12
[Repayable within one year Rs.219.95 (March 31, 2009 : Rs.297.15)]				
Working Capital Loans [includes Rs.46.60 (March 31, 2009: Rs. Nil) not forming part of CDR]		304.60		577.32
Bank Guarantees Devolved		-		398.53
Interest accrued and due		13.08		13.90
From others				
Term loans		30.35		5.00
[Repayable within one year Rs. 30.35 (March 31, 2009 : Rs.5)]				
Vehicle loans		0.35		2.13
[Repayable within one year Rs.0.35 (March 31, 2009 : Rs.1.33)]				
Interest accrued and due		0.21		0.10
		793.74		**1,590.61**
Schedule 5 : Unsecured Loans				
From Banks		39.94		70.00
[Repayable within one year Rs.39.94 (March 31, 2009 : Rs.70)]				
Interest accrued and Due		7.75		2.73
From Others				
Dues to Directors		-		0.03
[Repayable within one year Rs. Nil (March 31, 2009 : Rs. 0.03)]				
Promoter's Contribution *(Refer Note 6 (c) of Schedule 25)*		55.00		-
Finance lease obligation		3.65		3.85
[Repayable within one year Rs. 0.20 (March 31, 2009 : Rs.0.18)]				
		106.34		**76.61**

Schedules to Balance Sheet

(All amounts in Rs. Crore except for share data or as otherwise stated)

Schedule 6: Fixed Assets

Description	Gross Block					Depreciation					Net Block	
	As at April 1, 2009	Additions during the year	Deletions during the year	Adjust-ments #	As at March 31, 2010	As at April 1, 2009	For the year	On deletions/ adjust-ments	Adjust-ments #	As at March 31, 2010	As at March 31, 2010	As at March 31, 2009
Freehold Land	6.33	-	-	-	6.33	-	-	-	-	-	6.33	6.33
Buildings	0.17	-	-	-	0.17	0.00	0.00	-	-	0.00	0.17	0.17
Temporary erections - Site offices	22.73	0.13	1.21	1.42	23.07	15.82	6.10	0.52	1.09	22.49	0.58	6.91
Lease hold improvements *	4.09	-	0.05	-	4.04	0.89	0.41	0.01	-	1.29	2.75	3.20
Plant and machinery - Construction equipment ^ ^	460.09	19.41	12.84	2.56	469.22	97.33	72.53	3.50	1.13	167.49	301.73	362.76
Site infrastructure	8.42	-	3.16	-	5.26	1.62	1.55	0.97	-	2.20	3.06	6.80
Office equipment	4.79	0.10	0.42	0.01	4.48	0.97	0.28	0.06	0.00	1.19	3.29	3.82
Tools and implements	5.21	0.19	0.64	0.38	5.14	5.21	0.24	0.65	0.22	5.02	0.12	-
Data processing equipments	7.32	0.01	1.21	0.04	6.16	2.67	1.03	0.65	0.03	3.08	3.08	4.65
Furniture and fixtures	4.12	0.04	0.69	0.04	3.51	2.05	0.17	0.22	0.01	2.01	1.50	2.07
Vehicles	11.71	0.06	2.31	0.16	9.62	3.52	0.92	0.40	0.08	4.12	5.50	8.19
Grand Total	**534.98**	**19.94**	**22.53**	**4.61**	**537.00**	**130.08**	**83.23**	**6.98**	**2.56**	**208.89**	**328.11**	**404.90**
Previous Year	**431.66**	**118.11**	**14.79**	**-**	**534.98**	**63.36**	**67.40**	**0.68**	**-**	**130.08**	**404.90**	**-**
Capital work-in-progress including capital advances$											**7.25**	**26.34**

* Leasehold improvements represent fixtures taken on finance lease.

^ ^ Plant and Machinery - Construction equipment

1. Plant and Machinery - Construction equipment (Gross Block) includes shuttering and scaffolding material Rs. 45.77 (March 31, 2009 : Rs. 52.95). Net block value of this shuttering and scaffolding material is Rs. 18.31 (March 31, 2009 : Rs. 41.81)
2. Deletions during the year includes cenvat capitalised in earlier years, credit of which is taken in the current year Rs. Nil (March 31, 2009 : Rs. 5.44)
3. Plant and Machinery - Construction equipment includes equipment given on Operating Lease (*Refer Note 3 of Schedule 25*)

Description	March 31, 2010	March 31, 2009
Gross book value	120.95	82.42
Accumulated depreciation	19.69	8.67
Depreciation for the year	20.13	9.31
Net book value	81.13	64.44

$ includes capital advances of Rs.5.93 (March 31, 2009 : Rs.6.13)

 # Refer Note 27 of Schedule 25

Schedules to Balance Sheet

(All amounts in Rs. Crore except for share data or as otherwise stated)

Schedule 7: Intangible Assets

Description	Gross Block					Amortisation					Net Block	
	As at April 1, 2009	Additions during the year	Deletions during the year	Adjust-ments	As at March 31, 2010	As at April 1, 2009	For the year	On deletions / adjust-ments	Adjust-ments	As at March 31, 2010	As at March 31, 2010	As at March 31, 2009
Computer software	1.17	0.27	0.11	-	1.33	0.97	0.44	0.08	-	1.33	-	0.20
Grand Total	**1.17**	**0.27**	**0.11**	**-**	**1.33**	**0.97**	**0.44**	**0.08**	**-**	**1.33**	**-**	**0.20**
Previous Year	1.01	0.31	0.15	-	1.17	0.78	0.19	-	-	0.97	0.20	-

Schedules to Balance Sheet

(All amounts in Rs. Crore except for share data or as otherwise stated)

	Face Value	As at March 31, 2010		As at March 31, 2009	
		Number	Amount	Number	Amount
Schedule 8 : Investments (Unquoted)					
(Refer Note 19 and 27 of Schedule 25)					
Long term, Trade (At cost)					
I. In Equity Shares (fully paid up)					
1. GVK Gautami Power Limited (formerly known as Gautami Power Limited)	10	-	-	96,801,733	96.80
2. Paschal Form Work (India) Private Limited	10	-	-	1,624,725	1.62
3. Paschal Technology (India) Private Limited	10	-	-	27,472	0.03
4. KVK Power and Infrastructure Private Limited	10	4,000,000	4.00	-	-
II. In Preference shares (fully paid up)					
1. KVK Power and Infrastructure Private Limited	10	4,550,000	4.55	-	-
			8.55		**98.45**
Less : Diminution in value of investments			8.55		-
A			**-**		**98.45**
III. In Subsidiaries - Equity shares (fully paid up)					
1. Maytas Infra Assets Limited	10	50,000	0.05	50,000	0.05
2. Maytas Mineral Resources Limited	10	50,000	0.05	50,000	0.05
3. Pondicherry Tindivanam Tollway Limited	10	-	-	1,817,160	17.27
4. Maytas Vasishta Varadhi Limited	10	50,000	0.05	50,000	0.05
5. Maytas Metro Limited	10	44,995	0.04	44,995	0.04
			0.19		**17.46**
Less : Diminution in value of investments			0.09		0.04
B			**0.10**		**17.42**
IV. In Joint Ventures					
in Equity shares (fully paid up)					
1. Brindavan Infrastructure Company Limited	10	-	-	9,999,925	10.00
2. Bangalore Elevated Tollway Limited	10	-	-	5,181,907	51.10
3. KVK Power and Infrastructure Private Limited	10	-	-	4,000,000	4.00
4. Western UP Tollway Limited	10	-	-	2,458,500	22.56
5. KVK Nilachal Power Private Limited	10	-	-	5,180,000	49.55
6. Himachal Sorang Power Limited (formerly known as Himachal Sorang Power Private Limited)	10	-	-	90,990	0.88
7. SV Power Private Limited	10	-	-	3,195,509	29.03
8. Cyberabad Expressways Limited	10	-	-	990,000	0.99
9. Hyderabad Expressways Limited	10	-	-	990,000	0.99
10. Gulbarga Airport Developers Private Limited	10	3,700	0.00	3,700	0.00
11. Shimoga Airport Developers Private Limited	10	3,700	0.00	3,700	0.00
12. Machilipatnam Port Limited	10	-	-	30,000	0.03
in Preference shares (fully paid up)					
1. Brindavan Infrastructure Company Limited	100	-	-	500,000	5.00
in Association of Persons #					
1. Maytas - NCC (JV)			-		35.43
2. NCC - Maytas (JV)			-		1.82
3. NEC - NCC - Maytas (JV)			1.26		2.15
4. Maytas SNC (JV)			0.10		-
5. NCC - Maytas (JV)			1.07		3.11
6. Maytas - CTR (JV)			1.60		0.75
7. NCC - Maytas - ZVS (JV)			2.14		2.70
C			**6.17**		**220.09**
A+B+C			**6.27**		**335.96**
Current investments - Non Trade					
(At lower of cost and market value)					
1. L I C M F Liquid Fund - Growth plan		18,051,774	30.38	-	-
			30.38		**-**
Aggregate Net Asset Value as at March 31, 2010 : Rs. 30.44 (March 31, 2009 : Rs. Nil)					
			36.65		**335.96**

Includes Company's share of profit / loss in such entities.

Schedules to Balance Sheet

(All amounts in Rs. Crore except for share data or as otherwise stated)

	As at March 31, 2010		As at March 31, 2009	
Schedule 9 : Inventories (*Refer Note 2 (g) and 9 of Schedule 25*)				
Materials		38.33		87.84
Work-in-progress		115.64		212.47
		153.97		**300.31**
Schedule 10 : Sundry Debtors (Unsecured, considered good except as otherwise stated) (*Refer Note 9 of Schedule 25*)				
Debts outstanding for a period exceeding six months				
Considered good *	355.31		274.81	
Considered doubtful	1.54	356.85	6.08	280.89
Other debts				
Considered good #	194.79		201.98	
Considered doubtful	-	194.79	3.98	205.96
		551.64		486.85
Less : Provision for doubtful debts		1.54		10.06
* includes retention money : Rs.112.58 (March 31, 2009 : Rs.119.15)				
# includes retention money : Rs.34.31 (March 31, 2009 : Rs.27.32)				
		550.10		**476.79**
Schedule 11 : Cash and Bank balances				
Cash in hand				
Balances with Scheduled Banks				
(Refer Note 16 (a) of Schedule 25 for details of unutilised monies out of the public issue)				
Cash in hand		0.26		0.24
Balances with Scheduled Banks				
- on current accounts		19.97		14.94
- on margin money deposits *		24.53		33.62
- on deposits#		7.72		8.49
- on unpaid dividend account		0.00		0.00
* lodged with authorities				
# under lien				
		52.48		**57.29**

Schedules to Balance Sheet
(All amounts in Rs. Crore except for share data or as otherwise stated)

	As at March 31, 2010		As at March 31, 2009	
Schedule 12 : Other current assets (Unsecured, considered good except as otherwise stated)				
Interest accrued on deposits				
Considered good	1.64		49.25	
Considered doubtful	48.10		-	
		49.74		49.25
Claim for performance bank guarantee *(Refer Note 9 of Schedule 25)*				
Considered good	19.60		32.13	
Considered doubtful	54.69		-	
		74.29		32.13
Fixed assets held for sale		11.36		-
Other Receivables		0.93		2.16
		136.32		83.54
Less : Provision for doubtful Other Current Assets		102.79		-
		33.53		**83.54**
Schedule 13 : Loans and advances (Unsecured, considered good except as otherwise stated)				
(Refer Note 9 , 10 and 18 of Schedule 25)				
Share Application Money to Subsidiaries				
Considered good	4.21		7.17	
Considered doubtful	21.26	25.47	15.44	22.61
Share / Debenture Application Money to Others		1.68		73.97
Advances to Subsidiaries				
Considered good	0.17		16.19	
Considered doubtful	4.60	4.77	-	16.19
Dues from Joint Ventures		13.01		107.74
Advances recoverable in cash or kind or for value to be received				
Considered good	75.43		77.82	
Considered doubtful	17.95	93.38	21.87	99.69
Inter corporate deposits		391.64		391.64
Deposits - others				
Considered good	7.53		10.21	
Considered doubtful	0.47	8.00	-	10.21
Unamortised exchange premium		-		0.13
Deferred revenue receivable		3.04		-
Sales tax deducted at source		5.70		13.87
Service tax credit receivable		2.95		17.12
Advance Income tax (Net of provision of Rs. 50.91 (March 31, 2009 : Rs. 50.91))		86.88		65.88
		636.52		819.05
Less : Provision for Doubtful advances		44.28		37.31
		592.24		**781.74**

Schedules to Balance Sheet
(All amounts in Rs. Crore except for share data or as otherwise stated)

	As at March 31, 2010	As at March 31, 2009
Schedule 14 : Current Liabilities		
Sundry creditors		
a) total outstanding dues to Micro and Small Enterprises *(Refer Note 22 of Schedule 25)*	0.39	7.39
b) total outstanding dues of Creditors other than Micro and Small Enterprises	122.36	133.97
Dues to Joint Ventures	14.81	14.50
Advances from customers	66.65	135.88
Mobilisation Advance	164.50	124.42
Unclaimed dividend (Investor Education and Protection Fund shall be credited as and when due)	0.00	0.00
Book Overdraft	-	0.23
Dues to Sub-Contractors	61.46	90.27
Security deposits payable	53.71	40.94
Interest accrued but not due	8.02	16.55
Other liabilities	29.63	31.56
	521.53	**595.71**
Schedule 15 : Provisions		
Estimated future loss on projects *(Refer Note 14 (a) of Schedule 25)*	44.28	12.49
Estimated loss on settlement of project *(Refer Note 14 (b) of Schedule 25)*	2.03	12.64
Liquidated Damages *(Refer Note 15 of Schedule 25)*	14.74	10.55
Fringe benefit tax (net of advance tax payments Rs. Nil (March 31, 2009 : Rs. 1.10))	0.00	0.20
Gratuity *(Refer Note 17 (b) of Schedule 25)*	1.76	2.18
Compensated absences	1.87	2.89
	64.68	**40.95**

Schedules to Profit and Loss Account

(All amounts in Rs. Crore except for share data or as otherwise stated)

	For the year ended March 31, 2010		For the year ended March 31, 2009	
Schedule 16 : Revenues				
Revenue from contracts *(Refer Note 27 of Schedule 25)*		910.59		1,314.68
Equipment hire charges		44.85		20.19
		955.44		**1,334.87**
Schedule 17 : Other Income				
Interest on				
Bank Deposits (TDS Rs. 0.42 (March 31, 2009 : Rs. 1.65))		3.17		5.27
Inter corporate Deposits (TDS Rs. Nil (March 31, 2009 : Rs. 0.02))		-		46.25
Other Deposits (TDS Rs. Nil (March 31, 2009 : Rs. Nil))		1.12		-
Loans to Joint Ventures		0.00		4.02
Gain on foreign currency fluctuation (Net)		18.92		-
Loss on Derivatives written back		-		9.83
Liabilities no longer required written back		15.31		2.23
Income from Mutual Funds (Non trade and current investment) *(Refer Note 19(c) of Schedule 25)*		0.78		-
Profit on settlement of projects (net)		6.59		-
Profit on sale of materials		0.20		-
Miscellaneous receipts		4.23		8.28
		50.32		**75.88**
Schedule 18 : Decrease/(Increase) in Work-in-Progress				
Opening work-in-progress	212.47		157.31	
Less : Work-in-progress written off	70.68		-	
Less : Adjustment on settlement of project	25.17		-	
Add : Work-in-progress acquired from Joint Ventures *(Refer Note 27 of Schedule 25)*	69.37	185.99	-	157.31
Closing work-in-progress		115.64		212.47
		70.35		**(55.16)**
Schedule 19 : Material consumed				
Opening stock		87.84		69.57
Add : Purchases		249.05		648.99
Add : Material acquired from Joint Ventures *(Refer Note 27 of Schedule 25)*		2.57		-
		339.46		718.56
Less : Stock written off		9.67		-
Less : Cost of material sold		32.76		-
		297.03		718.56
Less : Closing stock		38.33		87.84
		258.70		**630.72**
Schedule 20 : Personnel expenses				
Salaries, bonus and other allowances		46.66		99.92
Contribution to provident fund and others *(Refer Note 17 (a) of Schedule 25)*		2.61		5.62
Gratuity *(Refer Note 17 (b) of Schedule 25)*		0.04		0.76
Compensated absences		1.68		2.23
Staff welfare expenses		2.09		4.45
Employee stock compensation expenses		0.22		0.11
		53.30		**113.09**
Schedule 21 : Contract expenses				
Site expenses		9.58		16.96
Subcontractor expenses		508.61		586.29
Hire Charges		6.66		18.24
Freight and transportation		3.92		9.31
Wages and benefits to workers		16.39		24.28
Insurance - Projects		2.52		4.49
Insurance - others		0.82		0.84
Power and fuel		1.18		2.56
Repairs and maintenance				
Plant and machinery		3.38		3.15
Buildings		0.10		0.37
Others		1.66		1.93
Sales tax		33.42		37.20
Service tax		3.37		18.06
Provision for estimated future losses		36.44		12.49
Provision for future loss on settlement of project		2.03		12.64
Provision for liquidated damages (net)		4.19		10.55
		634.27		**759.36**

Schedules to Profit and Loss Account

(All amounts in Rs. Crore except for share data or as otherwise stated)

	For the year ended March 31, 2010		For the year ended March 31, 2009	
Schedule 22 : Administration and Selling expenses				
Rent		6.01		11.78
Rates and taxes		5.11		1.98
Office maintenance		2.32		3.28
Communication expenses		1.37		3.36
Printing and stationery		0.68		1.83
Legal and professional charges		8.74		14.79
Tender expenses		0.09		0.69
Business promotion		0.43		1.24
Travelling and conveyance		4.17		12.23
Auditors' remuneration *(Refer Note 33 of Schedule 25)*		1.02		0.62
Directors sitting fees		-		0.04
Membership and subscription		0.04		0.13
Staff recruitment expenses		0.08		0.91
Donations		0.02		0.21
Loss on exchange fluctuation (Net)		-		37.76
Loss on derivatives		1.12		-
Loss on sale/discard of assets (Net)		2.02		0.62
Miscellaneous expenses		0.58		1.06
		33.80		**92.53**
Schedule 23 : Financial expenses				
Interest on fixed period loans		75.48		116.23
Interest on others		65.81		52.20
Lease finance charges		0.43		0.45
Bank charges		9.22		12.00
		150.94		**180.88**
Schedule 24 : Exceptional items (net)				
Gains on transfer of investments *(Refer Note 6(e) of Schedule 25)*		265.00		-
Gain on one time settlement with banks *(Refer Note 7 of Schedule 25)*		121.63		-
Reversal of CDR interest *(Refer Note 6 (e) of Schedule 25)*		21.04		-
Income from sale of long term investments		4.05		-
Write off of long term investments		-		(0.30)
Provision for diminution in value of long term investments		(8.60)		(0.04)
Provision for Performance Bank Guarantee invoked *(Refer Note 9 of Schedule 25)*		(54.69)		-
Advances written off		(109.05)		(9.88)
Bad debts written off		(52.70)		-
Stock written off		(9.67)		-
Work-in-progress written off		(70.68)		-
Provision for doubtful debtors/advances/interest accrued on deposits	(46.55)			
Add : Adjustment on settlement of a contract	(20.30)	(66.85)		(47.37)
Bank guarantee commission charged off		-		(7.71)
		39.48		**(65.30)**

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

1. **Nature of Operations:**

   Maytas Infra Limited (the 'Company') is a Company registered under the Companies Act, 1956 providing infrastructure facilities. The Company is primarily engaged in the business of erection / construction of roads, irrigation projects, buildings, oil & gas infrastructure, railway infrastructure, power plants and power transmission & distribution lines including rural electrification and development of airports.

2. **Statement of Significant Accounting Policies:**

   (a) **Basis of Preparation :**
   The accompanying financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

   (b) **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. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

   (c) **Revenue Recognition :**

   Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

   i) Revenue from long term construction contracts is recognized on the percentage of completion method as mentioned in Accounting Standard (AS) 7 "Construction Contracts" notified by the Companies Accounting Standards Rules, 2006 (as amended). Percentage of completion is determined on the basis of surveys performed. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for. The effect of any adjustment arising from revisions to estimates is included in the Income Statement of the period in which revisions are made. The revenue on account of claims is accounted for based on Management's estimate of the probability that such claims would be admitted either wholly or in part.

   ii) Revenue from hire charges is accounted for in accordance with the terms of agreement with the customers.

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

   iv) Dividend is recognised as and when the right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognized even if the same are declared after the Balance Sheet date but pertains to period on or before the date of balance sheet.

   (d) **Fixed Assets and Depreciation :**

   i) Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, freight, duties, taxes and any attributable cost of bringing the asset to its working condition for its intended use. Finance costs relating to acquisition of fixed assets which take substantial period of time to get ready for use are included to the extent they relate to the period till such assets are ready for intended use.

   ii) Assets retired from active use and held for disposal are stated at their estimated net realisable values or net book values, whichever is lower.

   iii) Assets acquired under finance lease are depreciated on straight line basis over the lease term or useful life, whichever is lower.

   iv) Depreciation on fixed assets other than those mentioned in S. No. (v) below, is provided on straight line method, based on useful life of the assets as estimated by the Management which coincides with rates prescribed under Schedule XIV to the Companies Act, 1956.

   v) Depreciation on the following fixed assets is provided on a straight-line basis, at the rates that are higher than those specified in Schedule XIV to the Companies Act, 1956 and are based on useful lives as estimated by Management:

   - Tools and implements are depreciated fully in the year of purchase.
   - Plant and machinery – construction equipment at project sites consisting of shuttering /scaffolding material and equipments given on hire are depreciated over a period of six years.
   - Temporary erections in the nature of site offices are depreciated over the period of the respective project.
   - Site infrastructure is depreciated over a period of six years.

   vi) Assets costing five thousand rupees or less are fully depreciated in the year of purchase.

   (e) **Intangible Assets - Computer Software :**

   Computer software license cost is expensed in the year of purchase as there is no expected future economic benefit, except for enterprise wide/project based software license cost which is amortized over its useful life of three years.

   (f) **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. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

   (g) **Inventories:**

   (i) Materials at site are valued at the lower of cost and estimated net realizable value. Cost is determined on a weighted average basis.

(ii) Work-in-progress related to project and construction is valued at cost till such time the outcome of the related project is ascertained reliably and at contractual rates thereafter.

Net realisable value is the estimated selling price in the ordinary course of business, reduced by the estimated costs of completion and costs to affect the sale.

(h) **Retirement and Other Employee Benefits:**

(i) Retirement benefits in the form of provident fund, a defined contribution scheme is charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no obligations other than the contribution payable to the respective authorities.

(ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected unit credit method made at the end of each financial year.

(iii) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation on Projected unit credit method made at the end of each financial year.

(iv) Actuarial gains / losses are immediately taken to Profit and Loss Account and are not deferred.

(i) **Income Taxes:**

Tax expense consists of current and deferred 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, 1961. Deferred income tax 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 realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax asset is recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a 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 asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

(j) **Foreign currency transactions:**

- ***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 a monetary item that, in substance, form part of the Company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

  Exchange differences arising on the settlement of monetary items or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

- ***Forward exchange contracts not intended for trading or speculation purposes***

  The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. 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 as expense for the year.

- ***Accounting for Derivative Instruments***

  As per the announcement of the Institute of Chartered Accountants of India (ICAI) on accounting for derivative contracts, derivative contracts other than those covered under AS –11, are marked to market on a transaction basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

(k) **Leases :**

- ***Where the Company is a Lessee***

  Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

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

- ***Where the Company is a Lessor***

  Assets under operating leases are included in fixed assets. Lease income is recognised in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Profit and Loss Account.

(l) **Accounting for Joint Ventures:**

Accounting for joint ventures undertaken by the Company has been done in accordance with the requirements of AS – 27 "Financial Reporting of Interests in Joint Venture" notified by the Companies Accounting Standards Rules, 2006 (as amended) as follows:

- ***Jointly Controlled Operations:***

  In respect of joint venture contracts which are executed under work sharing arrangements, Company's share of revenues, expenses, assets and liabilities are included in the financials statements as revenues, expenses, assets and liabilities respectively. In case of certain construction contracts in the irrigation sector, the revenue has been recognized based on share of work certified by the lead partner.

- ***Jointly Controlled Entities:***

  Investments made in integrated joint ventures registered in the form of partnership firms or Association of Persons (AoPs) are classified as Jointly Controlled Entities in terms of Accounting Standard (AS) – 27 "Financial Reporting of Interest in Joint Ventures" notified by Companies Accounting Standards Rules, 2006 (as amended) and Company's share in profit/losses of the respective entities is recognized in the financial statements. The net investment in the joint ventures is reflected as investment or loans and advances. Company's share in profits of the incorporated joint ventures is accounted when the dividends are declared by the respective joint venture companies.

(m) **Earnings per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average of number of equity shares outstanding during the period are adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year 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.

(n) **Impairment:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized 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 its 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.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(o) **Provisions:**

A provision is recognised when the Company has a present obligation as a result of past event i.e., 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 are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(p) **Cash and Cash Equivalents:**

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

(q) **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 ICAI. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense, if any, is amortized over the vesting period of the option on a straight line basis.

3. Changes in Estimates:

Change in Useful life of Fixed Assets

In the current year, based on technical estimates, the Company has re-estimated the useful lives for certain category of Fixed Assets with effect from April 1, 2009. The management believes that such change will give a systematic basis of depreciation charge more representative of the time pattern in which the economic benefits will be derived from the use of such asset.

Had the Company continued to use the earlier basis of providing depreciation, the depreciation and loss for the current year would have been lower by Rs. 6.48 and net block for the current year would have been higher by Rs. 6.48.

4. Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 0.95 (March 31, 2009: Rs. 2.13).

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

5. Contingent Liabilities not provided for:

Sl. No.	Particulars	As at March 31, 2010	As at March 31, 2009
(a)	Claims against the Company not acknowledged as debts	8.41	2.29
(b)	Outstanding bank guarantees (excluding performance obligations)	243.20	583.63
(c)	Guarantees issued by bankers, financial institutions on behalf of the Company towards performance obligations	616.56	682.50
(d)	Direct and indirect taxes under dispute	60.04	11.87
(e)	Corporate guarantee given	-	10.00
(f)	Liquidated damages	84.62	-
(g)	During the year, the Company has Guaranteed to the lenders to make good the short fall, if any, on redemption of Pass Through Certificates issued by Maytas Investment Trust as per the CDR terms (Refer Note No. 6(e) below).		

Based on the internal assessment and / or legal opinion, the Management is confident that for the above mentioned contingent liabilities, no provision is required to be made as at March 31, 2010.

6. Going Concern:

The Company has recorded a net loss of Rs. 249.64 for the year and has accumulated losses of Rs. 435.33 as at March 31, 2010, resulting in substantial erosion of the net worth. Some of the projects which have been cancelled during financial year 2008-09 as discussed in detail in note 9 below are settled or are under various stages of legal / settlement proceedings. There were lower cash inflows from existing projects. During the year, the Company has got contracts for new projects and has bid for many other projects. The Management is confident that the Company will be able to generate profits in future years and meet its financial obligation as they arise. The accompanying Financial Statements have been prepared on a going concern basis based on cumulative impact of following mitigating factors:

a) The Company has an order book of Rs.7,500 approximately (includes its share in Joint Venture) as at March 31, 2010.

b) The new promoters Infrastructure Leasing and Financial Services Limited (IL & FS) and the Government nominee directors on the board have taken significant steps for revival and restoration of operations of the Company.

c) The new promoters (IL & FS) have provided liquidity support of Rs. 55 (repayment schedule not specified) to the Company in terms of the Company Law Board Order and also have arranged Rs. 40 by way of loan and Rs. 20 towards non-fund based limits.

d) The Company has set up Credit limits of Rs. 50 by way of fund based and Rs. 200 towards non-fund based limits with a scheduled bank.

e) The Company had obtained an approval for the Debt Restructuring from the CDR Empowered Group in July, 2009. Upon induction of IL & FS as the new Promoter, the scheme has been modified and approval of the Lenders was obtained at its meeting held on March 30, 2010. The Company has obtained formal Letter of Approval dated June 26, 2010 from the CDR Empowered Group incorporating attendant terms and conditions. The Master Restructuring Agreement is under execution.

The salient features of CDR are as follows:

- Repayment of Term Loan has been restructured over a period of 6 years, commencing September 30, 2010.
- Fund based working capital facility has been carved out based on the drawing power of the Company as at March 31, 2010.
- Restructuring of Interest rates @ 8% p.a. for the year ended March 31, 2010 and at varying rates thereafter.
- Conversion of debt of Rs. 250 into 6% Optionally Convertible Cumulative Redeemable Preference Shares.
- Conversion of accrued interest upto March, 2010, into a Funded Interest Term Loan (FITL) and issuance of Preference (carrying 6% coupon rate) / Equity Capital to discharge the FITL obligation.
- The Company has settled an irrevocable trust, namely, Maytas Investment Trust (Trust). The Company has transferred its investments aggregating to Rs.310 in diverse BOT Projects at fair value aggregating to Rs.575 to the Trust during the year. The Company has also transferred equivalent amount of corresponding debt to the Trust. The Trust in turn has issued Pass Through Certificates (PTC) to the lenders and has vested the economic benefits arising out of the foregoing investments to the lenders. The aforesaid adjustment in the financials is carried out as per an expert opinion. The Company is liable for shortfall, if any, that may arise in the eventual settlement of the PTCs through an orderly disposal of BOT Investments and recovery of Inter Corporate Deposits (ICDs). The Company has also agreed to hypothecate ICDs aggregating to Rs. 391.64 and interest receivable thereon in favour of the Lenders.
- Sanction of additional facilities to the Company for capital expenditure and working capital purposes.

Based on an independent opinion, the impact of the CDR scheme has been given in the accompanying Financial Statements, which is as follows:

- Interest rate on the outstanding debts up to March 31, 2010 has been accrued as per the restructured terms. Also, the excess interest accrued for the Previous Year aggregating to Rs. 21.04 has been reversed and accounted for in Profit & Loss Account under exceptional item.
- With regard to FITL an amount of Rs. 104.27 has been transferred to Share Application Money, pending regulatory approvals and issuance of certificates.
- With regard to conversion of Rs. 250 into Optionally Convertible Cumulative Redeemable Preference Shares, pending regulatory approvals and issuance of certificates, the amount has been transferred to Share Application Money.
- As at March 31, 2010, Company has sold certain BOT investments of book value of Rs. 310, to Trust for a consideration of Rs.575 based on fair value arrived by an Independent expert. The Trust has issued PTCs to

(All amounts in Rs. Crore except for share data or as otherwise stated)

the lenders against these investments. Accordingly, the corresponding debt has been offset / adjusted with the receivables from Trust.

(f) The Company has entered into One Time Settlements (as discussed in detail in Note 7 below) with some banks which were not part of CDR Scheme.

(g) The Company has entered into a strategic alliance vide agreement dated June 19, 2010 with the Saudi Bin Ladin Group Company, namely, SBG Projects Investments Limited (SBGPIL) to induct them as the Co-Promoter of the Company along with IL & FS, subject to statutory approvals. Accordingly, the Company would offer 15,459,133 Equity shares of Rs.10 each at a premium of Rs.185.30 per share leading to an investment of around Rs.300 by SBGPIL towards preferential allotment of Equity Shares of the Company, subject to the approval of the Shareholders and other approvals as may be required. Pursuant to this Investment, SBGPIL and IL & FS have announced an Open Offer to acquire further 20% of the Equity Shares of the Company as per SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997.

7. **One Time Settlements (OTS) with Lenders:**

The Company has made OTS proposal to certain banks, which were not part of CDR scheme. The cut off date considered was December 31, 2008. As at March 31, 2010, the Company had entered into One Time Settlement with four banks. The resultant gain on settlement has been accounted for as an exceptional item amounting to Rs. 121.63.

Subsequent to the balance sheet date, two banks have accepted the OTS proposal for which the principal and accrued interest outstanding as at March 31, 2010 amounts to Rs. 91.05.

8. **Borrowings:**

a) **Security details for Secured Loans:**

Nature of Loan	As at March 31, 2010	As at March 31, 2009
Foreign Currency Loan from Banks	• Rs. 101.57 is secured as per CDR package by pari passu first mortgage and charge on Company's all immovable and movable properties both present and future and pari passu first charge on current assets of the Company (Refer Note No. 1 below). • Rs.2.83 is secured by exclusive charge on the equipment financed through such loans.	• Rs.149.60 is secured by exclusive charge on the equipment financed through such loans. • Rs.3.91 is secured by first charge on current assets and second charge on movable fixed assets. Additionally loans aggregating to Rs. 115.30 are secured by personal guarantees given by the Vice Chairman of the Company.
Term Loans from Banks	• Rs.174.38 is secured as per CDR package by pari passu first mortgage and charge on Company's all immovable and movable properties both present and future and pari passu first charge on current assets of the Company (Refer Note No. 1 below). • Rs. 25.58 is secured by pari passu first charge on the current assets of the Company. • Term loans availed towards purchase of machinery aggregating to Rs.74.59 is secured by first charge on machinery & equipment purchased out of the respective loans. • Term loans availed in respect of specific projects aggregating to Rs.30.87 is secured by first charge on the present and future Current assets of the respective projects. • Rs.35.33 is secured by pari passu charge on Investments of Rs.310 (which have been sold to MIT as discussed in Note 6(e) above.	• Term loans availed in respect of specific projects aggregating to Rs. 134.94 is secured by first charge on the present and future Current assets of the respective projects. • Term loans availed towards purchase of machinery aggregating to Rs. 190.18 is secured by first charge on machinery & equipment purchased out of the respective loans. • Term loan amounting to Rs. 40 is secured by a pari passu first charge on the present and future current assets of the Company and by a second charge on the fixed assets of the Company. • Term loans amounting to for Rs. 50 is secured by pari passu first charge on the current assets and unencumbered fixed assets of the Company. • Term loan amounting to Rs. 25 is secured by a residual charge on the current assets and movable fixed assets of the Company. Additionally Term loans aggregating to Rs. 439.05 are secured by personal guarantees given by the Vice Chairman of the Company.

(All amounts in Rs. Crore except for share data or as otherwise stated)

Working capital Loans from Banks	• Rs. 258.00 is secured as per CDR package by Pari passu Hypothecation first charge on Current assets and Pari passu first charge on all immovable and movable assets both present and future (Refer Note No. 1 below). • Rs. 43.50 is secured by first pari passu charge on current assets of the Company. Collaterally secured by pari passu second charge on the unencumbered movable fixed assets and negative lien on the immovable property. • Rs.3.10 is secured by pari passu first charge on the current assets of the Company.	• Working capital facilities are secured by pari passu first charge on the current assets of the Company. Additionally Working capital loans aggregating to Rs. 577.32 are secured by personal guarantees given by the Vice Chairman of the Company.
Bank Guarantees Devolved	Not Applicable	Bank guarantee devolved accounts are secured by pari passu first charge on the current assets of the Company. Additionally secured by personal guarantees given by the Vice Chairman of the Company.
Term Loan from others	• Rs.30.31 is secured by pari passu charge on Investments of Rs.310 (which have been sold to MIT as discussed in Note 6(e) above). • Rs. 0.04 towards purchase of machinery are secured by hypothecation of the machinery and equipment.	Term loans availed towards purchase of machinery is secured by hypothecation of the machinery and equipment.
Vehicle Loan from others	Vehicle loans are secured by hypothecation of the vehicles.	Vehicle loans are secured by hypothecation of the vehicles.

Note:

1. The security for the Loans under CDR is as per the approved package vide Letter of approval dated June 26, 2010 pending necessary filings with the Registrar of Companies for execution of charge.
2. Loans aggregating to Rs. 755.02, which have been additionally secured by personal guarantees given by the Ex Vice Chairman of the Company has not been disclosed above.
3. Pursuant to the One Time Settlement (OTS) with certain banks all charges and securities created by the Company shall be ceded by the lenders in favour of Infrastructure Leasing & Financial Services Limited.

b) **Unsecured loans:**

Nature of Loan	As at March 31, 2010	As at March 31, 2009
From Banks	Nil	• Personal guarantee of Vice Chairman to an extent of Rs.70.

Loans aggregating to Rs.39.94 which have been secured by personal guarantees given by the Ex Vice Chairman of the Company has not been disclosed above.

c) The Company has defaulted on various loan covenants like commitment for minimum promoters share holding, debt service coverage ratio, total debt to net worth etc., in the current as well as previous year. The non-compliance is an event of default under the loan agreement. The Company has been sanctioned a Corporate Debt Restructuring (CDR) package (as referred in para 6(e) above) and also entered into One Time Settlements (OTS) scheme with certain banks (as referred in note 7 above), pursuant to which these defaults were no longer continuing. In case of other banks, the Company has not received any notice for such default.

d) Kotak Mahindra Bank Limited (the Bank) had sanctioned an amount of Rs. 25 to the Company in respect of one of the projects Gujarat State Petronet Limited (GSPL). The Loan was secured against specific receivables from the project. The Bank recovered the dues from project and issued a letter dated July 11, 2008 to the Company confirming the repayment of loan.

Further, the Bank had sanctioned a loan of Rs. 35 for Pondicherry Tindivanam Tollway Limited (PTTL) Project against the security of exclusive charge on the receivables from PTTL Project. However, the Bank had appropriated an amount of Rs. 4.13 received from the GSPL project against the PTTL project loan. After the appropriation the Bank shows a principal outstanding of Rs. 30.87 as on March 31, 2010. The Company shows a principal outstanding of Rs. 30.87 as on March 31, 2010 against the loan after making the adjustment of Rs. 4.13 under protest. The Company is contesting the illegal and unilateral appropriation of funds received against GSPL project by the Bank.

(All amounts in Rs. Crore except for share data or as otherwise stated)

9. Status of Cancelled Projects:

The year end balances against cancelled projects (net of provisions) are as follows:

Particulars		Amount as at March 31, 2010	Amount as at March 31, 2009
Sundry Debtors		31.30	23.32
Other Current Assets (Claim for performance guarantee)		-	32.13
Inventories (including WIP)		27.08	73.57
Fixed Assets (including Capital work-in-progress of Rs. 0.03)		1.16	43.67
Advance others (including Tax Deducted at Source receivable and Value added Tax receivable)		4.16	30.25
	Sub Total (A)	**63.70**	**202.94**
Receivables under Arbitration	**Sub Total (B)**	**-**	**15.33**
Grand Total		**63.70**	**218.27**

During the Current Year, the Management has evaluated the recoverability of the aforesaid current assets and fixed assets deployed on these projects as on March 31, 2009. Based on such evaluation / reconciliation / amicable settlement, provision / write-offs aggregating to Rs. 85.21 (includes Rs. 54.69 Provision for Performance Bank Guarantee invoked) have been made in the accounts.

As at March 31, 2010, a sum of Rs. 63.70 is recoverable against current and fixed assets. Based on internal assessment and/or legal opinion, the same has been considered good of recovery and consequently, no further adjustments have been made in this regard.

10. Inter Corporate Deposits:

Prior to April 1, 2009 the erstwhile promoters had given Inter Corporate Deposits (ICDs) aggregating to Rs. 391.64 to various Companies. Of the foregoing, the Company has made a claim of Rs. 323.78 together with interest receivable thereon from Mahindra Satyam Computer Services Limited. The Company is confident of recovering the ICDs together with interest due thereon. During the current year, the management following conservative policy has reversed the amount of interest already accrued on ICDs and no further interest has been accrued during the year.

11. Bank Guarantees Invoked:

Bank guarantee aggregating to Rs. 172.36 (March 31, 2009: Rs. 403.1) provided as security against loans availed, mobilization advance received from customers, performance guarantees given to customers and guarantee given to suppliers have been invoked. In the current year, pursuant to the CDR Scheme (as referred in para 6(e) above), the amount under Bank Guarantee Devolved Account has been transferred to term loan and working capital loan account. In the previous year Rs. 398.53 have been transferred to Bank Guarantee Devolved Account and the balance have been transferred to Working Capital Loan Account.

12. Hyderabad Metro Rail Project:

During the year, Government of Andhra Pradesh has cancelled the Hyderabad Metro Rail Project entered into by Maytas Metro Limited, a Subsidiary of the Company (by virtue of its current shareholding) and has invoked bank guarantees of Rs. 60 given as bid security and forfeited Rs. 11 given as part of the bid offer in the form of additional concession fee.

The Company has filed a writ petition challenging the termination of the contract. The Honorable High Court of Andhra Pradesh has ordered a status quo. Pending decision of the High Court, the Company as a matter of prudence has written off Rs. 60 towards bid security invoked and Rs. 11 towards additional concession fees paid by the Company on behalf of Maytas Metro Limited.

13. Deferred Tax:

The Company has deferred tax liability as at March 31, 2010 of Rs. 2.31 (as at March 31, 2009 Rs. 11.51). Deferred tax assets on timing differences on the basis of virtual certainty has been restricted to the extent of deferred tax liability and no net deferred tax asset has been recognized as at March 31, 2010.

Particulars	As at March 31, 2010	As at March 31, 2009
Deferred Tax Liability		
Differences in depreciation as per tax books and financial books	(2.31)	(11.51)
Deferred Tax Assets		
Effect of lease accounting	1.13	1.33
Effect of retirement benefit expenditure debited to profit and loss account in the current year but allowed for tax purposes in the following years	1.12	1.72
Effect of public issue expenses to the extent of deferred tax liabilities	0.06	5.86
Effect of provision made for doubtful debtors / advances and estimated future losses to the extent of deferred tax liabilities.	-	2.60
Total	-	-

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

14. Provision for Future loss from Projects:

(a) The projects in progress as at March 31, 2010 have been evaluated for future loss, if any, based on estimates relating to cost-to-complete the same. Based on such evaluation, the Company has provided for estimated future losses to an extent of Rs. 44.28 (March 31, 2009 Rs. 12.49) in terms of the requirements of Accounting Standard 7 – Construction Contracts. The movement in the balance is as under:

Particulars	2009 – 10	2008 – 09
Opening Balance as at April 1, 2009	12.49	-
Additions during the year	36.44	12.49
Used during the year	4.65	-
Closing Balance as at March 31, 2010	44.28	12.49

(b) Provision for estimated future loss on account of projects transferred / disposed off has been made to the extent of Rs. 2.03 (March 31, 2009: Rs. 12.64). The movement in the balance is as under:

Particulars	2009 – 10	2008 – 09
Opening Balance as at April 1, 2009	12.64	-
Additions during the year	2.03	12.64
Adjustment on settlement of project	12.64	-
Closing Balance as at March 31, 2010	2.03	12.64

15. Provision for Liquidated Damages:

Liquidated damages are levied as per the terms of the contract for delayed execution of works or delayed achievement of agreed milestones. For all projects in progress, Management has estimated the probability of levy of liquidated damages, if any, based on completion date as per the contract, extension of time granted by the customer, etc. Accordingly provision has been made for liquidated damages, is as under:

Particulars	2009 – 10	2008 – 09
Opening Balance as at April 1, 2009	10.55	-
Additions during the year	6.03	10.55
Reversal during the year	1.84	-
Closing Balance as at March 31, 2010	14.74	10.55

16. Share Capital:

(a) **Initial Public Offer:**

The Company had issued 8,850,000 equity shares pursuant to its Initial Public Offer (IPO) in October 2007 and allotted shares on October 17, 2007 after filing prospectus dated October 11, 2007 with Registrar of Companies. These shares were listed on BSE and NSE w.e.f. October 25, 2007.

The funds utilized by the Company as against the stated objectives in the prospectus are tabulated below:

Particulars	Projected utilization as per Prospectus dated October 11, 2007	Actual utilization upto	
		March 31, 2010	March 31, 2009
Investment in Associates	189.40	84.00	84.00
Purchase of Construction Equipment	33.29	33.29	33.29
General Corporate Expenses	74.76	76.05	76.05
Issue Expenses	30.00	28.71	28.71
Other Project related Investment and commitments*	-	105.40	-
Total	**327.45**	**327.45**	**222.05**

Particulars	As at March 31, 2010	As at March 31, 2009
Current accounts	-	0.22
Fixed deposits	-	-
Inter corporate deposits	-	105.18
Total Amount	**-**	**105.40**

* The projected utilization as per the prospectus has been varied by revising / re-scheduling to the extent of Rs.105.40 Crores, between the investments in Associates and other project related investments and commitments, in view of the competitive and dynamic nature of business. The Company has fully utilized the proceeds raised through public issue towards the stated objectives as ratified by the share holders in the Annual General Meeting held on November 09, 2009.

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

(b) **Employee Stock Option Scheme (ESOS):**

The Company has provided various share-based payment schemes to its employees. During the year ended March 31, 2010, the following three schemes were in operation:

Particulars	ESOS – 2007	ESOS – 2008	ESOS – 2009
Date of grant	14 – Apr – 07	31 – Oct – 08	23 – March – 2010
Date of Remuneration Committee approval	14 – Apr – 07	30 – Jan – 08	23 – March – 2010
Date of Shareholder's approval	30 – Mar – 07	30 – Sep – 08	09 – Nov – 2009
Number of options granted	644,967	148,000	1,201,407
Method of Settlement (Cash / Equity)	Equity	Equity	Equity
Vesting Period	Options vest on an annual basis at 20%,20%,30% and 30% over a period of four years	Grant 1, 2 & 3: Options vest on an annual basis at 30%, 30% and 40% over a period of three years. Grant 4: Options vest on an annual basis at 20%, 20%, 30% and 30% over a period of four years.	Grant 1: Options vest on an annual basis at 30%, 35% and 35% over a period of three years. Grant 2: Options vest on an annual basis at 20%, 30% and 50% over a period of three years.
Exercise Period	3 years from the date of Vesting	3 years from the date of Vesting	3 years from the date of vesting

I. **The details of activity under ESOS – 2007 have been summarized below:**

Particulars	2009 – 10		2008 – 09	
	Number of options	Weighted Average Exercise Price (Rs. per share)	Number of options	Weighted Average Exercise Price (Rs. per share)
Outstanding at the beginning of the Year	315,484	370	558,049	370
Granted during the year	Nil	Nil	Nil	Nil
Forfeited during the year	208,255	370	241,709	370
Exercised during the year	Nil	Nil	856	370
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	107,229	370	315,484	370
Exercisable at the end of the year	42,892	370	63,099	370
Weighted average remaining contractual life (in years)	4.04	-	5.04	-
Weighted average fair value of options granted on the date of grant (Rs. per share)	98.77	-	98.77	-

As no options were exercised during the year, the weighted average share price has not been indicated (March 31, 2009: Rs. 658.15 per share).

The details of exercise price for stock options outstanding at the end of the year for ESOS – 2007 Scheme:

Year	Range of exercise prices (Rs. per share)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted Average Exercise Price (Rs. per share)
2009 – 10	370	107,229	4.04	370
2008 – 09	370	315,484	5.04	370

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

II. **The details of activity under ESOS – 2008 have been summarized below:**

Particulars	2009 – 10		2008 – 09	
	Number of Options	Weighted Average Exercise Price (Rs. per share)	Number of Options	Weighted Average Exercise Price (Rs. per share)
Outstanding at the beginning of the year	95,000	381.21	Nil	Nil
Granted during the year	Nil	Nil	148,000	399.04
Forfeited during the year	30,000	431.00	53,000	431.00
Exercised during the year	Nil	Nil	Nil	Nil
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	65,000	358.23	95,000	381.21
Exercisable at the end of the year	19,500	Nil	Nil	Nil
Weighted average remaining contractual life (in years)	4.59	-	5.59	-
Weighted average fair value of options granted (Rs. per share)	231.47	-	231.47	-

The details of exercise price for stock options outstanding at the end of the year for ESOS-2008 scheme:

Year	Range of exercise prices (Rs. per share)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted Average Exercise Price (Rs. per share)
2009 – 10	345 – 431	65,000	4.59	358.23
2008 – 09	345 - 431	95,000	5.59	381.21

III. **The details of activity under ESOS – 2009 have been summarized below:**

Particulars	2009 – 10		2008 – 09	
	Number of Options	Weighted Average Exercise Price (Rs. per share)	Number of Options	Weighted Average Exercise Price (Rs. per share)
Outstanding at the beginning of the year	Nil	Nil	Nil	Nil
Granted during the year	1,201,407	176.90	Nil	Nil
Forfeited during the year	Nil	Nil	Nil	Nil
Exercised during the year	Nil	Nil	Nil	Nil
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	1,201,407	176.90	Nil	Nil
Exercisable at the end of the year	Nil	Nil	Nil	Nil
Weighted average remaining contractual life (in years)	5.98	Nil	Nil	Nil
Weighted average fair value of options on the date of grant (Rs. per share)	95.32	Nil	Nil	Nil

The details of exercise price for stock options outstanding at the end of the year for ESOS-2009 scheme:

Year	Range of exercise prices (Rs. per share)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted Average Exercise Price (Rs. per share)
2009 – 10	176.50	1,201,407	5.98	176.90

Details of Stock Option Granted:

The weighted average fair value of stock options granted during the year was Rs. 95.39 per share (March 31, 2009 Rs. 231.47 per share).

The Black Scholes Option Pricing Model has been used for computing the weighted average fair value considering the following inputs:

Particulars	2009 – 10	2008 – 09
Exercise Price	Range of Rs. 176.50 to Rs. 431	Range of Rs. 345 to Rs. 431
Expected Volatility	68.34%	61.74%
Life of the Options granted (Vesting and exercise period) in years	2.5 to 5.5 years	2.5 to 5.5 years
Dividend Yield	0.19%	0.19%
Average risk-free interest rate	6.67% to 7.38%	7.06% to 7.51%
Expected dividend rate	0.19%	0.19%

The expected volatility was determined based on historical volatility data; historical volatility includes early years of the Company's life; the Company expects the volatility of its share price to reduce as it matures.

Effect of the above ESOS plans on the Profit and Loss Account and on its financial position:

Particulars	2009 – 10 Amount Rs.	2008 – 09 Amount Rs.
Total Employee Compensation Cost pertaining to share based payment plans	0.47	0.47
Liability for employee stock options outstanding at the year end	0.33	0.11
Deferred Compensation Cost	0.14	0.36

Since the enterprise used the intrinsic value method, the impact on the reported net profit and earnings per share by applying the fair value based method.

In March 2005, the Institute of Chartered Accountants of India has issued a Guidance Note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after April1, 2005. The said Guidance Note requires the Proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the Financial Statements. Applying the fair value based method defined in the said Guidance Note, the impact on the reported net profit and earnings per share would be as follows:

Particulars	2009 – 10 Amount Rs. Crore	2008 – 09 Amount Rs. Crore
(Loss) / Profit as reported	(249.64)	(489.79)
Add : Employee stock compensation under intrinsic value method	0.22	0.11
Less : Employee stock compensation under fair value method	(0.63)	0.32
Proforma profit	(250.05)	(490.00)
Earnings Per Share (Rs.)		
Basic		
- As reported	(42.42)	(83.23)
- Proforma	(42.49)	(83.26)
Diluted		
- As reported	(42.42)	(83.23)
- Proforma	(42.49)	(83.26)

17. Retirement Benefits:

(a) **Disclosures related to Defined Contribution Plan:**

Provident fund contribution recognized as expense in the Profit and Loss Account Rs. 2.61 (March 31, 2009: Rs. 5.47).

(b) **Disclosures related to Defined Benefit Plan:**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days last drawn salary for each completed year of service. The scheme is unfunded.

The following tables summarize the components of net benefit expense recognised in the Profit and Loss Account and amounts recognised in the Balance Sheet for the respective plans.

(All amounts in Rs. Crore except for share data or as otherwise stated)

Profit and Loss Account

Net employee benefit expense (recognised in Employee cost)

Particulars	2009 – 10	2008 – 09
Current service cost	0.51	1.03
Interest cost on benefit obligation	0.17	0.12
Net actuarial (gain) / loss recognized in the year	(0.64)	(0.39)
Past service cost	-	-
Net benefit expense	**0.04**	**0.76**

Balance Sheet

Changes in the present value of the defined benefit obligation

Particulars	2009 – 10	2008 – 09
Opening defined benefit obligation	2.18	1.63
Interest cost	0.17	0.12
Current service cost	0.51	1.03
Benefits paid	(0.46)	(0.21)
Actuarial (gain) / loss on obligation *	(0.64)	(0.39)
Closing defined benefit obligation	**1.76**	**2.18**

* Experience adjustments gain Rs. 0.88 (March 31, 2009: Rs. Nil and March 31, 2008 : Rs. Nil)

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	2009 – 10		2008 – 09	
Discount rate		8.00%		8.00%
Increase in Compensation cost		6.00%		6.00%
Employee Turnover	Age (Years)	Rate	Age (Years)	Rate
	18 - 50	10%	18 - 50	10%
	51 - 57	5%	51 - 57	5%

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

18. Loans and Advances:

(a) **Advances due from private companies in which a Director of the Company is a Director:**

Name of the Company	March 31, 2010	March 31, 2009	Maximum amount outstanding during the year 2009-10	2008-09
Maytas Estates Private Limited*	0.08	0.08	0.08	0.08
Himachal Sorang Power Private Limited #	-	15.96	15.96	15.96
Maytas Hill County SEZ Private Limited*	0.47	0.47	0.47	0.47
Gulbarga Airport Developers Private Limited*	0.87	0.82	0.87	0.82
Shimoga Airport Developers Private Limited*	0.79	0.82	0.82	0.82

* Ceased to be director in the Company w.e.f. September 29, 2009
# Converted into Public Limited Company w.e.f. March 31, 2010

(b) Dues from IJM – SCL JV, a partnership firm (with M/s IJM Corporation, Bhd) in which the Company is a partner, for execution of Mumbai – Pune express highway in Maharastra on 50:50 basis, is Rs. 6.34 (March 31, 2009: Rs. 11.50). The initial capital of the firm was Rs. 5.00 invested in earlier years (Refer Note 27).

Schedule 25:
Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010
(All amounts in Rs. Crore except for share data or as otherwise stated)

(c) **Dues from Directors of the Company:**

Name of the Director	Nature of transaction	March 31, 2010	March 31, 2009	Maximum amount outstanding during the year	
				2009 – 10	2008 – 09
B. Teja Raju (Resigned w.e.f. September 29, 2009)	Travel Advance	-	0.02	0.02	0.02
P. K. Madhav (Resigned w.e.f. January 19, 2009)	Travel Advance	-	0.00	0.00	0.04

19. (a) **Investments:**

Name of the Investments	2009 – 10		2008 – 09	
	Number	Amount	Number	Amount
Investments made during the year :				
GVK Gautami Power Limited (formerly known as Gautami Power Limited)	910,000	0.91	22,314,516	22.31
Paschal Form Work (India) Private Limited	-	-	1,624,725	1.62
Paschal Technology (India) Private Limited	-	-	27,472	0.03
Pondicherry Tindivanam Tollway Limited	32,241	0.32	350,197	3.50
Maytas Vasishta Varadhi Limited	-	-	50,000	0.05
Maytas Metro Limited	-	-	44,995	0.04
Bangalore Elevated Tollway Limited	-	-	911,587	9.12
KVK Nilachal Power Private Limited	-	-	3,965,000	39.65
Machilipatnam Port Limited	-	-	30,000	0.03
Himachal Sorang Power Limited (formerly known as Himachal Sorang Power Private Limited)	127,310	1.27	-	-
Western UP Tollway Limited	56,195	0.56	-	-
KVK Power and Infrastructure Private Limited (Preference Shares)	4,550,000	4.55	-	-
Investments written off during the year:				
SSJV Projects Private Limited	-	-	100	0.00
Dhabi Maytas Contracting LLC	-	-	147	0.18
Infra Trade FZE	-	-	1	0.12
Maytas (Singapore) Holding Pte Limited	-	-	1	0.00
Investments sold during the year :				
Western UP Tollway Limited	2,514,695	23.12	-	-
Machilipatnam Port Limited	30,000	0.03	-	-
Paschal Form Work India Private Limited	1,624,725	1.62	-	-
Paschal Technology India Private Limited	27,472	0.03	-	-
Cyberabad Expressways Limited	633,600	0.63	-	-
Hyderabad Expressways Limited	144,342	0.14	-	-
Diminution in the value of investments:				
KVK Power and Infrastructure Limited				
- Equity shares	4,000,000	4.00	-	-
- Preference Shares	4,555,000	4.55	-	-
Maytas Mineral Resources Limited	50,000	0.05	-	-
Maytas Metro Limited	-	-	-	0.04

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

(b) **The following Investments have been sold to Maytas Investment Trust during the year*:**

Name of the Investments	2009 – 10		2008 – 09	
	Number	Amount	Number	Amount
GVK Gautami Power Limited (formerly known as Gautami Power Limited)	97,711,733	97.71	-	-
Pondicherry Tindivanam Tollway Limited	1,849,410	17.59	-	-
Bangalore Elevated Tollway Limited	5,181,907	51.10	-	-
KVK Nilachal Power Private Limited	5,180,000	49.55	-	-
Himachal Sorang Power Limited	218,300	2.15	-	-
(formerly known as Himachal Sorang Power Private Limited)				
S V Power Private Limited	3,195,509	29.03	-	-
Hyderabad Expressways Limited	845,658	0.85	-	-
Cyberabad Expressways Limited	356,400	0.36	-	-
Brindavan Infrastructure Company Limited				
- Equity Shares	9,999,925	10.00	-	-
- Preference Shares	500,000	5.00	-	-

* Pursuant to the CDR Scheme (as referred in para 6(e) above)

(c) **Movement of Mutual fund transactions during the year:**

Name of the Mutual Fund	Purchased		Sold	
	No. of Units	Amount	No. of Units	Amount
LIC MF Liquid Fund – Growth Plan	98,832,379.326	165.54	80,780,605.681	135.16
Total	**98,832,379.326**	**165.54**	**80,780,605.681**	**135.16**

(d) **Pledge of Investments:**

The Company has pledged shares against term loans availed by the investee companies as at March 31, 2009:

Name of the Investments	No. of shares Pledged	In favour of
GVK Gautami Power Limited* (formerly known as Gautami Power Limited)	49,504,565	Power Finance Corporation Limited (Non-disposal undertaking furnished)
Pondicherry Tindivanam Tollway Limited*	952,396	Axis Bank
	399,774	Western India Trustee and Executor Company Limited
Bangalore Elevated Tollway Limited*	3,039,370	Canara Bank
KVK Nilachal Power Private Limited*	3,533,500	Power Finance Corporation Limited
Himachal Sorang Power Limited* (formerly known as Himachal Sorang Power Private Limited)	26,387	Axis Bank
	62,986	Industrial Development Bank of India
S V Power Private Limited*	1,629,710	Industrial Development Bank of India Trusteeship Services Limited
Hyderabad Expressways Limited*	990,000	Infrastructure Leasing & Financial Services Trustee Company Limited
Cyberabad Expressways Limited*	990,000	Infrastructure Leasing & Financial Services Trustee Company Limited
Brindavan Infrastructure Company* Limited – Equity shares	9,999,925	Infrastructure Development Finance Company Limited and Corporation Bank
– Preference shares	500,000	
Western UP Tollway Limited**	2,458,500	Infrastructure Development Finance Company Limited

* During the year, the aforesaid investments have been sold to Maytas Investment Trust in pursuant to the CDR Scheme (as referred in para 6 (e) above).

** Investment in the entity disposed off during the year.

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

20. In terms of the disclosures required to be made under the Accounting Standard (AS) 7 (revised 2002) notified by Company's Accounting Standards Rules, 2006 (as amended) for "Construction Contracts":

Particulars	2009 – 10	2008 – 09
Contract revenue recognized for the year	910.59	1,314.68
Contract cost incurred and recognized profits (less recognized losses) for contracts in progress up to the reporting date	2,073.08	2,478.64
Advances received for contracts in progress	114.86	123.89
Amount of retention for contracts in progress	84.34	134.62
Gross amount due from customers for contract work (excluding cancelled projects)	40.38	138.09
Gross amount due to customers for contract work	-	-

21. Remuneration to Whole-time Directors (included in Schedule 20):

Particulars	2009 – 10	2008 – 09
Salary	0.35	2.28
Contribution to Provident Fund	0.02	0.14
Other Benefits	-	0.28
Total	**0.37**	**2.70**

Note:

i) The above figures do not include provision for retirement benefits, as the same is actuarially determined for the Company as a whole.

ii) During the previous year, the Company has paid remuneration to its Directors of Rs. 2.70, which was in excess of the limits specified under Schedule XIII of the Companies Act, 1956 by Rs. 1.87. In addition, the Company has paid remuneration of Rs. 0.37, to its Directors for the year ended March 31, 2010, which is in excess of the limits specified under Schedule XIII of the Companies Act, 1956 by Rs. 0.16. The remuneration of Rs. 0.12 paid to a Director during the year is subject to Shareholders' approval in the ensuing Annual General Meeting. The Company has made an application to the Central Government for approval of the excess remuneration paid for current as well as the previous year, which is awaited.

22. Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006:

Sl. No.	Particulars	2009-10	2008-09
(a)	The principal amount remaining unpaid as at the end of the year	-	7.00
(b)	The amount of interest accrued and remaining unpaid at the end of the year	0.39	0.39
(c)	Amount of interest paid by the Company in terms of Sec. 16, of Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payments made beyond the appointed date during the year.	-	-
(d)	Amount of interest due and payable for the period of delay in making payment without the interest specified under the Micro Small and Medium Enterprise Development Act, 2006.	-	-
(e)	The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

Note: The information as required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

23. (I) Related party transactions (not disclosed elsewhere in these financial statements):

(a) **Names of related parties and relationship with the Company :**

- **Subsidiaries**
  1. Infra Trade FZE*
  2. Maytas Mineral Resources Limited
  3. Maytas Infra Assets Limited
  4. Maytas (Singapore) Holding Pte Limited*
  5. Maytas Vasishta Varadhi Limited
  6. Maytas Metro Limited

  * Closed during the previous year

- **Investing party in respect of which the reporting enterprise is an associate**
  1. Infrastructure Leasing & Financial Services Limited

- **Joint Ventures**
  1. Maytas – SNC (JV)
  2. NCC – Maytas (JV) U 1
  3. IJM – SCL (JV)*

4. Himachal (JV) ^
5. NEC – NCC – Maytas (JV)
6. Maytas – Shankaranarayana (JV)*
7. Maytas – NCC (JV) Irrigation
8. NCC – Maytas (JV) Pocharam
9. Maytas – CTR (JV)
10. Maytas – Rithwik (JV)**
11. NCC – Maytas – ZVS (JV)
12. Maytas – NCC – SSJV Consortium ^ ^
13. Bangalore Elevated Tollway Limited***
14. Brindavan Infrastructure Company Limited***
15. Western UP Tollway Limited*#
16. KVK Power & Infrastructure Private Limited $
17. KVK Nilachal Power Private Limited***$
18. S V Power Private Limited***$
19. Hyderabad Expressways Limited***
20. Gulbarga Airport Developers Private Limited
21. Shimoga Airport Developers Private Limited
22. Machilipatnam Port Limited #
23. Pondicherry Tindivanam Tollway Limited @,***

* Excluded from the list of Integrated Joint Ventures in the current year *(Refer Note 27)*.

^ Amounts considered as per Management certified accounts for 9 months period ended December 31, 2009 *(Refer Note 27)*.

** Considered as Jointly Controlled Operations (JCO) in the current year *(Refer Note 27)*.

^ ^ Closed during the previous year.

*** Sold to Maytas Investment Trust in pursuant to the CDR Scheme (as referred in para 6(e) above).

\# Investment in the entity disposed off during the year.

@ The entity was subsidiary in the previous year. During the current year, due to dilution in share holding, the entity has become Joint Venture w.e.f. October 1, 2009. As at March 31, 2010, balance investments has been sold to Maytas Investment Trust in pursuant to the CDR Scheme (as referred in para 6(e) above).

$ Considered as Investments during the current year, which were considered as JCE in the previous year.

- **Associates**
  1. Dhabi Maytas Contracting LLC*
  2. Himachal Sorang Power Limited (formerly known as Himachal Sorang Power Private Limited)** ^
  3. Cyberabad Expressways Limited** ^

  * Closed during the previous year

  ** Considered as Joint Ventures in the previous year *(Refer Note 27)*.

  ^ Sold to Maytas Investment Trust in pursuant to the CDR Scheme (as referred in para 6(e) above).

- **Companies owned by or where significant influence exercised by Key Management Personnel or Relatives**
  1. Maytas Holdings Private Limited*
  2. Maytas Properties Limited (formerly known as Maytas Hillcounty Private Limited)*
  3. Maytas Hillcounty SEZ Private Limited*
  4. Maytas Hillcounty Developers Private Limited*
  5. Maytas Estates Private Limited (formerly known as Maytas Properties Private Limited)*
  6. SNR Investments Private Limited*
  7. Elem Investments Private Limited*
  8. Fincity Investments Private Limited*
  9. Higrace Investments Private Limited*
  10. Veeyes Investment Private Limited*

  ***** Ceased to have significant influence w.e.f. September 29, 2009

- **Key Management Personnel**
  1. B. Teja Raju (Vice Chairman) – Resigned w.e.f. September 29, 2009
  2. P. K. Madhav – Resigned w.e.f. January 19, 2009
  3. Vimal Kishore Kaushik – Joined w.e.f. January 08, 2010

- **Relatives of Key Management Personnel**
  1. B. Nandini Raju (Mother of Mr. B.Teja Raju)*
  2. B. Ramalinga Raju (Father of Mr. B.Teja Raju)*
  3. B. Rama Raju (Brother of Mr. B. Teja Raju)*
  4. Hema Madhav (Wife of Mr. P. K. Madhav)**

  * Up to September 29, 2009.

  ** Up to January 19, 2009.

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

(b) **Transactions with related parties during the year :**

Particulars	2009 – 10	2008 – 09
A. Subsidiaries		
1. Infra Trade FZE		
Expenses incurred on behalf of the party	-	(0.00)
Investment written off	-	(0.12)
2. Pondicherry Tindivanam Tollway Limited		
Equity contributions	-	3.50
3. Maytas Mineral Resources Limited		
Share application money	-	4.51
Expenses incurred on behalf of the party	0.03	0.08
Receipt against expenses incurred on behalf of the party	(0.18)	-
Refund of share application money	(0.02)	-
Purchase of Assets	-	0.00
Diminution in value of investment provided for	0.05	-
Provision for share application money	-	4.89
4. Maytas Infra Assets Limited		
Share application money	2.86	14.16
Expenses incurred on behalf of the party	0.06	1.08
Provision for share application money	5.82	10.55
Provision for advances given	1.30	-
5. Maytas (Singapore) Holding Pte Limited		
Advance given	-	0.03
Investments written off	-	0.00
Advance written off	-	(0.03)
6. Maytas Vasishta Varadhi Limited		
Equity Contribution	-	0.05
Share application money	0.00	2.31
Expenses incurred on behalf of the party	0.03	0.30
Receipt against expenses incurred on behalf of the party	(0.01)	-
7. Maytas Metro Limited		
Equity contribution	-	0.04
Share application money	-	11.54
Expenses incurred on behalf of the party	0.11	3.13
Bank Guarantee given on behalf of the party (invoked)	60.00	-
Diminution in value of investment provided for	-	0.04
Advance written off	(71.48)	-
Provision for advances given	3.30	-

Schedule 25:
Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010
(All amounts in Rs. Crore except for share data or as otherwise stated)

Particulars	2009 – 10	2008 – 09
B. Investing party in respect of which the reporting enterprise is an associate		
1. Infrastructure Leasing & Financial Services Limited		
Unsecured Loan (Promoters Contribution as per CLB order)	55.00	-
Deputation cost for manpower	0.26	-
Rent	0.27	-
Expenses incurred on behalf of the Company	0.02	-
C. Joint Ventures (JV)		
1. Maytas – SNC (JV)		
Share of Profit / (Loss) from (JV)	0.76	(0.26)
2. NCC – Maytas (JV) U 1		
Share of profit / (loss) from joint venture	0.01	0.00
Expenses incurred on behalf of the party	0.00	-
Receipt against share of profit	(0.27)	-
3. IJM – SCL (JV)		
Share of profit / (loss) from joint venture	-	(0.50)
4. Himachal (JV)		
Share of profit / (loss) from joint venture	(6.47)	(10.51)
Advance given	-	5.57
5. NEC – NCC – Maytas (JV)		
Share of profit / (loss) from joint venture	0.32	1.10
Receipt against share of profit	(1.49)	-
Expenses incurred on behalf of the party	0.76	2.44
6. Maytas – Shankarnarayana (JV)		
Share of profit / (loss) from joint venture	-	(10.12)
Expenses incurred on behalf of the party	-	2.48
Advance given (net)	-	9.12
Income from equipment hire	-	5.03

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

Particulars	2009 – 10	2008 – 09
7. Maytas – NCC (JV) Irrigation		
Share of profit / (loss) from joint venture	1.97	0.20
Expenses incurred on behalf of the party	0.16	(7.22)
Advances given / (received) (net)	(0.73)	34.16
Contract revenue	65.14	98.64
Income from equipment hire	-	10.72
Interest Income (net)	-	2.54
Asset purchase	-	0.18
Purchase of inventory	-	13.91
Net Assets transferred from Joint Venture	86.07	-
Bad debts written off	(4.98)	-
8. NCC – Maytas (JV) Pocharam		
Share of profit / (loss) from joint venture	0.05	(0.00)
Expenses incurred on behalf of the party	0.06	0.00
Advances given (net)	-	0.15
9. Maytas CTR (JV)		
Share of profit / (loss) from joint venture	0.85	0.35
Expenses incurred on behalf of the party	0.01	0.00
Advance given (net)	1.13	4.37
Interest income	0.91	0.64
Sale of material	0.10	-
Contract Revenue	1.98	-
10. Maytas – Rithwik (JV)		
Share of profit / (loss) from joint venture	-	(0.99)
Advance given (net)	-	5.28
Income from equipment hire	-	1.62
Interest income	-	0.10
Expenses incurred on behalf of the party	-	1.05
11. NCC – Maytas – ZVS (JV)		
Share of profit / (loss) from joint venture	0.71	2.41
12. Maytas – NCC – SSJV Consortium		
Share of profit / (loss) from joint venture	-	0.04
Advance given (net)	-	1.53

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

	Particulars	2009 – 10	2008 – 09
13.	**Bangalore Elevated Tollway Limited**		
	Equity contribution	-	8.99
	Contract revenues	45.03	54.48
	Expenses incurred on behalf of the party	-	0.00
	Material advance received	-	0.10
14.	**Brindavan Infrastructure Company Limited**		
	Inter corporate deposit given	-	1.00
	Receipt against Inter corporate deposit given	-	(2.30)
	Expenses incurred on behalf of the party	-	0.03
	Interest Income	-	0.13
15.	**Himachal Sorang Power Limited**		
	Share application money	-	1.04
16.	**Western UP Tollway Limited**		
	Contract revenues	-	44.38
	Equity Contribution	0.56	-
	Share Application Money	(0.56)	-
	Mobilisation advance received	-	0.33
17.	**KVK Nilachal Power Private Limited**		
	Equity contributions	-	35.40
	Expenses incurred on behalf of the party	-	0.18
	Contract Revenue	-	25.90
	Mobilisation Advance received	-	49.10
18.	**S V Power Private Limited**		
	Expenses incurred on behalf of the party	-	0.08
	Contract Revenue	-	6.16
19.	**Cyberabad Expressway Limited**		
	Expenses incurred on behalf of the party	-	0.68
	Contract revenue	-	86.65
	Mobilisation / Material Advance received	-	4.77
20.	**Hyderabad Expressway Limited**		
	Share application money	5.14	-
	Expenses incurred on behalf of the party	0.04	0.17
	Advances written off	(0.13)	-
21.	**Gulbarga Airport Developers Private Limited**		
	Share application money	0.34	0.47
	Refund of share application money	(0.30)	-

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

Particulars	2009 – 10	2008 – 09
22. Shimoga Airport Developers Private Limited		
Share application money	0.27	0.47
Refund of share application money	(0.30)	-
23. Machilipatnam Port Limited		
Equity contribution	-	0.03
Share application money	-	1.40
Expenses incurred on behalf of the party	0.05	2.54
Receipt against expenses incurred on behalf of the party	(0.05)	-
24. Pondicherry Tindivanam Tollway Limited		
Equity contributions	0.32	-
Expenses incurred on behalf of the party	0.02	-
D. Associates		
1. Dhabi Maytas Contracting LLC		
Investments written off	-	(0.18)
Advances written off	-	(1.08)
2. Himachal Sorang Power Limited		
Equity Contribution	1.27	-
Debenture application money	(1.27)	-
Expenses incurred on behalf of the party	0.10	-
3. Cyberabad Expressway Limited		
Expenses incurred on behalf of the party	0.02	-
Contract revenue	119.27	-
Mobilisation / Material Advance received	4.64	-
Advances written off	(0.55)	-

(All amounts in Rs. Crore except for share data or as otherwise stated)

Particulars	2009 – 10	2008 – 09
E. Enterprises over which shareholders, key management personnel or their relatives exercise significant influence		
1. Maytas Holdings Private Limited		
Advances written off	-	(1.51)
2. Maytas Properties Limited		
Inter corporate deposits given	-	69.06
Receipt against Inter corporate deposits	-	(21.20)
Expenses incurred on behalf of the party	-	2.17
Contract Revenue	-	101.96
Mobilisation advance received	-	25.83
Interest income	-	6.17
Sale of material	0.53	8.86
Advances transferred (net)	(0.96)	(2.06)
Sale of Assets	-	0.01
Service tax receivable	7.74	-
Provision for interest accrued	6.17	-
3. Maytas Hillcounty SEZ Private Limited		
Contract revenues	-	9.90
Mobilisation advance received	-	6.39
Balance transferred	-	4.04
4. Maytas Hillcounty Developers Private Limited		
Contract revenues	-	2.66
5. Veeyes Investments Private Limited		
Repayment of advance	-	(0.01)
F. Key Management Personnel		
1. B. Teja Raju		
Managerial remuneration	0.06	0.17
Expenses incurred on behalf of the party	-	0.13
Guarantees given on behalf of the Company *(Refer Note 8 above)*	-	1,600.20
2. P. K. Madhav (CEO)		
Managerial remuneration	-	1.26
Expenses incurred on behalf of the party	-	0.11
3. Vimal Kishore Kaushik		
Managerial remuneration	0.13	-
G. Relatives of key management personnel		
1. Hema Madhav		
Rent	-	0.15

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

(c) **Balances outstanding Debit / (Credit):**

Particulars	March 31, 2010	March 31, 2009
A. Subsidiaries		
1. Pondicherry Tindivanam Tollway Limited	-	17.27
2. Maytas Mineral Resources Limited	4.97	5.14
3. Maytas Infra Assets Limited	19.45	16.51
4. Maytas Vasishta Varadhi Limited	2.67	2.66
5. Maytas Metro Limited	3.34	14.71
B. Investing party in respect of which the reporting enterprise is an associate		
1. Infrastructure Leasing & Financial Services Limited	55.55	-
C. Joint Ventures		
1. IJM – SCL (JV)	-	11.50
2. Himachal (JV)	(14.81)	(8.34)
3. NEC – NCC – Maytas (JV)	1.26	1.66
4. Maytas – Shankarnarayana (JV)	-	29.26
5. Maytas – NCC (JV) Irrigation	49.97	70.06
6. NCC – Maytas (JV) U 1	0.03	0.30
7. NCC – Maytas (JV) Pocharam	1.07	0.96
8. Maytas SNC (JV)	0.10	(0.66)
9. Maytas – CTR (JV)	6.43	7.41
10. Maytas – Rithwik (JV)	-	0.19
11. NCC – Maytas – ZVS (JV)	2.14	1.83
12. Maytas –NCC SSJV Consortium	-	(1.23)
13. KVK Power and Infra Structure Private Limited	-	8.55
14. Gulbarga Airport Developers Private Limited	0.87	0.83
15. Shimoga Airport Developers Private Limited	0.79	0.82
16. Western UP Tollway Limited	-	6.33
17. Machilipatnam Port Limited	-	20.69
18. Bangalore Elevated Tollway Limited	-	64.39
19. Brindavan Infrastructure Company Limited	-	15.02
20. Himachal Sorang Power Limited (formerly known as Himachal Sorang Power Private Limited)	-	16.84
21. KVK Nilachal Power Private Limited	-	26.54
22. S V Power Private Limited	-	17.54
23. Cyberabad Expressways Limited	-	24.59
24. Hyderabad Expressways Limited	-	17.64
D. Enterprises over which Shareholders, Key Management Personnel and their Relatives exercise significant influence		
1. Maytas Properties Limited*	-	98.17
2. Maytas Hillcounty SEZ Private Limited*	-	0.47
3. Maytas Estates Private Limited*	-	0.08
4. Maytas Hillcounty Developers Private Limited*	-	21.70
* Ceased to have significant influence w.e.f. September 29, 2009		
E. Key Management Personnel		
1. B. Teja Raju	(0.03)	0.02
2. P. K. Madhav	-	0.00

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

II. Disclosure as per Clause 32 of Listing Agreement and as per Schedule VI of the Companies Act, 1956

Loans and advances in the nature of loans (including Share Application Money) to Subsidiaries, Joint Ventures, Associates and Companies in which Directors are interested:

Particulars	Closing balance as at March 31,		Maximum outstanding amount during the year	
	2010	2009	2009 – 10	2008 – 09
Names of subsidiaries				
Maytas Mineral Resources Limited	4.91	5.09	5.10	5.09
Maytas Infra Assets Limited	19.33	16.47	19.89	22.27
Maytas Vasishta Varadhi Limited	2.62	2.61	2.62	2.61
Maytas Metro Limited	3.30	14.67	74.78	32.86
Names of Joint Ventures				
Bangalore Elevated Tollway Limited	-	0.00	0.01	9.13
Brindavan Infrastructure Company Limited	-	0.02	0.02	2.44
Western UP Tollway Limited	-	0.56	0.56	0.56
KVK Power and Infrastructure Private Ltd.	-	4.55	4.55	4.55
KVK Nilachal Power Private Limited	-	0.18	0.18	32.65
S V Power Private Limited	-	0.10	0.10	0.10
Hyderabad Expressways Limited	-	16.65	21.98	16.70
Gulbarga Airport Developers Private Limited	0.87	0.83	0.87	0.83
Shimoga Airport Developers Private Limited	0.79	0.82	0.82	0.82
Machilipatnam Port Limited	-	20.66	20.66	20.66
Pondicherry Tindivanam Tollway Limited @	-	0.00	0.34	17.01

@ The entity was subsidiary in the previous year. During the current year, due to dilution in share holding, the entity has become Joint Venture w.e.f. October 1, 2009. As at March 31, 2010, balance investments have been sold to Maytas Investment Trust in pursuant to the CDR Scheme (as referred in para 6(e) above).

Names of Associates				
Himachal Sorang Power Limited*	-	15.96	24.00	15.96
(formerly known as Himachal Sorang Power Private Limited)				
Cyberabad Expressways Limited*	-	16.78	16.78	17.61

* Considered as Joint Ventures in the previous year *(Refer Note 27)*.

(All amounts in Rs. Crore except for share data or as otherwise stated)

Particulars	Closing balance as at March 31,		Maximum outstanding amount during the year	
	2010	2009	2009 – 10	2008 – 09
Names of Companies in which Director is interested				
GVK Gautami Power Limited (formerly known as Gautami Power Limited)	-	0.91	0.91	22.68
Maytas Hillcounty SEZ Private Limited*	0.47	0.47	0.47	0.47
Maytas Properties Limited	47.86	47.86	58.44	69.05
Maytas Estates Private Limited*	0.08	0.08	0.08	0.08

* Ceased to be director in the Company w.e.f. September 29, 2009

24. Leases:

In case of Assets taken on lease:

Operating lease: Operating leases are mainly in the nature of lease of office premises and machinery with no restrictions and are renewable at mutual consent. There are no restrictions imposed by lease arrangements. There are no subleases. Minimum lease payments under non-cancellable operating leases are:

Particulars	As at March 31, 2010	As at March 31, 2009
Minimum Lease Payments		
Not later than one year	2.75	4.37
Later than one year but not later than five years	12.65	6.89
Later than five years	6.36	3.61

Particulars	2009 – 10	2008 – 09
Lease payments recognized in the Profit and Loss account for the year	6.01	11.78

Finance lease: The present value of minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rentals is adjusted against the lease obligation and the finance charges are charged to profit and loss account as they arise. Finance lease is in the nature of office improvements and furniture for leasehold office premises. The lease agreement provides for escalation of lease rents over the period of lease term with a waiver of escalation for current year. Lease term is for a period of ten years renewable for a further period of ten years at mutual consent. There are no restrictions imposed by lease arrangements. There are no subleases.

Particulars	As at March 31, 2010	As at March 31, 2009
Total minimum lease payments at the year end	0.56	0.56
Less : amount representing finance charges	0.43	0.45
Present value of minimum lease payments (Rate of interest 12%)	0.13	0.11

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

Particulars	As at March 31, 2010	As at March 31, 2009
Minimum Lease Payments		
Not later than one year [Present value Rs. 0.20 (March 31, 2009: Rs. 0.18)]	0.61	0.61
Later than one year but not later than five years [Present value Rs. 2.73 (March 31, 2009: Rs. 1.51)]	4.06	2.91
Later than five years [Present value Rs.0.04 (March 31, 2009: Rs. 2.16)]	0.76	2.54

In case of Assets given on lease:

The Company has leased out certain construction equipment on operating lease. The lease term is for one year and renewable thereafter. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements.

Particulars	As at March 31, 2010	As at March 31, 2009
Future Minimum Lease Payments		
Not later than one year	11.57	11.44
Later than one year but not later than five years	-	-
Later than five years	-	-

Apart from the assets covered above, there are certain other assets which are leased out and have no fixed lease terms. Accordingly, no disclosure regarding future minimum lease payments has been made.

25. Derivative instruments and un-hedged foreign currency exposure:

(a) i) Particulars of derivative instruments outstanding as at Balance Sheet date

Particulars	Purpose	Notional Amount in Crore	
		As at March 31, 2010	As at March 31, 2009
Currency and Interest rate swap	Hedge against exposure to principal and interest outflow on ECB loan	USD 2.25	USD 2.50
Structured Cross Currency Swap	Hedge against exposure of buyers credit underlying	USD 0.04	USD 0.35

ii) Forward contracts outstanding as at Balance Sheet date

Particulars	Purpose	Notional Amount in Crore	
		As at March 31, 2010	As at March 31, 2009
Forward Contract- To Buy USD	Hedge against Foreign Currency Loan Repayments	-	USD 0.50

(b) Particulars of un-hedged foreign currency exposure as at March 31, 2010 and March 31, 2009

Particulars	2009 – 10			2008 – 09		
	Amount in Foreign currency Crore	Exchange Rate	Amount in INR	Amount in Foreign currency Crore	Exchange Rate	Amount in INR
Import Creditors	-	-	-	EURO 0.06	67.48	3.91
Import Creditors	USD 0.02	45.14	0.90	USD 0.08	50.95	4.08
Branch balance	-	-	-	AED 0.26	13.85	2.97
Advances	-	-	-	AED 0.08	13.85	1.21

26. Segmental Reporting:

The Company's operations fall into a single business segment "Construction and Infrastructure Development" and single geographical segment; hence the financial statements of the enterprise represent Segmental Reporting.

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

27. Interest in Joint Ventures:

a) Company's financial interest in Jointly Controlled Entities is as follows:

Sl. No.	Name of joint venture	Share	Assets	Liabilities	Income	Expenditure	Tax	Profit/ (Loss) after tax
1.	Maytas NCC (JV) – Irrigation	50%	50.85	50.90	75.90	69.93	4.00	1.97
			117.36	*68.77*	*172.38*	*172.04*	*0.13*	*0.21*
2.	Maytas – SNC (JV)	40%	1.91	1.31	12.13	11.31	0.06	0.76
			2.19	*1.07*	*6.75*	*7.01*	*0.00*	*(0.26)*
3.	NEC – NCC – Maytas (JV)	25%	10.91	3.33	12.34	11.85	0.17	0.32
			17.81	*3.68*	*43.14*	*41.47*	*0.57*	*1.10*
4.	Himachal (JV) #	45%	114.04	135.01	24.39	30.86	-	(6.47)
			108.82	*123.33*	*18.02*	*33.95*	*(5.41)*	*(10.52)*
5.	IJM – SCL (JV) #	-	-	-	-	-	-	-
		50%	*19.98*	*12.76*	*0.08*	*0.58*	*0.00*	*(0.50)*
6.	Maytas – Shankarnarayana (JV) @	-	-	-	-	-	-	-
		50%	*9.92*	*2.32*	*15.91*	*26.01*	*0.02*	*(10.13)*
7.	NCC – Maytas (JV) (U 1)	50%	0.67	0.67	0.15	0.14	0.00	0.01
			0.79	*0.79*	-	*0.00*	-	*(0.00)*
8.	NCC – Maytas (JV) (Pocharam)	50%	1.18	0.15	-	0.02	(0.07)	0.05
			1.66	*0.63*	*0.01*	*0.01*	-	*0.00*
9.	Maytas – CTR (JV)	70%	16.34	15.49	22.17	20.94	0.38	0.85
			9.85	*4.58*	*19.34*	*18.81*	*0.18*	*0.35*
10.	Maytas – Rithwik (JV) $	-	-	-	-	-	-	-
		50%	*7.44*	*14.55*	*22.47*	*23.54*	*0.07*	*(0.99)*
11.	NCC – Maytas – ZVS (JV)	39.69%	6.90	6.06	22.23	21.16	0.36	0.71
			40.09	*38.17*	*78.14*	*74.48*	*1.24*	*2.41*
12.	Maytas – NCC – SSJV Consortium ^ ^	-	-	-	-	-	-	-
		33.34%	*19.78*	*19.79*	*6.24*	*6.17*	*0.03*	*0.04*
13.	KVK Power and Infrastructure Private Limited *	-	-	-	-	-	-	-
		49.94%	*6.77*	*0.50*	-	-	-	-
14.	Bangalore Elevated Tollway Limited ##	-	-	-	-	-	-	-
		29.08%	*217.01*	*165.91*	-	-	-	-
15.	Western UP Tollway Limited ^ ^	-	-	-	-	-	-	-
		30%	*127.47*	*88.04*	-	-	-	-
16.	Brindavan Infrastructure Co Limited ##	-	-	-	-	-	-	-
		33.33%	*71.12*	*44.35*	-	-	-	-
17.	Himachal Sorang Power Limited** ## (formerly known as Himachal Sorang Power Private Limited)	-	-	-	-	-	-	-
		5.02%	*8.95*	*6.38*	-	-	-	-
18.	S V Power Private Limited * ##	-	-	-	-	-	-	-
		45.82%	*57.77*	*28.74*	-	-	-	-
19.	KVK Nilachal Power Private Limited *##	-	-	-	-	-	-	-
		48.89%	*90.19*	*40.64*	-	-	-	-
20.	Cyberabad Expressways Limited** ##	-	-	-	-	-	-	-
		50%	*114.64*	*80.89*	-	-	-	-
21.	Hyderabad Expressways Limited ##	-	-	-	-	-	-	-
		50%	*106.16*	*74.04*	-	-	-	-
22.	Machilipatnam Port Limited ##	-	-	-	-	-	-	-
		50%	*20.47*	*2.16*	-	-	-	-
23.	Gulbarga Airport Developers Private Limited	37%	0.68	0.22	-	-	-	-
			0.53	*0.33*	-	-	-	-
24.	Shimoga Airport Developers Private Limited	37%	0.66	0.20	-	-	-	-
			0.55	*0.33*	-	-	-	-

^ Amounts considered as per financials statement for 9 months period ended December 31, 2009.

During the year, IJM – SCL (JV), which was till previous year ended March 31, 2009 considered as Jointly Controlled Entities (JCE) has been excluded from list of Integrated Joint Ventures. The Company's share in Profit / (Loss) from IJM – SCL has therefore not been included in standalone Profit and Loss Account of the current financial year. An amount of Rs. (0.50) was included as Company's share in profit from Integrated Joint Ventures in the Profit & Loss Account of the year ended March 31, 2009.

@ During the year, Maytas – Shankarnarayana (JV), which was till previous year ended March 31, 2009 considered as Jointly Controlled Entities (JCE) has been reclassified and has entirely been considered as integral part of Company's operations and therefore the revenues, expenses, assets and liabilities have been included in the standalone financial statements for the current year. An amount of Rs. (10.13) was included as Company's share in profit from Integrated Joint Ventures in the Profit & Loss Account of the year ended March 31, 2009.

$ During the year, Maytas – Rithwik (JV), which was till previous year ended March 31, 2009 considered as Jointly Controlled Entities (JCE) has been reclassified as Jointly Controlled Operations (JCO). Accordingly, the Company's share of revenues, expenses, assets and liabilities has been included in the standalone financial statements. An amount of Rs. (0.99) was included as Company's share in profit from Integrated Joint Ventures in the Profit & Loss Account of the year ended March 31, 2009.

* By virtue of amendments to share holders' agreement and loss of joint control during the year, the Company has considered these entities as investments under Accounting Standard 13 "Accounting for Investments". In the previous year, these entities were considered as Jointly Controlled Entities (JCE).

** These entities were considered as Jointly Controlled Entities (JCE) in the previous year. By virtue of amendments to shareholders' agreement during the year, the Company has considered these investments as Associates in the current year.

^^ Investment in the entity disposed off during the year.

The Company has sold certain BOT investments made in the above mentioned SPV Companies to Maytas Investment Trust in pursuant to the CDR Scheme (as referred in para 6(e) above) vide Securities Purchase Agreement dated March 31, 2010.

b) Previous year figures have been disclosed in italics.

c) The above joint ventures have contingent liabilities amounting to Rs. 5.71 (March 31, 2009: Rs. 49.28) and capital commitments outstanding as at March 31, 2010 amounting to Rs. Nil (March 31, 2009: Rs. 340.06).

d) All the aforesaid entities are incorporated in India.

e) The Company has formed the following joint ventures, which are in the nature of jointly controlled operations:

- Maytas KBL (JV)
- Maytas KCCPL Flow more (JV)
- Maytas MEIL KBL (JV)
- Maytas MEIL ABB AAG (JV)
- MEIL Maytas ABB AAG (JV)
- MEIL Maytas KBL (JV)
- MEIL Maytas WIPL (JV)
- MEIL Maytas AAG (JV)
- MEIL – SEW – Maytas – BHEL (JV)
- L&T UBL Maytas (JV)
- Maytas – Rithwik (JV)

The Company's share in assets, liabilities, income and expenditure are duly accounted for in the accounts of the Company in accordance with such division of work as per the work sharing arrangements and therefore does not require separate disclosures. However, joint venture partners are jointly and severally liable to clients for any claims in these projects.

Schedule 25:

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

28. Prior Period Items (net):

Particulars	2009-10	2008-09
Service tax	-	3.77
Material consumed	2.19	20.62
Subcontractor expenses	5.72	1.80
Sales tax	-	(0.77)
Others (net)	0.14	(0.08)
Total	**8.05**	**25.34**

Additional information pursuant to the provisions of paragraph 3, 4B and 4D of part (II) of schedule VI to the Companies Act, 1956.

29. CIF Value of Imports:

Particulars	2009-10	2008-09
Capital goods	-	14.69
Materials	1.65	0.57

30. Expenditure in Foreign Currency (Cash Basis):

Particulars	2009-10	2008-09
Legal and Professional charges	0.66	3.18
Membership and subscription	-	0.10
Travelling and conveyance	0.08	0.30
Interest	-	5.85
Others	0.07	3.81
	0.81	**13.24**

31. Since the materials meant for execution of the construction projects are of different nature and specifications, it is not practicable to disclose the quantitative information in respect thereof.

32. Imported and indigenous materials consumed (Excluding prior period consumption):

Particulars	2009-10		2008-09	
	%	Value	%	Value
Imported	0.06	0.16	0.2	0.72
Indigenous	99.94	258.54	99.8	630.00
Total	**100**	**258.70**	**100**	**630.72**

33. Auditors' Remuneration (including Service Tax):

	Particulars	2009-10	2008-09
a)	Statutory audit	0.55	0.28
b)	Limited review	0.33	0.24
c)	Certification	0.03	0.03
d)	Consolidation of financial statements	0.06	0.06
e)	Out of pocket expenses	0.05	0.01
	Total	**1.02**	**0.62**

34. Earnings per Share:

Earnings per share are computed based on the following:

	Particulars	2009-10	2008-09
i)	(Loss) after taxation considered for calculation of basic and diluted earnings per share	(249.64)	(489.79)
ii)	Weighted average number of Equity Shares considered for calculation of basic earnings and diluted earnings per share*	58,850,856	58,850,788

* Share application money pending allotment and employee stock options are not considered for calculation of diluted earnings per share as it will have an anti-dilutive effect.

35. Previous year's figures have been regrouped / rearranged to conform to those of the current year.

36. All amounts less than Rs. 0.01 have been disclosed as Rs. 0.00.

As per our report of even date

for S. R. BATLIBOI & ASSOCIATES
Firm Registration No.: 101049W
Chartered Accountants

for and on behalf of the Board of Directors of
Maytas Infra Limited

per **Vikas Kumar Pansari**
Partner
Membership No.: 93649

Vimal Kishore Kaushik
Managing Director

Arun K. Saha
Director

G. Venkateswar Reddy
Company Secretary

Place : New Delhi
Date : June 28, 2010

Place : New Delhi
Date : June 28, 2010

Balance Sheet Abstract and Company's General Business Profile

I Registration Details

Registration No.	: L45201AP1988PLC008624	State Code	: 01
Balance Sheet Date	: 31-03-2010		

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

Public Issue	: NIL	Right Issue	: NIL
Bonus Issue	: NIL	Private Placement	: NIL

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

Total Liabilities	: 16034500	Total Assets	: 16034500
Source of Funds:			
Paid Up Capital	: 588509	Reserves & Surplus	: 6445176*
Secured Loans	: 7937450	Unsecured Loans	: 1063365
Application of Funds:			
Net Fixed Assets	: 3353572	Investments	: 366541
Net Current Assets	: 7961069	Misc. Expenditure	: NIL
Accumulated Losses	: 4353318	Deferred Tax Asset	: NIL

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

Turn Over	: 10039575	Total Expenditure	: 12535999**
Profit/(Loss) Before Tax	: (2415924)	Profit/(Loss) after Tax	: (2496424)
Earnings per Share (Rs)	: (42.42)	Dividend (%)	: NIL

V Generic Names of Three Principal Products / Services of the Company:

1. Item Code No. : NIL

   Production Description : CIVIL WORKS CONTRACTS

* Includes Share application money pending allotment of Rs.3542650

** Includes prior period expenditure of Rs. 80500

Statement pursuant to Section 212 (1) (e) of the Companies Act, 1956 relating to Subsidiary Companies

(All amounts Rs. in Crores except for share data or as otherwise stated)

Particulars	Maytas Mineral Resources Limited	Maytas Infra Assets Limited	Maytas Vasishta Varadhi Limited	Maytas Metro Limited
1. Financial Year of the Subsidiary ended on	**31-03-2010**	**31-03-2010**	**31-03-2010**	**31.03.2010**
2. Shares of the Subsidiary Company held on the above date and extent of the holding				
i. No. of Equity shares	50,000	50,000	50,000	44,995
ii. Face value in currency	Rs. 10/- each	Rs. 10/- each	Rs. 10/- each	Rs. 10/- each
iii. Extent of the holding	100%	100%	100%	89.99%
3. Net Aggregate amount of profits/(losses) of the subsidiary for the above financial year so as they concern members of Maytas Infra Limited.				
i. Dealt with in accounts of Maytas Infra Limited	(0.05)	(6.80)	N A	N A
ii. Not Dealt with in accounts of Maytas Infra Limited				
4. Net Aggregate amount of profits/(losses) of the subsidiaries for previous financial year so far as it concern members of Maytas Infra Limited.				
i. Dealt with in accounts of Maytas Infra Limited	(4.31)	(10.44)	NA	(4.02)
ii. Not Dealt with in accounts of Maytas Infra Limited				

Auditors' Report

The Board of Directors

Maytas Infra Limited

1. We have audited the attached Consolidated Balance Sheet of Maytas Infra Limited (the Company), comprising its subsidiaries, joint ventures and associates ("Maytas Group"), as at March 31, 2010, 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 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. *Except as discussed in paragraph 3 below,* 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 Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. In respect of the subsidiaries, joint ventures and associates, audited by other auditors we had, based on our preliminary reading of the audited financial statements of those entities sought certain clarifications and had also requested for a discussion with the auditors of those entities as required under Statement on Auditing SA - 600 using the work of another auditor. *However, we were unable to discuss or obtain any clarifications/representation from the auditors of those entities. The accompanying Consolidated Financial Statements do not include, adjustments, if any, which may have been required, had we obtained such clarifications/ representations.*

4. Further to our observations in paragraph 3 above, we did not audit the financial statements of:

   a. Certain subsidiaries and joint ventures, with aggregate assets of Rs.195.34 Crores as at March 31, 2010, aggregate revenues of Rs.143.31 Crores and cash flows amounting to Rs.6.73 Crores for the year then ended.

   b. Certain subsidiaries and joint ventures, with aggregate revenues of Rs.19.80 Crores and cash flows amounting to Rs.0.98 Crores for the year ended March 31, 2010, which have been disposed off during the year.

   c. Certain associates, with Rs. Nil profit for the year ended March 31, 2010, as they were under Project execution stage and have been disposed off during the year.

   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 in respect of these subsidiaries, joint ventures and associates, is based solely on the report of other auditors.

5. a. *As detailed in Note 13 of Schedule 26, the accompanying Consolidated Financial Statements includes unaudited financial statements of a subsidiary, with Rs. Nil revenues as it was under Project execution stage and has been disposed off during the year.*

   b. *During the year, Management has consolidated a Jointly controlled entity based on unaudited accounts drawn up to December 31, 2009, with assets of Rs.117.13 Crores as at December 31, 2009, revenues of Rs.14.18 Crores and cash flows of Rs.0.04 Crores for the period then ended. We have not been provided with any details of transactions between December 31, 2009 and March 31, 2010. Also, we were unable to obtain any clarifications on the financial statements from the Management of that entity and accordingly we were unable to perform any further procedures in this regard.*

   The accompanying Consolidated Financial Statements do not include adjustments if any, that may have been required had the financial statements of these entities been audited.

6. We invite your attention to the following:

   a. Note No. 6 of Schedule 26 to the Consolidated Financial Statements. The accompanying Consolidated Financial Statements has been prepared on a going concern basis after giving effect to the corporate debt restructuring (CDR) package including accounting for the disposal of certain investments to an Independent Trust, as approved by the CDR cell in their meeting held on March 31, 2010 and vide letter of approval dated June 26, 2010.

   b. Note No. 9 of Schedule 26 to the Consolidated Financial Statements regarding recoverability of certain current and fixed assets aggregating to Rs. 218.27 Crores qualified in our previous year's audit report. During the current year, an amount of Rs.85.21 Crores has been charged off to the Profit and Loss Account considered as irrecoverable/doubtful of recovery.

   As at March 31, 2010, a sum of Rs.63.70 Crores is recoverable against current and fixed assets. Based on internal assessment and/or legal opinion, the same has been considered good of recovery and consequently, no further adjustments have been made in this regard.

   c. Note No. 10 of Schedule 26 to the Consolidated Financial Statements regarding interest accrued on Inter Corporate Deposits amounting to Rs. 48.52 Crores up to March 31, 2009 qualified in our previous year's audit report, out of which Rs. 48.10 Crores has been charged off during the year and no further interest is accrued.

   d. With regard to Note 21 of Schedule 26 to the Consolidated Financial Statements pertaining to remuneration paid by the Company to its directors, which was in excess of the limits specified under Schedule XIII of the Companies Act, 1956 by Rs. 1.87 Crores and Rs.0.16 Crore for the year ended March 31, 2009 and March 31, 2010 respectively. The approval in respect of the aforesaid is awaited from the central government. The ultimate outcome of the matter cannot be presently determined. Pending, the final outcome, no adjustments have been made in this regard in the financial statements.

We have not qualified our opinion in respect of the matters referred in the Paragraphs 6(a) to 6(d) above.

7. *As at March 31, 2010, the Company had Inter Corporate Deposits (ICDs) outstanding of Rs.391.64 Crores. Management has represented that the Company has taken steps to recover the amounts and is of the opinion that all deposits are fully recoverable. Accordingly no adjustments have been made to the accompanying Consolidated Financial Statements in respect of the same. Pending final resolution of the matter, we are unable to comment on the extent of recoverability of the aforesaid amounts. Our audit report on the Consolidated Financial Statements for the year ended March 31, 2009 was also qualified in respect of the aforesaid matter.*

8. We report that the accompanying 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).

9. Based on our audit and on consideration of 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 *except to the extent of impact, if any, on account of matters discussed in paragraphs 3, 5 and 7 above,* the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

   (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Maytas Group as at 31st March 2010;

   (b) in the case of the Consolidated Profit and Loss Account, of the loss for the year ended on that date; and

   (c) in the case of the Consolidated 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 Kumar Pansari**
Partner
Membership No.: 93649

Place : New Delhi
Date : June 28, 2010

Consolidated Balance Sheet as at March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

	Schedules	As at March 31, 2010		As at March 31, 2009	
SOURCES OF FUNDS					
Shareholders' Funds					
Share capital	1	58.85		58.85	
Share application money pending allotment		354.27		-	
(Refer Note 6 (e) of Schedule 26)					
Employee stock options outstanding	2	0.33		0.11	
Reserves and surplus	3	289.92		327.86	
			703.37		386.82
Minority interest			-		16.70
Loan Funds					
Secured loans	4	793.74		2,166.76	
Unsecured loans	5	141.75		82.82	
			935.49		2,249.58
Deferred tax liabilities (net)	6A		0.02		0.15
			1,638.88		**2,653.25**
APPLICATION OF FUNDS					
Fixed Assets	7				
Gross block		582.09		681.30	
Less: Accumulated Depreciation		236.77		185.30	
Net block		345.32		496.00	
Capital work-in-progress including capital advances		9.30		83.04	
Incidental expenditure during construction period		2.97	357.59	28.22	607.26
(Refer Note 22 of Schedule 26)					
Intangible Assets	8		-		649.58
Investments	9		30.38		98.45
Deferred tax asset (net)	6B		7.26		7.26
Current Assets, Loans and Advances					
Inventories	10	168.19		357.38	
Sundry debtors	11	671.95		665.64	
Cash and bank balances	12	60.03		127.99	
Other current assets	13	33.53		83.92	
Loans and advances	14	630.58		765.69	
		1,564.28		**2,000.62**	
Less: Current Liabilities and Provisions					
Current Liabilities	15	691.61		851.27	
Provisions	16	64.70		42.47	
		756.31		**893.74**	
Net Current Assets			807.97		1,106.88
Profit and loss account - Debit balance			435.68		183.82
			1,638.88		**2,653.25**
Notes to Consolidated Accounts	26				

The schedules referred to above and notes to consolidated accounts form an integral part of the Consolidated Balance Sheet.
This is the Consolidated Balance Sheet referred to in our report of even date.

for S.R. BATLIBOI & ASSOCIATES
Firm Registration No. : 101049W
Chartered Accountants

per **Vikas Kumar Pansari**
Partner
Membership No.: 93649

Place : New Delhi
Date : June 28, 2010

for and on behalf of the Board of Directors of
Maytas Infra Limited

Vimal Kishore Kaushik
Managing Director

Arun K Saha
Director

G Venkateswar Reddy
Company Secretary

Place : New Delhi
Date : June 28, 2010

Consolidated Profit and Loss Account for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

	Schedules	For the year ended March 31, 2010	For the year ended March 31, 2009
Income			
Revenues	**17**	1,098.78	1,644.66
Other income	**18**	51.17	74.62
		1,149.95	**1,719.28**
Expenditure			
Decrease/(Increase) in Work-in-Progress	**19**	68.26	(72.45)
Material consumed	**20**	267.58	701.85
Personnel expenses	**21**	55.51	130.24
Contract expenses	**22**	734.38	988.18
Administrative and Selling expenses	**23**	35.03	107.13
Financial expenses	**24**	165.32	189.82
Depreciation/Amortisation *(Refer Note 2 of Schedule 26)*	**7 & 8**	96.78	82.05
		1,422.86	**2,126.82**
Loss before exceptional items, tax and prior period items		**(272.91)**	**(407.54)**
Exceptional items (net)	**25**	34.62	(49.93)
Loss before tax and prior period items		**(238.29)**	**(457.47)**
Provision for taxation			
- Current tax		3.65	2.58
- Fringe benefit tax		0.00	1.44
- Deferred tax credit		-	(6.55)
- Taxes for earlier years		1.87	0.66
Total Tax Expenses		**5.52**	**(1.87)**
Loss after tax and before prior period items		**(243.81)**	**(455.60)**
Prior period items (net) (net of tax Rs.Nil) *(Refer Note 28 of Schedule 26)*		8.05	17.95
Loss after tax		**(251.86)**	**(473.55)**
Add: Balance brought forward from previous year		(183.82)	279.32
Appropriations			
Transfer from general reserve		-	(10.41)
Deficit carried to Balance Sheet		**(435.68)**	**(183.82)**
Earnings per share (in Rupees)			
(Refer Note 29 of Schedule 26)			
Basic		(42.80)	(80.47)
Diluted		(42.80)	(80.47)
Nominal value of each share		10.00	10.00
Notes to Consolidated Accounts	**26**		

The schedules referred to above and notes to consolidated accounts form an integral part of the Consolidated Profit and Loss Account.
This is the Consolidated Profit and Loss Account referred to in our report of even date.

for S.R. BATLIBOI & ASSOCIATES
Firm Registration No. : 101049W
Chartered Accountants

per **Vikas Kumar Pansari**
Partner
Membership No.: 93649

Place : New Delhi
Date : June 28, 2010

for and on behalf of the Board of Directors of
Maytas Infra Limited

Vimal Kishore Kaushik — Managing Director
Arun K Saha — Director
G Venkateswar Reddy — Company Secretary

Place : New Delhi
Date : June 28, 2010

Consolidated Cash Flow Statement for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

		For the year ended 2009-10	For the year ended 2008-09
A. Cash flow from operating activities			
Net (Loss) before tax and before prior period items		(238.29)	(457.47)
Less: Prior period items (net) (net of tax Rs.Nil)		(8.05)	(17.95)
Adjustments for:			
Depreciation / amortisation		96.78	82.06
Unrealised foreign exchange (gain)/loss - (net)		(19.24)	34.50
Unrealised foreign exchange (gain)/loss on derivatives (net)		1.12	(8.37)
Liabilities no longer required written back		(15.41)	(2.23)
Provision for retirement benefits		(1.64)	2.47
Interest income		(4.84)	(53.76)
Income from mutual funds		(0.78)	-
Loss on sale / discard of fixed assets (net)		2.02	0.63
Profit on sale of a project		(4.18)	-
Interest expense		154.84	174.67
Miscellaneous expenditure written off		-	0.01
Employee stock compensation expenses		0.22	0.11
Provision for estimated losses		36.44	12.49
Provision for future loss on settlement of a contract		2.03	12.64
Provision for liquidated damages		4.19	10.55
Gains on transfer of investments		(237.72)	-
Profit on disposal of the investments in subsidiary, joint vetures and associates		(17.88)	-
Gain on one time settlement with banks		(121.63)	-
Reversal of CDR Interest		(21.04)	-
Income from sale of long term investments		(3.92)	-
Long term investments written off		-	0.30
Provision for dimunition in value of Long term investments		8.55	0.05
Provision for Performance Bank Guarantee invoked		54.69	-
Advances written off		108.56	9.98
Bad debts written off		52.70	-
Stock written off		9.67	-
Work-in-progress written off		70.68	-
Provision for doubtful debtors/advances/interest accrued on deposits		62.72	31.89
Operating loss before working capital changes		**(29.41)**	**(167.43)**
Movements in working capital :			
(Increase) / Decrease in sundry debtors		(138.01)	96.46
Decrease / (Increase) in inventories		78.75	(79.37)
Decrease / (Increase) in loans and advances		31.92	(259.67)
Decrease / (Increase) in other current assets		1.23	(22.98)
Increase/(Decrease) in current liabilities		31.36	(186.56)
Cash used in operations		**(24.16)**	**(619.55)**
Direct taxes paid (net of refunds)		(21.64)	(43.32)
Net cash used in operating activities	**(A)**	**(45.80)**	**(662.87)**
B. Cash flows from investing activities			
Purchase of fixed assets and intangibles		(142.12)	(433.52)
Proceeds from sale of fixed assets		2.21	9.70
Purchase of investments		(34.05)	(23.97)
Proceeds from sale of investments including share application money in associates and joint Ventures (net of cash)		26.14	-
Invested as share application money		(4.73)	-
Proceeds from/ investment in short term deposits (net)		36.86	(8.88)
Interest received		4.40	8.47
Cash and Bank balances acquired from Joint ventures (Refer Note 1(b) (II & III) of Schedule 26)		2.55	-
Income from mutual funds		0.78	-
Net cash used in investing activities	**(B)**	**(107.96)**	**(448.20)**
C. Cash flows from financing activities			
Proceeds from issuance of share capital		-	0.03
Proceeds from long term borrowings		186.28	938.58
Proceeds received as per Company Law Board order (Promoter's Contribution)		55.00	-
Short term borrowings (net)		-	750.01
Grants received from concession authorities		15.55	37.93
Repayment of long term borrowings		(102.02)	(762.67)
Proceeds from contribution to share capital by minority share holders		-	3.50
Interest paid		(32.15)	(158.34)
Dividend paid		-	(8.83)
Tax on Dividend paid		-	(1.50)
Net cash from financing activities	**(C)**	**122.66**	**798.71**
(Decrease) / Increase in cash and cash equivalents (A + B + C)		**(31.10)**	**(312.36)**

Consolidated Cash Flow Statement for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

	For the year ended 2009-10	For the year ended 2008-09
Cash and cash equivalents as at the beginning of the year	**58.77**	**307.02**
Add: Cash and bank balance as at April 1, 2008 of entities which were considered as Associates in previous year	**-**	**64.11**
Cash and cash equivalents as at the end of the year	**27.67**	**58.77**
Notes to the Consolidated cash flow statement		
Reconciliation of Cash and Cash equivalents :		
Components of Cash and Cash equivalents		
Cash and cheques on hand	0.33	0.38
Balance with banks :		
- on Current accounts	27.34	58.39
- on Deposit accounts	-	-
- on Unpaid dividend accounts *	0.00	0.00
Total Cash and Cash equivalents	**27.67**	**58.77**
Add:		
Fixed deposits not considered as cash equivalents	7.83	35.60
Margin money deposits not considered as cash equivalents	24.53	33.62
Cash and bank balances as per Schedule 12	**60.03**	**127.99**

*These balances are not available for use by the company as they represent corresponding unpaid dividend liabilities.

During the current year, certain investments (including share application money) in Subsidiaries, Joint ventures and Associates were sold to Maytas Investment Trust for a total consideration of Rs 575. The said transaction is considered as non cash transaction for the purpose of cash flow. (Refer Note 6(e) of Schedule 26).

This is the Consolidated Cash flow Statement referred in our report of even date.

for S.R. BATLIBOI & ASSOCIATES
Firm Registration No. : 101049W
Chartered Accountants

per **Vikas Kumar Pansari**
Partner
Membership No.: 93649

Place : New Delhi
Date : June 28, 2010

for and on behalf of the Board of Directors of
Maytas Infra Limited

Vimal Kishore Kaushik
Managing Director

Arun K Saha
Director

G Venkateswar Reddy
Company Secretary

Place : New Delhi
Date : June 28, 2010

Schedules to Consolidated Balance Sheet

(All amounts in Rs. Crore except for share data or as otherwise stated)

	As at March 31, 2010		As at March 31, 2009	
Schedule 1 : Share Capital				
Authorised				
75,000,000 (March 31, 2009: 75,000,000) equity shares of Rs.10 each		**75.00**		**75.00**
Issued, subscribed and paid up				
58,850,856 (March 31, 2009 : 58,850,856) equity shares of Rs.10 each fully paid		**58.85**		**58.85**
(Note: Refer Note 17 of Schedule 26 for option on unissued share capital.)				
Schedule 2 : Employee stock options outstanding				
(Refer Note 17 of Schedule 26)				
Employee stock options outstanding		0.47		0.47
Less : Deferred employee compensation cost		0.14		0.36
		0.33		**0.11**
Schedule 3 : Reserves and surplus				
General Reserve				
Balance as per last Balance Sheet	-		10.41	
Add:Transferred to Profit and Loss Account	-		(10.41)	
		-		-
Securities Premium Account				
Balance as per last Balance Sheet	289.92		289.89	
Add: Received during the year from ESOP allotment	-		0.03	
		289.92		289.92
Foreign Currency Translation Reserve				
Balance as per last Balance Sheet	-		(0.01)	
Less: Current year translation adjustment	-		0.01	
		-		-
Grants received from concession authorities				
Balance as per last Balance Sheet	37.94		-	
Add: Received during the year	15.55		37.94	
Less: Transferred on disposal of joint ventures	53.49	-	-	37.94
		289.92		**327.86**
Schedule 4 : Secured loans				
(Refer Note 6, 7, 8 and 11 of Schedule 26)				
From Bank				
Foreign currency loans [including Buyer's line Credit Rs.2.83 (March 31, 2009 : Rs.22.22)] [Repayable within one year Rs.40.83 (March 31, 2009 : Rs.69.38)]		104.40		153.51
Term Loan/ Working capital term loan [net of offset/adjustment of Rs. 575 (March 31, 2009 : Rs.Nil) receivable from Maytas Investment Trust] [Repayable within one year Rs.219.95 (March 31, 2009 : Rs.300.77)]		340.75		888.73
Working Capital Loans [includes Rs.46.60 (March 31, 2009: Rs. Nil) not forming part of CDR]		304.60		577.32
Bank Guarantees Devolved		-		398.53
Interest accrued and due		13.08		17.47
From others				
Term loans [Repayable within one year Rs.30.35 (March 31, 2009 : Rs.5)]		30.35		128.97
Vehicle loans [Repayable within one year Rs.0.35 (March 31, 2009 : Rs.1.13)]		0.35		2.13
Interest accrued and due		0.21		0.10
		793.74		**2,166.76**

Schedules to Consolidated Balance Sheet

(All amounts in Rs. Crore except for share data or as otherwise stated)

	As at March 31, 2010		As at March 31, 2009	
Schedule 5 : Unsecured loans				
From Banks		40.00		70.00
[Repayable within one year Rs.39.94 (March 31, 2009 : Rs.70)]				
Interest accrued and due		7.75		2.73
From others				
Other loans		35.35		6.21
[Repayable within one year Rs.35.35 (March 31, 2009 : Rs.Nil)]				
Dues to Directors		-		0.03
[Repayable within one year Rs.Nil (March 31, 2009 : Rs.0.03)]				
Promoter's Contribution *[Refer Note 6 (c) of Schedule 26]*		55.00		-
Finance lease obligation		3.65		3.85
[Repayable within one year Rs.0.20 (March 31, 2009 : Rs.0.18)]				
		141.75		**82.82**
Schedule 6A : Deferred tax liability (net)				
Differences in depreciation as per tax books and financial books		0.02		0.15
Net deferred tax liability		**0.02**		**0.15**
Schedule 6B : Deferred tax asset (net) ***(Refer Note 14 of Schedule 26)***				
Deferred tax liability				
Differences in Depreciation as per tax books and financial books		(2.31)		(11.51)
Deferred tax assets				
Effect of Lease Accounting		1.13		1.33
Effect of retirement benefit expenditure debited to profit and loss account in the current year but allowed for tax purposes in the following years		1.12		1.72
Effect of Public Issue Expenses		0.06		5.86
Effect of Unabsorbed Depreciation to the extent of deferred tax liabilities.		-		2.60
Effect of Unabsorbed business loss and depreciation		7.26		7.26
Net deferred tax asset		**7.26**		**7.26**

Schedules to Consolidated Balance Sheet

(All amounts in Rs. Crore except for share data or as otherwise stated)

Schedule 7 : Fixed Assets

Description	Gross Block						Depreciation						Net Block	
	As at April 01, 2009	Additions during the year	Deletions during the year	Adjust-ments #	On Disposal of Compo-nents @	As at March 31, 2010	As at April 01, 2009	For the year	Deletions	Adjust-ments #	On Disposal of Compo-nents @	As at March 31, 2010	As at March 31, 2010	As at March 31, 2009
Freehold Land	13.78	-	-	-	7.44	6.34	-	-	-	-	-	-	6.34	13.78
Buildings	0.17	-	-	-	-	0.17	-	-	-	-	-	-	0.17	0.17
Temporary erections - site offices	24.75	0.13	1.21	0.71	-	24.38	16.65	6.79	0.52	0.54	-	23.46	0.92	8.10
Lease hold improvements*	89.08	-	0.05	-	84.99	4.04	29.02	10.64	0.01	-	38.36	1.29	2.75	60.06
Plant and machinery - Construction equipment ^ ^	509.02	19.41	12.84	1.29	4.89	511.99	122.69	74.61	3.50	0.57	0.51	193.86	318.13	386.33
Site infrastructure	8.42	-	3.16	-	-	5.26	1.62	1.55	0.97	-	-	2.20	3.06	6.80
Office equipment	5.29	0.10	0.42	0.01	0.29	4.69	1.12	0.31	0.06	-	0.04	1.33	3.36	4.17
Tools and implements	5.61	0.19	0.64	0.19	0.06	5.29	5.40	0.26	0.65	0.11	-	5.12	0.17	0.21
Data processing equipments	7.66	0.01	1.21	0.02	0.17	6.31	2.79	1.05	0.65	0.02	0.05	3.16	3.15	4.87
Furniture and fixtures	4.78	0.04	0.69	0.02	0.26	3.89	2.25	0.19	0.22	0.00	0.04	2.18	1.71	2.53
Vehicles	12.74	0.08	2.33	0.08	0.84	9.73	3.76	0.94	0.41	0.04	0.16	4.17	5.56	8.98
Grand Total	**681.30**	**19.96**	**22.55**	**2.32**	**98.94**	**582.09**	**185.30**	**96.34**	**6.99**	**1.28**	**39.16**	**236.77**	**345.32**	**496.00**
Previous Year	**478.95**	**131.72**	**16.72**	**87.34**		**681.30**	**73.61**	**94.36**	**0.84**	**18.19**		**185.30**	**496.00**	
Capital work-in-progress including capital advances $													**9.30**	**83.04**

* Leasehold improvements represent fixtures taken on finance lease.

^ ^ Plant and Machinery - Construction equipment

1. Plant and Machinery - Construction equipment (Gross Block) includes shuttering and scaffolding material Rs. 45.77 (March 31, 2009 : Rs. 52.95). Net block value of this shuttering and scaffolding material is Rs. 18.31 (March 31, 2009 : Rs. 41.81)
2. Deletions during the year includes cenvat capitalised in earlier years, credit of which is taken in the current year Rs. Nil (March 31, 2009 : Rs. 5.44)
3. Plant and Machinery - Construction equipment includes equipment given on Operating Lease (Refer Note 2 of Schedule 26)

	31-Mar-10	31-Mar-09
Gross book value	120.95	82.42
Accumulated depreciation	19.69	8.67
Depreciation for the year	20.13	9.31
Net book value	81.13	64.44

On account of reclassification of certain jointly controlled entities as integral part of the Company's operations or as jointly controlled operations. (Refer Note 1(b) (II & III) of Schedule 26)

$ includes capital advances of Rs.5.93 (March 31, 2009 : Rs.44.70)

@ Consists of assets partaining to subsidiary and joint ventures which were sold during the year.

Schedules to Consolidated Balance Sheet

(All amounts in Rs. Crore except for share data or as otherwise stated)

Schedule 8 : Intangible assets

Description	Gross Block						Amortisation						Net Block	
	As at April 01, 2009	Additions during the year	Deletions during the year	Adjust-ments	On Disposal of Compo-nents @	As at March 31, 2010	As at April 01, 2009	For the year	Deletions	Adjust-ments	On Disposal of Compo-nents @	As at March 31, 2010	As at March 31, 2010	As at March 31, 2009
Computer software	1.17	0.27	0.11	-	-	1.33	0.97	0.44	0.08	-	-	1.33	-	0.20
Toll collection rights (Under development) *(Refer Note 23 of Schedule 26)*	649.38	-	-	-	649.38	-	-	-	-	-	-	-	-	649.38
Grand Total	**650.55**	**0.27**	**0.11**	**-**	**649.38**	**1.33**	**0.97**	**0.44**	**0.08**	**-**	**-**	**1.33**	**-**	**649.58**
Previous Year	4.38	314.52	0.15	331.81	-	650.55	0.78	0.19	-	-	-	0.97	649.58	-

@ Consists of assets pertaining to subsidiary and joint ventures which were sold during the year.

Schedules to Consolidated Balance Sheet
(All amounts in Rs. Crore except for share data or as otherwise stated)

	Face Value	As at March 31, 2010		As at March 31, 2009	
		Number	Amount	Number	Amount
Schedule 9 : Investments (Unquoted)					
Long term, Trade (At cost)					
A. In Equity shares (fully paid up)					
1. Gautami Power Limited	10	-	-	96,801,733	96.80
2. Paschal Form Work (India) Private Limited	10	-	-	1,624,725	1.62
3. Paschal Technology (India) Private Limited	10	-	-	27,472	0.03
4. KVK Power and Infrastructure Private Limited	10	4,000,000	4.00	-	-
B. Preference shares (fully paid up)					
1. KVK Power and Infrastructure Private Limited	10	4,550,000	4.55	-	-
			8.55		98.45
Less: Diminution in value of investments			8.55		-
			-		98.45
Non-trade - Current investments					-
(At lower of cost and market value)					
1. L I C M F Liquid Fund - Growth plan		18,051,774	30.38	-	-
			30.38		-
Aggregate Net Asset Value as at March 31, 2010 : Rs. 30.44 (March 31, 2009 : Rs. Nil)					
			30.38		**98.45**

	As at March 31, 2010		As at March 31, 2009	
Schedule 10 : Inventories ***(Refer Note 1 (h) and 9 of Schedule 26)***				
Materials		38.39		89.29
Work-in-progress		129.80		268.09
		168.19		**357.38**
Schedule 11 - Sundry debtors				
(Unsecured Considered good except as otherwise stated) ***(Refer Note 9 on Schedule 26)***				
Debts outstanding for a period exceeding six months				
Considered good*	456.80		351.65	
Considered doubtful	1.54	458.34	6.08	357.73
Other debts				
Considered good#	215.15		313.99	
Considered doubtful	-	215.15	3.98	317.97
		673.49		675.70
Less: Provision for doubtful debts		1.54		10.06
* includes retention money : Rs. 114.53 (March 31, 2009 : Rs.120.64)				
# includes retention money : Rs. 55.60 (March 31, 2009 : Rs.43.55)				
		671.95		**665.64**
Schedule 12: Cash and bank balances				
Cash on hand		0.33		0.38
Balances with scheduled banks				
- on current accounts		27.34		58.39
- on margin money deposits*		24.53		33.62
- on deposits #		7.83		35.60
- on unpaid dividend account		0.00		0.00
* lodged with authorities				
# under lien Rs. 7.72 (March 31, 2009 : Rs. 23.62)				
		60.03		**127.99**

Schedules to Consolidated Balance Sheet

(All amounts in Rs. Crore except for share data or as otherwise stated)

	As at March 31, 2010		As at March 31, 2009	
Schedule 13 : Other current assets				
(Unsecured, considered good except as otherwise stated)				
Interest accrued on deposits				
Considered good	1.64		49.63	
Considered doubtful	48.10		-	
		49.74		49.63
Claim for performance guarantee *(Refer Note 9 of Schedule 26)*				
Considered good	19.60		32.13	
Considered doubtful	54.69		-	
		74.29		32.13
Fixed assets held for sale		11.36		-
Other Receivables		0.93		2.16
		136.32		83.92
Less : Provision for doubtful Other Current Assets		102.79		-
		33.53		**83.92**
Schedule 14 : Loans and advances				
(Unsecured, considered good except as otherwise stated)				
(Refer Note 9, 10 and 19 of Schedule 26)				
Share/Debenutre Application Money to Others		1.07		1.24
Dues from Joint Ventures		37.20		92.19
Advances recoverable in cash or kind or for value to be received				
Considered good	88.76		150.57	
Considered doubtful	24.24	113.00	21.87	172.44
Inter corporate deposits		391.64		391.64
Deposits - others				
Considered good	10.69		21.79	
Considered doubtful	0.47	11.16	-	21.79
Unamortised exchange premium		-		0.13
Deferred revenue receivable		3.04		-
Sales tax deducted at source		5.75		14.94
Service tax credit receivable		3.01		17.17
Advance Income tax (net of provision)		89.42		76.02
		655.29		787.56
Less :Provision for Doubtful advances		24.71		21.87
		630.58		**765.69**
Schedule 15 : Current Liabilities				
Sundry creditors		172.73		251.92
Dues to Joint Ventures		24.79		0.87
Advances from customers		66.65		135.88
Mobilisation advance		212.49		222.16
Unclaimed dividend (Investor Education and Protection Fund shall be credited as and when due)		0.00		0.00
Book Overdraft		0.00		0.23
Dues to Sub-Contractors		62.48		96.83
Security deposits payable		58.78		58.52
Interest accrued but not due		43.51		17.85
Other liabilities		50.18		67.01
		691.61		**851.27**
Schedule 16 : Provisions				
Estimated future loss on projects *(Refer Note 15 (a) of Schedule 26)*		44.28		12.49
Estimated loss on settlement of project *(Refer Note 15 (b) of Schedule 26)*		2.03		12.64
Liquidated Damages *(Refer Note 16 of schedule 26)*		14.74		10.55
Fringe benefit tax		0.02		1.50
Gratuity *(Refer Note 18 (b) of Schedule 26)*		1.76		2.24
Compensated absences		1.87		3.05
		64.70		**42.47**

Schedules to Consolidated Profit and Loss Account

(All amounts in Rs. Crore except for share data or as otherwise stated)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Schedule 17 : Revenues		
Revenue from contracts	1,034.13	1,614.19
Equipment hire charges	44.85	10.67
Annuity income	19.80	19.80
	1,098.78	**1,644.66**
Schedule 18 : Other income		
Interest on		
Bank Deposits	3.72	5.50
Inter corporate Deposits	-	46.25
Other Deposits	1.12	-
Loans to Joint Ventures	-	2.01
Gain on foreign currency fluctuation (Net)	18.92	-
Loss on Derivatives written back	-	9.83
Liabilities no longer required written back	15.41	2.23
Income from Mutual Funds (Non trade and current investment)	0.78	-
Profit on settlement of projects (net)	6.59	-
Profit on sale of materials	0.20	-
Miscellaneous receipts	4.43	8.80
	51.17	**74.62**
Schedule 19 : Decrease/(Increase) in Work-in-Progress		
Opening work-in-progress	268.09	195.64
Less: Work in progress written off	70.68	-
Less: Adjustment on settlement of project	25.17	-
Less: Work-in-progress transferred to other joint venturers	8.86	-
Add: Work-in-progress acquired from Joint Ventures*	34.68	-
	198.06	195.64
Closing work-in-progress	129.80	268.09
* On account of reclassification of certain jointly controlled entities as integral part of the Company's operations or as jointly controlled operations. (Refer Note 1 (b) (II & III)of Schedule 26)		
	68.26	**(72.45)**
Schedule 20 : Material consumed		
Opening stock	89.29	82.37
Add: Purchases	257.83	708.77
Add: Materials acquired from Joint Ventures**	1.28	-
	348.40	**791.14**
Less: Stock written off	9.67	-
Less: Cost of materials sold	32.76	-
	305.97	**791.14**
Less: Closing stock	38.39	89.29
** On account of reclassification of certain jointly controlled entities as integral part of the Company's operations or as jointly controlled operations. (Refer Note 1 (b) (II & III)of Schedule 26)		
	267.58	**701.85**
Schedule 21 : Personnel expenses		
Salaries, bonus and other allowances	48.57	115.66
Contribution to provident fund and others (Refer Note 18 (a) of Schedule 26)	2.73	6.30
Gratuity (Refer Note 18 (b) of Schedule 26)	0.04	0.82
Compensated absences	1.68	2.23
Staff welfare expenses	2.27	5.12
Employee stock compensation expenses	0.22	0.11
	55.51	**130.24**

Schedules to Consolidated Profit and Loss Account

(All amounts in Rs. Crore except for share data or as otherwise stated)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Schedule 22 : Contract expenses		
Site expenses	9.66	18.65
Subcontractor expenses	597.87	789.85
Hire charges	8.02	21.84
Freight and transportation	4.17	10.32
Wages and benefits to workers	19.90	32.21
Insurance - Projects	2.64	4.70
Insurance - others	0.86	1.44
Power and fuel	2.20	2.86
Repairs and maintenance		
Plant and machinery	4.65	6.73
Buildings	0.10	0.37
Others	3.99	2.17
Sales tax	34.28	43.28
Service tax	3.38	18.08
Provision for estimated future losses	36.44	12.49
Provision for future loss on settlement of project	2.03	12.64
Provision for liquidated damages (net)	4.19	10.55
	734.38	**988.18**
Schedule 23 : Administrative and Selling expenses		
Rent	6.08	12.39
Rates and taxes	5.11	2.12
Office maintenance	2.33	4.19
Communication expenses	1.40	3.75
Printing and stationery	0.70	2.12
Legal and professional charges	9.39	20.01
Tender expenses	0.09	4.12
Business promotion	0.43	1.39
Travelling and conveyance	4.39	14.18
Auditors' remuneration *(Refer Note 30 of Schedule 26)*	1.02	0.70
Membership and subscription	0.04	0.15
Staff recruitment expenses	0.08	1.18
Donations	0.02	0.21
Loss on exchange fluctuations (Net)	-	38.23
Loss on derivatives	1.12	-
Loss on sale/discard of assets (Net)	2.02	0.63
Miscellaneous expenses	0.81	1.76
	35.03	**107.13**
Schedule 24 : Financial expenses		
Interest on fixed period loans	78.51	121.91
Interest on others	76.33	52.76
Lease finance charges	0.43	0.45
Bank charges	10.05	14.70
	165.32	**189.82**

Schedules to Consolidated Profit and Loss Account

(All amounts in Rs. Crore except for share data or as otherwise stated)

	For the year ended March 31, 2010		For the year ended March 31, 2009	
Schedule 25 : Exceptional items (net)				
Gains on transfer of investments (Refer Note 6(e) of Schedule 26)		237.72		-
Profit on disposal of the investments in subsidiary, joint vetures and associates (Refer Note 6(e) of Schedule 26)		17.88		-
Gain on one time settlement with banks (Refer Note 7 of Schedule 26)		121.63		-
Reversal of CDR interest (Refer Note 6(e) of Schedule 26)		21.04		-
Income from sale of long term investments		3.92		-
Write off of long term investments		-		(0.30)
Provision for diminution in value of long term investments		(8.55)		(0.05)
Provision for Performance Bank Guarantee invoked (Refer Note 9 of Schedule 26)		(54.69)		-
Advances written off		(108.56)		(9.98)
Bad debts written off		(52.70)		-
Stock written off		(9.67)		-
Work-in-progress written off		(70.68)		-
Provision for doubtful debtors/advances/interest accrued on deposits	(42.42)		(31.89)	
Add: Adjustment on settlement of a contract	(20.30)	(62.72)	-	(31.89)
Bank guarantee commission charged off		-		(7.71)
		34.62		**(49.93)**

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

1. **Statement of significant accounting policies**

   a. **Basis of preparation**

   The accompanying consolidated financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The consolidated financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

   b. **Basis of consolidation**

   The Consolidated Financial Statements of Maytas Infra Limited ("Maytas" or "the Company") together with its subsidiaries, associates and joint venture entities (collectively termed as "the Group" or "the consolidated entities") have been prepared using uniform accounting policies for like transactions and other events in similar circumstances except as referred in para 3 below.

   Investments in consolidated entities, except where such investments are acquired with a view to their subsequent disposal in the immediate future, are accounted in accordance with accounting principles as defined under AS 21 "Consolidated Financial Statements", on a line by line basis, AS-23 "Accounting for Investment in Associates in Consolidated Financial Statements", under Equity method and AS 27 "Financial Reporting of Interests in Joint Ventures", using proportionate consolidation method notified by Companies Accounting Standards Rules, 2006 (as amended).

   All material inter-company balances and inter-company transactions and resulting unrealized profits or losses are eliminated in full on consolidation of subsidiaries and proportionately (to the extent it pertains to Group) on consolidation of joint ventures.

   The Consolidated Financial Statements for the year ended March 31, 2010 have been prepared on the basis of the financial statements of the following subsidiaries, associates and joint venture entities:

	Name of the Consolidated Entities	Country of Incorporation	% of Interest as at March 31, 2010	2009
	Subsidiaries			
1	Infra Trade FZE ^ ^	UAE	-	100%
2	Pondicherry Tindivanam Tollway Limited ^ ^ # $ (Refer Note VI)	India	-	51%
3	Maytas Mineral Resources Limited (MMRL)	India	100%	100%
4	Maytas Infra Assets Limited (MIAL)	India	100%	100%
5	Maytas (Singapore) Pte. Limited ^ ^	Singapore	-	100%
6	Maytas Metro Limited @	India	89.99%	99.99%
7	Maytas Vashista Varadhi Limited	India	100%	100%
	Step Down Subsidiaries of MIAL			
1	Dardu Power Private Limited @	India	100%	100%
2	Par Power (Arunachal Pradesh) Private Limited @	India	100%	100%
	Step Down Subsidiaries of MMRL			
1	Maytas Ferro Industries Private Limited **	India	100%	100%
	Joint Ventures (AOPs/Partnership firms/Incorporated Entities)			
1	Maytas-SNC (JV)	India	40%	40%
2	NCC-Maytas (JV) - U1	India	50%	50%
3	IJM-SCL (JV) (Refer Note -I)	India	-	50%
4	Himachal (JV) $	India	45%	45%
5	NEC-NCC-Maytas(JV)	India	25%	25%
6	Maytas-Shankaranarayana (JV) (Refer Note-II)	India	-	50%
7	Maytas-NCC (JV)	India	50%	50%
8	NCC-Maytas (JV) – Pocharam	India	50%	50%
9	Maytas-CTR (JV)	India	70%	70%
10	Maytas-Rithwik (JV) (Refer Note-III)	India	-	50%
11	NCC-Maytas-ZVS (JV)	India	39.69%	39.69%
12	Maytas – NCC – SSJV Consortium ^ ^	India	-	33.34%
13	Bangalore Elevated Tollway Limited ^ ^	India	29.08%	29.08%
14	Brindavan Infrastructure Company Limited ^ ^	India	33.33%	33.33%
15	Western Up Tollway Limited ^ ^	India	24.96%	30%
16	Hyderabad Expressways Limited ^ ^	India	42.71%	50%
17	Machilipatnam Port Limited ^ ^	India	50%	50%
18	Gulbarga Airport Developers Private Limited	India	37%	37%
19	Shimoga Airport Developers Private Limited	India	37%	37%

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

Name of the Consolidated Entities		Country of Incorporation	% of Interest as at March 31,	
			2010	2009
20	Pondicherry Tindivanam Tollway Limited ^ ^ # $ (Refer Note VI)	India	26.09%	-
21	Himachal Sorang Power Private Limited ^ ^ (Refer Note V)	India	-	5.02%
22	Cyberabad Expressways Limited ^ ^ (Refer Note V)	India	-	50%
23	KVK Power and Infrastructure Company Private Limited @ (Refer Note IV)	India	-	49.94%
24	KVK Nilachal Power Private Limited (Refer Note IV)	India	-	48.89%
25	S V Power Private Limited (Refer Note IV)	India	-	45.82%
	Associates			
26	Himachal Sorang Power Limited (formerly known as Himachal Sorang Power Private Limited) ^ ^ (Refer Note V)	India	5.02%	-
27	Cyberabad Expressways Limited ^ ^ (Refer Note V)	India	18%	-
28	Dhabi Maytas Contracting LLC ^ ^	UAE	-	49%

^ ^ Considered for consolidation up to the respective date of sale / closure.
@ Consolidated based on unaudited financial results in the previous year.
$ Consolidated based on unaudited financial results in the current year. (Refer Note 13 of Schedule 26)
** Immaterial subsidiary not consolidated.
# In the previous year, minority interest in the subsidiary was reflected only to the extent of the Minority's share in the net assets of the subsidiary as the subsidiary had not commenced commercial operations.

Note I:

During the year, IJM – SCL (JV), which was till previous year ended March 31, 2009 considered as Jointly Controlled Entity (JCE) has been excluded from list of Integrated Joint Ventures. The Company's share in Profit / (Loss) from IJM – SCL has therefore not been included in standalone Profit and Loss Account of the current financial year. An amount of Rs. (0.50) was included as Company's share in profit from Integrated Joint Ventures in the Profit & Loss Account of the year ended March 31, 2009.

Note II:

During the year, Maytas – Shankaranarayana (JV), which was till previous year ended March 31, 2009 considered as Jointly Controlled Entity (JCE) has been reclassified and has entirely been considered as integral part of Company's operations and therefore the revenues, expenses, assets and liabilities have been included in the standalone financial statements for the current year. An amount of Rs. (10.13) was included as Company's share in profit from Integrated Joint Ventures in the Profit & Loss Account of the year ended March 31, 2009.

Note III:

During the year, Maytas – Rithwik (JV), which was till previous year ended March 31, 2009 considered as Jointly Controlled Entity (JCE) has been reclassified as Jointly Controlled Operations (JCO). Accordingly, the Company's share of revenues, expenses, assets and liabilities have been included in the standalone financial statements. An amount of Rs. (0.99) was included as Company's share in profit from Integrated Joint Ventures in the Profit & Loss Account of the year ended March 31, 2009.

Note IV:

By virtue of amendments to share holders' agreement and loss of joint control during the year, the Company has considered these entities as investments under Accounting Standard 13 "Accounting for Investments". In the previous year, these entities were considered as Jointly Controlled Entities (JCE).

Note V:

These entities were considered as Jointly Controlled Entities (JCE) in the previous year. By virtue of amendments to share holders' agreement during the year, the Company has considered these investments as Associates in the current year.

Note VI:

Due to decrease in the stake in the current year, this entity is considered as Jointly Controlled Entity (JCE), which was a subsidiary in the previous year.

c. **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. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

d. **Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and revenue can be reliably measured.

i. Revenue from long term construction contracts is recognized on the percentage of completion method as mentioned in Accounting Standard (AS) 7 "Construction Contracts" notified by the Companies Accounting Standards Rules, 2006 (as amended). Percentage of completion is determined on the basis of surveys performed. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for. The effect of any adjustment arising from revisions to estimates is included in the Income Statement of the period in which revisions are made. The revenue on account of claims is accounted for based on Management's estimate of the probability that such claims would be admitted either wholly or in part.

ii. Revenue from hire charges is accounted for in accordance with the terms of agreement with the customers.

iii. Annuity income is accounted for on accrual basis in accordance with the provisions of the concession agreements.

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

v. Dividend is recognised as and when the right to receive payment is established by the balance sheet date.

e. Fixed assets and depreciation

(i) Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, freight, duties, taxes and any attributable cost of bringing the asset to its working condition for its intended use. Finance costs relating to acquisition of fixed assets which take substantial period of time to get ready for use are included to the extent they relate to the period till such assets are ready for intended use.

(ii) Assets retired from active use and held for disposal are stated at their estimated net realisable values or net book values, whichever is lower.

(iii) Assets acquired under finance lease are depreciated on straight line basis over the lease term or useful life, whichever is lower.

(iv) Depreciation on fixed assets other than those mentioned in S No (v) below, is provided on straight line method, based on useful life of the assets as estimated by the Management which coincides with rates prescribed under Schedule XIV to the Companies Act, 1956.

(v) Depreciation on the following fixed assets is provided on a straight-line basis, at the rates that are higher than those specified in Schedule XIV to the Companies Act, 1956 and are based on useful lives as estimated by Management:

- Tools and implements are depreciated fully in the year of purchase.
- Plant and machinery – construction equipment at project sites consisting of shuttering /scaffolding material and equipments given on hire are depreciated over a period of six years.
- Temporary erections in the nature of site offices are depreciated over the period of the respective project.
- Site infrastructure is depreciated over a period of six years.

(vi) Assets costing five thousand rupees or less are fully depreciated in the year of purchase.

f. Intangible assets

Computer software

Computer software license cost is expensed in the year of purchase as there is no expected future economic benefit, except for enterprise wide/project based software license cost which is amortized over its useful life of three years.

Toll collection rights

Toll collection rights, are amortized over the concession period, beginning from the commercial operation date (COD).

g. 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. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

h. Inventories

(i) Materials at site are valued at the lower of cost and estimated net realizable value. Cost is determined on a weighted average basis.

(ii) Work-in-progress related to project and construction is valued at cost till such time the outcome of the related project is ascertained reliably and at contractual rates thereafter.

Net realizable value is the estimated selling price in the ordinary course of business, reduced by the estimated costs of completion and costs to affect the sale.

i. Retirement and other employee benefits

(i) Retirement benefits in the form of provident fund, a defined contribution scheme is charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no obligations other than the contribution payable to the respective authorities.

(ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

(iii) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation on projected unit credit method made at the end of each financial year.

(iv) Actuarial gains / losses are immediately taken to Profit and Loss Account and are not deferred.

j. Income taxes

Tax expense consists of current and deferred 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, 1961. Deferred income tax 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 and deferred tax liabilities across various entities of operation are not set off against each other as the Group does not have a legal right to do so. 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 realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, deferred tax asset is recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date, the Group re–assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group writes-down the carrying amount of a 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 asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

k. Foreign currency transactions

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 a monetary item that, in substance, form part of the Group's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognised as income or as expenses.

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of the Group at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Forward exchange contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. 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 as expense for the year.

Translation of Integral foreign operation

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

Accounting for Derivative Instruments

As per the announcement of the Institute of Chartered Accountants of India (ICAI) on accounting for derivative contracts, derivative contracts, other than those covered under AS–11, are marked to market on a transaction basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

l. Grant Received from Concession Authorities

Grants received from the concession granting authorities towards capital cost of the project would be amortized over the concession period after commercial operation date (COD). The grants paid to concession authorities is considered as capital cost of the project.

m. Leases

Where the Group is a Lessee

Finance leases, which effectively transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

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

Where the Group is a Lessor

Assets under operating leases are included in fixed assets. Lease income is recognised in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Profit and Loss Account.

n. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average of number of equity shares outstanding during the period are adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year 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.

o. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized 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 its 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.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

p. Provisions

A provision is recognised when the Group has a present obligation as a result of past event i.e., 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 are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

q. Cash and cash equivalents

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

r. 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 ICAI. The Group measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense, if any, is amortized over the vesting period of the option on a straight line basis.

2. Changes in Estimates:

Change in Useful life of Fixed Assets

In the current year, based on technical estimates, the Group has re-estimated the useful lives for certain category of Fixed Assets with effect from April 1, 2009. The management believes that such change will give a systematic basis of depreciation charge more representative of the time pattern in which the economic benefits will be derived from the use of such asset.

Had the Group continued to use the earlier basis of providing depreciation, the depreciation and loss for the current year would have been lower by Rs. 6.48 and net block for the current year would have been higher by Rs. 6.48.

3. Uniform accounting policies

As per the requirements of AS-21, AS-23 and AS-27, in the preparation of consolidated financial statements, the accounting policies of the consolidated entities are required to be aligned with those of the Company to the extent practicable. The following accounting policies followed by various consolidated entities are not aligned with those of the Company.

a) Depreciation in certain consolidated joint venture entities is provided on written down value method as per Schedule XIV of the Companies Act 1956, and/or at WDV rates as per the Income Tax Act, 1961 as compared to straight line method as per Schedule XIV of the Companies Act, 1956 followed in the books of the Company.

b) In the absence of information regarding the gross block and accumulated depreciation of the following joint ventures, only the net block as at March 31, 2010 has been considered for consolidation:

(All amounts in Rs. Crore except for share data or as otherwise stated)

March 31, 2010	March 31, 2009
–	Maytas-Shankaranarayana (JV)
Himachal (JV)	Himachal (JV)
–	IJM – SCL (JV)
Maytas –SNC (JV)	Maytas – SNC (JV)
–	Maytas NCC SSJV Consortium (JV)
–	Machilipatnam Port Limited
–	Pondicherry Tindivanam Tollway Limited
–	Himachal Sorang Power Private Limited

The proportion of the aggregate net block of the above joint ventures as compared to the Company's consolidated net block is 4.89% as at March 31, 2010 and 4.8% as at March 31, 2009.

The Group has estimated the impact of such differential accounting policy on the consolidated results for the year and financial position of the Group as at March 31, 2010 and based on such estimates, has determined that the difference is not material. Management is of the opinion that, such alignment of accounting policies is not practicable and that the cumulative impact of such alignment, if made, would not be significant to the consolidated financial statements.

4. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 0.95 (March 31, 2009 Rs.504.15)

5. Contingent liabilities not provided for

Sl. No.	Particulars	As at March 31, 2010	As at March 31, 2009
(a)	Claims against the Group not acknowledged as debts	8.41	6.15
(b)	Outstanding bank guarantees (excluding performance obligations)	243.20	583.63
(c)	Guarantees issued by bankers, financial institutions on behalf of the Group toward performance obligations	634.66	703.77
(d)	Direct and Indirect taxes under dispute	60.04	11.87
(e)	Corporate guarantee given	-	10.00
(f)	Liquidated damages	84.62	-
(g)	During the year, the Company has Guaranteed to the lenders to make good the short fall, if any, on redemption of Pass through Certificates issued by Maytas Investment Trust as per the CDR terms (Refer note no. 6(e) below).		
Based on the internal assessment and / or legal opinion, the Management is confident that for the above mentioned contingent liabilities, no provision is required to be made as at March 31, 2010.			

6. Going Concern

The Group has recorded a net loss of Rs. 251.86 for the year and has accumulated losses of Rs. 435.68 as at March 31, 2010, resulting in substantial erosion of the net worth. Some of the projects which have been cancelled during financial year 2008–09 as discussed in detail in note 9 below are settled or under various stages of legal / settlement proceedings. There were lower cash inflows from existing projects. During the year, the Company has got contracts for new projects and has bid for many other projects. The Management is confident that the Company will be able to generate profits in future years and meet its financial obligation as they arise. The accompanying Financial Statements have been prepared on a going concern basis based on cumulative impact of following mitigating factors:

a) The Group has an order book of Rs.7,500 approximately as at March 31, 2010.

b) The new promoters Infrastructure Leasing and Financial Services Limited (IL&FS) and the Government nominee directors on the board have taken significant steps for revival and restoration of operations of the Company.

c) The new promoters (IL&FS) have provided liquidity support of Rs.55 (repayment schedule not specified) to the Company in terms of the Company Law Board Order and also have arranged Rs.40 by way of loan and Rs.20 towards non-fund based limits.

d) The Company has set up Credit limits of Rs.50 by way of fund based and Rs.200 towards non-fund based limits with a scheduled bank.

e) The Company had obtained an approval for the Debt Restructuring from the CDR Empowered Group in July, 2009. Upon induction of IL&FS as the new Promoter, the scheme has been modified and approval of the Lenders was obtained at its meeting held on March 30, 2010. The Company has obtained formal Letter of Approval dated June 26, 2010 from the CDR Empowered Group incorporating attendant terms and conditions. The Master Restructuring Agreement is under execution.

The salient features of CDR are as follows:

- Repayment of Term Loan has been restructured over a period of 6 years, commencing September 30, 2010.
- Fund based working capital facility has been carved out based on the drawing power of the Company as at March 31, 2010.
- Restructuring of Interest rates @ 8% p.a. for the year ended March 31, 2010 and at varying rates thereafter.
- Conversion of debt of Rs. 250 into 6% Optionally Convertible Cumulative Redeemable Preference Shares.
- Conversion of accrued interest upto March, 2010, into a Funded Interest Term Loan (FITL) and issuance of Preference (carrying 6% coupon rate) / Equity Capital to discharge the FITL obligation.
- The Company has settled an irrevocable trust, namely, Maytas Investment Trust (Trust). The Company has transferred its investments aggregating to Rs.310 in diverse BOT Projects at fair value aggregating to Rs.575 to the Trust during the year. The Company has also transferred equivalent amount of corresponding debt to the Trust. The Trust in turn has issued Pass Through Certificates (PTC) to the lenders and has vested the economic benefits arising out of the foregoing investments to the lenders. The aforesaid adjustment

(All amounts in Rs. Crore except for share data or as otherwise stated)

in the financials is carried out as per an expert opinion. The Company is liable for any shortfall, if any, that may arise in the eventual settlement of the PTCs through an orderly disposal of BOT Investments and recovery of Inter Corporate Deposits (ICDs). The Company has also agreed to hypothecate ICDs aggregating to Rs. 391.64 and interest receivable thereon in favour of the Lenders.

- The sanction of additional facilities to the Company for capital expenditure and working capital purposes.

Based on an independent opinion, the impact of the CDR scheme has been given in the accompanying Financial Statements, which is as follows:

- Interest rate on the outstanding debts up to March 31, 2010 has been accrued as per the restructured terms. Also, the excess interest accrued for the Previous Year aggregating to Rs. 21.04 has been reversed and accounted for in Profit & Loss Account under exceptional item.
- With regard to FITL an amount of Rs. 104.27 has been transferred to Share Application Money, pending regulatory approvals and issuance of certificates.
- With regard to conversion of Rs. 250 into Optionally Convertible Cumulative Redeemable Preference Shares, pending regulatory approvals and issuance of certificates, the amount has been transferred to Share Application Money.
- As at March 31, 2010, Company has sold certain BOT investments of book value of Rs. 310, to Trust for a consideration of Rs.575 based on fair value arrived by an Independent expert. The Trust has issued PTCs to the lenders against these investments. Accordingly, the corresponding debt has been offset / adjusted with the receivables from Trust. The profit on disposal of investments is recognised net of company share of profits/losses accounted for in earlier years.

f) The Company has entered into One Time Settlements (as discussed in detail in note 7 below) with some banks which were not part of CDR Scheme.

g) The Company has entered into a strategic alliance vide agreement dated June 19, 2010 with the Saudi BinLadin Group Company, namely, SBG Projects Investments Limited (SBGPIL) to induct them as the Co-Promoter of the Company along with IL&FS, subject to statutory approvals. Accordingly, the Company would offer 15,459,133 Equity shares of Rs.10 each at a premium of Rs.185.30 per share leading to an investment of around Rs.300 by SBGPIL towards preferential allotment of Equity Shares of the Company, subject to the approval of the Shareholders and other approvals as may be required. Pursuant to this Investment, SBGPIL and IL&FS have announced an Open Offer to acquire further 20% of the Equity Shares of the Company as per SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997.

7. One Time Settlements (OTS) with Lenders:

The Company has made OTS proposal to certain banks, which were not part of CDR scheme. The cut off date considered was December 31, 2008. As at March 31, 2010, the Company had entered into One Time Settlement with four banks. The resultant gain on settlement has been accounted for as an exceptional item amounting to Rs. 121.63.

Subsequent to the balance sheet date, two banks have accepted the OTS proposal for which the principal and accrued interest outstanding as at March 31, 2010 amounts to Rs. 91.05.

8. Borrowings:

a) Security details for Secured loans:

Nature of Loan	As at March 31, 2010	As at March 31, 2009
Foreign Currency Loan from Banks	• Rs. 101.57 is secured as per CDR package by pari passu first mortgage and charge on Company's all immovable and movable properties both present and future and pari passu first charge on current assets of the Company (Refer Note no. 1 below). • Rs.2.83 is secured by exclusive charge on the equipment financed through such loans.	• Rs.149.60 is secured by exclusive charge on the equipment financed through such loans. • Rs.3.91 is secured by first charge on current assets and second charge on movable fixed assets. Additionally loans aggregating to Rs. 115.30 are secured by personal guarantees given by the Vice Chairman of the Company.

(All amounts in Rs. Crore except for share data or as otherwise stated)

<table>
<tr><th>Nature of Loan</th><th>As at March 31, 2010</th><th>As at March 31, 2009</th></tr>
<tr><td>Term Loans from Banks</td><td>• Rs.174.38 is secured as per CDR package by pari passu first mortgage and charge on Company's all immovable and movable properties both present and future and pari passu first charge on current assets of the Company (Refer Note no.1 below).
• Rs. 25.58 is secured by pari passu first charge on the current assets of the Company.
• Term loans availed towards purchase of machinery aggregating to Rs.74.59 is secured by first charge on machinery & equipment purchased out of the respective loans.
• Term loans availed in respect of specific projects aggregating to Rs.30.87 is secured by first charge on the present and future Current assets of the respective projects.
• Rs.35.33 is secured by pari passu charge on Investments of Rs.310 (which have been sold to MIT as discussed in note 6(e) above.)</td><td>• Term loans availed in respect of specific projects aggregating to Rs.134.94 is secured by first charge on the present and future Current assets of the respective projects.
• Term loans availed towards purchase of machinery aggregating to Rs.190.18 is secured by first charge on machinery & equipment purchased out of the respective loans.
• Term loan amounting to Rs.40 is secured by a pari passu first charge on the present and future current assets of the Company and by a second charge on the fixed assets of the Company.
• Term loans amounting to Rs.50 is secured by pari passu first charge on the current assets and unencumbered fixed assets of the Company.
• Term loan amounting to Rs.25 is secured by a residual charge on the current assets and movable fixed assets of the Company.

Additionally Term loans aggregating to Rs.439.05 are secured by personal guarantees given by the Vice Chairman of the Company.

• Term loan availed from bank aggregating to Rs.448.61 are secured by pari passu first charge by way of hypothecation of all movable and immovable assets, both present and future, receivables of the respective consolidated entities, and all assets of the project and its documents and secured by pledge of equity shares and cumulative preference shares issued or to be issued.
• In addition to the security details mentioned above, term loans aggregating to Rs.103.43 secured by first charge on the debt services reserve account and trust & retention account.
• In addition to the security details mentioned above, term loans aggregating to Rs.112.10 secured by first charge on the intangibles (toll collection rights).
• In addition to the security details mentioned above, term loans aggregating to Rs.24.39 are secured by pari passu charge by way of equitable mortgage of all the leasehold rights in land together with all buildings and structures attached to earth.</td></tr>
<tr><td>Working capital Loans from Banks</td><td>• Rs.258.00 is secured as per CDR package by Pari passu Hypothecation first charge on Current assets. Pari passu first charge on all immovable and movable assets both present and future (Refer Note 1 below).
• Rs.43.50 is secured by first pari passu charge on current assets of the Company. Collaterally secured by pari passu second charge on the unencumbered movable fixed assets and negative lien on the immovable property.
• Rs.3.10 is secured by pari passu first charge on the current assets of the Company.</td><td>• Working capital facilities are secured by pari passu first charge on the current assets of the Company.

Additionally Working capital loans aggregating to Rs. 577.32 are secured by personal guarantees given by the Vice Chairman of the Company.</td></tr>
<tr><td>Bank Guarantees Devolved</td><td>Not Applicable</td><td>Bank guarantee devolved accounts are secured by pari passu first charge on the current assets of the Company.

Additionally secured by personal guarantees given by the Vice Chairman of the Company.</td></tr>
</table>

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

Nature of Loan	As at March 31, 2010	As at March 31, 2009
Term Loan from others	• Rs.30.31 is secured by pari passu charge on Investments of Rs.310 (which have been sold to MIT as discussed in note 6(e) above). • Rs. 0.04 towards purchase of machinery are secured by hypothecation of the machinery and equipment.	• Term loans aggregating to Rs.5.00 availed towards purchase of machinery is secured by hypothecation of the machinery and equipment of the Company. • Term loan aggregating to Rs.123.97 is secured by pari passu first charge by way of hypothecation of all movable and immovable assets, receivables and all assets of the respective projects. • In addition to the security details mentioned above, term loan aggregating to Rs.38.15 are secured by hypothecation of movable and immovable property present and future including spare, tools, and stock of raw material which run pari passu. Additionally secured by fixed deposits amounting to Rs.15.13.
Vehicle loan from others	Vehicle loans are secured by hypothecation of the vehicles.	Vehicle loans are secured by hypothecation of the vehicles.

Note:

1. The security for the Loans under CDR is as per the approved package vide Letter of approval dated June 26, 2010 pending necessary filings with the Registrar of Companies for execution of charge.
2. Loans aggregating to Rs.755.02, which have been additionally secured by personal guarantees given by the Ex Vice Chairman of the Company has not been disclosed above.
3. Pursuant to the One time settlement (OTS) with certain banks all charges and securities created by the Company shall be ceded by the lenders in favour of Infrastructure Leasing & Financial Services Limited.

b) Unsecured loans:

Nature of Loan	As at March 31, 2010	As at March 31,2009
From Banks	Nil	• Personal guarantee of Vice Chairman to an extent of Rs.70.

Loans aggregatings to Rs. 39.94 which have been secured by personal guarantees given by the Ex-Vice Chairman of the Company has not been disclosed above.

c) The Company has defaulted on various loan covenants like commitment for minimum promoters share holding, debt service coverage ratio, total debt to net worth etc., in the current as well as previous year. The non-compliance is an event of default under the loan agreement. The Company has been sanctioned a Corporate Debt Restructuring (CDR) package (as referred in para 6(e) above) and also entered into One Time Settlements (OTS) scheme with certain banks (as referred in note 7 above), pursuant to which these defaults were no longer continuing. In case of other banks, the Company has not received any notice for such default.

d) Kotak Mahindra Bank Limited (the Bank) had sanctioned an amount of Rs.25 to the Company in respect of one of the projects Gujarat State Petronet Limited (GSPL). The Loan was secured against specific receivables from the project. The Bank recovered the dues from project and issued a letter dated July 11, 2008 to the Company confirming the repayment of loan.

Further, the Bank had sanctioned a loan of Rs.35 for Pondicherry Tindivanam Tollway Limited (PTTL) Project against the security of exclusive charge on the receivables from PTTL Project. However, the Bank had appropriated an amount of Rs.4.13 received from the GSPL project against the PTTL project loan. After the appropriation the Bank shows a principal outstanding of Rs.30.87 as on March 31, 2010. The Company shows a principal outstanding of Rs.30.87 as on March 31, 2010 against the loan after making the adjustment of Rs.4.13 under protest. The Company is contesting the illegal and unilateral appropriation of funds received against GSPL project by the Bank.

9. Status of Cancelled Projects:

The year end balances against cancelled projects (net of provisions) are as follows:

Particulars		Amount as at March 31, 2010	Amount as at March 31, 2009
Sundry Debtors		31.30	23.32
Other Current Assets (Claim for performance guarantee)		-	32.13
Inventories (including WIP)		27.08	73.57
Fixed Assets (including Capital work in progress of Rs. 0.03)		1.16	43.67
Advance others (including Tax Deducted at Source receivable and Value added Tax receivable)		4.16	30.25
	Sub Total (A)	**63.70**	**202.94**
Receivables under Arbitration	**Sub Total (B)**	**-**	**15.33**
Grand Total		**63.70**	**218.27**

(All amounts in Rs. Crore except for share data or as otherwise stated)

During the Current Year, the Management has evaluated the recoverability of the aforesaid current assets and fixed assets deployed on these projects as on March 31, 2009. Based on such evaluation / reconciliation / amicable settlement, provision / write-offs aggregating to Rs.85.21 (includes Rs.54.69 Provision for Performance Bank Guarantee invoked) have been made in the accounts.

As at March 31, 2010, a sum of Rs.63.70 is recoverable against current and fixed assets. Based on internal assessment and / or legal opinion, the same has been considered good of recovery and consequently, no further adjustments have been made in this regard.

10. Inter Corporate Deposits (ICDs):

Prior to April 1, 2009 the erstwhile promoters had given Inter Corporate Deposits (ICDs) aggregating to Rs.391.64 to various Companies. Of the foregoing, the Company has made a claim of Rs.323.78 together with interest receivable thereon from Mahindra Satyam Computer Services Limited. The Company is confident of recovering the ICDs together with interest due thereon. During the current year, the management following conservative policy has reversed the amount of interest already accrued on ICDs and no further interest has been accrued during the year.

11. Bank Guarantees Invoked:

Bank guarantee aggregating to Rs.172.36 (March 31, 2009: Rs.403.1) provided as security against loans availed, mobilization advance received from customers, performance guarantees given to customers and guarantee given to suppliers have been invoked. In the current year, pursuant to the CDR Scheme (as referred in para 6(e) above), the amount under Bank Guarantee Devolved Account has been transferred to term loan and working capital loan account. In the Previous Year Rs. 398.53 have been transferred to Bank Guarantee Devolved Account and the balance have been transferred to Working Capital Loan Account.

12. Hyderabad Metro Rail Project:

During the year, Government of Andhra Pradesh has cancelled the Hyderabad Metro Rail Project entered into by Maytas Metro Limited, a Subsidiary (by virtue of its current shareholding) and has invoked bank guarantees of Rs. 60 given as bid security and forfeited Rs.11 given as part of the bid offer in the form of additional concession fee.

The Company has filed a writ petition challenging the termination of the contract. The Honorable High Court of Andhra Pradesh has ordered a status quo. Pending decision of the High Court, the Company as a matter of prudence written off Rs. 60 towards bid security invoked and Rs. 11 towards additional concession fees paid by the Company on behalf of Maytas Metro Limited.

13. Following entities are consolidated based on unaudited financials, Company's share of assets, revenues and cash flows of these entities considered in consolidated financials are given below:

S. No	Name of the entity	Company's Share of Assets	Company's Share of Revenues	Company's Share of Cash flows
1	Pondicherry Tindivanam Tollway Limited	-	-	3.50
2	Himachal Joint venture (Refer Note-1 below)	117.13*	14.18	0.04

* Included receivables in the nature of claims Rs.76.90.

Note 1:
In the current year, this entity is consolidated based on unaudited financials upto December 31, 2009, since the audited accounts are not available with the Company. As per discussions with the other partners and internal assessment, Management is of the view that the transactions from December 31, 2009 to March 31, 2010, if any, would not be significant from consolidated financial statements perspective.

14. Deferred Tax Asset:

a) The Company has deferred tax liability as at March 31, 2010 of Rs.2.31 (as at March 31, 2009 Rs.11.51). Deferred tax assets on timing differences on the basis of virtual certainty has been restricted to the extent of deferred tax liability and no net deferred tax asset has been recognized as at March 31, 2010.

b) The unaudited financial statements of a Joint Venture (Himachal JV) reflect deferred tax asset in respect of unabsorbed depreciation and accumulated losses of Rs.7.26 (as at March 31, 2009 Rs.7.26) which in the opinion of the management is virtually certain of recovery.

c) In the current year, one of the joint venture entities was disposed off whose deferred tax liability as at April 01, 2009 was Rs. 0.13.

15. Provision for Future loss from projects:

a) The projects in progress as at March 31, 2010 have been evaluated for future loss, if any, based on estimates relating to cost-to-complete the same. Based on such evaluation, the Company has provided for estimated future losses to an extent of Rs.44.28

(All amounts in Rs. Crore except for share data or as otherwise stated)

(March 31, 2009 Rs. 12.49) in terms of the requirements of Accounting Standard 7 – Construction Contracts. The movement in the balance is as under:

Particulars	2009 – 10	2008 – 09
Opening Balance as at April 1, 2009	12.49	-
Additions during the year	36.44	12.49
Used during the year	4.65	-
Closing Balance as at March 31, 2010	**44.28**	**12.49**

b) Provision for estimated future loss on account of projects transferred / disposed off has been made to the extent of Rs. 2.03 (March 31, 2009: Rs. 12.64). The movement in the balance is as under:

Particulars	2009 – 10	2008 – 09
Opening Balance as at April 1, 2009	12.64	-
Additions during the year	2.03	12.64
Adjustment on settlement of project	12.64	-
Closing Balance as at March 31, 2010	**2.03**	**12.64**

16. Provision for Liquidated Damages:

Liquidated damages are levied as per the terms of the contract for delayed execution of works or delayed achievement of agreed milestones. For all projects in progress, Management has estimated the probability of levy of liquidated damages, if any, based on completion date as per the contract, extension of time granted by the customer, etc. Accordingly provision has been made for liquidated damages, is as under:

Particulars	2009 – 10	2008 – 09
Opening Balance as at April 1, 2009	10.55	-
Additions during the year	6.03	10.55
Reversal during the year	1.84	-
Closing Balance as at March 31, 2010	**14.74**	**10.55**

17. Employee Stock Option Scheme (ESOS):

The Company has provided various share-based payment schemes to its employees. During the year ended March 31, 2010, the following three schemes were in operation:

Particulars	ESOS – 2007	ESOS – 2008	ESOS – 2009
Date of grant	14 – Apr – 07	31 – Oct – 08	23 – March – 2010
Date of Remuneration Committee approval	14 – Apr – 07	30 – Jan – 08	23 – March – 2010
Date of Shareholder's approval	30 – Mar – 07	30 – Sep – 08	09 – Nov – 2009
Number of options granted	644,967	148,000	1,201,407
Method of Settlement (Cash / Equity)	Equity	Equity	Equity
Vesting Period	Options vest on an annual basis at 20%, 20%, 30% and 30% over a period of four years	Grant 1,2 & 3: Options vest on an annual basis at 30%, 30% and 40% over a period of three years. Grant 4: Options vest on an annual basis at 20%, 20%, 30% and 30% over a period of four years.	Grant 1,2 & 3: Options vest on an annual basis at 30%, 35% and 35% over a period of three years. Grant 4: Options vest on an annual basis at 20%, 30% and 50% over a period of three years.
Exercise Period	3 years from the date of Vesting	3 years from the date of Vesting	3 Years from the date of vesting

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

(I) The details of activity under ESOS – 2007 have been summarized below:

Particulars	2009 – 10		2008 – 09	
	Number of options	Weighted Average Exercise Price (Rs. per share)	Number of options	Weighted Average Exercise Price (Rs. per share)
Outstanding at the beginning of the Year	315,484	370	558,049	370
Granted during the year	Nil	Nil	Nil	Nil
Forfeited during the year	208,255	370	241,709	370
Exercised during the year	Nil	Nil	856	370
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	107,229	370	315,484	370
Exercisable at the end of the year	42,892	370	63,099	370
Weighted average remaining contractual life (in years)	4.04	-	5.04	-
Weighted average fair value of options granted on the date of grant (Rs. per share)	98.77	-	98.77	-

As no options were exercised during the year, the weighted average share price has not been indicated (March 31, 2009: Rs. 658.15 per share).

The details of exercise price for stock options outstanding at the end of the year for ESOS – 2007 Scheme:

Year	Range of exercise prices (Rs. per share)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted Average Exercise Price (Rs. per share)
2009 – 10	370	107,229	4.04	370
2008 – 09	370	315,484	5.04	370

(II) The details of activity under ESOS – 2008 have been summarized below:

Particulars	2009 – 10		2008 – 09	
	Number of Options	Weighted Average Exercise Price (Rs. per share)	Number of Options	Weighted Average Exercise Price (Rs. per share)
Outstanding at the beginning of the year	95,000	381.21	Nil	Nil
Granted during the year	Nil	Nil	148,000	399.04
Forfeited during the year	30,000	431.00	53,000	431.00
Exercised during the year	Nil	Nil	Nil	Nil
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	65,000	358.23	95,000	381.21
Exercisable at the end of the year	19,500	Nil	Nil	Nil
Weighted average remaining contractual life (in years)	4.59	-	5.59	-
Weighted average fair value of options granted (Rs. per share)	231.47	-	231.47	-

The details of exercise price for stock options outstanding at the end of the year for ESOS-2008 scheme:

Year	Range of exercise prices (Rs. per share)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted Average Exercise Price (Rs. per share)
2009 – 10	345 – 431	65,000	4.59	358.23
2008 – 09	345 - 431	95,000	5.59	381.21

(All amounts in Rs. Crore except for share data or as otherwise stated)

(III) The details of activity under ESOS – 2009 have been summarized below:

Particulars	2009 – 10		2008 – 09	
	Number of Options	Weighted Average Exercise Price (Rs. per share)	Number of Options	Weighted Average Exercise Price (Rs. per share)
Outstanding at the beginning of the year	Nil	Nil	Nil	Nil
Granted during the year	1,201,407	176.90	Nil	Nil
Forfeited during the year	Nil	Nil	Nil	Nil
Exercised during the year	Nil	Nil	Nil	Nil
Expired during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	1,201,407	176.90	Nil	Nil
Exercisable at the end of the year	Nil	Nil	Nil	Nil
Weighted average remaining contractual life (in years)	5.98	Nil	Nil	Nil
Weighted average fair value of options on the date of grant (Rs. per share)	95.39	Nil	Nil	Nil

The details of exercise price for stock options outstanding at the end of the year for ESOS-2009 scheme:

Year	Range of exercise prices (Rs. per share)	Number of options outstanding	Weighted average remaining contractual life of options (in years)	Weighted Average Exercise Price (Rs. per share)
2009 – 10	176.50	1,201,407	5.98	176.90

Details of Stock Option Granted:

The weighted average fair value of stock options granted during the year was Rs. 95.39 per share (March 31, 2009 Rs. 231.47 per share).

The Black Scholes Option Pricing Model has been used for computing the weighted average fair value considering the following inputs:

Particulars	2009 – 10	2008 – 09
Exercise Price	Range of Rs. 176.50 to Rs. 431	Range of Rs. 345 to Rs. 431
Expected Volatility	68.34%	61.74%
Life of the Options granted (Vesting and exercise period) in years	2.5 to 5.5 years	2.5 to 5.5 years
Dividend Yield	0.19%	0.19%
Average risk-free interest rate	6.67% to 7.38%	7.06% to 7.51%
Expected dividend rate	0.19%	0.19%

The expected volatility was determined based on historical volatility data; historical volatility includes early years of the Company's life; the Company expects the volatility of its share price to reduce as it matures.

Effect of the above ESOS plans on the Profit and Loss Account and on its financial position:

Particulars	2009 – 10	2008 – 09
Total Employee Compensation Cost pertaining to share based payment plans	0.47	0.47
Liability for employee stock options outstanding at the year end	0.33	0.11
Deferred Compensation Cost	0.14	0.36

Since the enterprise used the intrinsic value method, the impact on the reported net profit and earnings per share by applying the fair value based method.

In March 2005, the Institute of Chartered Accountants of India has issued a Guidance Note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after April1, 2005.

(All amounts in Rs. Crore except for share data or as otherwise stated)

The said Guidance Note requires the Proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the Financial Statements. Applying the fair value based method defined in the said Guidance Note, the impact on the reported net profit and earnings per share would be as follows:

Particulars	2009 – 10	2008 – 09
(Loss) / Profit as reported	(251.86)	(473.55)
Add: Employee stock compensation under intrinsic value method	0.22	0.11
Less: Employee stock compensation under fair value method	(0.63)	0.32
Pro forma profit	(252.27)	(473.76)
Earnings Per Share (Rs.)		
Basic		
- As reported	(42.80)	(80.47)
- Pro forma	(42.86)	(80.43)
Diluted		
- As reported	(42.80)	(80.47)
- Pro forma	(42.86)	(80.43)

18. Retirement benefits

a) Disclosures related to defined contribution plans

Provident fund contribution recognized as expense in the Consolidated Profit and Loss Account Rs. 2.73 (March 31, 2009 - Rs. 6.30).

b) Disclosures related to defined benefit plan

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days last drawn salary for each completed year of service. The scheme is unfunded.

The following tables summarize the components of net benefit expense recognized in the Consolidated Profit and Loss account and amounts recognized in the Consolidated Balance Sheet for the respective plans.

Consolidated Profit and Loss Account

Net employee benefit expense (recognized in Employee cost)

Particulars	2009-10	2008-09
Current service cost	0.51	1.09
Interest cost on benefit obligation	0.17	0.12
Net actuarial (gain) / loss recognized in the year	(0.64)	(0.39)
Past service cost	-	-
Net benefit expense	**0.04**	**0.82**

Consolidated Balance sheet

Changes in the present value of the defined benefit obligation

Particulars	2009-10	2008-09
Opening defined benefit obligation	2.24	1.63
Interest cost	0.17	0.12
Current service cost	0.51	1.09
Benefits paid	(0.52)	(0.21)
Actuarial (gain)/loss on obligation*	(0.64)	(0.39)
Closing defined benefit obligation	**1.76**	**2.24**

* Experience adjustments Gain Rs.0.88 (March 31, 2009: Rs. Nil, March 31, 2008: Rs. Nil).

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:

Particulars	2009-10		2008-09	
Discount rate		8.00%		8.00%
Increase in Compensation cost		6.00%		6.00%
Employee Turnover	Age (Years)	Rate	Age (Years)	Rate
	18 - 50	10%	18 - 50	10%
	51 - 57	5%	51 - 57	5%

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

19. Loans and advances

a) Advances due from private companies in which a Director of the Company is a Director:

Name of the Company	March 31, 2010	March 31, 2009	Maximum amount outstanding during the year	
			2009-10	2008-09
Maytas Estates Private Limited*	0.08	0.08	0.08	0.08
Himachal Sorang Power Limited#	-	15.96	15.96	15.96
Maytas Hill County SEZ Private Limited*	0.47	0.47	0.47	0.47
Gulbarga Airport Developers Private Limited*	0.87	0.82	0.87	0.82
Shimoga Airport Developers Private Limited*	0.79	0.82	0.82	0.82

* Ceased to be director in the Company w.e.f. September 29, 2009

Converted into public limited company w.e.f. March 31, 2010

b) Dues from IJM – SCL JV, a partnership firm (with M/s IJM Corporation, Bhd) in which the Company is a partner, for execution of Mumbai – Pune express highway in Maharashtra on 50:50 basis, is Rs. 6.34 (March 31, 2009: Rs. 11.50). The initial capital of the firm was Rs. 5.00 invested in earlier years (Refer Note 1(b) of Schedule 26).

c) Dues from directors of the Company

Name of the Director	Nature of Transaction	As at March 31, 2010	As at March 31, 2009	Maximum amount outstanding during the year	
				2009-10	2008-09
B. Teja Raju (Resigned w.e.f. September 29, 2009)	Travel Advance	-	0.02	0.02	0.02
P. K. Madhav (Resigned w.e.f. January 19, 2009)	Travel Advance	-	0.00	0.00	0.04

20. In terms of the disclosures required to be made under the Accounting Standard (AS) 7 (revised 2002) notified by Company's Accounting Standards Rules, 2006 (as amended) for "Construction Contracts":

Particulars	2009-10	2008-09
Contract revenue recognized	1,034.13	1,614.19
Contract cost incurred and recognized profits (less recognized losses) for contracts in progress	3,109.91	3,562.48
Advances received for contracts in progress	162.85	244.95
Amount of retention for contracts in progress	107.41	152.07
Gross amount due from customers for contract work (excluding cancelled projects)	54.54	193.71
Gross amount due to customers for contract work	-	-

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

21. Remuneration to whole-time directors of the Company (included in Schedule 21)

Particulars	2009 – 10	2008 – 09
Salary	0.35	2.28
Contribution to Provident Fund	0.02	0.14
Other Benefits	-	0.28
Total	**0.37**	**2.70**

Note:

i) The above figures do not include provision for retirement benefits, as the same is actuarially determined for the Company as a whole.

ii) During the previous year, the Company has paid remuneration to its Directors of Rs. 2.70, which was in excess of the limits specified under Schedule XIII of the Companies Act, 1956 by Rs. 1.87. In addition, the Company has paid remuneration of Rs. 0.37, to its Directors for the year ended March 31, 2010, which is in excess of the limits specified under Schedule XIII of the Companies Act, 1956 by Rs. 0.16. The remuneration of Rs. 0.12 paid to a Director during the year is subject to Shareholders approval in the ensuing Annual General Meeting. The Company has made an application to the Central Government for approval of the excess remuneration paid for current as well as the previous year, which is awaited.

22. Incidental Expenditure during Construction Period (Pending capitalization)

Particulars	As at March 31, 2010	As at March 31, 2009
Opening balance of incidental expenditure	28.22	-
Less: Disposal*	25.57	-
Add: Expenses for the current year:		
Salaries bonus and other allowances	0.05	7.93
Rent, rates and taxes	-	1.15
Office maintenance	-	0.27
Communication expenses	-	0.18
Printing and stationery	-	0.07
Legal and professional charges	0.19	9.51
Testing and survey charges	-	0.43
Insurance	-	0.10
Repairs and maintenance	-	0.10
Hire charges	-	0.01
Travelling and conveyance	-	1.91
Interest on term loan	0.01	1.07
Bank charges	0.03	4.97
Depreciation	-	0.07
Site expenses	0.02	-
Miscellaneous expenses	0.01	0.44
Total	**2.97**	**28.22**

* Consists of incidental expenditure relating to joint ventures and subsidiaries which were sold during the year.

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

23. Details of Toll Collection Rights (under development) are as under:

Particulars	As at March 31, 2010	As at March 31, 2009
Opening balance	649.38	-
Less: Disposal*	649.38	-
Capital Work-in-progress (inclusive of capital advances of Rs. Nil (March 31, 2009 : Rs. 42.29)	-	571.91
Negative grant paid	-	4.65
Incidental expenditure		
Salaries, bonus and other allowances	-	1.11
Rent, rates and taxes	-	0.52
Office maintenance	-	0.50
Communication expenses	-	0.03
Printing and stationery	-	0.02
Legal and professional charges	-	1.54
Insurance	-	0.98
Repairs and maintenance	-	0.05
Travelling and conveyance	-	0.43
Miscellaneous expenses	-	0.57
Interest on term loan	-	34.25
Bank charges	-	1.94
Depreciation	-	0.25
Opening balance of Incidental expenditure	-	30.63
	-	**649.38**

* Consists of expenses for Toll collection rights (under development) relating to joint ventures and subsidiaries which were sold during the year.

24. Related party transactions (not disclosed elsewhere in these financial statements)

a) Names of related parties and description of relationship with the Group

Investing party in respect of which the reporting enterprise is an associate

1. Infrastructure Leasing & Financial Services Limited

Jointly Controlled Entities (JCE)

1. Maytas-SNC (JV)
2. NCC-Maytas (JV) U1
3. IJM-SCL (JV)*
4. Himachal (JV) ^
5. NEC-NCC-Maytas (JV)
6. Maytas-Shankaranarayana (JV)*
7. Maytas-NCC (JV) Irrigation
8. NCC-Maytas (JV) Pocharam
9. Maytas-CTR (JV)
10. Maytas-Rithwik (JV)**
11. NCC-Maytas-ZVS (JV)
12. Maytas NCC-SSJV Consortium ^ ^
13. Bangalore Elevated Tollway Limited ***
14. Brindavan Infrastructure Company Limited ***
15. Western Up Tollway Limited #
16. KVK Power and Infrastructure Company Private Limited $
17. KVK Nilachal Power Private Limited ***$
18. S V Power Private Limited ***$
19. Hyderabad Expressways Limited ***
20. Gulbarga Airport Developers Private Limited

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

21. Shimoga Airport Developers Private Limited
22. Machilipatnam Port Limited#
23. Pondicherry-Tindivanam Tollway Limited***@

* Excluded from the list of integrated joint ventures in the current year. (Refer Note 1(b) of Schedule 26)

** Considered as Jointly Controlled Operations (JCO) in the current year.

*** Sold to Maytas Investment Trust in pursuant to the CDR Scheme (as referred in para 6(e) above).

@ The entity was subsidiary in the previous year. During the current year, due to dilution in shareholding, the entity has become Joint Venture w.e.f. October 1, 2009. As at March 31, 2010, balance investments has been sold to Maytas Investment Trust pursuant to the CDR Scheme (as referred in para 6(e) above).

\# Investment in the entity was disposed off during the year.

^ Amounts considered as per Management certified accounts for 9 months period ended December 31, 2009.

^ ^ Closed during the previous year.

$ Considered as Investments during the current year, which were considered as JCE in the previous year.

Associates

1. Himachal Sorang Power Limited (formerly known as Himachal Sorang Power Private Limited) ** ^
2. Cyberabad Expressways Limited ** ^
3. Dhabi Maytas Contracting LLC*

* Closed during the previous year

** Considered as Joint Ventures in the previous year (Refer Note 1(b) of Schedule 26)

^ Sold to Maytas Investment Trust pursuant to the CDR Scheme (as referred in para 6(e) above).

Companies owned by or where significant influence exercised by Key Management Personnel or Relatives

1. Maytas Holdings Private Limited*
2. Maytas Properties Limited (formerly known as Maytas Hill County Private Limited)*
3. Maytas Hill County SEZ Private Limited*
4. Maytas Hill County Developers Private Limited*
5. Maytas Estates Private Limited (formerly known as Maytas Properties Private Limited)*
6. SNR Investments Private Limited*
7. Elem Investments Private Limited*
8. Fincity Investments Private Limited*
9. Higrace Investments Private Limited*
10. Veeyes Investment Private Limited*

* Ceased to have significant influence w.e.f. September 29, 2009

Key management personnel

1. B. Teja Raju (Vice Chairman) – Resigned w.e.f. September 29, 2009
2. P. K. Madhav – Resigned w.e.f. January 19, 2009
3. Vimal Kaushik – Joined w.e.f. January 08, 2010

Relatives of key management personnel

1. B. Nandini Raju (Mother of Mr. B.Teja Raju)*
2. B. Ramalinga Raju (Father of Mr. B.Teja Raju)*
3. B. Rama Raju (Brother of Mr. B. Teja Raju)*
4. Hema Madhav (Wife of Mr. P. K. Madhav)**

* Up to September 29, 2009

** Up to January 19, 2009

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

Transactions with related parties during the year

Particulars	2009-10	2008-09
A. Investing party in respect of which the reporting enterprise is an associate		
1. Infrastructure Leasing & Financial Services Limited		
Unsecured Loan (Promoters Contribution as per CLB order)	55.00	-
Deputation cost for manpower	0.26	-
Rent	0.27	-
Expenses incurred on behalf of the Company	0.02	-
B. Joint ventures (JV) **		
1. NCC – Maytas (JV) U1		
Expenses incurred on behalf of the party	0.00	-
Advances received	(0.14)	-
2. Himachal (JV)		
Advance given	-	3.06
3. NEC – NCC – Maytas (JV)		
Advance received	(1.12)	-
Expenses incurred on behalf of the party	0.57	1.83
4. Maytas – Shankaranarayana (JV)		
Expenses incurred on behalf of the party	-	1.24
Advance given (net)	-	4.56
Income from equipment hire	-	2.52
5. Maytas – NCC (JV) Irrigation		
Expenses incurred on behalf of the party	0.08	(3.61)
Advance given (net)	(0.37)	17.08
Contract revenue	32.57	49.22
Income from equipment hire	-	5.36
Interest Income (net)	-	1.27
Asset Purchase	-	0.09
Purchase of Inventory	-`	6.96
Net assets transferred from Joint Venture	86.07	-
Bad debts written off	(4.98)	-
6. NCC – Maytas (JV) Pocharam		
Expenses incurred on behalf of the party	0.03	-
Advance given (net)	-	0.08
7. Maytas CTR (JV)		
Expenses incurred on behalf of the party	0.00	-
Advances given (net)	0.34	1.31
Interest Income	0.27	0.19
Sale of material	0.03	-
Contract Revenue	0.59	-
8. Maytas – Rithwik (JV)		
Advances given (net)	-	2.64
Interest Income	-	0.05
Expenses incurred on behalf of the party	-	0.53
Income from equipment hire	-	0.81
9. Maytas NCC SSJV Consortium		
Advances given (net)	-	1.02

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

Particulars	2009-10	2008-09
10. Bangalore Elevated Tollway Limited		
Contract Revenue	31.94	54.48
Expenses incurred on behalf of the party	-	0.00
Material advance received	-	0.07
11. Brindavan Infrastructure Company Limited		
Inter corporate Deposit Given	-	0.67
Receipt against Inter Corporate Deposit given	-	(1.53)
Expenses incurred on behalf of the party	-	0.02
Interest Income	-	0.09
12. Western UP Tollway Limited		
Contract Revenue	-	44.38
Mobilization advance received	-	0.23
13. KVK Nilachal Power Private Limited		
Expenses incurred on behalf of the party	-	0.09
Contract Revenue	-	13.24
Mobilisation Advance Received	-	25.10
14. S V Power Private Limited		
Expenses incurred on behalf of the party	-	0.04
Contract Revenue	-	3.34
15. Cyberabad Expressways Limited		
Expenses incurred on behalf of the party	-	0.34
Contract revenue	-	86.65
Mobilization /material advance received	-	2.39
16. Hyderabad Expressways Limited		
Expenses incurred on behalf of the party	0.02	0.09
Advances written off	(0.07)	-
17. Machilipatnam Port Limited		
Expenses incurred on behalf of the party	0.03	1.27
Receipt against expenses incurred on behalf of the party	(0.03)	-
18. Pondicherry Tindivanam Tollway Limited		
Expenses incurred on behalf of the party	0.01	-
** Represents other venturers' share in the transactions with the joint ventures		
C. Associates		
1. Dhabi Maytas Contracting LLC		
Investments written off	-	(0.18)
Advances written off	-	(1.08)
2. Himachal Sorang Power Private Limited @		
Equity Contribution	1.27	-
Debenture Application Money	(1.27)	-
Expenses incurred on behalf of the party	0.10	-
3. Cyberabad Expressways Limited @		
Expenses incurred on behalf of the party	0.02	-
Contract revenue	119.27	-
Mobilization /Material advance received	4.64	-
Advances written off	(0.55)	-
@ Considered as JCE in previous year.		

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

Particulars	2009-10	2008-09
D. Enterprises over which shareholders, key management personnel or their relatives exercise significant influence		
1. Maytas Holdings Private Limited		
Advance written off	-	(1.51)
2. Maytas Properties Limited		
Inter corporate deposits given	-	69.06
Receipt against Inter corporate deposits	-	(21.20)
Expenses incurred on behalf of the party	-	2.17
Contract Revenue	-	101.96
Mobilisation advance received	-	25.83
Interest income	-	6.17
Sale of material	0.53	8.86
Advances transferred (net)	(0.96)	(2.06)
Sale of Assets	-	0.01
Service tax receivable	7.74	-
Provision for interest accrued	(6.17)	-
3. Maytas Hill County SEZ Private Limited		
Contract revenues	-	9.90
Mobilisation advance received	-	6.39
Balance transferred	-	4.04
4. Maytas Hill County Developers Private Limited		
Contract revenues	-	2.66
5. Veeyes Investments Private Limited		
Repayment of advance	-	(0.01)
E. Key Management Personnel		
1. B. Teja Raju		
Managerial remuneration	0.06	0.17
Expenses incurred on behalf of the party	-	0.13
Guarantees given on behalf of the Company	-	1,600.20
(Refer note 8 above)		
2. P. K. Madhav		
Managerial remuneration	-	1.26
Expenses incurred on behalf of the party	-	0.11
3. Vimal Kishore Kaushik		
Managerial remuneration	0.13	-
F. Relatives of key management personnel		
1. Hema Madhav		
Rent	-	0.15

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

b) **Balances outstanding Debit / (Credit)**

Particulars	March 31, 2010	March 31, 2009
A. Investing party in respect of which the reporting enterprise is an associate		
1. Infrastructure Leasing & Financial Services Limited	55.55	-
B. Joint ventures		
1. IJM – SCL (JV)	-	5.75
2. Himachal (JV)	(8.15)	(4.83)
3. NEC – NCC – Maytas (JV)	0.95	1.25
4. Maytas – Shankaranarayana (JV)	-	14.63
5. Maytas – NCC (JV)-Irrigation	24.99	45.74
6. NCC – Maytas (JV) U1	0.02	0.15
7. NCC – Maytas (JV) Pocharam	0.54	0.48
8. Maytas SNC (JV)	0.06	(0.40)
9. Maytas – CTR (JV)	1.93	2.22
10. Maytas – Rithwik (JV)	-	0.10
11. NCC – Maytas – ZVS (JV)	1.29	1.08
12. Maytas –NCC SSJV Consortium	-	(0.82)
13. Bangalore Elevated Tollway Limited	-	9.43
14. Brindavan Infrastructure Company Limited	-	0.02
15. Machilipatnam Port Limited	-	1.34
16. Western UP Tollway Limited	-	(11.75)
17. S V Power Private Limited	-	(6.24)
18. KVK Nilachal Power Private Limited	-	(11.76)
19. Shimoga Airport Developers Private Limited	0.50	-
20. Hyderabad Expressways Ltd	-	0.24
21. Gulbarga Airport Developers Private Limited	0.55	-
C. Enterprises over which Shareholders, Key Management Personnel and their Relatives exercise significant influence		
1. Maytas Properties Limited*	-	98.17
2. Maytas Hill County SEZ Private Limited*	-	0.47
3. Maytas Estates Private Limited*	-	0.08
4. Maytas Hill County Developers Private Limited*	-	21.70
*Ceased to have significant influence w.e.f. September 29, 2009		
D. Key Management Personnel		
1. B. Teja Raju	(0.03)	0.02
2. P. K. Madhav	-	0.00

25. Leases

In case of Assets taken on lease:

Operating lease: Operating leases are mainly in the nature of lease of office premises and machinery with no restrictions and are renewable at mutual consent. There are no restrictions imposed by lease arrangements. There are no subleases. Minimum lease payments under non-cancellable operating leases are:

Particulars	As at March 31, 2010	As at March 31, 2009
Minimum Lease Payments		
Not later than one year	2.75	4.37
Later than one year but not later than five years	12.65	6.89
Later than five years	6.36	3.61

Particulars	2009 – 10	2008 – 09
Lease payments recognized in the Profit and Loss account for the year	6.08	12.39

Finance lease: The present value of minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rentals is adjusted against the lease obligation and the finance charges are charged to profit and loss account as they arise. Finance lease is in the nature of office improvements and furniture for leasehold office premises. The lease agreement provides for escalation of lease rents over the period of lease term with a waiver of escalation for the current year. Lease term is for a period of ten years renewable for a further period of ten years at mutual consent. There are no restrictions imposed by lease arrangements. There are no subleases.

Particulars	As at March 31, 2010	As at March 31, 2009
Total minimum lease payments at the year end	0.56	0.56
Less: amount representing finance charges	0.43	0.45
Present value of minimum lease payments (Rate of interest 12%)	0.13	0.11

Particulars	As at March 31, 2010	As at March 31, 2009
Minimum Lease Payments		
Not later than one year [Present value Rs. 0.20 (March 31, 2009: Rs. 0.18)]	0.61	0.61
Later than one year but not later than five years [Present value Rs. 2.73 (March 31, 2009: Rs. 1.51)]	4.06	2.91
Later than five years [Present value Rs.0.04 (March 31, 2009: Rs. 2.16)]	0.76	2.54

In case of Assets given on lease:

The Company has leased out certain construction equipment on operating lease. The lease term is for one year and renewable thereafter. There is no escalation clause in the lease agreement. There are no restrictions imposed by lease arrangements.

Particulars	As at March 31, 2010	As at March 31, 2009
Future Minimum Lease Payments		
Not later than one year	11.57	11.44
Later than one year but not later than five years	-	-
Later than five years	-	-

Apart from the assets covered above, there are certain other assets which are leased out and have no fixed lease terms. Accordingly, no disclosure regarding future minimum lease payments has been made.

26. Derivative instruments and un-hedged foreign currency exposure

a) i) Particulars of derivative instruments outstanding as at balance sheet date

Particulars	Purpose	Notional Amount in Crore	
		As at March 31, 2010	As at March 31, 2009
Currency and Interest rate swap	Hedge against exposure to principal and interest outflow on ECB loan.	USD 2.25	USD 2.50
Structured Cross Currency Swap	Hedge against exposure of buyers credit underlying.	USD 0.04	USD 0.35

ii) Forward contracts outstanding as at Balance Sheet date:

Particulars	Purpose	Notional Amount in Crore	
		As at March 31, 2010	As at March 31, 2009
Forward Contract- To Buy USD	Hedge against Foreign Currency Loan Repayments	-	USD 0.50

b) Particulars of un-hedged foreign currency exposure as at March 31, 2010 and March 31, 2009.

Particulars	2009 – 10			2008 – 09		
	Amount in Foreign currency (in Crore)	Exchange Rate	Amount in INR	Amount in Foreign currency (in Crore)	Exchange Rate	Amount in INR
Import Creditors	-	-	-	EURO 0.06	67.48	3.91
Import Creditors	USD 0.02	45.14	0.90	USD 0.08	50.95	4.08
Branch balance	-	-	-	AED 0.26	13.85	2.97
Advances	-	-	-	AED 0.08	13.85	1.21

27. Segment reporting

The Group's operations fall into a single business segment "Construction and Infrastructure Development" and single geographical segment; hence the financial statements of the enterprise represent Segmental Reporting.

28. Prior Period Expenses

Particulars	2009-10	2008-09
Unrealized losses eliminated in earlier years now reversed	-	(19.54)
Depreciation	-	12.15
Material consumed	2.19	20.62
Subcontractor expenses	5.72	1.80
Service tax	-	3.77
Sales tax	-	(0.77)
Others	0.14	(0.08)
Total	**8.05**	**17.95**

29. Earnings Per Share

Earnings per share is computed based on the following:

	Particulars	2009-10	2008-09
i)	(Loss) after taxation considered for calculation of basic and diluted earnings per share	(251.86)	(473.55)
ii)	Weighted average number of Equity Shares considered for calculation of basic earnings and diluted earnings per share*	58,850,856	58,850,788

*Share application money pending allotment is not considered for calculation of diluted earnings per share in the current year as it will have an anti dilutive effect.

30. Auditors' remuneration:

	Particulars	2009-10	2008-09
a)	Statutory audit	0.55	0.28
b)	Limited review	0.33	0.24
c)	Certification	0.03	0.03
d)	Consolidation of financial statements	0.06	0.06
e)	Out of pocket expenses	0.05	0.01
	Total	**1.02**	**0.62**

(All amounts in Rs. Crore except for share data or as otherwise stated)

31. Details of the Company's share in Joint Ventures included in the Consolidated Financial Statements are as follows: (Refer Note 1(b) of Schedule 26)

Particulars	As at March 31, 2010	As at March 31, 2009
Sources of funds		
Share capital	-	-
Reserves and surplus	29.61	184.91
Loan funds		
Secured loans	-	496.47
Unsecured loans	35.42	6.20
Deferred tax liability (net)	0.00	0.14
Application of funds		
Fixed assets (net block)	17.13	90.96
Capital work-in-progress (including capital advances)	-	68.70
Incidental Expenditure during the construction period	1.30	26.73
Intangible assets (net)	-	522.62
Deferred Tax Asset (net)	7.26	7.26
Current Assets, Loans and Advances		
Inventories	14.22	57.07
Sundry debtors	121.84	196.99
Cash and bank balances	7.35	70.19
Other current assets	-	0.38
Loans and advances	50.19	127.68
	193.60	**452.31**
Less: Current liabilities and Provisions		
Liabilities	165.14	427.79
Provisions	-	1.27
	165.14	**429.06**
Net Current Assets	**28.46**	**23.25**

Schedule 26:

Notes annexed to and forming part of the consolidated accounts as at and for the year ended March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
Income		
Contract revenues	177.30	384.01
Other income	0.53	0.65
	177.83	**384.66**
Expenditure		
Decrease/(Increase) in Work-in-progress	(2.09)	(17.29)
Material consumed	8.88	73.29
Personnel expenses	1.93	10.31
Contract expenses	100.11	294.99
Administrative and selling expenses	0.87	4.03
Financial expenses	14.26	10.41
Depreciation/Amortization (including prior period of Rs. Nil (March 31, 2009 Rs. 12.15)	13.09	26.60
	137.05	**402.33**
(Loss) / Profit before tax	**40.78**	**(17.67)**
Provision for taxation		
- Current tax	3.64	2.58
- Fringe benefit tax	-	0.05
- Deferred tax	-	(7.34)
- Tax for earlier years	1.87	-
Total tax expense	**5.51**	**(4.71)**
(Loss) / Profit after tax	**35.27**	**(12.97)**

32. Previous year's figures have been regrouped / rearranged to conform to those of the current year.

33. All amounts less than Rs. 0.01 have been disclosed as Rs. 0.00.

In terms of our report of even date

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

per **Vikas Kumar Pansari**
Partner
Membership No: 93649

Place : New Delhi
Date : June 28, 2010

for and on behalf of the Board of Directors of Maytas Infra Limited

Vimal Kishore Kaushik
Managing Director

Arun K. Saha
Director

G. Venkateshwara Reddy
Company Secretary

Place : New Delhi
Date : June 28, 2010

Directors' Report

To,

The Members of Maytas Infra Assets Limited

Your Directors hereby present the Third Annual Report together with the Audited Accounts for the year ended March 31, 2010.

1. **Status :**
   The Company is a wholly-owned subsidiary of Maytas Infra Limited.

2. **Operations:**
   The business strategy of your Company is to address various elements of BOT infrastructure business such as pre-qualification assessment, submission of bid, formation of Special Purpose Vehicles (SPVs) and signing up of Concession Agreement, tying up for Financial Closure, Technical Preparation and Drawings Finalization, Project Management and Monitoring etc., and Pursuing Opportunities in infrastructure projects as part of its main objects.

   As at March 31, 2010, your Company has accumulated losses of Rs. 1767.42 Lakhs and the Company was not able to generate any revenues during the current financial period.

3. **Capital Structure:**
   The Authorized Share Capital of the Company is Rs.2 Crores divided into 20,00,000 Equity Shares of Rs.10/- each. The Paid-up Capital was Rs.5 lakhs as on March 31, 2010.

4. **Fixed Deposits:**
   The Company has not accepted any Fixed Deposits from the public.

5. **Auditors:**
   M/s. S. V. Ghatalia & Associates, Chartered Accountants, the present auditors, retire at this Annual General Meeting and are eligible for reappointment.

6. **Directors**
   Mr. Sandeep Garg, Mr. Ramesh Chandra Bawa and Mr. Rajendra Nimje were appointed as Directors during the year. Mr. B. Teja Raju, Mr. V. V. Rama Raju and Mr. B. Narasimha Rao, have chosen to resign from the Board and their resignations have since been accepted. Mr. Chander Sheel Bansal and Mr. Narayanan Kannan who were appointed during the year had also resigned during the year.

   The Board sincerely acknowledges the contributions of all the above directors and wishes them all the success in their future pursuits.

7. **Replies to Audit Observations:**
   With regard to qualifications in Auditors' Report:

   a) Clause No ix(a) and (b): delays in remittance of statutory dues in large number of cases during the current year:

   Due to the Satyam episode, the Holding Company suffered with financial crisis. The same has affected the company's financial position. The pending undisputed dues will be paid at the earliest. As a matter of internal control system, statutory dues are being duly monitored for accurate and timely remittances on an ongoing basis.

8. **Employees' Particulars:**
   Particulars of employee as required under Section 217 (2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975 as amended forms part of this Report. However, in pursuance of Section 219(1)(b)(iv) of the Companies Act, 1956, this Report is being sent to all the Shareholders of the Company excluding the aforesaid information and the said particulars are made available at the Registered Office of the Company. The Members interested in obtaining such particulars may write to the Board of Directors at the Registered Office of the Company.

9. **Directors' Responsibility Statement:**
   As required under Section 217(2AA) of the Companies Act, 1956, the Directors of the Company hereby state and confirm that:
   1. In preparation of Annual Accounts for the period, applicable accounting standards have been followed.
   2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2010 and of the loss for the period ended on that date.
   3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
   4. The Directors have prepared the annual accounts on a going concern basis.

10. **Conservation of energy, technology absorption and foreign exchange earnings & outgo:**
    The information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption is not applicable to your Company during the period under review.

Foreign Exchange Earnings & Outgo	(Rupees)
Earned	Nil
Outgo	18,633

11. **Acknowledgements:**
    The Management wishes to place on record its gratitude to the Banks and various Government Organisations for the help and co-operation extended to the Company.

for and on behalf of the Board of Directors of
MAYTAS INFRA ASSETS LIMITED

Place : Hyderabad	**Rajendra Nimje**	**Sandeep Garg**
Date : June 28, 2010	Director	Director

Auditors' Report

To

The Members of Maytas Infra Assets Limited

1. We have audited the attached Balance Sheet of Maytas Infra Assets Limited ('the Company') as at March 31, 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 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. Without qualifying our opinion, we draw our attention to Note 2(a) of Schedule 12 to the financial statements. The accompanying financial statements have been prepared on a going concern basis after giving due considerations to all matters more fully explained in aforesaid note.

5. 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 March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 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 give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

      a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2010;

      b) in the case of the profit and loss account, of the loss 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. V. Ghatalia and Associates**
Firm Registration No.: 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No.: 203969

Place : Hyderabad
Date : June 28, 2010

Annexure to Auditors' Report

Annexure referred to in paragraph 3 of our report of even date
Re: Maytas Infra Assets Limited ('the Company')

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There is no disposal of fixed assets during the year.

(ii) The nature of the Company's business is such that the provisions of Clause 4(ii) of the Companies (Auditor's Report) Order, 2003 (as amended) relating to inventories is not applicable to the Company.

(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. Accordingly Clauses iii (b), iii(c) and iii (d) are not applicable.

(e) 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. Accordingly clauses iii(f) and iii(g) are not applicable.

(iv) According to the information and explanations given to us and based on the documents and records produced to us there is no sale of goods or services and purchase of inventory and fixed asset in the current year. Therefore, the provisions of Clause 4(iv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(v) (a) According to the information and explanations provided by the management, we are of the opinion that there are no contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under Section 301. Accordingly Clause v(b) is not applicable.

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

(vii) The provisions relating to internal audit are not applicable to the Company.

(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 Company.

(ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, income-tax, wealth-tax, service tax, cess have *not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases.* The provisions relating to employees' state insurance, sales-tax, customs duty and excise duty are not applicable to the company.

Further, since the Central Government has till date not prescribed the amount of cess payable under Section 441 A of the Companies Act,1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

(b) According to the information and explanations given to us, undisputed dues in respect of provident fund, investor education and protection fund, income-tax, wealth-tax, service tax, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Finance Act, 1994	Service Tax	2,216,175	2009 - 10	5-Apr.-2009	Not paid
Income Tax Act, 1961	Tax Deducted at Source	35,425	2009 - 10	7-Aug.-2009	Not paid
Employees' Provident Fund and Miscellaneous Act, 1952	Provident Fund	111,410	2009 - 10	15-Aug.-2009	8-Apr.-2010
Employees' Provident Fund and Miscellaneous Act, 1952	Provident Fund	7	2009 - 10	15-Sep.-2009	8-Apr.-2010
The Andhra Pradesh Tax on Professions, Trades, Ceilings and Employments Act,1987	Profe-ssional Tax	200	2008 - 09	15-May-2008	Not paid
Income Tax Act, 1961	Tax Deducted at Source	3,635	2008 - 09	7-May-2008	Not paid

The provisions relating to employees' state insurance, sales-tax, customs duty and excise duty are not applicable to the company.

(c) According to the information and explanation given to us, there are no dues of income tax, wealth tax, service tax and cess which have not been deposited on account of any dispute. The provisions relating to employees' state insurance, sales-tax, customs duty and excise duty are not applicable to the company.

(x) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth

Annexure to Auditors' Report

and whether it has incurred cash losses in such financial year and in the immediately preceding financial year. The provisions relating to investor education and protection fund, employees' state insurance, sales-tax, wealth-tax, customs duty, excise duty and cess are not applicable to the company.

(xi) According to the information and explanations given to us and based on the documents and records produced to us no amount is due to a financial institution, bank or debenture holders. Therefore, the provisions of Clause 4(xi) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(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 Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) The Company did not have any term loans outstanding during the year.

(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 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.V. Ghatalia and Associates**
Firm Registration No.: 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No.: 203969

Place : Hyderabad
Date : June 28, 2010

Balance Sheet as at March 31, 2010

(All amounts in Indian rupees unless otherwise stated)

	Schedules	As at March 31, 2010	As at March 31, 2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share capital	1	500,000	500,000
Share application money pending allotment		182,231,705	153,643,934
Deferred Tax Liability		-	133,849
		182,731,705	**154,277,783**
APPLICATION OF FUNDS			
Fixed Assets	2		
Gross Block		1,136,260	1,136,260
Less: Accumulated depreciation		584,786	129,479
Net block		**551,474**	**1,006,781**
Investments	3	500,000	500,000
Current Assets, Loans and Advances			
Cash and bank balances	4	1,421,564	93,936
Loans and advances	5	20,445,596	84,859,495
(A)		**21,867,160**	**84,953,431**
Less: Current Liabilities and Provisions			
Current liabilities	6	16,929,201	39,001,322
Provisions	7	-	1,895,476
(B)		**16,929,201**	**40,896,798**
Net Current Assets (A-B)		**4,937,959**	**44,056,633**
Profit and Loss Account (Debit balance)		176,742,272	108,714,368
TOTAL		**182,731,705**	**154,277,783**
Notes to Accounts	12		

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

for **S. V. Ghatalia & Associates**
Firm Registration No. : 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No. : 203969

Place : Hyderabad
Date : June 28, 2010

for and on behalf of the Board of Directors of
Maytas Infra Assets Limited

Sandeep Garg
Director

Rajendra Nimje
Director

Place : Hyderabad
Date : June 28, 2010

Profit and Loss Account for the year ended March 31, 2010

(All amounts in Indian rupees unless otherwise stated)

	Schedules	For the year ended 31 March, 2010	For the year ended 31 March, 2009
INCOME			
Other income	8	2,974,346	8,220
		2,974,346	**8,220**
EXPENDITURE			
Personnel expenses	9	2,501,694	59,524,695
Administrative and other expenses	10	68,161,612	39,147,029
Depreciation	2	455,307	180,034
Financial expenses	11	17,485	5,172,200
		71,136,098	**104,023,958**
Loss before tax		(68,161,752)	(104,015,738)
Provision for taxation			
Current tax		-	-
Fringe benefit tax		-	293,360
Deferred tax charge / (credit)		(133,849)	133,849
Loss after tax		(68,027,903)	(104,442,947)
Add: Balance brought forward from previous year		(108,714,369)	(4,271,422)
Deficit carried to Balance Sheet		**(176,742,272)**	**(108,714,369)**
Earnings per share			
(Nominal value of Rs.10 per share)			
Basic		(1,360.56)	(2,088.86)
Diluted		(1,360.56)	(2,088.86)
Notes to Accounts	12		

The Schedules referred to above and the notes to accounts form an integral part of the Profit and Loss Account.

This is the Profit and Loss Account referred to in our report of even date

for **S. V. Ghatalia & Associates**
Firm Registration No. : 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No. : 203969

Place : Hyderabad
Date : June 28, 2010

for and on behalf of the Board of Directors of
Maytas Infra Assets Limited

Sandeep Garg
Director

Rajendra Nimje
Director

Place : Hyderabad
Date : June 28, 2010

Cash flow statement for the year ended March 31, 2010

(All amounts in Indian rupees unless otherwise stated)

Particulars		For the year ended 2009-10	For the year ended 2008-09
A. Cash flow from operating activities			
Net loss before taxation		(68,161,752)	(104,015,738)
Adjustments for:			
Depreciation		455,307	180,034
Advances written off		45,958	988,349
Provision for Retirement Benefits		–	18,204
Provision for doubtful Advances		62,999,850	-
Liabilities no longer required written back		(954,866)	(8,220)
Loss on sale of assets		-	52,003
Operating loss before working capital changes		**(5,615,503)**	**(100,983,096)**
Movements in working capital :			
Decrease / (Increase) in sundry debtors		-	100,000
Decrease / (Increase) in loans and advances		1,368,091	(52,651,300)
Decrease / (Increase) in current liabilities and provsions		(22,951,016)	37,992,723
Cash used in operations		**(27,198,428)**	**(115,541,673)**
Direct taxes paid		(61,715)	(443,188)
Net cash used in operating activities	**(A)**	**(27,260,143)**	**(115,984,861)**
B. Cash flows from investing activities			
Purchase of fixed assets		-	(2,444,775)
Sale of fixed assets		-	1,205,957
Investments in associates		-	(500,000)
Invested as share application money		-	(24,056,070)
Interest received		-	8,220
Net cash used in investing activities	**(B)**	-	**(25,786,668)**
C. Cash flows from financing activities			
Share application money received		28,587,771	141,643,934
Proceeds from issuance of share capital		-	-
Net cash generated from financing activities	**(C)**	**28,587,771**	**141,643,934**
Net increase/(decrease) in cash and cash equivalents (A + B + C)		**1,327,628**	**(127,595)**
Cash and cash equivalents as at the beginning of the year		**93,936**	**221,531**
Cash and cash equivalents as at the end of the year		**1,421,564**	**93,936**
Components of Cash and Cash equivalents			
Cash on hand		21,632	41,479
Balances with Scheduled banks			
- On Current accounts		1,399,932	52,457
Cash and Cash Equivalents as per Balance Sheet		**1,421,564**	**93,936**

This is the Cash flow statement referred in our report of even date.

for **S. V. Ghatalia & Associates**
Firm Registration No. : 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No. : 203969

Place : Hyderabad
Date : June 28, 2010

for and on behalf of the Board of Directors of
Maytas Infra Assets Limited

Sandeep Garg
Director

Rajendra Nimje
Director

Place : Hyderabad
Date : June 28, 2010

Schedules to the Balance Sheet

(All amounts in Indian rupees unless otherwise stated)

	As at March 31, 2010	As at March 31, 2009
Schedule 1: Share Capital		
Authorised		
2,000,000 (Previous year: 2,000,000) equity shares of Rs.10/- each	**20,000,000**	**20,000,000**
Issued, subscribed and paid up		
50,000 (Previous year: 50,000) equity shares of Rs.10/- each fully paid up	500,000	500,000
(The entire share capital is held by Maytas Infra Limited, the holding company)		
	500,000	**500,000**
Schedule 3: Investments		
Long-term investments (At cost)		
In subsidiaries		
Dardu Power Private Limited (25,000 Equity Shares (Previous year 25,000) fully paid up)	250,000	250,000
Par Power (Arunachal Pradesh) Private Limited (25,000 Equity Shares (Previous year 25,000) fully paid up)	250,000	250,000
	500,000	**500,000**
Schedule 4: Cash and bank balances		
Cash on hand	21,632	41,479
Balances with scheduled banks in :		
- Current accounts	1,399,932	52,457
	1,421,564	**93,936**
Schedule 5: Loans and advances		
(Unsecured, considered good, except to the extent stated otherwise)		
Advance recoverable in cash or in kind	70,988,198	72,403,747
Share application money	12,255,920	12,255,920
Advance tax (Net of provision)	201,328	199,828
	83,445,446	84,859,495
Less: Provision for dobtful advances	62,999,850	-
	20,445,596	**84,859,495**
Schedule 6: Current Liabilities		
Dues to holding company	11,741,588	11,067,568
Sundry creditors	2,580,891	20,003,758
Other liabilities	2,606,722	7,929,996
	16,929,201	**39,001,322**
Schedule 7: Provisions		
Provision for fringe benefit tax	-	75,000
Provision for retirement benefits	-	1,820,476
	-	**1,895,476**

Schedules to the Balance Sheet

(All amounts in Indian rupees unless otherwise stated)

Schedule 2: Fixed Assets

Description	Gross Block				Depreciation				Net Block	
	As at April 1, 2009	Additions during the year	Deletions during the year	As at March 31, 2010	As at April 1, 2009	Charge for the year	Deletions during the year	As at March 31, 2010	As at March 31, 2010	As at March 31, 2009
Furniture & Fixtures	8,910	-	-	8,910	365	564	-	929	7,981	8,545
Office Equipment	70,675	-	-	70,675	1,302	3,357	-	4,659	66,016	69,373
Computers	1,056,675		-	1,056,675	127,812	451,386	-	579,198	477,477	928,863
Total	**1,136,260**	**-**	**-**	**1,136,260**	**129,479**	**455,307**	**-**	**584,786**	**551,474**	**1,006,781**
Previous year	-	2,444,775	1,308,515	1,136,260	-	180,034	50,555	129,479	1,006,781	-

Schedules to Profit and Loss Account

(All amounts in Indian rupees unless otherwise stated)

	For the year ended 31 March, 2010	For the year ended 31 March, 2009
Schedule 8 : Other Income		
Liabilities no longer required written back	954,866	-
Sale of scrap	21,480	-
Refund of Bid expenses	1,998,000	-
	2,974,346	**-**
Schedule 9 : Personnel expenses		
Salaries, bonus and other allowances	2,288,277	54,392,571
Contribution to provident fund	198,112	2,869,534
Retirement benefits	-	1,820,476
Workmen and staff welfare expenses	15,305	442,114
	2,501,694	**59,524,695**
Schedule 10 : Administrative and other expenses		
Rent	-	1,856,847
Rates and Taxes	26,059	564,708
Office maintenance	-	695,716
Business promotion	1,446	90,365
Travelling and conveyance	992,369	5,208,476
Communication expenses	73,946	833,728
Printing and stationery	17,125	1,083,790
Professional charges	3,892,630	4,168,443
Bidding and prospecting expenses	6,048	18,614,513
Hire charges	-	1,920,033
Membership and subscription	-	100,000
Seminar and conference	-	683,057
Staff recruitment expenses	-	1,447,164
Auditors' remuneration		
Audit fee	55,130	55,541
Other services	-	42,695
Out of pocket expenses	5,764	
Provision for doubtful advances	62,999,850	-
Net Loss on sale of assets	-	52,003
Advances written off	45,958	988,349
Miscellaneous expenses	45,287	741,601
	68,161,612	**39,147,029**
Schedule 11: Financial expenses		
Interest		
- on vehicle loan	-	65,769
- others	-	64
Bank charges	17,485	5,106,367
	17,485	**5,172,200**

Schedule 12
Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010
(All amounts in Indian rupees except for share data or as other wise stated)

1. **Background**

Maytas Infra Assets Limited ('MIAL' or 'the Company') is a Company registered under Indian Companies Act, 1956.

MIAL is promoted by Maytas Infra Limited (MIL) as its wholly owned subsidiary. The primary objective of the Company is to promote, sponsor, develop, maintain and manage projects, facilities in its own capacity or in consortium with others and generally to assist and carry on the projects engaged in the business of developing power generation, transmission and distribution, airports, sea ports, roads, irrigation, railways etc.

2. **Statement of Significant Accounting Policies**

a. **Basis of Preparation**

The financial statements have been prepared in all material respects, to comply with the notified accounting standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

Maytas Infra Assets Limited (MIAL) was incorporated in February 2008, as a 100% subsidiary of MIL to carry on business initiatives on BOT projects and to act as the holding company for all the BOT investments made by MIL. The Company was not able to generate any revenues during the current financial period. As at March 31, 2010, the Company has accumulated losses of Rs.176,742,272. This raises a doubt on the Company's ability to continue as a Going Concern. During the fiscal year 2010-11 the Company intends to revive its business plan and evaluate for any viable business. Management of the company is confident that the Company will be able to generate substantial revenues and profits in future years and meets its financial obligations going forward. The entire shareholding of the Company is held by Maytas Infra Limited and its nominees, which has committed to infuse the required funds to meet the operational requirements as they arise. The Company is the second beneficiary to Maytas Investment Trust and will have a right to residual distribution proceeds of the trust, after distribution to the contributories of the Trust. Considering all of the above, the Management is of the opinion that the going concern assumption is appropriate. Accordingly the accompanying financial statements have been prepared on a going concern basis.

b. **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 management's best knowledge of current events and actions, actual results could differ from these estimates.

c. **Fixed Assets and Depreciation**

i. Fixed assets are stated at cost less accumulated depreciation, impairment losses and specific grant/ subsidies if any, Cost comprises the purchase price, freight, duties, taxes and any attributable cost of bringing the asset to its working condition for its intended use. Finance costs relating to acquisition of fixed assets which take substantial period of time to get ready for use are included to the extent they relate to the period until such assets are ready for intended use.

ii. Depreciation is provided on straight line method, based on useful life of the assets as estimated by the Management which coincides with rates prescribed under Schedule XIV to the Companies Act, 1956.

iii. Assets costing five thousand rupees or less are fully depreciated in the year of purchase.

d. **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. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

e. **Retirement and other employee benefits**

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

f. **Foreign currency transactions**

i. **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.

ii. **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.

iii. **Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

Schedule 12

Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Indian rupees except for share data or as other wise stated)

g. **Leases**

Leases where the lessor effectively retains substantially all the risks and rewards incidental to ownership, are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account on a straight-line basis over the lease term.

h. **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. **Income Taxes**

Tax expense comprises of current and deferred 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.

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 recognized 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 realized.

j. **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders 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, except when they are anti dilutive.

k. **Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event i.e., 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 are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

3. **Loans & Advances**

As at March 31, 2010, Loans and Advances given by the Company includes an amount of Rs.62,900,000 towards funding for the development of the Hydro Electric Power Projects in the State of Arunachal Pradesh. The company has formed various Special Purpose Vehicles for the development and execution of these projects, viz.; Dardu Power Private Limited, Par Power (Arunachal Pradesh) Private Limited, Yamne Power Private Limited, Ithun Power Private Limited and other SPVs, along with the other technical and investment partners in the consortium.

These companies have not been able to attain financial closure and obtain licenses to commence these projects. The Management has evaluated the recoverability of the above advances and it is of the opinion that the same are doubtful. Hence, they have been provided for.

4. **Related Party Transactions**

The Company had following transactions with related parties during the year (Refer Page 133 and 134).

5. **Contingent liabilities not provided for:**

	As at March 31, 2010	As at March 31, 2009
Counter Guarantee given to Banker	142,400,000	Nil

6. **Capital Commitments**

Estimated amount of contracts (net of advances) remaining to be executed on capital account: Rs. Nil (March 31, 2009 – Nil).

7. Deferred tax liability of Rs. Nil (March 31, 2009 - Rs. 133,849) is recognized on account of difference in depreciation as per tax books and financial books.

8. The company's operations fall into a single business segment, hence financial statements of the enterprise represent Segmental Reporting.

9. **Gratuity and other post-employment benefit plans**

As at March 31, 2010 there are no employees on rolls of the Company. Accordingly, no provision has been created for in the Financial Statements in the current accounting period.

The following tables summarize the components of net benefit expense recognised in the profit and loss account and amounts recognised in the balance sheet in the previous financial year.

Profit and Loss account
Net employee benefit expense
(recognised in employee cost)

	2009
Current service cost	193,067
Interest cost on benefit obligation	Nil
Net actuarial (gain) / loss recognised in the year	Nil
Past service cost	Nil
Net benefit expense	193,067

Balance sheet

Changes in the present value of the defined benefit obligation

	2009
Opening defined benefit obligation	Nil
Interest cost	Nil
Current service cost	193,067
Benefits paid	Nil
Actuarial (gains) / losses on obligation	Nil
Closing defined benefit obligation	193,067

Schedule 12
Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010
(All amounts in Indian rupees except for share data or as other wise stated)

Related party transactions for the year ended March 31, 2010

	Particulars	Share application money/ Investment	Equity Contri-bution	Advance given	Reimburse-ment of expenses	Amount Repaid	Balance transfer to Holding Company	Total of Transactions	Balance as at April 1, 2009	Closing Balance Debit/ (Credit)
A.	**Holding Company**									
	Maytas Infra Limited									
	Year ended March 31, 2010	(28,587,771)	-	-	(674,020)	-	-	(29,261,791)	(165,211,502)	(194,473,293)
	Year ended March 31, 2009	(194,934,488)	-	-	(10,829,068)	-	53,290,554	(152,473,002)		(165,211,502)
B.	**Subsidiaries**									
	Dardu Power Pvt Ltd									
	Year ended March 31, 2010	-	-	-	5,512	-	-	5,512	7,707,385	7,712,897
	Year ended March 31, 2009	6,051,070	250,000	-	1,416,315	(10,000)	-	7,707,385	-	7,707,385
	Par Power Pvt Ltd									
	Year ended March 31, 2010				5,512			5,512	7,771,311	7,776,823
	Year ended March 31, 2009	6,105,000	250,000	-	1,416,311	-	-	7,771,311	-	7,771,311
C.	**Fellow Subsidiaries**									
	Maytas Vasishta Varadhi Ltd									
	Year ended March 31, 2010	-	-	-	47,621	-	-	47,621	-	47,621
	Year ended March 31, 2009	-	-	2,550,000	1,789,555	-	(4,339,555)	-	-	-
	Pondicherry Tindivanam Tollway Ltd #									
	Year ended March 31, 2010	-	-	-	82,150	(1,501,344)	-	(1,419,194)	1,390,450	-
	Year ended March 31, 2009	-	-	-	2,405,984	(1,015,534)	-	1,390,450	-	1,390,450
	Maytas Mineral Resources Ltd									
	Year ended March 31, 2010	-	-	-	7,100	-	-	7,100	-	7,100
	Year ended March 31, 2009	-	-	-	-	-	-	-	-	-
	Maytas Metro Ltd									
	Year ended March 31, 2010	-	-	-	80,380	(100,000)	-	(19,620)	-	(19,620)
	Year ended March 31, 2009	-	-	-	-	-	-	-	-	-
	Maytas Ferro Industries Private Ltd									
	Year ended March 31, 2010	-	-	-	5,040	-	-	5,040	-	5,040
	Year ended March 31, 2009	-	-	-	-	-	-	-	-	-
D.	**Enterprises over which shareholders, key management personnel and their relatives exercise significant influence**									
	Bangalore Elevated Tollway Ltd *									
	Year ended March 31, 2010	-	-	-	-	-	-	-	229,427	-
	Year ended March 31, 2009	-	-	-	229,427	-	-	229,427	-	229,427
	Gulbarga Airport Developers Pvt Ltd *									
	Year ended March 31, 2010	-	-	-	387,218	(200)	-	387,018	-	-
	Year ended March 31, 2009	-	-	-	3,067,663	-	(3,069,575)	(1,912)	-	-
	Shimoga Airport Developers Pvt Ltd *									
	Year ended March 31, 2010	-	-	-	382,228	(40,000)	-	342,228	-	-
	Year ended March 31, 2009	-	-	-	3,091,254	(34,670)	(3,058,496)	(1,912)	-	-

Schedule 12
Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010
(All amounts in Indian rupees except for share data or as other wise stated)

Particulars	Share application money/ Investment	Equity Contri- bution	Advance given	Reimburse- ment of expenses	Amount Repaid	Balance transfer to Holding Company	Total of Transactions	Balance as at April 1, 2009	Closing Balance Debit/ (Credit)
Himachal Sorang Power Pvt Ltd *									
Year ended March 31, 2010	-	-	-	1,291	(657,740)	-	(656,449)	4,896,515	-
Year ended March 31, 2009	-	-	-	8,880,109	(4,083,594)	-	4,796,515	-	4,896,515
KVK Nilachal Power Pvt Ltd *									
Year ended March 31, 2010	-	-	-	-	-	-	-	-	-
Year ended March 31, 2009	-	-	-	2,358,606	(511,938)	(1,846,668)	-	-	-
Machilipatnam Port Ltd *									
Year ended March 31, 2010	-	-	-	-	-	-	-	-	-
Year ended March 31, 2009	-	-	3,855,000	22,234,173	(1,200,000)	(24,889,173)	-	-	-
S V Power Pvt Ltd *									
Year ended March 31, 2010	-	-	-	-	-	-	-	-	-
Year ended March 31, 2009	-	-	-	783,497	-	(783,497)	-	-	-
Ahi Power Pvt Ltd *									
Year ended March 31, 2010	-	-	-	-	-	-	-	16,370	-
Year ended March 31, 2009	16,370	-	-	-	-	-	16,370	-	16,370
Ithun Power Pvt Ltd *									
Year ended March 31, 2010	-	-	-	-	-	-	-	2,916,370	-
Year ended March 31, 2009	16,370	-	2,900,000	-	-	-	2,916,370	-	2,916,370
Dri Power Pvt Ltd *									
Year ended March 31, 2010	-	-	-	-	-	-	-	16,370	-
Year ended March 31, 2009	16,370	-	-	-	-	-	16,370	-	16,370
Mathuli Power Pvt Ltd *									
Year ended March 31, 2010	-	-	-	-	-	-	-	16,370	-
Year ended March 31, 2009	16,370	-	-	-	-	-	16,370	-	16,370
Paling Power Pvt Ltd *									
Year ended March 31, 2010	-	-	-	-	-	-	-	16,370	-
Year ended March 31, 2009	16,370	-	-	-	-	-	16,370	-	16,370
Yamne Power Pvt Ltd *									
Year ended March 31, 2010	-	-	-	-	-	-	-	9,018,000	-
Year ended March 31, 2009	18,000	-	9,000,000	-	-	-	9,018,000	-	9,018,000
Maytas-NCC-SSJV Consortium **									
Year ended March 31, 2010	-	-	-	-	-	-	-	-	-
Year ended March 31, 2009	-	-	-	15,303,590	-	(15,303,590)	-	-	-

\# Ceased to be a fellow subsidiary during the year
* Ceased to have significant influence during the year
** Closed during the Previous Year

Schedule 12
Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010
(All amounts in Indian rupees except for share data or as other wise stated)

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

		2009
Discount rate		8.0%
Increase in compensation cost		6.0%
	Age (Years)	**Rate**
Employee Turnover	18 - 50	10%
	51 - 57	5%

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

10. **Expenditure in foreign currency (On cash basis)**

Particulars	March 31, 2010	March 31, 2009
Travelling expenses	18,633	314,133
Professional charges	NIL	254,159
Seminar Fee	NIL	171,670
Total	**18,633**	**739,962**

11. Based on the information available with the Company no amounts are payable to enterprises covered under Micro, Small and Medium Enterprises Development Act, 2006.

12. **Disclosure regarding Derivative Instruments**
    a. The Company has no derivative instrument outstanding as at the year end.
    b. There is no foreign currency exposure unhedged as at the balance sheet date.

13. **Earnings per share are computed based on the following:**

Particulars	2009-10	2008-09
Loss after taxation considered for calculation of basic and diluted earnings per share	(68,027,903)	(104,442,947)
Weighted average number of Equity Shares considered for calculation of basic earnings and diluted earnings per share	50,000	50,000

14. Previous year's figures have been regrouped / rearranged to conform to those of the current year.

SIGNATURES TO SCHEDULES 1 to 12

In terms of our report of even date
for **S. V. Ghatalia & Associates**
Firm Registration No. 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No: 203969

Place : Hyderabad
Date : June 28, 2010

for and on behalf of Board of Directors
Maytas Infra Assets Limited

Sandeep Garg
Director

Rajendra Nimje
Director

Place : Hyderabad
Date : June 28, 2010

DIRECTORS' REPORT

To,

The Members of Maytas Mineral Resources Limited

Your Directors are pleased to present the Third Annual Report together with the Audited Accounts for the year ended March 31, 2010.

1. **Status :**
   The Company is a wholly-owned subsidiary of Maytas Infra Limited.

2. **Operations:**
   Your Company in pursuance of its main objects is exploring opportunities for acquisition of coal, iron ore and base metal mines in India and abroad.

   The loss for the year amounting to Rs.5,42,306/- has been carried to the Balance Sheet.

3. **Capital Structure:**
   The Authorized Share Capital of the Company is Rs.5 Crores divided into 50,00,000 Equity Shares of Rs.10/- each. The Paid-up Capital was Rs.5 lakhs as on March 31, 2010.

4. **Fixed Deposits:**
   The Company has not accepted any Fixed Deposits from the public.

5. **Auditors:**
   M/s. S. V. Ghatalia & Associates, Chartered Accountants, the present auditors, retire at this Annual General Meeting and are eligible for reappointment.

6. **Directors:**
   Mr. B. Teja Raju, Mr. V. V. Rama Raju, Mr. Raju A. N. Gottumukkala and Mr. Narayanan Kannan, have chosen to resign from the Board and their resignations have since been accepted. Mr. Chander Sheel Bansal, who was appointed as a Director on November 25, 2009 also resigned.

   The Board sincerely acknowledges the contributions of all the above directors and wishes them all the success in their future pursuits.

   Mr. Rajendra Nimje, Mr. Jignesh Ramesh Shah, Mr. Sandeep Garg and Mr. Pradeep Kulsreshta have been appointed as Directors on the Board.

7. **Employees' Particulars:**
   Your Company has no employees requiring disclosure under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. No employee is in receipt of remuneration as applicable under Section 217(2A) of the Companies Act, 1956.

8. **Replies to Audit Observations/Qualifications:**
   With regard to qualifications in Auditors' Report:

   a) Clause No ix(a) and (b): delays in remittance of statutory dues in large number of cases during the current year:

   Due to the Satyam episode, the Holding Company suffered with financials crisis. The same has affected the company's financial position. The pending undisputed dues will be paid at the earliest. As a matter of internal control system, statutory dues are being duly monitored for accurate and timely remittances on an ongoing basis.

9. **Directors' Responsibility Statement:**
   As required under Section 217(2AA) of the Companies Act, 1956, the Directors of the Company hereby state and confirm that:
   1. In preparation of Annual Accounts for the period, applicable accounting standards have been followed.
   2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2010 and of the loss for the period ended on that date.
   3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
   4. The Directors have prepared the annual accounts on a going concern basis.

10. **Conservation of energy, technology absorption and foreign exchange earnings & outgo:**
    The information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption is not applicable to your Company during the period under review.

Foreign Exchange Earnings & Outgo	(Rupees)
Earned	Nil
Outgo	Nil

11. **Acknowledgements:**
    The Management wishes to place on record its gratitude to the Banks and various Government Organisations for the help and co-operation extended to the Company.

for and on behalf of the Board of Direcotrs of
MAYTAS MINERAL RESOURCES LIMITED

Place : Hyderbad	**Rajendra Nimje**	**Jignesh R. Shah**
Date : June 28, 2010	Director	Director

Auditors' Report

To

The Members of Maytas Mineral Resources Limited

1. We have audited the attached Balance Sheet of Maytas Mineral Resources Limited ('the Company') as at March 31, 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 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. Without qualifying our opinion, we draw our attention to Note 2(a) of Schedule 13 to the financial statements. The accompanying financial statements have been prepared on a going concern basis after giving due considerations to all matters more fully explained in aforesaid note.

5. 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 March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 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 give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

        a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2010;

        b) in the case of the profit and loss account, of the loss 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. V. Ghatalia and Associates**
Firm Registration No. 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No. 203969

Place : Hyderabad
Date : June 28, 2010

Annexure to Auditors' Report

Annexure referred to in paragraph 3 of our report of even date

Re: Maytas Mineral Resources Limited ('the Company')

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There is no disposal of fixed assets during the year.

(ii) The nature of the Company's business is such that the provisions of clause 4(ii) of the Companies (Auditor's Report) Order, 2003 (as amended) relating to inventories is not applicable to the Company.

(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. Accordingly Clauses iii (b), iii (c) and iii (d) are not applicable.

(e) 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. Accordingly clauses iii (f) and iii (g) are not applicable.

(iv) According to the information and explanations given to us and based on the documents and records produced to us there is no sale of goods or services and purchase of inventory and fixed asset in the current year. Therefore, the provisions of Clause 4 (iv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(v) (a) According to the information and explanations provided by the management, we are of the opinion that there are no contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under Section 301. Accordingly Clause v (b) is not applicable.

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

(vii) The provisions relating to internal audit are not applicable to the Company.

(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 Company.

(ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, income-tax, wealth-tax, service tax and cess have *not been regularly deposited with the appropriate authorities and there have been serious delays in large number of cases.* The provisions relating to employees' state insurance, sales-tax, customs duty and excise duty are not applicable to the company.

(b) According to the information and explanations given to us, undisputed dues in respect of provident fund, investor education and protection fund, income-tax, wealth-tax, service tax, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
The Andhra Pradesh Tax on Professionals, Trades, Callings and Employments Act,1987	Professional Tax	100	2009-10	15 Aug., 2009	Not paid

The provisions relating to employees' state insurance, sales-tax, customs duty and excise duty are not applicable to the Company.

(c) According to the information and explanation given to us, there are no dues of income tax, wealth tax, service tax and cess which have not been deposited on account of any dispute. The provisions relating to employees' state insurance, sales-tax, customs duty and excise duty are not applicable to the Company.

(x) The Company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year is fifty per cent or more of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year.

(xi) According to the information and explanations given to us and based on the documents and records produced to us no amount is due to a financial institution, bank or debenture holders. Therefore, the provisions of Clause 4 (xi) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(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 Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) The Company did not have any term loans outstanding during the year.

(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 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. V. Ghatalia and Associates**
Firm Registration No. 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No. 203969

Place : Hyderabad
Date : June 28, 2010

Balance Sheet as at March 31, 2010

(All amounts in Indian rupees unless otherwise stated)

	Schedules	As at March 31, 2010	As at March 31, 2009
SOURCES OF FUNDS			
Shareholders' Funds			
Share capital	1	500,000	500,000
Share application money pending allotment		49,232,747	49,417,000
TOTAL		**49,732,747**	**49,917,000**
APPLICATION OF FUNDS			
Fixed Assets	2		
Gross Block		104,659	104,659
Less: Accumulated depreciation		14,576	6,966
Net Block		**90,083**	**97,693**
Investments	3	–	–
Current Assets, Loans and Advances			
Cash and bank balances	4	456,934	4,591,747
Loans and advances	5	9,380	21,873
Other Current Assets	6	5,619	-
		471,933	**4,613,620**
Less: Current Liabilities and Provisions			
Current liabilities	7	256,428	3,505,499
Provisions	8	-	173,667
		256,428	**3,679,166**
Net Current Assets		**215,505**	**934,454**
Profit and Loss Account (Debit balance)		49,427,159	48,884,853
TOTAL		**49,732,747**	**49,917,000**
Notes to Accounts	13		

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our report of even date

for **S. V. Ghatalia & Associates**
Firm Registration No. : 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No. : 203969

Place : Hyderabad
Date : June 28, 2010

for and on behalf of the Board of Directors of
Maytas Mineral Resources Limited

Rajendra Nimje
Director

Jignesh Shah
Director

Place : Hyderabad
Date : June 28, 2010

Profit and Loss Account for the year ended March 31, 2010

(All amounts in Indian rupees unless otherwise stated)

	Schedules	For the year ended March 31, 2010	For the year ended March 31, 2009
INCOME			
Other income	9	81,268	33,918
		81,268	**33,918**
Expenditure			
Personnel expenses	10	264,252	11,221,849
Administrative and other expenses	11	320,315	31,410,058
Depreciation	2	7,610	26,401
Financial expenses	12	31,397	67,502
		623,574	**42,725,810**
Loss before tax		(542,306)	(42,691,892)
Provision for taxation			
- Fringe benefit tax		-	382,000
Loss after tax		(542,306)	(43,073,892)
Balance brought forward from the previous year		(48,884,853)	**(5,810,961)**
Deficit carried to Balance Sheet		**(49,427,159)**	**(48,884,853)**
Earnings per share			
(Face value of Rs.10 per share)			
Basic		(10.85)	(861.48)
Diluted		(10.85)	(861.48)
Notes to Accounts	13		

The Schedules referred to above and the notes to accounts form an integral part of the Profit and Loss Account.

As per our report of even date

for **S. V. Ghatalia & Associates**
Firm Registration No. : 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No. : 203969

Place : Hyderabad
Date : June 28, 2010

for and on behalf of the Board of Directors of
Maytas Mineral Resources Limited

Rajendra Nimje
Director

Jignesh Shah
Director

Place : Hyderabad
Date : June 28, 2010

Cash Flow Statement for the year ended March 31, 2010

(All amounts in Indian rupees unless otherwise stated)

			For the year ended 2009-10	For the year ended 2008-09
A.	**Cash flows from operating activities**			
	Net Loss before taxation		(542,306)	(42,691,892)
	Adjustments for:			
	Depreciation		7,610	26,401
	Loss on sale of assets		–	24,820
	Provision for doubtful advances		10,710	140,000
	Provision for dimunition in investment		–	99,990
	Liabilities no longer required written back		(42,281)	–
	Interest Income		(38,987)	(33,918)
	Operating Loss before working capital changes		**(605,254)**	**(42,434,599)**
	Movements in working capital :			
	(Increase)/decrease in loans and advances		1,783	177,856
	(Increase)/decrease in Other current assets		(5,619)	–
	Increase/(decrease) in current liabilities and provisions		(3,380,457)	1,092,294
	Cash used in operations		**(3,989,547)**	**(41,164,449)**
	Direct Taxes Paid		–	(482,222)
	Net cash used in operating activities	(A)	**(3,989,547)**	**(41,646,671)**
B.	**Cash flows from investing activities**			
	Purchase of fixed assets (net)		–	(148,914)
	Interest received		38,987	33,918
	Investment in subsidiary		–	(99,990)
	Net cash from / (used in) investing activities	(B)	**38,987**	**(214,986)**
C.	**Cash flows from financing activities**			
	Receipt of share capital		–	–
	Share application money received/repaid		(184,253)	45,117,000
	Net cash from / (used in) financing activities	(C)	**(184,253)**	**45,117,000**
	Net increase / (Decrease) in cash and cash equivalents (A+B+C)		**(4,134,813)**	**3,255,343**
	Cash and cash equivalents at the beginning of the year		**4,591,747**	**1,336,404**
	Cash and cash equivalents as at the end of the year		**456,934**	**4,591,747**
	Components of cash and cash equivalents			
	Cash on hand		-	-
	Balances with Scheduled Banks:			
	– on Current Accounts		3,533	4,591,747
	– on Deposit Accounts		453,401	–
	Cash and Cash equivalents as per Balance Sheet		**456,934**	**4,591,747**

This is the Cash Flow Statement referred in our report of even date.

for **S. V. Ghatalia & Associates**
Firm Registration No. : 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No. : 203969

Place : Hyderabad

Date : June 28, 2010

for and on behalf of the Board of Directors of Maytas Mineral Resources Limited

Rajendra Nimje
Director

Jignesh Shah
Director

Place : Hyderabad

Date : June 28, 2010

Schedules to the Balance Sheet

(All amounts in Indian rupees unless otherwise stated)

	As at March 31, 2010	As at March 31, 2009
Schedule 1: Share Capital		
Authorised		
5,000,000 equity shares of Rs.10 each	**50,000,000**	**50,000,000**
Issued, subscribed and paid up		
50,000 equity shares of Rs.10 each fully paid up	500,000	500,000
(The entire share capital is held by Maytas Infra Limited, the holding company)		
	500,000	**500,000**
Schedule 3: Investments (Unquoted)		
Long term (At cost)		
In subsidiary – Equity shares (fully paid up)		
Maytas Ferro Industries Private Limited	99,990	99,990
(9,999 Equity Shares (Previous year: 9,999) fully paid up)		
Less: Provision for dimunition on investments	99,990	99,990
	–	**–**
Schedule 4: Cash and bank balances		
Currency in Hand	–	12,912
Balances with scheduled banks on :		
– Current accounts	3,533	4,578,835
– Fixed Deposits	453,401	-
	456,934	**4,591,747**
Schedule 5: Loans and advances		
(unsecured, considered good except to the extent stated otherwise)		
Advance recoverable in cash or in kind	–	16,037
Share Application Money to Subsidiaries		
Considered doubtful	150,710	140,000
Advance Tax (net of provisions)	9,380	5,836
	160,090	161,873
Less: Provision for doubtful advances	150,710	140,000
	9,380	**21,873**
Schedule 6: Other Current Assets		
Interest Accrued	5,619	–
	5,619	**–**
Schedule 7: Current liabilities		
Dues to holding company	–	1,457,155
Sundry creditors	205,689	1,917,555
Other liabilities	50,739	130,789
	256,428	**3,505,499**
Schedule 8: Provisions		
Provision for fringe benefit tax	–	5,614
Provision for retirement benefits	–	168,053
	–	**173,667**

Schedules to Balance Sheet

(All amounts in Indian rupees unless otherwise stated)

Schedule 2: Fixed Assets

Description	Gross Block				Depreciation				Net Block	
	As at April 1, 2009	Additions during the year	Deletions during the year	As at March 31, 2010	As at April 1, 2009	Charge for the year	Deletions during the year	As at March 31, 2010	As at March 31, 2010	As at March 31, 2009
Plant and Machinery	11,669	-	-	11,669	1,361	514	-	1,875	9,794	10,308
Office Equipment	68,850	-	-	68,850	2,780	3,270	-	6,050	62,800	66,070
Computers and Accessories	24,140	-	-	24,140	2,825	3,826	-	6,651	17,489	21,315
Total	**104,659**	**-**	**-**	**104,659**	**6,966**	**7,610**	**-**	**14,576**	**90,083**	**97,693**
Previous Year	-	632,953	528,294	104,659	-	26,401	19,435	6,966	97,693	-

Schedule to Profit and Loss Account

(All amounts in Indian rupees unless otherwise stated)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Schedule 9: Other Income		
Interest on Bank deposits [TDS Rs. 3,544 (Previous Year: Rs. 5,836)]	38,987	33,918
Excess liabilities no longer required written back	42,281	-
	81,268	**33,918**
Schedule 10: Personnel expenses		
Salaries, bonus and other allowances	231,335	10,438,297
Contribution to provident fund and others	32,917	615,499
Retirement benefits	–	168,053
	264,252	**11,221,849**
Schedule 11: Administrative and other expenses		
Rent	–	–
Rates and taxes	15,300	58,550
Insurance	–	11,500
Office maintenance	213	281,840
Business promotion expenses	–	15,324
Communication expenses	21,250	902,201
Bidding expenses	–	1,107,956
Printing and stationery	118	81,095
Travelling expenses	14,597	6,599,534
Seminar and conferences	–	565,268
Staff recruitment expenses	–	573,897
Auditor's remuneration		
Audit fee	220,600	220,600
Other services	–	44,944
Out of pocket expenses	16,615	3,000
Professional charges	8,000	20,467,647
Loss on Exchange Fluctuations (net)	–	98,852
Labour charges	–	43,470
Loss on sale of asset	–	24,820
Provision for dimunition of investments	–	99,990
Provision for doubtful advances	10,710	140,000
Miscellaneous expenses	12,912	69,570
	320,315	**31,410,058**
Schedule 12: Financial expenses		
Interest		
– on vehicle loan	–	12,135
Bank charges	31,397	55,367
	31,397	**67,502**

Schedule 13 : Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Indian rupees except for share data or otherwise stated)

1. **Background**

   Maytas Mineral Resources Limited ('MMRL' or 'the Company') is a Company registered under Indian Companies Act, 1956.

   MMRL is promoted by Maytas Infra Limited as its wholly owned subsidiary. The primary objective of the Company is to explore, operate and work on mines and quarries in India and abroad. The Company did not commence commercial operations as at March 31, 2010.

2. **Statement of Significant Accounting Policies**

(a) Basis of Preparation

The financial statements have been prepared in all material respects, to comply with the notified accounting standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

Maytas Mineral Resources Limited (MMRL) was incorporated in February 2008 as a 100% subsidiary of Maytas Infra Limited, for exploring domestic and overseas mining opportunities for various commodities like coal, iron ore and base metals. The Company has not commenced commercial operations till March 31, 2010. However, the Company has not been able to identify any business opportunities or generate any revenue till March 31, 2010. The Company has incurred losses during the year and accumulated losses of the Company amount to Rs. 49,427,159 as on March 31, 2010. These factors raise substantial doubt on the entity's ability to continue as a going concern. During the fiscal 2010-11 the Company intends to revive its business plan and evaluate for any viable business. The entire shareholding of the Company is held by Maytas Infra Limited and its nominees, which has committed to infuse the required funds to meet the operational requirements as they arise. Considering all of the above, the Management is of the opinion that the going concern assumption is appropriate. Accordingly the accompanying financial statements have been prepared on a going concern basis.

(b) 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 management's best knowledge of current events and actions, actual results could differ from these estimates.

(c) Revenue recognition

Revenue is recognized when it is expected and no significant uncertainty exists as to its realization or collection.

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

(d) Fixed assets

i. Fixed assets are stated at cost less accumulated depreciation, impairment losses and specific grant/ subsidies if any. Cost comprises the purchase price, freight, duties, taxes and any attributable cost of bringing the asset to its working condition for its intended use. Finance costs relating to acquisition of fixed assets which take substantial period of time to get ready for use are included to the extent they relate to the period till such assets are ready for intended use.

ii. Assets retired from active use and held for disposal are stated at their estimated net realisable values or net book values, whichever is lower.

iii. Depreciation is provided on straight line method, based on useful life of the assets as estimated by the Management which coincides with rates prescribed under Schedule XIV to the Companies Act, 1956.

iv. Assets costing Rs.5,000 or less are fully depreciated in the year of purchase.

(e) Foreign currency transactions

i. **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.

ii. **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.

iii. **Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(f) Investmments

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. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

Schedule 13 : Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Indian rupees except for share data or otherwise stated)

(g) **Leases**

Leases, where the lessor effectively retains substantially all the risks and rewards incidental to ownership, are classified as operating leases. Operating lease payments are recognized as an expense in the profit and loss account on a straight-line basis over the lease term.

(h) **Income taxes**

Tax expense comprises of current and deferred 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.

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 recognized 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 realized.

(i) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

(j) **Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event i.e., 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 are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

3. Contingent liabilities not provided for is Nil as at March 31, 2010. (March 31, 2009 – Nil).

4. **Capital Commitments**

Estimated amount of contracts (net of advances) remaining to be executed on capital account: Rs. Nil (March 31, 2009 – Nil).

5. The companies operations fall into a single business segment, hence financial statements of the enterprise represent Segmental Reporting.

6. **Related Party Transactions -**

a) The Company had following transactions with related parties during the period.

	For the year ended March 31, 2010	For the year ended March 31, 2009
Holding Company		
Maytas Infra Limited		
Equity Share Capital	Nil	Nil
Share Application Money	(184,253)	45,117,000
Expenses Reimbursable	358,591	818,649
Repayment of Expenses Reimbursable	(1,815,747)	Nil
Subsidiary Company		
Maytas Ferro Industries Private Limited		
Equity Share Capital (Subscribed and provided for doubtful of recovery)	Nil	99,990
Share Application Money (Given and provided for doubtful of recovery)	10,710	140,000
Fellow Subsidiary		
Maytas Infra Assets Limited		
Equity Share Capital	Nil	Nil
Share Application Money	Nil	Nil
Expenses Reimbursable	7,100	Nil

b) Balance outstanding Debit / (Credit)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Holding Company		
Maytas Infra Limited	(49,232,747)	(51,374,155)
Subsidiary Company		
Maytas Ferro Industries Private Limited	250,700	239,990
Provision for doubtful advances	250,700	239,990
Fellow Subsidiary Company		
Maytas Infra Assets Limited	(7,100)	Nil

7. Expenditure in foreign currency (On cash basis)

	For the year ended March 31, 2010	For the year ended March 31, 2009
Professional charges	Nil	8,269,873
Travel	Nil	3,851,204
Total	**Nil**	**12,121,077**

8. Based on the information available with the Company no amounts are payable to enterprises covered under Micro, Small and Medium Enterprises Development Act, 2006.

9. As at March 31, 2010 there are no employees on rolls of the Company. Accordingly, no provision for gratuity and leave encashment has been created in the Financial Statements.

10. Disclosure regarding Derivative Instruments:
a) The Company has no derivative instrument outstanding as at the year end.
b) There is no foreign currency exposure unhedged as at the balance sheet date.

11. Earnings per share are computed based on the following:

Particulars	2009-10	2008-09
Loss after taxation considered for calculation of basic and diluted earnings per share	(542,306)	(43,073,892)
Weighted average number of Equity Shares considered for calculation of basic earnings and diluted per share	50,000	50,000

12. Previous year's figures have been regrouped / rearranged to conform to those of the current year.

SIGNATURES TO SCHEDULES 1 to 13
In terms of our report of even date

for **S. V. Ghatalia & Associates**
Firm Registration No. : 103162W
Chartered Accountants

per **Piyush Kumar Shah**
Partner
Membership No. : 203969

Place : Hyderabad
Date : June 28, 2010

for and on behalf of the Board of Directors of
Maytas Mineral Resources Limited

Rajendra Nimje
Director

Jignesh Shah
Director

Place : Hyderabad
Date : June 28, 2010

DIRECTORS' REPORT

To
The Members of Maytas Vasishta Varadhi Limited

Your Directors have pleasure in submitting the Second Annual Report of the Company and the Audited Balance Sheet at 31st March, 2010 and the Auditors' Report thereon.

1. **Status:**
The Company is a wholly-owned subsidiary of Maytas Infra Limited.

2. **Review of Operations:**
The project was awarded to the consortium of Maytas Infra Limited (MIL) and CR18G. The project development agreement has been signed with the Government of Andhra Pradesh on 5th June, 2008. The concession granted is for 12 years with a 2 year construction period and 10 Annual annuity payments of Rs.19.24 Crores thereafter.

Post-Concession Agreement, MVVL initiated technical studies like bathymetry, soil investigation etc., and also engaged the services of consultants for preparation of Technical Drawings, Designs etc., Provisional GAD Drawings have been submitted to the client for consideration and approval.

MIL approached APRDC for extension of time. Directors believe that despite the current economic recessionary trends, development of road would very much form part of the foundation for sustained economic growth of India. Current situation is being closely watched and implementation would be taken up as soon as all approvals are obtained, either on its own or in association with new partners.

3. **Capital Structure:**
The Authorised Share Capital of the company is Rs. 5 lakhs divided into 50,000 Equity Shares of Rs. 10/- each. The Paid-up Capital is Rs. 5 lakhs as on March 31, 2010.

4. **Fixed Deposits:**
The Company has not accepted any Fixed Deposits from the public.

5. **Auditors:**
M/s. Krishna & Prasad, Chartered Accountants, the present auditors, retire at this Annual General Meeting and are eligible for reappointment.

6. **Directors:**
Mr. Sandeep Garg and Mr. Jignesh Ramesh Shah were appointed as Directors during the year.

Mr. B. Teja Raju and Mr. B. Narasimha Rao, have chosen to resign from the Board and their resignations have since been accepted. Mr. Chander Sheel Bansal and Mr. Murli Dhar Khattar who were appointed during the year had also resigned during the year.

The Board sincerely acknowledges the contributions of all the above directors and wishes them all the success in their future pursuits.

7. **Employees Particulars:**
Your Company has no employees requiring disclosure under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

No Employee is in receipt of remuneration as applicable under Section 217(2A) of the Companies Act, 1956.

8. **Directors Responsibility Statement:**
As required under Section 217(2AA) of the Companies Act, 1956, the Directors of the Company hereby state and confirm that:

    1. In the preparation of Annual Accounts for the period, applicable Accounting Standards have been followed.
    2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year.
    3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
    4. The Directors have prepared the Annual Accounts on a going concern basis.

9. **Conservation of Energy, Technology, Absorption and Foreign Exchange Earning & Outgo:**
The information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is not applicable to your Company.

The Foreign Exchange Earnings/Payments by the Company during the year is **NIL.**

10. **Acknowledgements:**
The Management wishes to place on record its gratitude to the Financial Institutions, Banks, various Government Organisations and the employees for their help and co-operation in achieving the tasks of the Company.

for and on behalf of the Board of Directors of
MAYTAS VASISHTA VARADHI LIMITED

Place : Hyderabad	**C S Raju**	**Sandeep Garg**
Date : June 22, 2010	Director	Director

Auditors' Report

TO

THE MEMBERS OF MAYTAS VASISHTA VARADHI LIMITED

1. We have audited the attached Balance Sheet of MAYTAS VASISHTA VARADHI LIMITED as at 31st March 2010 for the period ended on that date. 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. The Companies (Auditors Report) Order, 2003 issued in terms of Section 227(4A) of the Companies Act, 1956, is not applicable to the company for the year under audit.

4. Further to our comments referred to in paragraph 3 above, and reference to notes on accounts we report that:

   (a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of such books;

   (c) The Balance Sheet dealt with by this report are in agreement with the books of account;

   (d) In our opinion, the Balance Sheet dealt with by this report comply in all material respects with the notified Accounting standards of companies accounting standards rules 2006 and the relevant provisions of the Companies Act, 1956;

   (e) On the basis of 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 31-03-2010 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

   (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in the case of Balance Sheet, of the State of Affairs of the Company as on 31st March 2010.

For Krishna & Prasad
Chartered Accountants
Firm's Regn. No.: 001460S

Place : Hyderabad
Date : June 22, 2010

B. L. N. Phani Kumar
Partner
Membership No.: 028391

Balance Sheet as at March 31, 2010

	Particulars	Schedules	As at 31 st March 2010	As at 31 st March 2009
I.	SOURCES OF FUNDS			
	Shareholders' Funds			
	Share capital	1	500,000	500,000
	Share application money pending allotment		23,307,799	23,050,790
	TOTAL		**23,807,799**	**23,550,790**
II.	APPLICATION OF FUNDS			
	Fixed Assets			
	Gross Block		-	-
	Less: Depreciation		-	-
	Net Block		-	-
	Capital Work-in-progress		20,464,516	20,464,516
	Incidental expenditure during construction period	2	8,013,602	7,814,233
	pending allocation		28,478,118	28,278,749
	Current Assets, Loans and Advances			
	a) Cash and bank balances	3	19,846	39,608
	b) Loans and advances	4	711,926	596,000
			731,773	635,608
	Less: Current Liabilities and Provisions			
	a) Liabilities	5	5,412,697	5,377,707
	Net Current Assets		(4,680,924)	(4,742,099)
	Miscellaneous Expenditure		10,605	14,140
	(To the extent not written off or adjusted)			
	TOTAL		**23,807,799**	**23,550,790**
	Notes to Accounts	6		

The schedule referred to above form on integrated part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date

for Krishna & Prasad
Chartered Accountants
Firm's Regn. No.: 001460S

B L N Phani Kumar
Partner
Membership No. : 028391

Place : Hyderabad
Date : June 22, 2010

for and on behalf of Board of Directors of
Maytas Vasishta Varadhi Limited

C S Raju
Director

Sandeep Garg
Director

Place : Hyderabad
Date : June 22, 2010

Schedules to Balance Sheet

(All amounts in Indian rupees unless otherwise stated)

	As at March 31, 2010	As at March 31, 2009
Schedule 1: Share Capital		
Authorised		
50,000 equity shares of Rs.10 each	**500,000**	**500,000**
Issued, subscribed and paid up		
50,000 Equity Shares of Rs.10 each fully paid up		
Maytas Infra Limited		
49994 Equity Shares of Rs. 10 each	499,940	499,940
Arun K. Saha	10	10
1 Equity Shares of Rs. 10 each		
Maharudra Wagle	10	10
1 Equity Shares of Rs. 10 each		
C. S. Raju	10	10
1 Equity Shares of Rs. 10 each		
Rajendra Nimje	10	10
1 Equity Shares of Rs. 10 each		
Chander Sheel Bansal	10	10
1 Equity Shares of Rs. 10 each		
G. Venkateswar Reddy	10	10
1 Equity Shares of Rs. 10 each		
(The entire share capital is held by Maytas Infra Limited, the holding company and its nominees)		
	500,000	**500,000**
Share Application Money		
- Amount received in cash/Bank	500,000	500,000
- Amount received in kind	22,807,799	22,550,790
(Being amounts paid by Maytas Infra Ltd. on behalf of MVVL for various services)		
	23,307,799	**23,050,790**
Schedule 2: Incidental expenditure duirng construction period pending allocation		
Allocation of Expenses	2,457,331	2,456,924
Soil Investigation	4,328,634	4,328,634
Rates & Taxes	6,412	2,112
Communication Expenses	25,292	25,292
Printing & Stationery	18,089	17,724
Business Promotion	5,360	5,360
Inaguration Expenses	206,219	206,219
Travelling Expenses	170,933	170,168
Audit Fee	22,060	11,030
Legal and Professional Charges	27,045	27,045
Misc. Expenses	94,211	84,211
Finance Charges	624,946	455,979
Preliminary Expenses written off	7,070	3,535
Fringe Benefit Tax	20,000	20,000
	8,013,602	**7,814,233**

Schedules to Balance Sheet

(All amounts in Indian rupees unless otherwise stated)

	As at March 31, 2010	As at March 31, 2009
Schedule 3 : Cash and Bank Balances		
Cash on hand	15	5,852
Balances with scheduled banks on :		
– Current accounts	19,831	33,756
	19,846	**39,608**
Schedule 4: Loans and Advances		
(Unsecured, considered good)		
Advance recoverable in cash or in kind or for value to be received	151,808	36,106
Other Advances- Service Tax Credit	560,118	559,894
	711,926	**596,000**
Schedule 5: Liabilities		
Dues to Holding Company – Maytas Infra Ltd.	2,845,471	2,845,471
Sundry creditors	2,027,547	1,965,016
Other liabilities	539,679	567,220
	5,412,697	**5,377,707**

Schedule 6 : Notes Annexed to and forming part of the accounts as at and for the year ended March 31, 2010

(All amounts in Indian rupees except for Share data or otherwise stated)

A. SIGNIFICANT ACCOUNTING POLICIES

I. General

The accounts have been prepared on accrual basis under historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

II. Expenditure during construction period: Incidental expenditure incurred during construction period towards "Concessionaire Asset" is being carried under capital work in progress and will be capitalized on completion of construction.

III. Preliminary Expenses: Preliminary expenses are written off over five years as per the Section 35 of the I T Act.

B. NOTES ON ACCOUNTS

1. This company is a 100% subsidiary of Maytas Infra Ltd.
2. **Contingent liabilities:** Performance Bank guarantees furnished by promoter company Maytas Infra Ltd. – Rs. 3,32,85,000/- to CE (R & B) MD, APRDC, Hyderabad.
3. The company is yet to commence work related to the development of the project. However these accounts for the year under audit are prepared on a "Going Concern" basis on the assumption that necessary financial support will be given by the Promoters & group entities towards the completion of the project. Financial closure yet to be completed.
4. Presently the Project is under development. As such, expenditure of Rs. 284.78 lakhs up to 31st March, 2010 has been carried forward under the head "Capital Work-In-Progress and incidental expenditure during construction period pending allocation".

   Provisions of Payment of Gratuity Act, 1972 and Employees Provident Fund and Miscellaneous Provisions Act 1952 are not applicable to the Company at present.
5. Since the project is in development stage, Profit & Loss account has not been prepared. All the expenditure incurred (net of income earned) during the construction stage, which is grouped and shown under Capital Work in progress pending allocation. Necessary information as per part II of Schedule VI of the Companies Act, 1956 has been disclosed to the extent applicable.
6. Deferred taxes, as per Accounting Standard (AS-22) on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, has not been recognized.
7. Confirmations with respect to balances due and payable are to be obtained. Letters have been addressed to the respective parties.
8. In the opinion of the Board, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
9. **Related Party Transactions**

   Following is the list of related parties and relationships:

Sl. No.	Name of the Related Party	Relationship
1.	Maytas Infra Limited (MIL)	Holding Company
2.	China Railway 18th Bureau (Group) Co. Ltd. (CR 18)	Associate Company
3.	Maytas Infra Assets Limited (MIAL)	Company under same management

Related Party transactions during the year ended March 31, 2010 are as follows:

Sl. No.	Particulars	MIL		MIAL	
		2009-10	2008-09	2009-10	2008-09
1.	Share Application Money pending allotment	2,57,009	2,35,50,790	-	-
2.	Equity Contributions received	-	5,00,000	-	-
3.	Credit Balances outstanding as on 31-03-2010	-	28,45,471	38,677	NIL (During the year Rs. 17,89,555/- transferred to MIL)

10. The Company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

Foreign Exchange Outgo / Earnings: Nil

11. Finance Charges (Ref. Schedule 2) includes an amount of Rs. 1,00,000/-. This according to Concessionaire agreement is shown as damages which actually represents extension charges for financial closure.

12. Additional information pursuant to Para 3, 4, 4A, 4C & 4D of Part II of Schedule VI to the Companies Act, 1956 are not applicable to the company at present.

13. Figures have been rounded off to the nearest Rupee.

Schedules 1 to 6 form an integral part of the Balance Sheet.

for **Krishna and Prasad**
Chartered Accountants
Firm's Regn. No.: 001460S

B L N Phani Kumar
Partner
Membership No. : 028391

Place : Hyderabad
Date : June 22, 2010

for and on behalf of the Board of Directors of
Maytas Vasishta Varadhi Limited

C S Raju
Director

Sandeep Garg
Director

Place : Hyderabad
Date : June 22, 2010

Directors' Report

To,

The Members of Maytas Metro Limited

Your Directors hereby present the Second Annual Report together with the Audited Accounts for the period ended March 31, 2010 and the Auditors' Report thereon.

1. **Operations:**
   Promoted on the consortium of a) Maytas Infra Ltd., b) Nava Bharat Ventures Ltd., c) Italian-thai Development Public Company Ltd., Thailand and d) Infrastructure Leasing & Financial Services Ltd. for undertaking the MRTS Project of GoAP. The project involves the designing, building, development, financing, engineering, procurement, construction, operation, maintenance and transfer of a Mass Rapid Transit System (MRTS) from LB Nagar to Miyapur, Jubliee Bus Station to Falaknuma and Nagole to Shilparamam Corridors.

   However, due to the adverse developments resulting from Satyam episode, the Company could not provide the Performance guarantee of Rs.240 Crores and achieve Financial Closure within the stipulated time. Consequently, the State Government terminated the contract and enchased the Bid Guarantee of Rs.60 crores and also forfeited Concession Fee of Rs.11 Crores.

   For the legal position taken by the Company and the related developments, reference may be drawn to Note No. 1 under Schedule No. 8 (Notes to Accounts).

   The Board is confident of getting a favourable judgement.

2. **Capital Structure:**
   The Authorized Share Capital of the Company is Rs.1 Crore divided into 10,00,000 Equity Shares of Rs.10/- each. The Paid-up Capital is Rs.5,00,010 as on March 31, 2010.

3. **Fixed Deposits:**
   The Company has not accepted any Fixed Deposits from the public.

4. **Auditors:**
   M/s. Tukaram & Co., Chartered Accountants, the present auditors, retire at this Annual General Meeting and are eligible for reappointment.

5. **Directors:**
   The following Directors have resigned from the date of the last Directors' Report to till date:

   i) Mr. C.V.S.K. Sarma, ii) Mr. V. Satyanarayana Raju, iii) Mr. Narayanan Kannan, iv) Mr. C. S. Bansal.

   Mr. Pradeep Kulsreshta and Mr. Rajesh Nair were appointed as additional directors.

6. **Employees' Particulars:**
   Your Company has no employees requiring disclosure under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. No employee is in receipt of remuneration as applicable under Section 217(2A) of the Companies Act, 1956.

7. **Replies to Audit Observations/Qualifications:**
   With regard to qualifications in Auditors' Report:

   a) Clause No 8 a: The Company is Irregular in depositing undisputed statutory dues.

   Due to the Satyam episode, the Holding Company suffered with financials crisis. The same has affected the company's financial position. The pending undisputed dues will be paid at the earliest. As a matter of internal control system, statutory dues are being duly monitored for accurate and timely remittances on an ongoing basis.

8. **Directors' Responsibility Statement:**
   As required under Section 217(2AA) of the Companies Act, 1956, the Directors of the Company hereby state and confirm that:
   1. In preparation of Annual Accounts for the period, applicable accounting standards have been followed.
   2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2010.
   3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
   4. The Directors have prepared the annual accounts on a going concern basis.

9. **Conservation of energy, Technology absorption and foreign exchange earnings & outgo:**
   The information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 relating to conservation of energy and technology absorption is not applicable to your Company during the period under review.

Foreign Exchange Earnings & Outgo	(Rupees)
Earned	Nil
Outgo	Nil

10. **Acknowledgements:**
    The Management wishes to place on record its gratitude to the Banks and various Government Organisations for the help and co-operation extended to the Company.

for and on behalf of the Board of Directors of
MAYTAS METRO LIMITED

Place : Hyderabad	**M M Wagle**	**Rajendra Nimje**
Date : June 24, 2010	Director	Director

Auditors' Report

To
The Members,
Maytas Metro Limited

We have audited the attached Balance Sheet of **Maytas Metro Limited** as at 31st March, 2010 and the Cash Flow Statement for the period ended on that date annexed thereto.

These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

2. As required by the companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 & 5 of the said order.

3. Further to our comments In the Annexure referred to in paragraph (2) above, we report that:

   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   (b) 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 such books of the company.

   (c) The Balance Sheet and Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the company.

   (d) In our opinion, the Balance Sheet and Cash Flow Statement dealt with this report ***subject to standards specified in Para 3 (e)*** comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956.

   (e) ***The company was incorporated in India with the primary objective to undertake the designing, building, development, financing, engineering, procurement, construction, operation, maintenance and transfer of a mass rapid transit system (MRTS) from LB Nagar to Miyapur, Jubilee bus station to Falaknuma and Nagole to Shilparamam Corridors in Hyderabad in the state of Andhra Pradesh which was awarded by the State Government. However the Government of Andhra Pradesh has terminated the Contract with the company and the company has filed a writ petition with the hon'ble High court of Andhra Pradesh which has been admitted and stay order has been granted, subject to the same the management of the company is of the view that the Going Concern Assumption of the company would not be affected.***

   (f) On the basis of written representations received from the Directors and taken on record by the Board of Directors, in our opinion, none of the directors is disqualified from being appointed as a director under Section 274(1) (g) of the Companies Act, 1956.

   (g) ***The Government of Andhra Pradesh has encashed the performance bank Guarantee issued by the Company for Rs. 60 crores as the company failed in achieving the Financial Closure within Stipulated Period as per concession Agreement. However the company is still showing the same as receivables from the government as the company has filed a Writ Petition in the High Court of Andhra Pradesh.***

   (h) ***As the litigation is pending before the hon'ble high court, we are unable to comment on the financial impact with respect to rights and obligations of concession agreement against the company***.

   (i) ***We draw your kind attention to the Note No. 13 of Schedule No. 7 forming part of the financial statements.***

   (j) ***The balances of sundry debtors, creditors, loans and advances, other receivables and other payables being subject to confirmation and reconciliation resulting in the balances as per books of account not verified by us. The consequent necessary adjustments, either of a revenue nature or otherwise if any, upon which we are unable to comment at this stage, will be made in the year they are finally settled with the parties.***

   (k) In our opinion and to the best of our information and according to the explanations given to us, the said accounts ***subject to our qualification in bold and italic given above*** read together with the significant accounting policies and other notes thereon ***more particularly Note No.12 of Schedule 7 regarding dues to SSI units,*** give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:

      (i) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2010 and

      (ii) In the case of the Cash Flow Statement, of the cash flows for the period ended on that date

for **Tukaram & Co.**
Chartered Accountants
Firm Reg. No. : 004436S

Place : Hyderabad
Dated : June 24, 2010

J. Poorna Chandar
Partner
Membership No. : 221627

Annexure to the Auditors' Report

(This is the Annexure to in our Report of even date)

1. There are no fixed assets as on Balance Sheet date.

2. The Company has not granted any loan secured or unsecured to parties listed in the register maintained under section 301 of the Companies Act, 1956.

   The Company has not taken interest free loan from parties listed in the register maintained under Section 301 of the Companies Act, 1956.

3. In our opinion and on the basis of selective check carried out during the course of audit, the company has the adequate internal control systems to commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods. However, in our opinion, there is no continuing failure to correct major weakness in internal control.

4. In case of transactions exceeding the value of five lakh rupees in the financial year in respect of any party —

   (a) According to Information and explanation given to us, we are of the opinion that the transactions that need to be entered into a register in pursuance of Section 301 of the Act, have been so entered.

   (b) In our opinion and as per the information and explanation provided to us, each of transactions covered by Section 301 of the Act, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

5. As informed, the Company has not accepted any deposits from the public during the year.

6. The Company does not have a formal Internal Audit System but the Company's Internal Control Procedures together with the internal checks conducted by the management staff during the Period can be considered as an adequate system commensurate with the size and nature of business.

7. As informed the maintenance of cost records has not been prescribed by the Central Government under Section 209(1) (d) of Companies Act, 1956 for the activities of the Company.

8. ***(a) The Company is Irregular in depositing undisputed statutory dues. The amount outstanding for a period of more than 6 months as per books are as follows:***

Name of the Statute	Nature of dues	Amount due for more than 6 months (Rs.)
Income Tax Act, 1961	Tax deducted at source	2,25,224/-
Income Tax Act, 1961	Fringe Benefit Tax	1,13,373/-
	Total	3,38,597/-_

   (b) According to the information and explanation given to us, there are no dues of sales tax, income tax and other taxes and duties that have not been deposited on account of any dispute.

9. The Company has no accumulated losses since this is the first period of operations of the company and has not incurred cash losses during the financial year covered by our audit.

10. There were no defaults in repayment of dues to the financial institutions and Banks.

11. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other Securities.

12. The Company is not a Chit Fund, Nidhi or Mutual Benefit Fund/ Society.

13. The Company is not dealing or trading in shares, Securities, debentures and other investments.

14. The Company has not given any guarantee for loans taken by others, from Banks or Financial Institutions of the Company.

15. 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.

16. The company has not made any preferential allotment of shares during the Period.

17. There were no debentures issued by the Company.

18. There were no public issues during the current period.

19. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

20. In our opinion, none of the other clauses of the companies (Auditor's report) Order 2003 are applicable to the company during this period.

for **Tukaram & Co.**
Chartered Accountants
Firm Reg. No. : 004436S

Place : Hyderabad
Dated : June 24, 2010

J. Poorna Chandar
Partner
Membership No. : 221627

Balance Sheet as at March 31, 2010

(All amounts in Indian rupees unless otherwise stated)

Particulars		Schedules	As at March 31, 2010	As at September 30, 2009
SOURCES OF FUNDS				
Shareholders' Funds				
Share capital		1	500,010	500,010
	TOTAL		**500,010**	**500,010**
APPLICATION OF FUNDS				
Capital Work-in-Progress		2	151,984,421	151,924,853
			151,984,421	**151,924,853**
Cash and bank balances		3	52,602	57,020
Loans and advances		4	600,228,695	600,228,695
	(A)		**600,281,297**	**600,285,715**
Less: Current Liabilities and Provisions				
Current liabilities		5	751,652,335	751,597,185
Provisions		6	113,373	113,373
	(B)		**751,765,708**	**751,710,558**
Net Current Assets/(Liability)	**(A-B)**		(151,484,411)	(151,424,843)
	TOTAL		**500,010**	**500,010**
Notes to Accounts		7		

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our report of even date

for Tukaram & Co.
Chartered Accountants
Firm Reg. No. : 004436S

J. Poorna Chandar
Partner
Membership No. : 221627

Place : Hyderabad
Date : June 24, 2010

for and on behalf of the Board of Directors of Maytas Metro Limited

Rajendra Nimje
Director

Maharudra Manohar Wagle
Director

Place : Hyderabad
Date : June 24, 2010

Cash Flow Statement for the Period October 1, 2009 to March 31, 2010

(All amounts in Indian rupees unless otherwise stated)

		October 2009 to March 2010	September 09, 2008 to September 30, 2009
A. Cash flow from operating activities			
Net profit before taxation		-	-
Adjustments :			
Provision for Taxes		-	113,373
Operating profit before working capital changes		-	-
Movements in working capital :			
Decrease / (Increase) in loans and advances		-	(600,228,695)
Increase / (Decrease) in current liabilities		55,150	751,597,185
Cash generated from operations		55,150	151,481,863
Net cash from operating activities	**(A)**	**55,150**	**151,481,863**
B. Cash flows from investing activities			
Increase in Capital Work - in - Progress		59,568	(151,924,853)
Net cash from investing activities	**(B)**	**59,568**	**(151,924,853)**
C. Cash flows from financing activities			
Proceeds from issuance of share capital		-	500,010
Net cash used in financing activities	**(C)**	**-**	**500,010**
Net Increase/(Decrease) in cash and cash equivalents (A + B + C)		**(4,418)**	**57,020**
Cash and cash equivalents as at September 30, 2009		**57,020**	-
Cash and cash equivalents as at March 31, 2010		**52,602**	**57,020**
Notes to the Cash Flow Statement			
Cash and Cash equivalents include :			
Cash and bank balances considered for cash flow		52,602	57,020
Fixed Deposit Accounts considered as investments		-	-
Cash and Cash Equivalents as per Balance Sheet		**52,602**	**57,020**

This is the Cash Flow Statement referred in our report of even date.

for Tukaram & Co.
Chartered Accountants
Firm Reg. No. : 004436S

J. Poorna Chandar
Partner
Membership No. : 221627

Place : Hyderabad
Date : June 24, 2010

for and on behalf of the Board of Directors of Maytas Metro Limited

Rajendra Nimje
Director

Maharudra Manohar Wagle
Director

Place : Hyderabad
Date : June 24, 2010

Schedules to the Accounts

(All amounts in Indian rupees unless otherwise stated)

Particulars	As at March 31, 2010	As at September 30, 2009
Schedule 1: Share Capital		
Authorised		
1,000,000 equity shares of Rs.10/- each	**10,000,000**	**10,000,000**
Issued, subscribed and paid up		
50,001 (Previous year: 50001) equity shares of Rs.10/- each fully paid up	500,010	500,010
(45,000 shares is held by Maytas Infra Limited, the holding company and its nominees, 5,000 shares are held by Mr. G. Venkateswar Reddy and one share by Government of Andhra Pradesh)		
	500,010	**500,010**
Schedule 2: Capital Work-in-Progress		
Concession Fee	110,000,000	110,000,000
Staff welfare expenses	76,262	76,262
Guest House Maintenance	1,473,831	1,473,831
Rates and Taxes	238,266	237,466
Communication expenses	435,283	435,283
Office Maintenance	151,780	151,780
Business Promotion	431,793	431,793
Travelling and Conveyance	1,977,810	1,977,810
Pre-Bid Expenses	14,570,751	14,570,751
Printing and Stationery	706,607	706,607
Professional Charges	18,104,995	18,104,995
Furniture & Fixtures Written off	97,230	97,230
Audit Fees	110,300	55,150
Staff Recruitment Expenses	666,753	666,753
Miscellaneous expenses	259,637	257,674
Finance charges	2,391,269	2,389,614
Preliminary Expenses	174,500	174,500
Fringe Benefit Tax	117,356	117,356
	151,984,421	**151,924,853**
Schedule 3: Cash and Bank Balances		
Cash on hand	49,933	52,696
Balances with scheduled banks in :		
- Current accounts	2,669	4,324
	52,602	**57,020**
Schedule 4: Loans and Advances		
(Unsecured, considered good)		
Advance recoverable in cash or in kind	228,695	228,695
BG Invoked	600,000,000	600,000,000
	600,228,695	**600,228,695**
Schedule 5: Current Liabilities		
Dues to holding company	747,844,872	747,844,812
Sundry creditors	3,570,251	3,543,185
Other liabilities	237,212	226,182
	751,652,335	**751,597,185**
Schedule 6: Provisions		
Provision for fringe benefit tax	113,373	113,373
	113,373	**113,373**

Schedule 7
Notes annexed to and forming part of the accounts as at and for the Period October 01, 2009 to March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

1. **Background**

   Maytas Metro Limited ('MML' or 'the Company') was incorporated in India on September 09, 2008 under the Companies Act, 1956, as a private limited company which was subsequently converted into public limited company vide resolution passed in Extra-ordinary General Meeting held on September 11, 2009.

   The company was promoted on the consortium of a) Maytas Infra Ltd. b) Nava Bharat Ventures Ltd. c) Italian-thai Development Public Company Ltd., Thailand and d) Infrastructure Leasing & Financial Services Ltd. being awarded the MRTS Project by GoAP. The project involves the designing, building, development, financing, engineering, procurement, construction, operation, maintenance and transfer of a mass rapid transit system (MRTS) from LB Nagar to Miyapur, Jubilee Bus Station to Falaknuma and Nagole to Shilparamam Corridors.

   However, due to the adverse developments resulting from Satyam episode, the company could not provide the Performance guarantee of Rs. 240 crores and achieve Financial Closure within the stipulated time.

   Consequently, the State Government terminated the contract without giving the mandatory notice period, vide GO MS No. 430 dt. 07-07-2009 and ***encashed the Bid Guarantee of Rs. 60 and also forfeited the first installment of the Concession Fee of Rs. 11.***

   Aggrieved by the unilateral decision of the State Government, the Company filed a Writ Petition No. 1512 in the High Court of Andhra Pradesh praying the Hon'ble High Court to

   a) To issue a "Writ of Mandamus" or any other appropriate writ, order or direction declaring the action of the GoAP in seeking to cancel and terminate the concession agreement and the consequent issue of a fresh notice inviting RFQs as illegal, arbitrary, and set aside the same and direct the respondents to restore status quo ante.

   b) It is further prayed that this Hon'ble Court may be pleased to stay all further proceedings pursuant to Bid Notice inviting Request for Qualification application pending the disposal of the writ petition and pass such other order or orders as this Hon'ble Court may deem fit and proper in the circumstances of the case.

   The Hon'ble High Court vide its interim order dt. 28-07-2009 Ordered as follows:-

   a) Directed issue of notice to the GoAP herein to show cause why this writ petition should not be admitted in the circumstances set out in the petition and the affidavit filed in Writ Petition. The Principal Secretary and Hyderabad Metro rail Limited are directed to show cause on or before 11-08-2009 to which date the case stands posted as to why in the circumstances set out in the petition and the affidavit filed therewith this writ petition should not be admitted.

   b) In the meanwhile, status quo obtaining as on today with regard to the impugned termination order dated 07-07-2009 shall be maintained. However, this shall not be preclude the respondents to proceed with the Notification dated 16-07-2009 inviting applications for Request for Qualification (RFQ) subject to further orders by this Court.

   Subsequently, GoAP has filed its Counter praying High Court to dismiss the Writ Petition and pass such other order or orders. MML will file a rejoinder once the case is listed.

   The Writ petition is not yet disposed off by the Hon'ble High Court.

2. **Statement of Significant Accounting Policies**

   a. **Basis of preparation**

      The financial statements have been prepared to comply in all material respects with the notified accounting standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

   b. **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 management's best knowledge of current events and actions, actual results could differ from these estimates.

   c. **Income taxes**

      Current fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

   d. **Provisions**

      A provision is recognized when an enterprise has a present obligation as a result of past event i.e., 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 are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

3. **Capital Commitments**

   Estimated amount of contracts (net of advances) remaining to be executed on capital account: Rs. Nil.

4. **Contingent liabilities not provided for is Nil as at March 31, 2010.**

5. **Related Party Transactions**

   The Company had following transactions with related parties during the period.

Schedule 7
Notes annexed to and forming part of the accounts as at and for the Period October 01, 2009 to March 31, 2010

(All amounts in Rs. Crore except for share data or as otherwise stated)

	October 01, 2009 to March 31, 2010	For the Period ended September 30, 2009
Holding Company		
Maytas Infra Limited		
Equity Share Capital	Nil	0.045
Current Account	Nil	(74.78)
Balance outstanding Debit/(Credit)	(74.82)	(74.78)

6. Expenditure in foreign currency (On cash basis) – NIL
7. Financial statements are prepared for the period starting from 01-10-2009 to 31-03-2010.
8. The company has transferred all the expenditure like Concession fee, Administrative Expenditure, Pre-bid Expenses, Preliminary Expenses to the Capital Work-in-Progress.
9. The Company has transferred all the Fixed Assets to Capital Work in Progress as the assets are not in existence.
10. The Company has not started its operations during the Period and hence Profit & Loss Account is not prepared.
11. **Remuneration to Auditors: 01-10-09 to 31-03-2010**

    Audit Fees (Incl. Serv. Tax) Rs. 55,150/-
12. Based on the information available with the Company no amounts are payable to enterprises covered under Micro, Small and Medium Enterprises Development Act, 2006.
13. ***The company has not accounted dues, if any, under certain agreements/contracts pending ascertainment of services rendered/value received.***
14. During the period the Company has not made provision for Current Income Tax as the Company does not have taxable income.
15. Paise have been rounded off to the nearest rupee.

As per our report of even date

for Tukaram & Co. Chartered Accountants Firm Reg. No. : 004436S	**for and on behalf of the Board of directors of Maytas Metro Limited**	
J. Poorna Chandar Partner Membership No. : 221627	**Rajendra Nimje** Director	**Maharudra Manohar Wagle** Director
Place : Hyderabad Date : June 24, 2010	Place : Hyderabad Date : June 24, 2010	

MAYTAS INFRA LIMITED

Registered Office : 6-3-1186/5/A, 3rd Floor, Amogh Plaza, Begumpet, Hyderabad – 500 016

ATTENDANCE SLIP

I/We .... hereby record my/our presence at the 22nd Annual General Meeting being held on Thursday the 23rd day of September, 2010 at 11 a.m. at KLN Prasad Auditorium, 3rd Floor, The Federation of Andhra Pradesh Chambers of Commerce and Industry, FAPCCI House, 11-6-841, Red Hills, Hyderabad – 500 004.

Name of the Proxy* .... No. of Shares held ....

Folio No.:	Client Id.:	DP Id.:

Signature of the Shareholder	

* Strikeout whichever is not applicable.

Notes:

1. Shareholder/Proxy intending to attend the meeting must bring the duly signed Attendance Slip to the Meeting and handover at the entrance.
2. Shareholder/Proxy should bring his/her copy of the Annual Report.

MAYTAS INFRA LIMITED

Registered Office : 6-3-1186/5/A, 3rd Floor, Amogh Plaza, Begumpet, Hyderabad – 500 016

PROXY

I/We .... of .... in the District of ....being a Member(s) of the above named Company, hereby appoint .... of .... in the District of .... or failing him/her .... of .... in the District of .... as my/our Proxy to vote and for me/us on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Thursday the 23rd day of September 2010 at 11 a.m. at KLN Prasad Auditorium, 3rd Floor, The Federation of Andhra Pradesh Chambers of Commerce and Industry, FAPCCI House, 11-6-841, Red Hills, Hyderabad – 500 004 and at any adjournment thereof.

Signed this .... the day of ...., 2010.

Folio No.:	Client Id.:	DP Id.:

No. of Shares .... Signature ....

Affix Re. 1/- Revenue Stamp

Note : The Proxy in order to be effective must reach duly filled at least 48 (fortyeight) hours before the commencement of the aforesaid meeting.

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Bangalore Elevated Tollway which was inaugurated by Honourable Union Minister for Road Transport and Highways Sri Kamal Nath

Asia's largest metering Skid erected by Maytas Infra Limited at Jamnagar in record time

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