

BOOK - POST



ATLANTA LIMITED

Realty : Infrastructure Development : Mining

**27th
Annual Report
2009-2010**

If undelivered please return to :
Atlanta Limited
 101, Shri Amba Shanti Chambers,
 Andheri Kurla Road, Opp. Hotel Leela,
 Andheri (E), Mumbai – 400 059
 Email: investors@atlantainfra.com

Orient

NOTICE

Notice is hereby given that the 27th Annual General Meeting of the members of ATLANTA LIMITED will be held on Saturday, 30th day of the September, 2010 at 3.00 p.m. at Auditorium, A Wing, Ground Floor, National Stock Exchange of India Limited, Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2010, Profit & Loss Account of the Company for the year ended on that date and the reports of the Board of Directors and the Auditors thereon.
2. To consider declaration of dividend on Equity shares.
3. To appoint a Director in place of Mr. Arpan Brahmhbhatt, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

5. 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 94 and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and subject to such other approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, the consent of the company be and is hereby accorded to sub-divide the authorised share capital from 2,00,00,000 (two crore) equity shares of Rs. 10 (ten) each to 10,00,00,000 (ten crore) equity shares of Rs. 2 (two) each, ranking pari passu with the existing equity shares in the company and the existing clause "V" of the Memorandum of Association with reference to the equity share capital be and is hereby altered and the following clause shall be substituted accordingly.

V. "The Authorised Share Capital of the Company is Rs.23,00,00,000/- (Rupees Twenty Three Crore Only) divided into 10,00,00,000 (ten crore) equity share of Rs. 2 (two) each and 30,00,000 (thirty lakhs) 25% Non-Cumulative Redeemable Preference Shares of Rs. 10 (ten) each with the rights, privileges and conditions, attaching thereto with power to vary, modify or abrogate such rights, privileges and conditions as may be provided by the Article of Association of the Company for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company."

RESOLVED FURTHER THAT the Board of Directors of the Company ("the Board", which expression shall also include a Committee thereof) be and are hereby authorised to issue new share certificates representing the sub-divided equity shares with new distinctive numbers, consequent to the sub-division of shares as aforesaid and /or credit the shareholders' accounts maintained with the Depositories, subject to the rules as laid down in the Companies (Issue of Share Certificates) Rules, 1960, and the Articles of Association of the Company and to inform the Depositories and the Registrar and Transfer Agents of the Company and execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board, to any Committee thereof or to any Director(s) or Company Secretary, to give effect to the aforesaid 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 provision of Section 31 other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and subject to such other approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities

or bodies, the consent of the company be and is hereby accorded to replace the existing clause "3.(a)" of the Articles of Association with following new clause "3.(a)".

3. (a) The Authorised Share Capital of the Company is as laid down in Clause V of Memorandum of Association of the Company. The Company is capable from time to time, to increase, reduce or modify its capital and to divide all or any of the shares in the capital of the Company, for the time being, classify and reclassify such shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified, or other special rights, privileges, conditions or restrictions as may be determined by the Company and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner and by such person as may, for the time being, be permitted under the provisions of the Articles of Association of the Company or legislative provisions, for the time being in force in that behalf.

RESOLVED FURTHER THAT board of directors of the company be and is hereby authorized, to comply with the applicable requirements of the Companies Act, 1956, sign the required form and to file the necessary intimation to the Registrar of Companies, Mumbai and to do all such acts, deeds, matters and things as may be in their absolute discretion deem and fit necessary, proper or desirable and to settle any question difficulty or doubt that may arise in regards to the proposed special resolution."

By order of the Board of Directors

Rajesh Deherkar
Company Secretary

Place : Mumbai
Date : 28th August, 2010

Registered office:

101, Shri Amba Shanti Chambers,
Andheri-Kurla Road, Opp. Hotel Leela,
Andheri (E), Mumbai - 400 059
Email: investors@atlantainfra.com

NOTES:

1. Explanatory Statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956 in respect of Special Business under item nos. 5 and 6 as set out above is annexed herewith.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER, THE PROXIES IN ORDER TO BE VALID MUST BE DULY COMPLETED STAMPED AND SIGNED AND MUST REACH THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Reappointment of Director:

Notes on Directors seeking appointment/re-appointment as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

Name:	Mr. Arpan Brahmhbhatt
Age :	40 Years
Date of Appointment:	9th December, 2005
Experience:	Mr. Arpan Brahmhbhatt holds a degree in Civil Engineering and has an experience of 19 years in the construction business. He is presently the Managing Director of Core Contracting Private Limited
Other Directorship:	1) Flair Constructions Pvt Limited 2) Icon Consultants Pvt Limited
Number of Shares held:	352 shares

The Board of Directors commends his re-appointment

4. The Register of Transfer and of Share Transfer Book of the Company will remain closed from 23rd September 2010 to 30th September 2010 (both days inclusive).
5. Members are requested to intimate the Company or its Registrar and Share Transfer Agent immediately, of any change in their address.
6. Corporate Members are requested to send to the registered office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
7. Members/proxies are requested bring their attendance slip along with their copy of Annual Report to the Meeting.
8. 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.
9. Members are requested to send all share transfer lodgments (Physical mode) / correspondence to the Registrar and Share Transfer Agent at the following address upto the record date:

Karvy Computershare Private Limited

Plot no. 17 to 24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081.

10. Write to the Company at least 7 days before the date of the Meeting, in case they desire any information as regards the Audited Accounts for the financial year ended 31st March 2010, so as to enable the Company to keep the information ready.
11. Quote Registered Folio Numbers/ DP ID and Client ID in all the correspondence.

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

ITEM NO. 5

The market price of the shares of the Company has witnessed significant growth over last one year. In order to improve the liquidity of the Company's shares in the stock market and to make Shares of the Company affordable to the small investors, the Board of Directors of the Company ('the Board') at their meeting held on 28th August, 2010, considered it desirable to sub-divide the nominal value of the equity portion of the authorised share capital of the Company.

The shareholders may please note that presently the nominal value of the equity shares is Rs.10/- each and consequent to the sub-division it is being divided into 5 (Five) equity shares of Rs. 2/- each. The date on which this sub-division would become effective, will be decided by the Board after obtaining the shareholders' approval, which will be notified through the Stock Exchanges.

Shareholders attention is also invited to the fact that in view of the foregoing, the existing Capital Clause V in the Memorandum of Association of the Company relating to equity shares also need relevant amendment to give effect to the sub-division.

Your Directors recommended the resolution as special Resolution for approval of the Members.

The Directors of the Company are deemed to be concerned or interested in the resolution only to the extent of shares held by them in the Company.

ITEM NO. 6

Consequent upon splitting of shares from Rs. 10/- each to Rs. 2/- each, amendment in Memorandum of Association and Articles of Association is required. In order to alter the article no. 3.(a) of Articles of Association of company regarding alteration of capital clause, the approval of members in its general meeting is required.

In terms of the provisions of Section 31 of Companies Act, 1956 the Board of Directors can alter its Articles of Association after passing a Special Resolution in the General Meeting of the company.

The Board of Directors recommends the said Special Resolution at Item No.6 of the notice for your approval.

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

By order of the Board of Directors

Rajesh Deherkar
Company Secretary

Place: Mumbai
Date: 28th August, 2010

Registered office:

101, Shri Amba Shanti Chambers,
Andheri-Kurla Road, Opp. Hotel Leela,
Andheri (E), Mumbai - 400 059
Email: investors@atlantainfra.com

DIRECTORS' REPORT

To
The Members
ATLANTA LIMITED

Your Directors have pleasure in presenting the 27th Annual Report of the Company and the Audited Statement of Accounts for the year ended **31st March 2010**.

FINANCIAL RESULTS:

(Amt in Lacs)

Particulars	2009-2010	2008-2009
Value of work executed	19,797.26	19,432.41
Profit before Taxation	5175.30	2,436.93
Provision for Taxation	1050.06	500.00
Profit after Taxation	4125.24	1,936.93
Add: Balance brought forward	2050.23	2,093.79
Profit available for appropriation	6175.47	4,030.72

Appropriation:

Particulars	2009-2010	2008-2009
Proposed Dividend on Equity Shares	225.50	225.50
Tax on Dividend	37.45	38.32
Proposed Dividend & Income tax thereon Reversed (2008-09)	(190.70)	-
Transfer to Capital Redemption Reserve	116.67	116.67
Transferred to General Reserve	1000.00	1,600.00
Balance of profit carried forward	4986.55	2050.23

DIVIDEND:

Preference Shares

The Board recommends a dividend of Rs. 2.50 per share on 25,00,000, 25% Cumulative Redeemable Preference Shares of Rs. 10/- each amounting to Rs. 62.50 lacs for the year ended 31st March, 2010.

Equity Shares

Your Directors are pleased to recommend a dividend of Rs.1/- per Equity Share of Rs. 10/- each, for the financial year ended 31st March, 2010.

The proposed dividend payment on equity shares and preference shares would entail an outflow of Rs.262.95 including dividend tax.

BUSINESS OPERATION:

During the year under review, Company has executed net value of work to the tune of Rs. 19,797.26 Lacs (previous year 19432.41 Lacs) registering an increase of 1.88% and registered Profit after Tax Rs. 4125.24 Lacs (previous year Rs. 1936.92 lacs)

The Company is presently executing following major contracts:

- Construction of Broad Gauge Formation & Minor bridges from chainage 41000.00 to 45000.00 between Dausa & Lalsot in Connection with Dausa-Gangapur City New Broad Gauge Line Project.
- Improvement, Operation and Maintenance including strengthening and widening of existing 2 lane road to 4 lane dual carriageway from Km.9.200 to Km.50.000 of NH-6 (Nagpur-Kondhali Section) in the State of Maharashtra.
- Infrastructure Development of Dahej SEZ Limited at GIDC, Dahej.
- Construction of 12 nos. Major bridges having total 35 spans with 1200 mm diameter cast in situ bored piles & PSC girder super structure of 18.30m between Dausa & Gangpur city section in Connection with Dausa-Gangapur City New Broad Gauge Line Project.
- Gauge Conversion works from Tiruneveli -Tiruchendue - Tenkasi Virudhngagar proposed Earthwork in forming bank, Cutting, regarding Construction of Major and minor Bridges, Construction of platforms, station Buildings, Passenger Amenities, Platform Shelters, Improvement to Level Crossings, Proving Lifting barriers and other Misc. works between Tiruneveli and Tenkasi Junction Stations.

- Construction of Rail Infrastructure Facility for transportation of Coal from Naila Railway Station to proposed site of 2x500 MW of CSPGCL for Marwa TPP for Package-III.
- Widening and Reconstruction of Shahdol-Singhpur-Turla-Pandarla Road (SH-9) in the State of Madhya Pradesh.
- Extraction & Transfer of Coal / Coal Measure Strata by deploying "Surface Miners" on hiring basis at Hingula OCP of Hingula Area.
- Deployment and Operation of suitable capacity of Surface Miner(s) and allied equipments for cutting of coal / coal measure strata and its associated works at Chhal OC Project – Raigarh Area.
- Deployment and operation of suitable capacity of Surface Miner(s) & allied equipments for cutting of Coal / Coal Measure Strata and its associated works at Baroud OC Project – Raigarh Area.

The Company is currently involved in following Real Estate Projects:

- Construction of Residential Buildings "Atlanta Enclave" situated at Shilphata, Thane.
- Construction of Commercial Building "Atlanta Centre" situated at Goregaon (E), Mumbai.
- Construction of Commercial/Residential Building "ABT Apartment" situated at Malad (E), Mumbai.
- Construction of Shopping Mall "Atlanta V Mall" situated at Jodhpur, Rajasthan.

Moreover, Company in Consortium is Preferred lowest Bidder for the following Projects:

- Construction of New 2-lane highway from Km. 38.00 to Km.71 in Mizoram to support Kaladan Multi Model Transit Transportation Project in Phase A of SARDP-NE package-II.
- Construction of earthwork, Bridges, Supply of P-Way Material, Supply of Ballast and P-Way linking for proposed private railway siding taking off from Chacher railway station to inplant yard and including inplant yard of NTPC Mauda (but excluding works within railway boundary and excluding rail over rail bridge) Dist Nagpur (Maharashtra State).

DIRECTORS:

In terms of the provisions of Sections 255 and 256 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Arpan Brahmabhatt retire at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Mr. G. Radhakrishnan resigned from the office of Director of the Company with effect from 11th December, 2009. The Board wishes to place on record the valuable contribution made by him during his tenure as Director of the Company.

AUDITORS:

M/s Suresh C. Maniar & Co. Chartered Accountants, Mumbai, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting of the Company and are eligible for re-appointment.

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

AUDITORS' REPORT:

Your Directors would like to invite your attention to paragraph 5 (a) and 5 (b) of the Auditors' Report and clarify as under:-

- (a) The Government of Maharashtra, Public Works Department (PWD) vide agreement dated 18.10.2000 originally awarded a contract of construction of Mumbra – Kausha By-pass Project on NH – 4, Mumbai Pune Road on Built, Operate & Transfer (BOT) basis for a concession period of 6 years and 9 months (including construction period).

Subsequently, due to change in the scope of work, a supplementary agreement dated 11.5.2005 was entered which increased the concession period to 10 years, 4 months and 25 days.

The Government of Maharashtra vide Notification dated 27.12.2007 authorised the company to collect the toll from the vehicles passing through the said road effective from 28.12.2007 to 11.9.2010 as per the supplementary agreement.

However, the company made a representation before the Contracting Authority for enhancement of the concession period for various reasons including change in scope of work. Based on such representations, the PWD has recommended to the concerned Authority the enhancement of concession period from 10 years, 4 months and 25 days to 24 years, 1 months and 17 days.

In the year under review the company referred the matter before the Arbitral Tribunal to resolve the issue. In the mean time the Government of Maharashtra issued an interim Notification extending the concession period from 11-09-2010 to 21-09-2014. Considering the interim Notification and recommendation of the Chief Engineer (PWD), Mumbai Region and also relying upon the legal opinion of a counsel, the management is reasonably certain about the enhancement of concession period as stated above. In view of this, the toll collection rights are amortized in the manner whereby the total cost of the project i.e. Rs.142.27 crores is written off over the proposed enhanced concession period of 24 years, 1 months and 17 days. The company, therefore, amortized the toll collection rights at Rs.8.49 crores, as against the amortization of Rs.21.18 crores based on the concession period notified by the Government of Maharashtra.

- (b) Provision of mark to market loss has not been made in the Accounts in line with the Accounting policy for foreign currency transactions where income and expenses on accounts of foreign exchange derivatives contract are recognized on settlement in the profit and loss account in the reporting period. Mark to market loss for portion of the derivative contract already settled during the year has already been recognized.

FIXED DEPOSIT:

During the year under review, the Company has accepted unsecured loan which comes under deposit under Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975 within the prescribed limit. As on 31st March, 2010 deposits from public stands at Rs. 40,00,000/-

STATUS OF SEBI ORDER:

SEBI vide its order dated 25th November,2009 revoked its adjudicating proceeding against the Company and Mr. Rajhoo Bbarot, in view of the non-violation of provisions of Prohibition of Fraudulent and Unfair Trade Practices Regulations,2003.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors' subscribes to the " Directors' Responsibility Statement" and confirm as under:-

- (1) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with the proper explanation relating to material departure.
- (2) That the Directors' had 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 end of the financial year and of the profit of the Company for that period;
- (3) That the Directors had taken proper and sufficient care, for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (4) That the Directors had prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES:

Information required to be furnished under section 217(2A) of the Companies Act,1956 read with the Companies (Particulars of Employees) Rules,1975 is annexed to this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

Provisions of 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 in relation to Conservation of Energy and Technology Absorption are currently not applicable to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the Company had no foreign exchange earnings and outgo.

SUBSIDIARY:

The audited statements of accounts of Balaji Toll Ways Limited, Subsidiary Company, together with the Reports of the Board of Directors and Auditors for the year ended 31st March, 2010 are attached as required under Section 212 of the Companies Act, 1956.

CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-27 on reporting of interest in Joint Venture and AS-23 on accounting for Investments in Associates, your Directors provide the audited Consolidated Financial Statements in the Annual Report.

CORPORATE GOVERNANCE:

Information on corporate governance as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges together with Auditors Certificate for compliances thereof is given in a separate report.

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

CONCLUSION:

Your Directors would like to acknowledge and place on record their sincere appreciation for the overwhelming co-operation and assistance received from investors, customers, business associates, bankers, vendors, as well as regulatory and government authorities. Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

For and on behalf of the Board of Directors

Rajhoo Bbarot Rikiin Bbarot
Managing Director Executive Director

Date: 29th May, 2010
Place: Mumbai

ANNEXURE TO DIRECTORS' REPORT

INFORMATION AS PER SECTION 217 (2A) OF THE COMPNIES ACT,1956 READ WITH COMPNIES (PARTICULAR OF THE EMPLOYEE) RULES 1975 AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED 31.03.2010

Name of the Employee	Age	Designation	Remuneration	Qualification	Experience	Date of commencement of Employment
Mr. Rajhoo Bbarot	54	Managing Director	24,09,360/- p.a.	B.Sc.	32 years	17 th January, 1984

NOTES:

1. **Remuneration includes Gross salary.**
2. **The above employment is contractual and governed by service rules of the Company.**

For and on behalf of the Board of Directors

Date: 29th May, 2010
Place: Mumbai

Rajhoo Bbarot
Managing Director

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's Corporate Governance Philosophy is to develop a fair, transparent and accountable system which enhances the Shareholders' value and which makes the company a value driven organization. The company endeavors to maintain faith of various entities such as investor, regulating authority, customers and general public in the organization. Code of Corporate Governance prescribed by SEBI is a guiding code for the organization to adopt best governance practices. The Management of the Company also believes in adopting the best governance practices.

The detailed report on Corporate Governance is set out below. In this report, we confirm the compliance of Corporate Governance criteria as required under clause 49 of the Listing Agreement.

2. BOARD OF DIRECTORS:

a) Board Composition:

The Board consist of five Directors comprising three independent including non executive Chairman.

b) Board Meeting:

During the year ended on 31st March, 2010, 6 Board Meetings were held on following date : 30/5/2009, 30/06/2009, 27/07/2009, 22/08/2009, 31/10/2009 and 31/01/2010.

The particulars as to composition of the Board, attendance at Board Meetings held during the year and the last Annual General Meeting, number of Directorships in other companies and Memberships in Committees across various companies of which the Director is a Member / Chairman are given below:

Name of the Director	Category	Financial Year 2009-2010 Attendance At		As on 31 st March, 2010			
		Board Meetings	Last AGM held on 30/09/09	No. of other Director Ships	Committee Positions		No. of Shares Held
					No. of Memberships	Chairman	
Mr. G. Viswanathan	Non Executive and Independent Chairman	6	Present	1	1	1	-
Mr. Rajhoo Bbarot	Managing Director	6	Present	1	1	1	28,08,000
Mr. Rikiin Bbarot	Executive Director	4	Absent	1	1	-	39,62,030
*Mr. G. Radhakrishnan	Executive Director	5	Present	-	-	-	-
Dr. Samir Degan	Non Executive Independent Director	4	Present	-	1	1	-
Mr. Arpan Brahmhatt	Non Executive Independent Director	5	Present	-	2	1	352

None of the Non-Executive Directors has any material pecuniary relationship or transactions with the Company.

* Mr. G. Radhakrishnan ceased to be Director of the Company, consequent upon his resignation, with effect from 11th December, 2009.

c) Information placed before the Board of Directors:

As per clause 49 Annexure IA the information placed before the Board of Directors includes:

- Quarterly results for the company and its operating division.
- Minutes of Meetings of Audit Committee and other Committees of the board.
- The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the company or substantial non payment for goods sold by the company.
- Issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.

- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or Intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

d) Code of Conduct:

The Board has approved and adopted a code of conduct for all Board members and senior management of the company. The code of conduct has been posted on the website of the Company at www.atlantainfra.com. All Board members and senior management personnel have affirmed compliance with the code of conduct. A declaration to this effect signed by the MD of the company is annexed herewith and forms part of this report.

Declaration	
All the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31 st March, 2010.	
Place: Mumbai, Date: May 29, 2010	Rajhoo Bbarot Managing Director

e) Code of Conduct for prevention of Insider Trading:

The Company has laid down Code of Conduct for prevention of Insider Trading. The code is framed on the basis of "Prevention of Insider Trading Regulations" issued by Securities and Exchange Board of India. The basic intention of the code is to prohibit employees from dealing in the shares of the company while they are in possession of the Price sensitive information.

f) Committees of the Board :

The Company is having three Board Committees and sufficient powers have been delegated to discharge their functions:

- Management Committee
- Audit Committee
- Remuneration Committee
- Shareholders / Investors Grievances Committee

3. MANAGEMENT COMMITTEE

During the year the Management Committee met 21 times. The attendances of the members are as follows:

Sr. No.	Name of Member Attended	No. of Meetings
1.	Mr. Rajhoo Bbarot	21
2.	Mr. Rikiin Bbarot	21
3.	Mr. G. Radhakrishnan*	13

*Mr. G. Radhakrishnan ceased to be Director of the Company, consequent upon his resignation, with effect from 11th December, 2009.

a) Powers and Functions

1. To take investment decision.
2. To borrow short- term funds from Banks, Financial Institutions and other sources as and when required.
3. To scrutinize the periodical budget estimates and make recommendations to the Board.
4. To scrutinize all proposals involving expenditure for which no provision is made in the budget or involving expenditure in excess of the amount provided for in the budget.
5. To open new Bank Accounts and to authorise Directors/ Executives to operate the same or to withdraw the authority granted and / or to make changes or revise the authorised signatories.
6. To close the existing Bank accounts when not required.
7. To oversee the operations and activities of the organisation to ensure it fulfills its desired aims and it is on the growth planned.
8. To prepare the plans and strategy relating to sales, purchase, administration, finance, advertising etc. keeping in mind the purpose and object of the organisation.
9. To review the performance of the company in comparison to the plans and to find out the deviation if any, from the projections and to provide for remedial action.

10. To make sure that the guidelines and framework are provided for everyone in the organisation to know where it is headed what it aims to achieve, and how each jobs fits into the overall plan.
11. To authorise person to appear as an authorised representative in any legal matters of the company.

4. AUDIT COMMITTEE

a) Composition :

As per the requirement of Section 292A of the Companies Act, 1956 and clause 49 of the Listing Agreement, the Composition of Audit Committee is as follows:

1. Mr. G. Viswanathan Chairman (Non-Executive & Independent)
2. Dr. Samir Degan Member (Non-Executive & Independent)
3. Mr. Arpan Brahmhatt Member (Non-Executive & Independent)
4. Mr. G. Radhakrishnan * Member (Executive Director)

*Mr. G. Radhakrishnan ceased to be Director of the Company, consequent upon his resignation, with effect from 11th December, 2009.

All the directors have good knowledge of corporate and project finance, accounts and Company Law. The Committee held five meetings during the year. The Audit Committee invites such of the executives, as it considers appropriate to be present at the meetings of the Committee.

The Company Secretary of the Company acts as Secretary to the Audit Committee. The minutes of the meetings of the Audit Committee are placed before the Board.

b) Terms of reference :

The terms of reference of the Audit Committee are as per Section 292A of the Companies Act, 1956 and the guidelines set out in the listing agreement entered into with the Stock Exchanges and *inter alia* include:

- 1) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) The replacement or removal of external auditors, fixation of audit fees and also approval for payment of any other services.
- 3) Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to :
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
- 4) Reviewing with the management, the quarterly financial statements before submission to the board for approval.

- 5) Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- 6) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 7) Discussion with internal auditors any significant findings and follow up thereon.
- 8) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 9) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 10) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

c) Meetings and Attendance

During the financial year 2009-2010, the Audit Committee met five times. These were held on 30th May, 2009, 30th June, 2009, 27th July, 2009, 31st October, 2009 and 31st January, 2010. The attendance of the members at these meetings is as follows:

Sr. No.	Name of the Member	No. of Meetings Attended
1.	Mr. G. Viswanathan	5
2.	Dr. Samir Degan	3
3.	Mr. Arpan Brahmabhatt	4
4.	Mr. G. Radhakrishnan*	4

*Mr. G. Radhakrishnan ceased to be Director of the Company, consequent upon his resignation, with effect from 11th December, 2009.

5. REMUNERATION COMMITTEE:

a) Brief description of terms of reference:

- to recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/Deputy Managing/Whole time/ Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
- to be authorised at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/Deputy Managing/Whole time/ Executive Directors, including pension rights and any compensation payment;

b) Composition:

Composition of Remuneration Committee is as follows:

1.	Dr. Samir Degan	Chairman (Non Executive & Independent)
2.	Mr. G. Viswanathan	Member (Non Executive & Independent)
3.	Mr. Arpan Brahmabhatt	Member (Non Executive & Independent)

c) Remuneration Policy:

The remuneration of the Managing Director and Whole-time Director are decided by the Remuneration Committee based on the Company's performance vis-à-vis the industry performance/track record of the Managing Director and Whole-time Director and the same is recommended to the Board of Directors. The Company pays remuneration by way of salary, perquisites and allowances to its Managing Director and Whole-time Directors. Increments are decided by the Remuneration Committee within the salary scale approved by the Members and are effective as per the relevant Agreements.

d) No. of Meetings and Attendance:

During the financial year 2009-2010 the Remuneration Committee met 1 time and meeting was attended by all the members

e) The details of the remuneration paid /to be paid to all Directors:

Name of Director	Salary (Rs.)	Benefits (Rs.)	Sitting Fees (Rs.)	Commission (Rs.)
Mr. Rajhoo Bbarot	24,00,000	9360	-	-
Mr. Rikiin Bbarot	12,00,000	9360	-	-
Mr. G. Radhakrishnan*	8,32,258	6490	-	-
Mr. G. Viswanathan	-	-	1,20,000	-
Dr. Samir Degan	-	-	80,000	-
Mr. Arpan Brahmabhatt	-	-	1,00,000	-
TOTAL	44,32,258	25,210	3,00,000	-

*Mr. G. Radhakrishnan ceased to be Director of the Company, consequent upon his resignation, with effect from 11th December, 2009.

6. SHAREHOLDERS/ INVESTORS' GRIEVANCE COMMITTEE:

a) Composition and Functions of the Committee:

The Company under Chairmanship of independent Director Mr. Arpan Brahmabhatt has constituted Investor's/ Shareholders, /Investors Grievance Committee. The Committee monitors redressal of complaints from shareholders and Investors and observes the performance of Registrar & Share Transfer Agent and recommends measures for over all improvement in the quality of investor services.

During the Financial Year 2009-2010, Four Meetings were held and attended by all the Members.

b) Compliance Officer:

Mr. Rajesh Deherkar, Company Secretary, appointed as the Compliance Officer.

c) Details of Shareholder's complaint received/replied and the status on pending share transfers is given below:

SR. NO.	PARTICULARS	RECEIVED	DISPOSED	PENDING AS ON 31.03.2010
1	NON RECEIPT OF REFUND ORDER	1	1	0
2	NON RECEIPT OF ELECTRONIC CREDITS	0	0	0
3	NON RECEIPT OF DIVIDEND WARRANTS	7	7	0
4	COMPLAINT FROM STOCK EXCHANGES/ SEBI	0	0	0
5	NON RECEIPT OF ANNUAL REPORT	4	4	0
	TOTAL	12	12	0

7. GENERAL BODY MEETINGS

a) Location and time of Annual General Meetings

Financial Year	Date	Time	Venue
2006-2007	28.09.2007	3.00 p.m.	Auditorium, A Wing, Ground Floor, National Stock Exchange of India Limited, Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.
2007-2008	27.09.2008	3.00 p.m.	Auditorium, A Wing, Ground Floor, National Stock Exchange of India Limited, Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.
2008-2009	30.09.2009	3.00 p.m.	Auditorium, A Wing, Ground Floor, National Stock Exchange of India Limited, Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.

All special resolutions moved at the last Annual General Meeting were passed by a show of hands unanimously by all the members present at the Meeting. No special resolution was put through postal ballot.

No Extraordinary General meeting was held during the year under review.

During the year, the Company has not passed any resolution through postal ballot.

8. DISCLOSURES

a) Disclosure on materially related party transactions:

During the financial year ended March 31, 2010, there were no materially related party transactions that may have potential conflict with the interests of the Company at large.

The Company has complied with all the statutory requirements comprised in the Listing Agreements/ Regulations/ Guidelines/ Rules of the Stock Exchanges/ SEBI/ Other Statutory Authorities.

b) Whistle Blower Policy

The Board of Directors' and the Managing Director of the Company are committed to maintain the highest standard of honesty, openness and accountability and recognize that each and every person in the Company has an important role to play in achieving the organizational goals. It is the policy of the Company to encourage employees, when they have reason to suspect questionable accounting/audit practices or the reporting of fraudulent financial information to shareholders, the Government or the financial markets, and/or serious misconduct otherwise, to report the concerns to the Company's Management.

9. MEANS OF COMMUNICATION

The Quarterly financial results of the Company are published in Free Press Journal and Nav Shakti immediately after the Board meeting. At the same time the results are also displayed on the website of the company www.atlantainfra.com.

The Company has created an exclusive E-mail ID for the investors – cs@atlantainfra.com. The investors can directly send their grievances to the Compliance Officer.

10. GENERAL SHAREHOLDERS INFORMATION

a) ANNUAL GENERAL MEETING

Day, Date, Time & Venue 18th September, 2010 at 3.00 P.M. at Auditorium, A Wing, Ground Floor, National Stock Exchange of India Limited, Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.

Financial Year 1st April 2010 - 31st March 2011

Financial Calendar Financial Reporting for the 1st quarter ending June 2010- by the end of 14th August, 2010

Financial Reporting for the 2nd quarter ending September 2010- by the end of 14th November, 2010

Financial Reporting for the 3rd quarter ending December 2010-by the end of 14th February, 2011

Financial Reporting for the 4th quarter ending March 2011-by the end of 30th May, 2011

Dividend Payment Date On or after 23rd September, 2010

Book closure 23rd September, 2010, to 30th September, 2010 (both days inclusive).

Email ID for Investors cs@atlantainfra.com

b) LISTING ON STOCK EXCHANGES:

The shares of the Company are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

c) STOCK CODE

S.N.	Stock Exchange	Code
1	Bombay Stock Exchange	532759
2	National Stock Exchange	ATLANTA

d) ISIN No. – INE285H01014

e) PAYMENT OF LISTING AND CUSTODIAN FEE

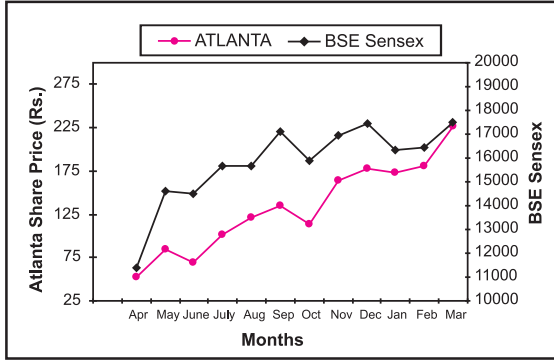
The annual Listing Fees for the year 2010-2011 has been paid to the respective Stock Exchanges.

The Company has also paid the Annual Custodial fees to both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

f) MARKET PRICE DATA – High / Low during each month in the year 2009-10

MONTH	Market Price (Rs.)			
	BSE		NSE	
	Highest	Lowest	Highest	Lowest
April 2009	60.40	40.30	59.90	40.00
May 2009	89.40	50.30	90.90	49.10
June 2009	99.20	64.15	99.10	64.25
July 2009	104.55	63.30	104.15	63.25
August 2009	123.00	98.20	123.30	98.50
September 2009	141.80	116.10	142.00	115.05
October 2009	138.00	108.15	138.70	110.50
November 2009	171.70	107.80	171.40	102.00
December 2009	185.70	138.00	185.70	145.10
January 2010	206.00	165.05	205.85	165.00
February 2010	209.95	172.00	211.00	171.05
March 2010	240.55	180.55	240.90	182.00

g) COMPANY SHARE PRICES COMPARED TO BSE SENSEX:



h) REGISTRAR AND TRANSFER AGENTS:

The Company has appointed M/s Karvy Computershare Private Limited of Mumbai as its Registrar and Share Transfer Agent.

For any assistance regarding Share Transfers, Transmissions, change of address, duplicate/missing Share Certificate and other relevant matters, please write to the Registrar and Share Transfer Agent of the Company, at the address given below:

M/s Karvy Computershare Private Limited

Plot no. 17 to 24, Vittal Rao Nagar,
Madhapur, Hyderabad – 500 081.
Tel No.: 91 40 23420818-28
Fax No.: 91 40 23420814
E-mail: Atlanta_ipo@karvy.com / mailmanager@karvy.com
Contact Person: Mr. S. Krishnan

i) SHARE TRANSFER SYSTEM

All matters pertaining to Share Transfer are being handled by M/s Karvy Computershare Private Limited. The Share Transfer requests received are processed by them and a Memorandum of Transfer is sent to the Company for approval. The average time taken for processing Share Transfer requests including dispatch of Share Certificates is less than 30 days, while it takes a minimum of 15 days for processing dematerialization requests. The Company's representatives visit the office of the Registrars and Share Transfer Agents to monitor, supervise and ensure that there are no delays or lapses in the system.

j) DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2010

CATEGORY (Nominal Value)	NO. OF SHARE HOLDERS	% OF TOTAL SHARE HOLDERS	NO. OF SHARES HELD	% OF TOTAL SHARE-HOLDING
Upto 5000	20529	96.71	1270977	7.80
5001-10000	342	1.61	266149	1.63
10001-20000	166	0.78	244491	1.50
20001-30000	52	0.24	131528	0.80
30001-40000	27	0.13	97391	0.60
40001-50000	23	0.11	111030	0.68
50001-100000	39	0.18	275284	1.69
Above 100001	50	0.24	13903150	85.30
TOTAL	21228	100	16300000	100

k) SHAREHOLDING PATTERN (CATEGORIES OF SHAREHOLDERS) AS ON MARCH 31, 2010:

CATEGORY	NO. OF SHARES HELD	% OF TOTAL SHAREHOLDING
Promoters	11514708	70.64
FII's	16000	0.10
Domestic Companies	2304787	14.14
Others	2464505	15.12
TOTAL	16300000	100

l) DEMATERIALIZATION OF SHARES AND LIQUIDITY AS ON MARCH 31, 2010:

CATEGORY	NO. OF SHARES HELD	% OF TOTAL SHAREHOLDING
Shares held in Demat Form	11428842	70.12
Shares held in Physical Form	4871158	29.88
TOTAL	16300000	100

m) OUTSTANDING GDRS/ ADRS WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY: NIL

11) Information pursuant to clause 5A of Listing Agreement:

S. N.	Description	No. of Cases	No. of Shares
i)	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year 2009-2010 (Date : 1.4.2009)	1	45
ii)	Number of shareholders who approached issuer for transfer of shares from suspense account during the year 2009-2010 (Date: 1.4.2009 to 31.3.2010)	0	0
iii)	Number of shareholders to whom shares were transferred from suspense account during the year 2009-2010 (Date :1.4.2009 to 31.3.2010)	0	0
iv)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year 2009-2010 (Date : 31.3.2010)	1	45

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

ADDRESS FOR CORRESPONDENCE:

REGISTERED OFFICE

101, Shri Amba Shanti Chambers,
Andheri Kurla Road, Opp. Hotel Leela,
Andheri (E), Mumbai – 400 059.
Tel: 91 22 29252929
Fax: 91 22 29252900
E-mail: cs@atlantainfra.com

AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of Atlanta Limited

We have examined the compliance of conditions of corporate governance as stipulated in clause 49 of the listing agreement entered into by Atlanta Limited with the Stock Exchanges for the financial year ended on March 31, 2010.

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

In our opinion and to the best of our information and according to the explanation given to us and representations made by the Management, we certify that the company has complied with the conditions of corporate governance as stipulated in clause 49 of the Listing Agreement.

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 SURESH C MANIAR & CO.
CHARTERED ACCOUNTANTS**

**Place: Mumbai
Dated: 29 May, 2010**

**K. V. Sheth
PARTNER
(M No. 30063)**

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE, DEVELOPMENTS AND OUTLOOK

The Company is engaged in the business of infrastructure development, including construction of Roads, Highways, Bridges, Runways, Real Estate development and Mining of coal, lime stone etc.

The business activities of the Company are:

1. Engineering, Procurement and Construction (EPC)
2. Infrastructure development on PPP model
3. Mining
4. Real Estate

In recent years, India has been amongst the fastest growing economies in the world. The productivity growth rate of Indian economy is estimated to be around 8% and it is expected to sustain until 2020. Despite global slowdown, Indian economy has estimated to have grown at close to 6.7% in 2008-09 and to 7.5% in 2009-10.

INFRASTRUCTURE

Opportunities

The Government has announced commitment to build large infrastructure projects through significant public expenditure and with the help of private partners, including, for the first time, foreign investors. NHAI the national apex Government body is aggressively going ahead with National Highway Development Plan (NHDP) Programme. The Committee on Infrastructure has projected 12-15% growth in passenger traffic annually and 15-18% annual growth in cargo traffic.

The Honorable minister for Union Road Transport and Highways informed that the Government has plans for developing per day 20 kms of Roads in the country. Public Private Participation (PPP) has become the policy mantra for financing and executing India's infrastructure vision. Commercial Banks have stepped in to finance the needs of government and private sector. NHAI as per recent financing plan has an estimated investment requirement of Rs. 3.3

lacs crore (at current price) in the next five to six years to complete its ongoing NHDP programme. NHAI expects the private sector to invest Rs. 1.90 lac crore and it contributing the balance. RBI's annual policy for the financial year 2010-11 has brought some cheerful news to the sector. The policy has specifically provided the following reliefs such as Banks are allowed to classify their investments in non SLR Bonds issued by Companies engaged in infrastructure activities and having minimum residual maturity of seven years under the held-to-maturity category. Infrastructure loan accounts classified as substandard will attract a provisioning of 15% instead of current 20%. This will ensure additional liquidity in the market and also likely to bring down the overall cost of funding. The recent policy changes by RBI will ensure a smoother ride for the private sector players in the infrastructure sector.

Government Initiatives

The Government has taken a number of progressive reform initiatives for the optimum development of the roads sector. These include:

- Launch of an ambitious National Highway Development Programme (NHDP) involving a total investment of US\$ 54.1 billion up to 2012.
- Start of the Bharat Nirman Programme that aims to cover every village with over 1000 population, or over 500 in hilly and tribal areas, with all-weather roads. To achieve this, 1,46,185 kms of road length is proposed to be constructed by 2009.
- Banks will now treat toll rights/ annuities as tangible assets and thereby loans provided to the road PPPs will be treated as secured loans.
- Banks are allowed to classify their investment in non SLP Bonds issued by companies engaged in infrastructure activities and having a minimum residual maturity of seven years under the held-to-maturity category.
- Allowing 100 per cent foreign direct investment (FDI) under the automatic route in all road development projects.
- Incentives like 100 per cent income tax exemption for a period of 10 years by NHAI, which provides grants/viability gap funding for marginal projects, and formulation of model concession agreements, among others.
- Permission to private parties to develop service and rest areas along the roads entrusted to them.
- Allowing investors in identified highway projects to recover investment by way of collection of tolls for specified sections and periods.
- Notification of the Carriage by Road Act, 2007, which would cater to the needs of modern day trade and transport.

Key Developments

Considering huge boost to the infrastructure projects on Public Private Participation (PPP) basis Company has applied for RFQ of various projects and has been pre qualified for projects more than Rs. 3000 crores. The Company has substantially completed Dahej SEZ project at GIDC in Gujarat and Nagpur- Kondhali project.

COAL MINING

Opportunities

The Indian coal industry is the fourth largest in terms of coal reserves and third largest in terms of coal production in the world. But despite its huge resource base, till date, India has not been able to minimize its coal deficit.

Coal has been recognised as the most important source of energy for electricity generation and industries, such as steel, cement, fertilizers and chemicals, are major sectors of coal consumption. So, in order to satisfy the coal demand, the Indian coal industry needs more investment and private players to raise its production level. The coal washeries have to take bigger role in the industry to produce less moisture and ash-based coal to sustain in strict environment regulations.

Union Coal Minister Shri Prakash Jaiswal said "Nearly 55% of India's energy needs are met through coal, and it will continue to be so for

the next 15 years. But we have enough coal blocks to meet our requirements for the next 70 years”.

In a bid to break the public sector monopoly over coal, the government is seeking to introduce legislative changes allowing for private mining, whilst liberalising norms for the allocation of captive blocks permitting trading of coal. The government is contemplating the allocation of captive blocks for setting up washeries in the private sector. Captive block holders would also be permitted to sell their coal on the open market. As many as 143 blocks could be allocated, containing total estimated reserves of 30,000 Mt. The current legislative requirements permit private-sector investment only for the limited purpose of setting up coal washeries and captive mining for specified end-uses, including setting up power plants, fertilizer and steel units.

REAL ESTATE

Opportunities

The Indian real estate sector plays a significant role in the country's economy. The real estate sector is second only to agriculture in terms of employment generation and contributes heavily towards the gross domestic product (GDP). Almost five per cent of the country's GDP is contributed by the housing sector. In the next five years, this contribution to the GDP is expected to rise to 6 per cent

Real estate financing in India has changed significantly over the past 50 years for both developers and buyers. Real estate developers have seen the universe of funding agencies expanding from unorganised moneylenders to the entire gamut of funding sources, including loans from banks and housing finance institutions (HFIs), private equity, public equity offerings, bonds, and debentures. Buyers have seen the shift from own resource-funded home purchases to bank-funded mortgage finance. This shift has helped the real estate sector match the fast-growing buyer demand on the one hand, and has boosted the financial flexibility of developers to provide adequate real estate supply on the other.

Key Developments

The Company is involved in four real estate projects of which one is substantially completed. Construction of Residential Building 'Atlanta Enclave' situated at Mumbra has commenced.

Government Initiatives

At the Government level many new policy initiatives have been taken recently to boost the real estate sector in India. These policy decisions will lend a stimulus and impetus to the industry. It is beyond doubt that the new initiatives will unlock the potential of the sector. Also, along with the stimulus package announced by the Government, the Reserve Bank of India (RBI) has taken a definitive step whereby banks are allowed to devise new schemes beneficial to the property sector.

As part of the Government initiatives to boost real estate in sector India, RBI has declared concessional schemes for the real estate sector. Such initiatives include:

- Urban Land (Ceiling and Regulation) Act, 1976 (ULCRA) repealed by all states.
- In case of integrated townships, the minimum area to be developed has been brought down to 25 acres from 100 acres.
- 51 per cent FDI allowed in single-brand retail outlets and 100 per cent in cash-and-carry through the automatic route.
- Full repatriation of original investment after three years.
- Minimum capital investment for wholly-owned subsidiaries and joint ventures stands at US\$ 10 million and US\$ 5 million, respectively.
- 100 per cent FDI allowed in realty projects through the automatic route.

RISKS & THREATS

- The instability and fluctuations in market conditions, both domestically and globally, is a matter of concern.
- Constant changes in statutory and governmental regulations may bring difficulties in framing infrastructure projects.
- With many small and big players entering the infrastructure industry, competition is likely to get tougher.
- Increase in interest rates has decreased the demand which may lead to slashing the prices of real estates.

Company Specific Risks:

- Infrastructure Development on PPP basis requires acquisition of land on timely basis and any delay in land acquisition is likely to delay completion and consequently affect profitability of the project.
- Our contracts are mainly dependant on timely supply of the requisite raw materials. Shortage in supply of raw materials can delay projects, which in turn adversely affect profitability. Also, increase in the price of essential construction material like cement, petroleum products, steel etc. may also affect profitability.
- Our business needs substantial working capital and financing in the form of debt and /or equity to meet our requirements. Any blockage to the inflow of funds or increase in the interest rate, may adversely affect the growth of the Company.
- Realisation of profitability from investments in Real Estate could take more time due to the present short term downturn in real estate market.

OUTLOOK

The abovementioned risks and threats notwithstanding, the Company is well-positioned to sustain its profitability levels, both in the short and long term. The Company is adequately equipped with the necessary strengths in each segment of its business operations to successfully counter the various risks and threats that could in any way derail the overall positive industry forecasts. The Company has, during the year under review, undertaken several important measures to de-risk its business, even as it consolidated its operational strengths in its existing business streams.

2 SEGMENT-WISE PERFORMANCE for FY 2009-2010

The Company is engaged in the business of contracting activities, i.e. construction and development of infrastructure, and the same has been considered as single business segment.

3 INTERNAL CONTROLS AND THEIR ADEQUACY

The Company has adequate internal control systems. These systems and procedures are reviewed at regular intervals through internal audits, statutory audits and audit committee.

4 OPERATIONS

During the year under review, Company has executed work to the tune of Rs.19,797.26 Lacs (previous year 19432.41 lacs) registering an increase of 1.88% and registered Profit after Tax Rs.4125.24 lacs (previous year Rs. 1936.92 lacs).

5 HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The company has always maintained excellent relations with its employees across all levels of the organization during the period under review. All efforts were made during the year under review to ensure a high employee satisfaction level, with a series of measures undertaken to enhance the skill sets of the employees.

CAUTIONARY STATEMENT:

Statements in Management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking" within the meaning of applicable laws and regulations. Actual results might differ from those expressed or implied.

AUDITORS' REPORT

TO,

THE MEMBERS OF
ATLANTA LIMITED

101, SHREE AMBA SHANTI CHAMBERS,
OPP. LEELA HOTEL, ANDHERI – KURLA ROAD,
MUMBAI – 400 059

- 1) We have audited the attached Balance sheet of **ATLANTA LIMITED** as at 31st March, 2010, the Profit and Loss Account and also Cash Flow Statement of the company 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 have 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, issued by the Central Government of India, in terms of section 227(4A) of the Companies Act, 1956, and on the basis of such checks as considered appropriate and according to the information and explanations given to us during the course of audit, we enclose in the Annexure hereto a statement on the matters specified in the paragraphs 4 and 5 of the said order, to the extent applicable.
- 4) Further to our comments in the Annexure referred to in paragraph 3 above, we report that: -
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by the law have been kept by the company, so far as appears from our examination of such books.
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion the Balance Sheet, Profit & 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 to the extent applicable.
 - e) On the basis of the written representation received from the directors as on 31st March, 2010 and taken on records by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- 5) *Attention is invited to :-*
 - a) *Note No.7 of Schedule 18 to the financial statements, relating to short amortization on the Toll collection rights (Mumbra-By-pass road) during the year amounting to Rs.12,69,42,862/- pending the outcome of an Arbitration proceedings.*
 - b) *Note No.8 of Schedule 18 to the financial statements, relating to non provision of Mark to Market losses of Rs.7,88,94,340/- on Rupee Foreign Currency Swap Transaction as on 31-03-2010.*

We further report that had the observations made by us in paragraph 5 (a) and (b) been considered,

 - a) *The profit after tax would have been Rs.20,66,87,218/- as against the reported profit after tax of Rs.41,25,24,420/-*

- b) *The net block of fixed assets would have been lower by Rs.12,69,42,862/- and*
 - c) *The balance in Reserve and Surplus would have been lower by Rs.20,58,37,202/-*
- 6) Subject to our comments in para 5 above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: -
- a) In the case of Balance Sheet of the state of affairs of the company as at the 31st March, 2010
 - b) In the case of the Profit and Loss Account of the 'PROFIT' of the company for the year ended on that date, and
 - c) In the case of the Cash Flow Statement of the cash flows of the company for the year ended on that date.

For SURESH C. MANIAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn.No. 110663 W

K.V. SHETH
PARTNER
(M. NO. 30063)

PLACE : MUMBAI
DATED : 29th May,2010

ANNEXURE TO THE AUDITORS' REPORT

With reference to Paragraph 3 of our report to the shareholders of **M/s. Atlanta Ltd.** of even date, in our opinion and to the best of our knowledge and as per the information and explanations given to us and the books and other records examined by us in the normal course of audit, we report that:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) During the year, company has not disposed of any substantial / major part of fixed assets.
- ii. (a) The company is a construction company having work sites spread all over India. The records of materials and stores are maintained at the respective sites which have been verified by the management during the year at reasonable intervals.
- (b) The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The valuation of the stock has been done on the basis of physically verified quantity and the discrepancies, if any, noticed between the physical stocks and the book records were not material and have been adequately dealt with in the books of account.
- iii. (a) The Company has not granted any loans, secured or unsecured to any company, firm or other parties covered in the Register maintained under section 301 of the Companies Act, 1956.
- (b) The Company has taken further unsecured loan from four parties listed in the Register maintained under section 301 of the Companies Act, 1956 amounting to Rs.1,55,17,516/- and a sum of Rs.4,43,16,485/- has been repaid during the year. The year end balance and the maximum amount outstanding during the year of such parties are of Rs. Nil and Rs.3,53,02,517/- respectively.
- (c) The rate of interest and other terms and conditions of the loans taken by the company are, prima-facie, not prejudicial to the interest of the company.
- (d) The payment of the principal amount of such loans was, in our opinion, in accordance with stipulations.
- iv There are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to the purchase of inventory and fixed assets. Further, we have neither come across nor have we been informed of any instance of major weakness in the aforesaid internal control procedures.

- v In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956.
- (a) Based on audit procedures applied by us, we are of the opinion that the transactions that needed to be entered into the register maintained under section 301 have been so entered.
- (b) The transactions made in the pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding Rupees Five Lakhs in respect of any party during the period have been made at the prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi The company has accepted deposits from the public during the year. The company has complied with the provisions of section 58A and 58AA of the Companies Act, 1956 and rules framed thereunder with regard to the deposit accepted from the public. As per the information and explanation given to us, no order under the aforesaid sections has been passed by the Company Law Board on the company.
- vii The company has an internal audit system commensurate with the size and the nature of its business.
- viii The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956.
- (ix) (a) *There are delays in depositing the provident fund of Rs. 25,00,989/- and Tax Deducted at Source with the appropriate authorities during the year . However there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.*
- (b) The undisputed amounts payable in respect of Income Tax, Sales Tax and other statutory dues which were in arrears as at 31st March, 2010 for a period of more than six months from the date they became payable are as follows:

Sr. No.	Nature of Statute	Nature of Dues	Amount (Rs.)
1	Income Tax Act,1961	Dividend Tax for the Financial Year 2008-09 (since paid)	Rs. 10,62,187/-
2	Service Tax Act	Service Tax for the F.Y.2007-08 & 2008-09	Rs. 95,72,804/-
3	Income Tax Act,1961	Fringe Benefit Tax for F.Y.2007-08 (since paid)	Rs. 5,88,314/-

- (c) The details of statutory dues of Income tax and sales tax which has not been deposited on account of dispute are given below:

Nature of Statutory Dues	Forum where dispute is pending	Period to which amount relates	Amount
Income Tax Act,1961	Commissioner of Income Tax (Appeal)	A.Y.2003-04	Rs. 22,26,678/-
Income Tax Act,1961	Commissioner of Income Tax (Appeal)	A.Y.2004-05	Rs. 15,55,707/-
Income Tax Act,1961	Commissioner of Income Tax (Appeal)	A.Y.2005-06	Rs. 1,93,47,222/-
Income Tax Act,1961	Commissioner of Income Tax (Appeal)	A.Y.2006-07	Rs. 6,49,43,195/-
Income Tax Act,1961	Commissioner of Income Tax (Appeal)	A.Y.2007-08	Rs. 1,29,39,146/-
Income Tax Act,1961	Commissioner of Income Tax (Appeal)	A.Y.2008-09	Rs. 2,18,43,847/-

- x. There are no accumulated losses at the end of the period. The company has not incurred any cash losses during the current and the immediately preceding financial year.
- xi. The Company has been paying installments to the Banks and Financial Institutions. During the year, there have been delays in payments on certain occasions, which have been subsequently regularized.
- xii. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Societies are not applicable to the company.
- xiv. The company is not dealing in or trading in shares, securities, debentures and other investments.
- xv. The Company has not given any guarantee for loans taken by others from banks and financial institutions during the year except in respect of corporate guarantee given to the Banks and Financial Institutions as a promoter company for loan given to M/s.Balaji Tollways Limited in an earlier year. The terms and conditions at which guarantee is given by the company, in our opinion, are not prejudicial to the interest of the company.
- xvi. The term loans were applied for the purpose for which the loans were obtained.
- xvii. According to the cash flow statement and records examined by us, on overall basis, funds raised on short term basis have, prima facie, not been used during the period for long term investment and vice versa.
- xviii. The Company has not made any preferential allotment of Shares to the parties mentioned in the register under section 301 of the Companies Act, 1956.
- xix. The company has not raised any money by way of issue of debentures.
- xx. The company has not raised any money by way of public issue during the year.
- xxi. No fraud on or by the Company was noticed or reported during the period.

**For SURESH C. MANIAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn.No. 110663 W**

**PLACE : MUMBAI
DATED : 29th May,2010**

**K.V. SHETH
PARTNER
(M. NO. 30063)**

ATLANTA LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2010

(Amount in Rs.)

PARTICULARS	SCH.	As At 31/03/2010		As At 31/03/2009	
I SOURCE OF FUNDS					
SHAREHOLDERS' FUND					
a) Share Capital	1	188,000,000.00		188,000,000.00	
b) Reserves and Surplus	2	2,028,437,384.23		1,692,372,595.78	
		<u>2,216,437,384.23</u>		<u>1,880,372,595.78</u>	
LOAN FUNDS					
a) Secured Loans	3	1,970,009,019.02		1,788,533,300.33	
b) Unsecured Loans	4	241,801,780.50	2,211,810,799.52	290,317,636.50	2,078,850,936.83
			<u>136,924,750.49</u>		<u>137,245,274.16</u>
DEFERRED TAX LIABILITY (NET)					
TOTAL			<u><u>4,565,172,934.24</u></u>		<u><u>4,096,468,806.77</u></u>
II APPLICATION OF FUNDS					
FIXED ASSETS					
a) Gross Block	5	2,461,246,277.99		2,559,410,467.98	
b) Less: Depreciation		683,319,187.72		564,151,075.77	
c) Net Block			<u>1,777,927,090.27</u>		<u>1,995,259,392.21</u>
INVESTMENTS					
	6		1,254,146,706.48		922,371,567.47
CURRENT ASSETS, LOANS & ADVANCES					
a) Current Assets	7	2,038,464,779.51		2,018,150,464.17	
b) Loans and Advances	8	364,206,459.97		313,773,267.44	
			<u>2,402,671,239.48</u>		<u>2,331,923,731.61</u>
LESS:					
CURRENT LIABILITIES AND PROVISIONS					
a) Current Liabilities	9	755,142,220.42		1,065,670,668.95	
b) Provisions	10	114,429,881.57		87,415,215.57	
			<u>869,572,101.99</u>		<u>1,153,085,884.52</u>
NET CURRENT ASSETS			<u>1,533,099,137.49</u>		<u>1,178,837,847.09</u>
TOTAL			<u><u>4,565,172,934.24</u></u>		<u><u>4,096,468,806.77</u></u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS 18					

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR SURESH C. MANIAR & CO.

CHARTERED ACCOUNTANTS
Firm Regn. No. 110663 W

K. V. SHETH
PARTNER
(M No. 30063)

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

PLACE : MUMBAI
DATED : 29th May, 2010

PLACE : MUMBAI
DATED : 29th May, 2010

ATLANTA LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2010 (Amount in Rs.)

PARTICULARS	SCH.	2009-2010	2008-2009	
I INCOME				
Turnover	11	1,979,726,066.54		1,943,241,384.30
Other Income	12	20,836,672.04		25,498,284.08
Variation in Stock	13	13,253,500.00		43,598,000.00
TOTAL		2,013,816,238.58		2,012,337,668.38
II EXPENDITURE :				
Operating Expenses	14	901,687,466.26		1,132,350,177.11
Employees Emoluments and Benefits	15	62,515,322.08		56,758,517.93
Administrative Expenses	16	95,797,734.69		106,191,474.70
Interest and Finance Charges	17	296,576,451.97		326,045,480.49
Depreciation	5	140,897,282.80	144,575,763.96	
Less : Transferred to				
- Revaluation Reserve		1,187,981.18	1,187,981.18	143,387,782.78
Preliminary Expenses		-		3,911,071.00
TOTAL		1,496,286,276.62		1,768,644,504.01
III PROFIT BEFORE TAX		517,529,961.96		243,693,164.37
Less : Provision for Tax				
Current		104,000,000.00	28,500,000.00	
Deferred		(320,523.67)	18,591,251.00	
Fringe Benefit		-	1,500,000.00	
Prior Periods		1,326,066.00	1,409,435.23	50,000,686.23
IV NET PROFIT AFTER TAX		412,524,419.63		193,692,478.14
Add : Profit brought forward from Previous Year		205,022,744.98		209,379,305.84
V PROFIT AVAILABLE FOR APPROPRIATION		617,547,164.61		403,071,783.98
VI APPROPRIATIONS				
Proposed Dividend (2009-10)		22,550,000.00		22,550,000.00
Tax on Dividend (2009-10)		3,745,273.00		3,832,373.00
Proposed Dividend & Income Tax thereon Reversed (2008-09) (Refer Note 9 of Schedule No.18)		(19,070,185.00)		-
Transfer to Capital Redemption Reserve		11,666,666.00		11,666,666.00
Transfer to General Reserve		100,000,000.00		160,000,000.00
Balance carried to Balance Sheet		498,655,410.61		205,022,744.98
TOTAL		617,547,164.61		403,071,783.98
Basic & Diluted Earnings Per Share (Annulised)		24.86		11.43
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	18			

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR SURESH C. MANIAR & CO.

CHARTERED ACCOUNTANTS
Firm Regn. No. 110663 W

K. V. SHETH
PARTNER
(M No. 30063)

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

PLACE : MUMBAI
DATED : 29TH May, 2010

PLACE : MUMBAI
DATED : 29TH May, 2010

ATLANTA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2010 (Amount in Rs.)

SI.No. Particulars	2009-2010	2008-2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	517,529,962	243,693,164
Adjustment for :		
Depreciation	139,709,302	143,387,783
Interest Expenses	296,576,452	326,045,480
Dividend Income	(22,500)	-
Interest Income	(16,915,757)	(20,280,987)
Deferred Revenue Expenses Charged	-	3,911,071
Profit(-)/Loss(+) from Sale of Asset	(2,547,205)	(4,140,176)
Profit from Firms and Joint Venture	(1,351,210)	(182,121)
Provision for Gratuity	1,294,137	(244,375)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	934,273,181	692,189,840
Adjustment for :		
Trade and Other Receivables	176,949,242	(350,459,148)
Inventories	(71,005,708)	9,368,700
Trade and Other Payables	(335,118,460)	(38,057,414)
Other Current Assets	(48,807,287)	111,877,128
Other Current Liabilities	24,590,012	140,082,272
Increase in Joint Venture Capital	(30,699,429)	-
Gratuity Payments	(273,968)	(302,885)
CASH GENERATED FROM OPERATIONS	649,907,583	564,698,493
Income Tax Paid net of Refund	(86,556,657)	(146,935,118)
CASH FROM OPERATING ACTIVITIES	563,350,926	417,763,375
B. CASH FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings (Banks & Financial Institutions)	181,475,719	71,219,094
Proceeds from Long Term Borrowings (Contracting Authorities)	(68,293,637)	(115,471,456)
Proceeds from Short Term Borrowings (Net)	19,777,781	86,216,565
Dividend Paid	-	(23,060,347)
Interest Expenses	(296,576,452)	(326,045,480)
NET CASH USED IN FINANCIAL ACTIVITIES	(163,616,589)	(307,141,625)
C. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets/ Work-in-Progress	(34,374,511)	(103,866,489)
Sale proceed of Assets/Investments	36,921,303	5,819,941
Investments	(299,724,500)	72,723
Dividend Income	22,500	-
Interest Income	16,915,757	20,280,987
NET CASH FROM INVESTING ACTIVITIES	(280,239,451)	(77,692,837)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	119,494,886	32,928,913
Cash & Cash Equivalents at start of the year	134,969,175	102,040,262
Cash & Cash Equivalents at close of the year	254,464,061	134,969,175
Net Increase/(Decrease)	119,494,886	32,928,913

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR SURESH C. MANIAR & CO.

CHARTERED ACCOUNTANTS

Firm Regn. No. 110663 W

K. V. SHETH
PARTNER
(M No. 30063)

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

PLACE : MUMBAI

PLACE : MUMBAI

DATED : 29th May, 2010

DATED : 29th May, 2010

ATLANTA LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET

(Amount in Rs.)

PARTICULARS	As At 31/03/2010	As At 31/03/2009
SCHEDULE-1		
SHARE CAPITAL		
AUTHORISED		
2,00,00,000 (Previous year 2,00,00,000) Equity Shares of Rs. 10/- each	200,000,000.00	200,000,000.00
30,00,000 (Previous year 30,00,000) Preference Shares of Rs.10/- each	30,000,000.00	30,000,000.00
	230,000,000.00	230,000,000.00
ISSUED, SUBSCRIBED AND PAID UP		
1,63,00,000 (Previous year 1,63,00,000) Equity Shares of Rs.10/- each fully paid	163,000,000.00	163,000,000.00
25,00,000 (Previous year 25,00,000) 25% Cumulative Redeemable Non Convertible Preference Shares Rs.10/- each fully paid	25,000,000.00	25,000,000.00
TOTAL	188,000,000.00	188,000,000.00
Of the above		
1) 9800 (Previous year 9800) Equity Shares of Rs. 10/- were allotted pursuant to a contract for allotment of shares other than in cash.		
2) 27,68,810 (Previous year 27,68,810) Equity Shares of Rs.10/- each were allotted as fully paid up Bonus Shares by Capitalisation of General Reserve.		
3) 25,00,000 (Previous year 25,00,000) 25% Cumulative Redeemable Non Convertible Preference Shares Rs.10/- each fully paid are held by M/s.Ideal Toll Road Investment & operations Pvt.Ltd, a company in which Director of this company is Director .		
SCHEDULE-2		
RESERVES AND SURPLUS		
GENERAL RESERVE		
Balance as per last Balance-sheet	551,996,597.27	391,996,597.27
Add : Trsferred from Profit & Loss Account	100,000,000.00	160,000,000.00
	651,996,597.27	551,996,597.27
SECURITIES PREMIUM ACCOUNT		
Balance as per last Balance-sheet	709,980,577.00	709,980,577.00
REVALUATION RESERVES		
Balance as per last Balance-sheet	96,314,345.53	97,502,326.71
Less: Adjusted during the year	68,046,562.00	
(Refer Note 11 of Schedule No.18)	28,267,783.53	
Less : Depreciation on Revalued Assets	1,187,981.18	1,187,981.18
	27,079,802.35	96,314,345.53
CAPITAL REDEMPTION RESERVE		
Balance as per last Balance-sheet	43,333,331.00	31,666,665.00
Add:Transfer from Profit & Loss Account	11,666,666.00	11,666,666.00
	54,999,997.00	43,333,331.00
CAPITAL RESERVE		
Balance as per last Balance-sheet	85,725,000.00	85,725,000.00
PROFIT AND LOSS ACCOUNT BALANCE		
	498,655,410.61	205,022,744.98
TOTAL	2,028,437,384.23	1,692,372,595.78

ATLANTA LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET

(Amount in Rs.)

PARTICULARS	As At 31/03/2010	As At 31/03/2009
SCHEDULE-3		
SECURED LOANS		
Term Loan from Bank and Financial Institution	1,108,485,797.00	1,107,322,719.85
Equipments/Vehicles Finance Loans	16,423,671.51	93,981,762.00
Working Capital Borrowing from Banks	791,788,858.89	523,432,030.41
Bank Line of Credit Facility	53,310,691.62	63,796,788.07
TOTAL	1,970,009,019.02	1,788,533,300.33

NOTE

- 1) Term Loan from Allahabad Bank is secured by exclusive first charge by way of assignment of all the rights, title, interest and benefits whatsoever of the company relating to Mumbra project and securitization of entire toll receivable of Mumbra By-Pass through Escrow mechanism.
- 2) Equipment/Vehicles finance loans are secured by hypothecation of specific equipments/assets.
- 3) Working Capital Borrowing from banks is secured by all encumbered movable assets other than those specifically charged, office premises of the company along with furniture and fixture and hypothecation of stocks of raw materials, stores and spares and book-debts, both present & future and also guaranteed by the Directors.
- 4) Loan from Life Insurance Corporation of India is secured against the surrender value of keyman insurance policy of the Directors assigned in favour of company
- 5) Term Loan repayable within 12 months Rs. 2,007.58 Lacs (Previous year Rs.1,502.78 Lacs)

SCHEDULE-4

UNSECURED LOANS

Mobilisation Advance from Contracting Authorities (*)	67,801,780.50	136,095,417.50
Inter - Corporate Deposits	170,000,000.00	59,117,173.00
Short Term Deposits (**)	4,000,000.00	95,105,046.00
TOTAL	241,801,780.50	290,317,636.50

Note:

(*) Mobilisation advance includes Rs. 1,82,77,074/- (Previous year Rs.3,20,86,017/-) from Subsidiary Company

(**) (1) Short term deposit includes amount received from shareholders
Rs. 1,60,17,516/- (previous year Rs.1,37,98,969/-) amount repaid during
year Rs. 2,90,16,485/- (previous year Rs. 9,41,031/-)

(2) Short term deposit repayable within next 12 months Rs. 17,40,00,000/-
(previous year Rs.15,42,22,219/-)

ATLANTA LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET

SCHEDULE 5
FIXED ASSETS

(Amount in Rs.)

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT 01/04/2009	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31/03/2010	AS AT 01/04/2009	FOR THE YEAR	DEDUCTION	UPTO 31/03/2010	AS AT 31/03/2010	AS AT 31/03/2009
A.	INTANGIBLE ASSETS										
1	GOOD WILL	300,000.00	-	-	300,000.00	-	-	-	-	300,000.00	300,000.00
	TOTAL (A)	300,000.00	-	-	300,000.00	-	-	-	-	300,000.00	300,000.00
B.	TANGIBLE ASSETS										
1	LAND	78,892,617.00	-	76,435,432.00	2,457,185.00	-	-	-	-	2,457,185.00	78,892,617.00
2	BOT RIGHTS(MUMBRA BY-PASS)	1,422,698,231.60	-	-	1,422,698,231.60	105,414,018.49	84,858,584.15	-	190,272,602.63	1,232,425,628.97	1,317,284,213.11
3	TEMPORARY ERECTIONS AND STRUCTURES	48,019,347.07	-	-	48,019,347.07	45,618,379.71	(0.00)	-	45,618,379.71	2,400,967.36	2,400,967.36
4	BUILDINGS	33,287,416.42	-	-	33,287,416.42	5,575,516.07	744,547.32	-	6,320,063.39	26,967,353.03	27,711,900.35
5	PLANT AND MACHINERIES	525,596,250.50	34,188,616.00	19,195,904.00	537,588,962.50	145,627,009.31	23,774,233.00	1,993,481.48	167,407,760.83	370,181,201.67	376,969,241.19
6	EARTH MOVING MACHINERIES	266,689,871.40	-	19,046,565.00	247,643,306.40	130,892,568.06	21,647,610.07	4,303,981.32	148,236,196.81	99,407,109.59	135,797,303.34
7	VEHICLES	167,150,490.54	-	17,860,800.00	149,289,690.54	113,886,495.45	14,397,343.98	15,431,708.08	112,852,131.35	36,437,559.19	53,263,995.09
8	FURNITURE-FIXTURES AND OFFICE EQUIPMENTS	19,776,243.45	185,895.00	-	19,962,138.45	17,137,088.71	(4,525,035.72)	-	12,612,052.99	7,350,085.46	2,639,154.74
	TOTAL (B)	2,559,110,467.98	34,374,511.00	132,538,701.00	2,461,246,277.98	564,151,075.79	140,897,282.80	21,729,170.89	683,319,187.71	1,777,627,090.27	1,994,959,392.19
	GRAND TOTAL (A+B)	2,559,410,467.98	34,374,511.00	132,538,701.00	2,461,246,277.98	564,151,075.79	140,897,282.80	21,729,170.89	683,319,187.71	1,777,927,090.27	1,995,259,392.19
	PREVIOUS YEAR	2,462,767,648.48	103,866,488.50	7,223,669.00	2,559,410,467.98	420,911,818.86	144,575,763.97	1,336,507.04	564,151,075.79	1,995,259,392.21	2,041,855,829.64

ATLANTA LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET (Amount in Rs.)

As At 31/03/2010

As At 31/03/2009

SCHEDULE-6

INVESTMENTS

(Long Term, At cost)

i) Non-Trade (Unquoted)

(a) In Government Securities

- 7 year National Savings Cert.	85,200.00		85,200.00
- Kisan Vikas Patra	750,000.00		750,000.00
- Indira Vikas Patra	118,540.00	953,740.00	118,540.00
			953,740.00

(b) In Shares

- 2,000 (Previous year 2,000) Equity Shares of Shamrao Vithal Co-op. Bank Ltd. of face value of Rs.25/- each	50,000.00		50,000.00
- 50,000 (Previous year 50,000) Equity Shares of Janakalyan Sahakari Bank Ltd. of face value of Rs.10/- each	500,000.00		500,000.00
- 1,000 (Previous year 1,000) Equity Shares of The Janata Janakalyan Sahakari Bank Ltd. of face value of Rs.10/- each	100,000.00		100,000.00

ii) Trade (Unquoted)

- 1,18,34,870 (Previous year 17,000) Equity Shares of Balaji Toll Ways Ltd of face value of Rs.10/- each	590,988,700.00		590,988,700.00
- 3,153 (Previous year 3,153) Equity Shares of Atulraj Builders Pvt. Ltd. of face value of Rs.100/- each	315,300.00	591,954,000.00	315,300.00
			591,954,000.00

iii) Share Application money in Balaji Toll Ways Ltd

299,724,500.00

iv) Capital Account with Partnership Firms

353,851,878.48

v) Residential Flats

7,662,588.00

TOTAL

1,254,146,706.48

922,371,567.47

SCHEDULE-7

CURRENT ASSETS

Interest Accrued on Bank Deposits, N.S.C. & Indira Vikas Patra

1,657,908.01

3,283,814.01

Cash and Bank Balances

- Cash on hand (Not verified by the Auditors)	90,271,174.71		11,934,935.84
- Balances with Scheduled Banks :			
on current accounts	113,860,167.18		77,105,115.69
on fixed deposits	50,332,719.38		45,929,124.22
		254,464,061.27	134,969,175.75

Sundry Debtors

(Unsecured, considered good)

- Debts exceeding six months (*)	1,380,737,449.32		1,173,612,216.11
- Others	169,215,452.95		553,289,928.30
		1,549,952,902.27	1,726,902,144.41

Inventories (As valued & certified by the Management):

- Stock of Material (at cost)	164,959,500.00		151,706,000.00
Work-in-Progress (Real estate Project)	16,336,371.84		1,289,330.00
Expenditure on Contract including estimated Profits	51,094,036.12		-
TOTAL	2,038,464,779.51		2,018,150,464.17

* Debts includes Rs.81,97,62,960/- (Previous year Rs.81,98,12,960/-) recoverable from Joint Ventures

ATLANTA LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET (Amount in Rs.)

PARTICULARS	As At 31/03/2010	As At 31/03/2009
SCHEDULE-8		
LOANS AND ADVANCES		
(Unsecured, Considered Good unless otherwise stated)		
- Advances recoverable in cash or in kind for the value to be received (*)	180,503,140.88	145,979,927.35
- Advance to staff	41,628.00	81,196.00
- Deposits with Govt. Authorities	33,712,067.00	33,483,067.00
- Other Deposits and Retention Money	149,949,624.09	134,142,163.09
- Pre-Paid Expenses	-	86,914.00
TOTAL	364,206,459.97	313,773,267.44

* Advances recoverable in cash or in kind for the value to be received includes:

- 1) Amount due from Joint Ventures Rs. 8,92,76,713/- (Previous year Rs.8,84,49,664/-)
- 2) Amount due from Subsidiary company Rs.3,30,74,973/- (Previous year Rs. 3,30,74,973/)

SCHEDULE-9		
CURRENT LIABILITIES		
- Sundry Creditors	405,290,849.29	555,184,545.06
- Sundry Creditors for Capital Goods & Others	16,625,224.97	70,622,359.78
- Provision for Expenditure -(EPC Contract)	142,066,721.00	156,797,179.00
- Bank Overdraft as per cash book	444,559.72	40,539,244.03
- Rent and Security Deposits	179,400.00	179,400.00
- Other Current Liabilities (*)	190,412,134.44	125,720,831.44
- Unclaimed Dividend (No amount is due for payment to Investor Education & Protection Fund)	123,331.00	129,938.00
- Advance against progress billing	-	116,497,171.64
TOTAL	755,142,220.42	1,065,670,668.95

* Other Current Liabilities includes Rs.19,03,85,180/- (Previous year Rs.12,56,93,877/-) payable to Subsidiary Company

SCHEDULE-10		
PROVISIONS		
- Provision for Taxation (Net of Advance Tax)	392,683,434.00	290,483,434.00
- Less: Income Tax Payments	314,886,642.43	235,288,423.43
- Proposed Dividend	28,800,000.00	22,550,000.00
- Tax on Dividend	4,807,461.00	7,664,745.00
- Provision for Gratuity	3,025,629.00	2,005,460.00
TOTAL	114,429,881.57	87,415,215.57

ATLANTA LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF PROFIT AND LOSS ACCOUNT

(Amount in Rs.)

PARTICULARS	2009-2010	2008-2009
SCHEDULE-11		
TURNOVER		
Contract Revenue (Refer Note 6 of schedule 18)	1,606,116,286.96	1,600,843,177.30
Toll Income	373,609,779.58	342,398,207.00
TOTAL	<u>1,979,726,066.54</u>	<u>1,943,241,384.30</u>
SCHEDULE-12		
OTHER INCOME		
- Interest on N.S.C.,Indira Vikas Patra and Bank Deposits (Tax Deducted at Source Rs.4,95,097/- (Previous year Rs.11,44,901/-)	16,915,757.16	20,280,987.38
- Dividends	22,500.00	-
- Profit on Sale of Assets	2,547,204.87	4,140,176.06
- Sale of Scrap	-	895,000.00
- Share of Profit from Firms & Joint Venture	1,351,210.01	182,120.64
TOTAL	<u>20,836,672.04</u>	<u>25,498,284.08</u>
SCHEDULE-13		
VARIATION IN STOCK		
Stock of Material		
Closing Stock	164,959,500.00	151,706,000.00
Less : Opening Stock	151,706,000.00	108,108,000.00
TOTAL	<u>13,253,500.00</u>	<u>43,598,000.00</u>
SCHEDULE-14		
OPERATING EXPENSES		
Purchase of Material	438,035,996.50	469,137,934.24
Repairs & Maintenance	29,514,368.84	51,917,459.24
Labour Charges	14,971,478.71	19,205,188.00
Payment to Contractor's	366,739,722.55	392,375,656.79
Machinery Hire Charges	17,491,799.71	17,193,410.15
Electricity & Power Expenses	3,717,421.00	4,061,200.67
Tyre Expenses	2,446,340.00	2,889,148.24
Transport and Freight Charges	12,523,189.34	41,441,177.76
Lease Rent	3,598,393.00	3,326,337.00
Water Charges	2,898,852.50	1,468,707.00
Quarry Expenses and Royalty Charges	2,843,573.67	-
Laboratory and Material Testing Charges	7,215,401.00	2,509,029.00
Sales Tax	7,476,977.00	3,830,294.00
Doubtful Debts Written Off	-	206,941,388.94
Completed Projects Operative Expenses	6,944,410.44	18,316,118.58
Service Tax	-	11,277,383.00
	916,417,924.26	1,245,890,432.61
Expenditure on EPC Contract		
Provision for Expenditure	142,066,721.00	156,797,179.00
Less: Opening Balance	156,797,179.00	270,337,434.50
	(14,730,458.00)	(113,540,255.50)
TOTAL	<u>901,687,466.26</u>	<u>1,132,350,177.11</u>

PARTICULARS	2009-2010	2008-2009
SCHEDULE-15		
EMPLOYEES' EMOLUMENTS AND BENEFITS		
Salary and Bonus	50,935,221.38	50,470,531.93
Welfare Expenses	3,093,627.77	2,092,003.00
Director's Remuneration	5,267,332.93	2,263,151.00
Contribution to Provident & Other Funds	1,625,003.00	1,897,207.00
Gratuity	1,294,137.00	(244,375.00)
Director's Sitting Fees	300,000.00	280,000.00
TOTAL	<u>62,515,322.08</u>	<u>56,758,517.93</u>
SCHEDULE-16		
ADMINISTRATIVE EXPENSES		
Printing & Stationery	1,606,266.50	2,447,324.44
Professional Charges	11,720,697.23	8,940,966.00
Advertisement	1,741,488.00	1,383,329.00
Municipal & Water Taxes	878,407.00	198,613.00
Insurance Charges	7,171,120.80	4,448,633.00
Motor Car Expenses	470,461.00	350,038.50
Telephone & Postage Expenses	3,001,928.65	3,604,997.27
News Paper & Subscription	767,772.00	73,470.00
Documantation, Regd. and Processing Charges	5,924,790.00	5,068,516.00
Tender Fees	3,787,444.00	4,874,948.00
Sundry Expenses	2,018,799.09	5,411,103.81
Conveyance Expenses	4,710,548.01	3,047,286.43
Vehicle Taxes	1,464,156.00	1,573,079.00
Office Premises Rent	2,160,000.00	2,160,000.00
Travelling Expenses	6,715,824.23	6,228,192.69
Business Promotion Expenses	227,204.00	1,498,270.00
Security Expenses	5,111,874.81	4,816,623.00
Rates and Taxes	7,116,969.00	4,873,276.00
Completed Projects Adm.Expenses	684,292.00	4,948,990.13
Loss on Foreign Excahange Difference (Net)	27,966,192.37	39,692,318.43
Auditors Remuneration	551,500.00	551,500.00
TOTAL	<u>95,797,734.69</u>	<u>106,191,474.70</u>
SCHEDULE-17		
INTEREST AND FINANCE CHARGES		
Interest on Hire Purchase Credit & Mobilisation Advance	97,377,313.60	133,387,278.72
Interest on Working Capital Borrowing	151,721,152.91	137,291,827.50
Bank Gurantee and Other Charges	26,679,927.46	36,919,202.60
Discounting Charges	20,798,058.00	18,447,171.67
TOTAL	<u>296,576,451.97</u>	<u>326,045,480.49</u>

SCHEDULE - 18

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:

I. SIGNIFICANT ACCOUNTING POLICIES

The Significant Accounting Policies adopted by the company in respect of these financial statements are set out below:

1) Accounting Convention

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies' Act, 1956 on an accrual basis of accounting.

2) Fixed Assets and Depreciation

- i) All fixed assets are stated at cost less accumulated depreciation thereon. The cost comprises the purchase price and attributable cost of bringing the asset to its working condition for its intended use. Revalued assets are stated at the revalued amount.
- ii) Depreciation is provided on straight line method at the rates and method specified in Schedule XIV of the Companies Act 1956. Depreciation on the revalued component of the asset has been charged in the similar manner over the residual life of the assets and withdrawn from the revaluation reserve.

3) Capital Work-in-Progress

Projects under commissioning and other capital work-in-progress are carried at cost, comprising of direct cost, related incidental expenses, interest and other financing cost payable on funds specifically borrowed to the extent they relate to the period till assets are put to use.

4) Intangible Assets and Amortization

- i) Intangible assets are stated at cost of acquisition / development less accumulated amortization.
- ii) Cost of Toll Collection Right on Mumbra Bypass Road is amortized on straight line basis over the period for which the toll collection rights on the said road have been granted by the authorities.

5) Investments

All long-term investments are stated at cost.

6) Inventories

- a. Construction Materials are valued and stated at lower of cost or net realizable value.
- b. Work in progress (i.e. unbilled contract expenditure) on the construction contracts reflects value of material input and expenses incurred on the contracts including the estimated profits thereon after adjusting progress billing in the manner provided under Accounting Standard AS-7 (revised) on construction Contracts.

7) Revenue Recognition

The company follows the mercantile system of accounting and recognizes revenue / income, cost / expenditure on accrual basis except in the case of significant uncertainties. The principles of revenue recognition are given below:

- i) Income from Projects under Long Term Contracts is recognized on the Percentage of completion basis in the manner specified under Accounting Standard AS-7 (Revised) on Construction Contracts. As the long term contracts necessarily extend beyond one year, revision in the costs and revenues estimated during the course of contract are reflected in the accounting period in which the facts requiring revision become known.
- ii) Additional claim including escalations, which in the opinion of the management, are recoverable on the contract are recognized at the time of evaluating the job.
- iii) The determination of revenue under the Percentage of Completion Method necessarily involves making estimates

by the company which are of technical nature concerning, where relevant, the percentage of completion, costs to completion, the expected revenue from the projects and the losses, if any, to completion. Such estimates, made by the company, have been relied upon by the Auditors as these are of technical nature.

- iv) Revenue from other contracts is recognized based on billing schedules agreed with the clients on Progressive Completion basis.
- v) Revenue from toll collection is recognized on the receipt of toll from users of the concession facility.
- vi) Interest income is recognized on time proportion basis.
- vii) Dividend income is recorded when the right to receive the dividend is established.
- viii) Other revenues are accounted on accrual basis.

8) Turnover

- a) In respect of Engineering Procurement and Construction (EPC) contract, where the company is also responsible for designing and engineering in addition to procurement and construction, the percentage of completion and the turnover there from is based on physical proportion of contract work as per the certificate of the independent consulting engineer.
- b) In respect of other contracts and other project related activities, the turnover is recognized by applying Percentage of Completion method to the total contract cost, along with an estimated profit thereon. The percentage of completion is determined by applying the proportion of the cost incurred to date to the total estimated project cost.
- c) Turnover includes toll collection of BOT infrastructure project and mining.

9) Foreign Currency Transactions

Any income or expenses on account of foreign exchange derivative contract is recognized on settlement in the Profit & Loss account in the reporting period

10) Retirement Benefits

- a) Company's contribution to Provident Fund are made at predetermined rates to the appropriate authority and charged to Profit & Loss Account on accrual basis.
- b) Gratuity in respect of past and present services of the employees is being accounted for an accrual basis based on actuarial valuation.
- c) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred
- d) No provision has been made in respect of Leave Encashment, as the employees of the company are required to utilize their entitlement of earned leave before the end of the financial year.

11) Taxes on Income

Income tax expenses for the period comprises of current tax and deferred tax is included in determining the Net profit / (Loss) for the period.

Current Tax provision has been determined on the basis of relief, deductions, etc. available under the Income Tax Act.

Deferred Tax is recognized for all timing differences between taxable income and the accounting income, which originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws enacted or substantively enacted as of the Balance Sheet date.

12) Earning per Share

The company reports basic and diluted Earning Per Share (EPS) in accordance with Accounting Standard 20 on Earning Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding

during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares.

13) Impairment of Assets

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

14) Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in the Accounting Standard – 3 on Cash Flow Statement and presents the cash flows by operating, investing and financing activities of the company. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and balance with banks.

15) Contingent Liabilities

Contingent liabilities are reflected as notes to accounts

II. NOTES TO ACCOUNTS

(1) Contingent liabilities not provided for:

- a) Guarantees given by the banks on behalf of the Company Rs 61,51,09,603/- (Previous year Rs. 47,00,90,932/-).
 - b) Unexpired Letters of Credit Rs.11,89,63,277/- (Previous year Rs. 25,06,25,503/-)
 - c) Corporate guarantee given to Bank and Financial Institution on behalf of group company (M/s. Balaji Toll Ways Ltd) amounting to Rs.1,50,00,00,000/- (Previous year 1,10,00,00,000) against term loan availed by the them.
 - d) Disputed Income Tax demand for which appeal is pending before Appellate Authority Rs. 12,28,55,795/- (Previous year Rs.13,26,066/-)
- (2) 7 years National Saving Certificates and Kisan Vikas Patra of the face value of Rs. 8,35,200/- (Previous year Rs. 8,35,200/-) have been lodged as security with Municipal Corporation, Mumbai.
 - (3) In the opinion of the Management, the current assets, Loans and Advances and Current Liabilities are approximately stated if realized in the ordinary course of business. The balances of debtors, creditors and Loans & Advances are subject to confirmation and reconciliation, if any. The provisions for all other liabilities is adequate and not in excess of the amount reasonably necessary.
 - (4) Amount paid as Compensation for short-term loans availed by the company are treated as discounting charges by the company and has been merged with interest and financial charges.
 - (5) The company, following the principle of prudence, conservatism and matching principle of cost and revenue in an EPC contract for Engineering, Designing, Procuring and Construction of road project in Nagpur provides for expenditure on such contract so that profit from the contract is accrued proportionately in relation to the physical progress of the work throughout the contract. In view thereof, in this account an amount of Rs.1,47,30,458.00 (net of last year's provision of Rs. 11,35,40,255.50 has been adjusted in the Operating expenses.
 - (6) In the matter of Arbitration proceedings in respect of difference and dispute arising out of contract of construction of " Arterial and Sub Arterial Roads" at Bangalore, the Arbitrator had made an award on 22-03-2003 in favor of the company against which the contracting authority preferred an appeal before the City Civil Court Bangalore. The Honorable City Civil Court Bangalore directed the contracting authority to pay the amount of Rs. 30.16 Crores. The contract revenue for the year includes an amount of Rs.9.59 crores on the basis of above order.
 - (7) The Government of Maharashtra, Public Works Department (PWD) vide agreement dated 18.10.2000 originally awarded a contract of construction of Mumbra – Kausha By-pass Project on NH – 4, Mumbai Pune Road on Built, Operate & Transfer (BOT) basis for

a concession period of 6 years and 9 months (including construction period).

Subsequently, due to change in the scope of work, a supplementary agreement dated 11.5.2005 was entered which increased the concession period to 10 years, 4 months and 25 days.

The Government of Maharashtra vide Notification dated 27.12.2007 authorised the company to collect the toll from the vehicles passing through the said road effective from 28.12.2007 to 11.9.2010 as per the supplementary agreement.

However, the company made a representation before the Contracting Authority for enhancement of the concession period for various reasons including change in scope of work. Based on such representations, the PWD has recommended to the concerned Authority the enhancement of concession period from 10 years, 4 months and 25 days to 24 years, 1 months and 17 days.

In the year under review the company referred the matter before the Arbitral Tribunal to resolve the issue. In the mean time the Government of Maharashtra issued an interim Notification extending the concession period from 11-09-2010 to 21-09-2014. Considering the interim Notification and recommendation of the Chief Engineer (PWD), Mumbai Region and also relying upon the legal opinion of a counsel, the management is reasonably certain about the enhancement of concession period as stated above. In view of this, the toll collection rights are amortized in the manner whereby the total cost of the project i.e. Rs.142.27 crores is written off over the proposed enhanced concession period of 24 years, 1 months and 17 days. The company, therefore, amortized the toll collection rights at Rs.8.49 crores, as against the amortization of Rs.21.18 crores based on the concession period notified by the Government of Maharashtra.

- (8) In pursuance on announcement dated March,29,2008 of the Institute of Chartered Accountants of India on Accounting of Derivatives, Mark to Market Loss on outstanding derivative instruments as on March,31,2010 stood at Rs. 7,88,94,340/- in respect of Rupee Foreign Currency Swap Transaction. The company does not hold or issue derivative financial instruments for trading or speculative purpose and all the derivatives entered in to by the company are to mitigate or offset the risk that arise from their normal business activities only. Pending the quantification of actual loss or gain on the expiry of derivative contract with the authorized dealer the company has not provided for the Mark to Market Losses in the interim period.
- (9) In the 26th Annual General Meeting of the company held on 30th September,2009, the Shareholders did not approve the dividend proposed by Board of Directors for the financial year 2008-09 amounting to Rs. 1.63 crores. Hence, in the accounts for the year under review, the proposed dividend and Dividend Tax there on aggregating to Rs. 1.90 crores has been reversed and credited back to Profit and Loss Appropriation Account.
- (10) The company had based on valuation made by approved valuers revalued some of its fixed assets in the various accounting years. The resultant appreciation aggregated to Rs. 3,99,90,973/- has been added to the Gross Block of the Fixed Assets and credited to the Revaluation Reserve as per details given below:

Year Ended	Particulars of Fixed Assets	Original Cost	Revalued Cost	Difference added to Fixed Assets
31/03/2000	Office Premises	53,92,627	2,82,00,000	2,28,07,373
31/03/2000	Plant & Machinery	3,16,400	1,75,00,000	1,71,83,600
Total		57,09,027	4,57,00,000	3,99,90,973

Consequent to revaluation, the appreciated proportion of Fixed Assets has been depreciated at the rates applicable to the respective assets under the straight-line method of depreciation. In the year under consideration the company decided the commercial development of plot of land situated at Shil Village, Thane, and accordingly the said land has been transferred at a cost price to capital work in progress after adjusting the revalued amount.

(11) Deferred Tax

- a) In compliance with Accounting Standard – 22 (AS – 22) on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India in respect of the deferred tax liability arising on account of timing difference for the current financial year, a sum of Rs. (3,20,524/-) has been accounted as deferred tax asset.
- b) The major components of Deferred tax balances are as under :

	UPTO 31/03/2009	DURING THE YEAR	UPTO 31/03/2010
Deferred Tax liability :			
Difference between accounting and tax depreciation/ amortization (Cumulative)	13,97,09,492	(20,20,024)	13,76,89,468
Total (A)	13,97,09,492	(20,20,024)	13,76,89,468
Deferred Tax Asset:			
Disallowance of Gratuity Payable	(7,64,719)	(2,63,692)	(10,28,411)
Other Disallowances	(16,99,500)	19,63,193	2,63,693
Total (B)	(24,64,219)	16,99,501	(7,64,719)
Net Deferred Tax Liability (A-B)	13,72,45,273	(3,20,524)	13,69,24,749

- (12) Disclosure in accordance with Accounting Standard AS-7 (Revised) in respect of contracts entered into by the company:

	(Rs. in Lakhs)	
	2009-2010	2008-2009
Turnover	9,790.16	7,354.86
Expenditure	7,519.24	5,748.11
Profit/(Loss) recognized	2,270.92	1,606.75
Advances received	8,603.43	24,220.87
Gross Amount due from customers for contract work	(489.18)	(1,046.20)
Retention Money	305.33	130.36

- (13) Income-tax assessments have been completed up to assessment year 2008-09 (31st March, 2008)

- (14) Disclosure as per Accounting Standard -15 (Revised)

a) Defined Contribution Plan

The Company has recognized, in the Profit and Loss Account for the year ended 31st March, 2009, contribution to provident fund amounting to Rs. 13,16,728/- as expenses under defined contribution plan under the head "Contribution to Provident and Other Funds" in schedule - 15 – employees Emoluments and Benefits.

b) Defined Benefit Plan – Gratuity (Wholly unfunded)

i) Assumptions	31-03-2010	31-03-2009
Discount Rate	7.75%	7.75%
Rate of Return on Plan	7.75%	7.75%
Salary Escalation	5.00%	5.00%
Withdrawals Rates	1.00% at each age	1.00% at each age
Mortality Rate	LIC (94-96) Ultimate	LIC (94-96) Ultimate
Benefits	As per Gratuity Act.	As per Gratuity Act
ii) Table showing change in the benefit in present value of obligation	31-03-2010	31-03-2009
Liability at the Beginning of the Year	20,05,460/-	25,52,720/-
Interest Cost	1,55,423/-	2,09,323/-
Current Service Cost	4,44,830/-	8,21,008/-
Benefits Paid	(2,73,968)	(-)
Actuarial (Gain)/Loss on obligation	(2,27,412)	(15,77,591)
Liability at the end of the Year	30,25,629/-	20,05,460/-

iii) The amount to be recognized in the Balance Sheet

Present Value of obligations as at the end of the year	Rs.30,25,629/-	Rs.20,05,460/-
Fair Value of Plan Asset as at the end of the year	Rs. Nil	Rs. Nil
Net Asset (Liability) recognized in Balance Sheet	Rs.30,25,629/-	Rs.20,05,460/-

iv) Expenses recognized in Statement of Profit and Loss

Interest Cost	Rs.1,55,423/-	Rs.2,09,323/-
Current Service Cost	Rs.4,44,830/-	Rs.8,21,008/-
Expected Return on Plan Asset	Rs. Nil	Rs. Nil
Net actuarial (Gain)/Loss recogd.	Rs.(2,27,412/-)	Rs (15,77,591)
Expenses recognized in the statement of Profit and Loss	Rs.12,94,137/-	Rs.(5,47,260)

v) Valuation Method : Projected Unit Credit Method

Note: The above disclosure is made to the extent of information given by the actuaries.

- (15) Details of Investment in Partnership firm:

The Company is a partner in a partnership firm, the details of which are given below:

Sr. No.	Name of the Firm	Particulars of partners	Profit Sharing Ratio	Loss Sharing Ratio
1	Atlanta Thakural Constructions	Atlanta Limited	51.00%	51.00%
		Mr.Kishore P.Thakural	39.00%	39.00%
		Mr.Jay K.Thakural	10.00%	10.00%
2	ABT Developers	Atlanta Limited	51.00%	51.00%
		Mr.Kishore P.Thakural	24.50%	24.50%
		Bharat Infrastructure & Engineering Ltd	24.50%	24.50%
3	Shrenath Builders	Atlanta Limited	51.00%	51.00%
		M/s. Dev Land & Housing Pvt. Ltd	25.00%	25.00%
		Mr. Mukesh C.Mehta	6.00%	6.00%
		Mr.Sandeep Mehta	6.00%	6.00%
		Mr.Rishabh Chand Daga	6.00%	6.00%
		Mr.Sanjay Surana	6.00%	6.00%

(16) Managerial Remuneration

Managerial Remuneration paid to Managing Director and Whole Time Directors for the year is as under:

	2009-2010	2008-2009
Salaries	52,67,333	22,63,151
Contribution to Funds	28,080	28,080
Director's Setting Fees	3,00,000	2,80,000

Note: As there is no commission payable to the directors, the computation of profit under section 198 and 350 of the companies Act,1956 has not been disclosed.

(17) Segment Information

The company is engaged in the business of contracting activities i.e. construction and development of infrastructure. The entire operations are governed by the same set of risk and rewards and therefore the same has been considered as representing single primary business segment. The company operates with in a single geographical segment i.e. India. In view of this, the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India are not applicable.

- (18) There was no impairment Loss on fixed assets on the basis of review carried out by the Management in accordance with the Accounting Standard – 28 "Impairment of Assets" issued by the Institute of Chartered Accountants of India

(19) Auditors' Remuneration

	2009-2010	2008-2009
Audit Fees	2,60,000	2,60,000
Tax Audit Fees	1,00,000	1,00,000
Taxation matters	65,000	65,000
Other Services	75,000	75,000
Service Tax	51,500	51,500
Total Rupees	5,51,500	5,51,500

- (20) Since the principle business of the company is construction activities, additional information pursuant to the provisions of paragraphs 3 & 4 of Part II of Schedule IV of the Companies Act 1956 are given below to the extent applicable:

Expenditure in Foreign Currencies

On Capital Goods	Nil	2,10,74,199/-
On Raw Material	Nil	Nil
On Spares	Nil	Nil
On Traveling	Nil	Nil

- (21) The company has not received any intimation from the suppliers regarding the status as per the provisions of Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure if any, relating to the amounts unpaid as at the year end tighter with interest paid/payable under the said act could not be furnished.

(22) Earning Per Share:

	31/03/2010	31/03/2009
a) Calculation of Weighted average number of equity shares		
Face Value of the shares	Rs.10/-	Rs.10/-
No. of equity shares	1,63,00,000	1,63,00,000
Weighted Average No. of equity shares	1,63,00,000	1,63,00,000
b) Net profit for the year available to Equity Share holders (after prior period adjustments)	41,25,24,420	18,63,80,291
c) Basic and diluted earnings per share (Annualized) Note: In calculating diluted earning per share, the effect of dilution of convertible warrants has not been considered since the warrant holders have not exercised their option of conversion of warrants in equity shares within the stipulated time limit	24.86	11.43

(23) Related Party Disclosures:

As per the Accounting standard – 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard for the period ended 31st March, 2010 is given below:

A) List of Related Parties

- **Key Management Personnel and Their Relatives**

Rajhoo Bbarot
Bhavana Bbarot
Rikiin Bbarot
Rekha A.Barot
Ambalal P.Barot
Ridhima M.Doshi
Mitul M.Doshi
Rajendra Barot HUF
Ambalal P. Barot HUF
G. Radhakrishnan

- **Associates and Joint Ventures**

Prakash-Atlanta Joint Venture
Gammon-Atlanta Joint Venture
AAP Construction Company
Balaji Toll Ways Ltd.
ABT Developers
Atlanta Thakural Constructions
Shreenath Builders

- **Enterprises over which key Management Personnel is able to exercise significant influence.**

Atulraj Builders Pvt. Ltd
Shrikant Studio Pvt.Ltd
Ideal Toll Road Investments & Operations Pvt. Ltd.

(As identified and certified by the Management and relied upon by the auditors. For details of transactions entered into with the related parties refer Annexure – 1)

- (24) Previous year's figures have been regrouped and rearranged whenever necessary.

SIGNATORIES TO SCHEDULE 1 TO 18

AS PER OUR REPORT OF EVEN DATE
FOR SURESH C. MANIAR & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. 110663 W

FOR AND ON BEHALF OF THE BOARD

K. V. SHETH
PARTNER
(M No. 30063)

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

PLACE : MUMBAI
DATED : 29th May, 2010

PLACE : MUMBAI
DATED : 29th May, 2010

RELATED PARTIES TRANSACTIONS

(Rs. in Lakhs)

Nature of Transaction	Key Management Personnel		Associates & Joint Ventures		Relative of Key Management Personnel		Enterprises over which Key management personnel exercise significant influence		Total	
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
Contract Receipts	-	-	7,248.83	5,029.13	-	-	-	-	7,248.83	5,029.13
Mobilisation Advance Received	-	-	-	-	-	-	-	-	-	-
Mobilisation Adv.paid/adjusted	-	-	138.09	647.83	-	-	-	-	138.09	647.83
Loans/deposits given	-	-	-	-	-	-	-	-	-	-
Loans/deposits recovery	-	-	-	-	-	-	-	-	-	-
Loans taken	50.00	74.65	-	-	104.00	64.30	-	150.00	154.00	288.95
Loans repaid	125.79	0.36	-	-	166.20	9.05	150.00	43.50	441.99	52.91
Managerial Remuneration & Directors Sitting Fees	55.67	25.43	-	-	-	-	-	-	55.67	25.43
Salary	-	-	-	-	7.42	1.20	-	-	7.42	1.20
Rent Expenses	14.40	14.40	-	-	7.20	7.20	-	-	21.60	21.60
Interest Expenses	12.20	-	-	0.91	13.33	-	-	6.04	25.53	6.95
Equity Shares Issued / (Including premium)	-	-	-	-	-	-	-	-	-	-
Preference Shares Issued/ (Including premium)	-	-	-	-	-	-	-	-	-	-
Application Money for issue of Shares	-	-	-	-	-	-	2,997.25	-	2,997.25	-
Dividend on Equity share	-	67.79	-	-	-	47.21	-	-	-	115.00
Dividend on Preference share	-	-	-	-	-	-	62.50	62.50	62.50	62.50
Firms Current Account Contribution/(withdrawals)	-	-	220.38	185.49	-	-	-	-	220.38	185.49
Joint Venture Current Account Contribution/ (withdrawals)	-	-	8.27	16.39	-	-	-	-	8.27	16.39
Interest Income	-	-	107.59	130.24	-	-	-	-	107.59	130.24
Received against contract (Progress billing)	-	-	4,722.00	4,887.66	-	-	-	-	4,722.00	4,887.66
Profit on Sale of Investments	-	-	-	-	-	-	-	48.95	-	48.95
Recd.against Sale of Investments	-	-	-	-	-	-	-	129.95	-	129.95
Profit from Firm	-	-	13.51	-	-	-	-	-	13.51	-
Outstanding balances as on 31.03.2010	-	-	-	-	-	-	-	-	-	-
Mobilisation Advance	-	-	237.55	375.64	-	-	-	-	237.55	375.64
Receivables/ as debtors/ advances	-	-	8,262.93	8,216.06	-	-	-	-	8,262.93	8,216.06
Adv.Recd.against Bills	-	-	1,903.85	926.19	-	-	-	1,903.85	926.19	-
Capital Balance Partnership Firms/Joint Venture	-	-	23.44	9.93	-	-	-	-	23.44	9.93
Current Account Balance Partnership Firms/ Joint Venture	-	-	4,380.94	4,092.31	-	-	-	-	4,380.94	4,092.31
Loans/deposit given	720.50	720.50	-	-	75.00	75.00	-	-	795.50	795.50
Loans/deposit taken	-	75.79	-	-	-	62.20	-	207.56	-	345.55
Unpaid dividend	-	-	-	-	-	-	-	-	-	-
Equity Share Capital (Excluding premium)	-	-	-	-	-	-	-	-	-	-
Application Money for issue of Convertible Warrants (Including premium)	-	-	-	-	-	-	-	-	-	-
Preference Share Capital (Excluding premium)	-	-	-	-	-	-	250.00	250.00	250.00	250.00
Investment in Equity Share Capital	-	-	5,913.04	5,913.04	-	-	-	-	5,913.04	5,913.04
Investment -Share Application	-	-	2,997.24	-	-	-	-	-	2,997.24	-
Trade Creditors	43.08	14.20	-	-	-	-	-	-	43.08	14.20

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANY**

Name of Subsidiary Company	Balaji Tollways Limited
(A) The Financial year of the Subsidiary Company	31st March, 2010
(B) Shares of the subsidiary held by the Company on the above date	
(a) Number of Shares	1,18,34,870
(b) Extent of Holding	99.74%
(C) The net aggregate of profit/loss of the subsidiary company so far as its concerns the members of the Company	
(a) Not dealt within the account of the Company for the year ended 31 st March, 2009 amounted to:-	
(I) for the financial years ended as in (A) above;	(27,48,606)
(II) for the previous financial year of subsidiary since they became the subsidiary of the Company:	(62,768)
(b) Dealt within the account of the Company for the year ended 31 st March, 2009 amounted to:-	
(I) for the financial years ended as in (A) above;	NIL
(II) for the previous financial year of subsidiary since they became the subsidiary of the Company:	N.A
(D) As the financial year of the Company coincide with the financial year of the holding company, Section 212 (5) of the Companies Act, 1956	N.A.

FOR AND ON BEHALF OF THE BOARD

MANAGING DIRECTOR

DIRECTOR

PLACE : MUMBAI

DATED : 29th MAY, 2010

DIRECTORS' REPORT

To
The Members
BALAJI TOLL WAYS LIMITED

The Directors are presenting the Fifth Directors' Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS:

Particulars	(Amt. in Rs.)	
	2009-2010	2008-2009
Gross value of work executed	13,66,852	5,52,40,693
Other Income	1,93,470	7,98,474
Profit/ (loss) before Taxation	(20,36,403)	(9,16,219)
Provision for Taxation	7,19,432	9,39,500
Profit/ (loss) after taxation	(27,55,836)	(18,55,719)
Add: Balance brought forward	(37,33,965)	(18,78,246)
Balance carried to Balance Sheet	(64,89,801)	(37,33,965)

OPERATIONS:

The Company has made a net loss of Rs. 27,55,836 for the year ended on 31st March, 2010 as against net loss of Rs. 18,55,719 for the year ended 31st March, 2009.

CAPITAL STRUCTURE:

The Authorised Share capital of Company is proposed to increased from 1,18,66,000 Equity Shares of Rs.10 each to 2,30,00,000 Equity Shares of Rs.10 each ranking pari-passu with the existing shares of the Company.

DIVIDEND:

Your Directors have not recommended any dividend on Equity Shares for the year under review.

MATERIAL CHANGES AND COMMITMENTS:

There have been no such changes or commitments affecting the financial position of the Company from the end of the financial year 2009-2010, till date of this report as may be deemed to be material enough to affect the financial position of the Company, otherwise than in the normal course of business.

DIRECTORS:

Pursuant to the provisions of Section 260 of the Companies Act, 1956 Mr. Rikiin Bbarot was appointed as Additional Director on the Board with effect from 10th December 2010. He shall hold office upto the date of the ensuing Annual General Meeting of the Company. The Company has received a notice in writing under Section 257 of the Companies Act, 1956 from a member proposing the candidature of Mr. Rikiin Bbarot for the office of the Director, liable to retire by rotation.

In terms of the provisions of Sections 255 and 256 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Rajhoo Bbarot retires at the ensuing Annual General Meeting.

AUDITORS:

M/s Natavarlal Vepari & Company, Chartered Accountants, Mumbai, statutory auditors of the Company holds office until the conclusion of the ensuing annual general meeting. The Company has received a

letter from M/s Natavarlal Vepari & Company, Chartered Accountants, to the effect that their reappointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956.

AUDITORS REPORT:

The observation made in the Auditors' Report are self-explanatory and therefore do not call for further comments under Section 217 of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES:

There were no employees during the year or part of the year drawing remuneration which falls within the purview of the provisions of Section 217(2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

Provisions of 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 in relation to conservation of energy and Technology Absorption are currently not applicable to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the Company had no foreign exchange earnings and outgo.

FIXED DEPOSITS:

The Company has not invited/accepted/renewed any fixed deposits as per the provisions of Section 58A of the Companies Act, 1956 from the public during the year.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors' subscribes to the "Directors' Responsibility Statement" and confirm as under:-

- (1) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with the proper explanation relating to material departure.
- (2) That the Directors' had 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 end of the financial year and of the profit of the Company for that period;
- (3) That the Directors had taken proper and sufficient care, for the maintenance of adequate accounting records in accordance with the provisions of this Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (4) That the Directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT:

The Board of Directors expresses their deep gratitude for the co-operation and support extended to your Company by its customers, suppliers, Bankers and various Government agencies. Your Directors also place on record the commitment and involvement of the employees at all levels and looks forward for their continued co-operation.

**For and on behalf of Board of Directors,
For BALAJI TOLL WAYS LIMITED**

(Director)

(Director)

Date: 14th August, 2010

Place: Mumbai

AUDITORS' REPORT

To
The Members of
Balaji Toll Ways Limited

1. We have audited the attached Balance Sheet of **Balaji Toll Ways Limited** as at 31 March, 2010, the Profit and Loss account and the cash flow statement for the year ended on that date annexed thereto. Those financial statements are the responsibility of company's management. Our responsibility is to express an opinion on these financial statement based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform 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 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 hereto a statement on the matters specified in the paragraphs 4 and 5 of the said order, to the extent applicable.
4. Further to our comments in the Annexure referred to above, we report that: -
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii) In our opinion, proper books of account as required by the law have been kept by the company, so far as appears from our examination of such books.
 - iii) The Balance Sheet, Profit & 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 & 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 representation received from the directors as on 31st March, 2010 and taken on records by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the accounts read with and subject to the notes thereon give the information required by the Companies Act, 1956 in the manner required and give a true and fair view.
 - a) In the case of Balance Sheet of the state of affairs of the company as at the 31st March, 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 the Cash Flow Statement of the cash flows for the year ended on that date.

**For NATVARLAL VEPARI & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 106971W**

**Rajesh Neelakantan
(Partner)
M. No. 109528**

Place: Mumbai,
Dated: 29th May, 2010

ANNEXURE TO THE AUDITORS' REPORT

Referred to in Paragraph 3 of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The Fixed Assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
(c) There was no substantial disposal of fixed asset during the year.
- ii. The company is not a manufacturing company hence sub clause (ii), (viii) of Para 4A of the order does not apply.
- iii. The company had in the past taken interest free loan from one of the its Directors who has ceased to be a director as at the year end. The year end outstanding and the maximum outstanding during the year was Rs. 6,50,000/-. The company has not granted any loans secured and unsecured to companies firm or other parties listed in the registered maintained under section 301 of the Companies Act, 1956.
- iv. In our opinion and according to the information and explanation given to us the internal control procedure required to be strengthened to make them commensurate with the size of the company and the nature of the business for the purchase of fixed asset and materials. We have not come across any continuing failure to correct major weaknesses in internal control.
- v. (a) In our opinion and according to information and explanation given to us the transaction that needs to be entered into a registered in pursuant of section 301 of the act have been properly entered.
(b) In our opinion and according to information and explanation given to us, the transaction made in pursuant of such contracts or arrangements and exceeding the value of Rs. Five lakhs in respect of a party during the year, due to special nature, for which alternative quotations are not possible, commenting on the reasonableness of such prices having regards to the prevailing market price is not feasible.

- vi. The company has not accepted deposit from the public, and consequently the directives issued by the Reserve Bank of India and the provision of section 58A and 58AA of the act and the rules framed there under are not applicable.
- vii. In our opinion the company has an internal audit system commensurate with the size of the company and the nature of its business.
- viii. We are informed that the company is not required to maintain cost records u/s 209 (1)(d) of the Companies Act, 1956.
- ix. (a) The Company is not regular in depositing statutory dues with the appropriate authorities and there are delays in depositing the statutory dues on many occasions. There are however no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date become payable.
(b) There are no disputed liabilities relating to income Tax at the year end.
- x. Since the company has not completed five years clause (x) of Para 4 of the order is not applicable.
- xi. In our opinion and according to information and explanation given to us by the management the company had not defaulted in repayment of dues to a financial institutions or bank or debenture holders.
- xii. The company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The company is not a nidhi/ mutual benefit fund/ society and accordingly clause (xiii) is not applicable.
- xiv. According to the information and explanation given to us the company is not dealing or trading in shares, securities or debentures and other investments.
- xv. According to the information and explanation the company has not given the guarantee for the loans taken by the others. Accordingly clause (xv) of the Companies (Auditors' Report) order, 2003 is not applicable.
- xvi. The term loans taken during the year have been 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 short term funds are used for long term purposes.
- xviii. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the act. Accordingly clause (xviii) of the companies (Auditors Report) Order, 2003 is not applicable. However the company has received share application money from one of the shareholders as promoters contribution in terms of the financing arrangements with the bankers which is pending allotment. The terms at which these shares would be issued has not been finalized and hence cannot be commented upon.
- xix. Since the company has not issued any debentures Para (xix) of the companies (Auditors Report) Order, 2003 is not applicable
- xx. The company has not raised any money by public issue and accordingly clause (xx) of the Companies (Auditors Report) Order, 2003 is not applicable.
- xxi. Based on the audit procedure performed and the information and explanation given by the management we report that no fraud on or by the company has been noticed or reported during the year.

**For NATVARLAL VEPARI & CO.
CHARTERED ACCOUNTANTS
Firm Registration No. 106971W**

Place: Mumbai,
Dated: 29th May, 2010

**Rajesh Neelakantan
(Partner)
M. No. 109528**

BALAJI TOLL WAYS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2010

(Amount in Rs.)

PARTICULARS	SCH.	As At 31st March 2010	As At 31st March 2009
		Rs.	Rs.
SOURCE OF FUNDS			
SHAREHOLDERS' FUND			
a) Share Capital	1	118,660,000	118,660,000
b) Share Application Money Pending Allotment		299,724,500	-
c) Reserves and Surplus	2	1,009,440,000	886,140,000
		1,427,824,500	1,004,800,000
LOAN FUNDS			
a) Secured Loans	3	1,280,867,374	1,044,545,416
b) Unsecured Loans	4	650,000	650,000
Deferred Tax Liability		2,856,432	2,137,000
TOTAL		2,712,198,306	2,052,132,416
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	5	33,766,473	33,766,473
Less:- Depreciation		4,402,178	2,819,846
Net Block		29,364,295	30,946,627
Capital Work-In-Progress	6	2,504,219,517	1,932,937,740
INVESTMENT	7	1,000,000	500,000
CURRENT ASSETS, LOANS & ADVANCES			
Accrued Interest		-	86,224
Cash & Bank Balances	8	2,724,774	41,525,138
Sundry Debtors		159,268	47,686,222
Loans and Advances	9	216,906,100	163,933,964
Total		219,790,142	253,231,549
LESS: CURRENT LIABILITIES AND PROVISIONS			
a) Current Liabilities	10	48,162,950	168,714,966
b) Provisions	11	502,500	502,500
		48,665,450	169,217,466
NET CURRENT ASSETS		171,124,693	84,014,083
PROFIT AND LOSS ACCOUNT (DEBIT BAL.)		6,489,801	3,733,965
TOTAL		2,712,198,306	2,052,132,416
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS			
	13		

AS PER OUR REPORT OF EVEN DATE
FOR NATVARLAL VEPARI & CO.
 CHARTERED ACCOUNTANTS
 Firm Registration No 106971W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Rajesh Neelakantan
 PARTNER
 M. No. 109528

DIRECTOR

DIRECTOR

PLACE : MUMBAI
 DATED : 29th May, 2010

PLACE : MUMBAI
 DATED : 29th May, 2010

BALAJI TOLL WAYS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2010 (Amount in Rs.)

PARTICULARS	SCH.	2009-10 (Rs.)	2008-09 (Rs.)
INCOME			
Income from Utility Shifting Contract		1,366,852	7,713,739
(Tax deducted at source of 9,77,879/- Previous year Rs.1,54,274/-)			
Income from Repairs and Maintenance		-	47,526,954
Other Income	12	193,470	798,474
TOTAL		<u>1,560,322</u>	<u>56,039,167</u>
EXPENDITURE			
Utility Shifting Expenses		1,366,852	7,713,739
Repairs And Maintenance Expenses		-	47,526,954
Salary Expenses		360,000	-
Professional and Legal Charges		101,971	-
Internal Auditors' Remuneration		52,575	22,060
Remuneration to Auditors		132,995	110,300
Depreciation Charges	5	1,582,333	1,582,333
TOTAL		<u>3,596,726</u>	<u>56,955,386</u>
PROFIT/(LOSS) BEFORE TAXATION		<u>(2,036,403)</u>	<u>(916,219)</u>
Less : Provision for Taxation		-	-
Current Tax		-	-
Fringe Benefit Tax		-	2,500
Deferred Taxation		719,432	937,000
		<u>719,432</u>	<u>939,500</u>
PROFIT AFTER TAXATION		<u>(2,755,836)</u>	<u>(1,855,719)</u>
Add: Profit brought from previous year		<u>(3,733,965)</u>	<u>(1,878,246)</u>
BALANCE CARRIED TO BALANCE SHEET		<u>(6,489,801)</u>	<u>(3,733,965)</u>
Earning Per Share(Rs.) Refer Note 7			
Basic and Diluted		(0.23)	(1.41)
Face Value Per Share		10	10
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	13		

AS PER OUR REPORT OF EVEN DATE
FOR NATVARLAL VEPARI & CO.
 CHARTERED ACCOUNTANTS
 Firm Registration No 106971W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Rajesh Neelakantan
 PARTNER
 M. No. 109528

DIRECTOR

DIRECTOR

PLACE : MUMBAI
 DATED : 29th May, 2010

PLACE : MUMBAI
 DATED : 29th May, 2010

BALAJI TOLL WAYS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2010

SI.No.	Particulars	2009-2010 (Rs.)	2008-2009 (Rs.)
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax	(2,036,403)	(916,219)
	Adjustment for :		
	Depreciation	1,582,333	1,582,333
	Interest Income	(137,169)	(798,474)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>(591,240)</u>	<u>(132,360)</u>
	Adjustment for :		
	Trade and Other Receivable	47,526,954	(39,721,797)
	Trade and Other Payables	-	-
	CASH GENERATED FROM OPERATIONS	<u>46,935,714</u>	<u>(39,854,157)</u>
	Income Tax Paid	(2,001,776)	(3,061,405)
	CASH FROM OPERATING ACTIVITIES	<u>44,933,938</u>	<u>(42,915,562)</u>
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets/ Work-in-Progress	(571,281,778)	(453,763,753)
	Capital advances	(50,884,136)	(45,631,832)
	Dues to Capital Creditors	(120,552,016)	132,156,084
	Purchase of Shares	(500,000)	(500,000)
	Interest Income	137,169	798,474
	NET CASH FROM INVESTING ACTIVITIES	<u>(743,080,761)</u>	<u>(366,941,027)</u>
C	CASH FROM FINANCING ACTIVITIES		
	Proceeds from Term Loans	236,321,958	285,732,058
	Capital grant received	123,300,000	141,900,000
	Share Application Money received	299,724,500	-
	NET CASH USED IN FINANCIAL ACTIVITIES	<u>659,346,458</u>	<u>427,632,058</u>
	Net Increase/(Decrease) in Cash & Cash Equivalents	<u>(38,800,365)</u>	<u>17,775,469</u>
	Cash & Cash Equivalents at start of the year	41,525,138	23,749,669
	Cash & Cash Equivalents at close of the year	<u>2,724,774</u>	<u>41,525,138</u>
	Break-up of Cash and Cash equivalents		
	Cash on hand	43,300	43,300
	Balances with Scheduled Banks:		
	- current Accounts	2,681,474	931,838
	- fixed deposits	-	40,550,000
		<u>2,724,774</u>	<u>41,525,138</u>

AS PER OUR REPORT OF EVEN DATE
FOR NATVARLAL VEPARI & CO.
 CHARTERED ACCOUNTANTS
 Firm Registration No 106971W

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Rajesh Neelakantan
 PARTNER
 M. No. 109528

DIRECTOR

DIRECTOR

PLACE : MUMBAI
 DATED : 29th May, 2010

PLACE : MUMBAI
 DATED : 29th May, 2010

BALAJI TOLL WAYS LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET

	As At 31st March, 2010 (Rs.)	As at 31st March, 2009 (Rs.)
SCHEDULE-1		
SHARE CAPITAL		
AUTHORISED		
1,18,66,000 Equity Shares of Rs. 10/- each (Previous Year 1,18,66,000 Equity Shares of Rs.10/- each)	118,660,000	118,660,000
	<u>118,660,000</u>	<u>118,660,000</u>
ISSUED, SUBSCRIBED AND PAID UP		
1,18,66,000 Equity Shares of Rs.10/- each (Previous year 1,18,66,000 Equity Shares of Rs.10/- each) (Out of above, 1,18,34,870 (previous year 1,18,34,870) equity shares are held by M/s.Atlanta Ltd.,the holding company)	118,660,000	118,660,000
	<u>118,660,000</u>	<u>118,660,000</u>
TOTAL	<u>118,660,000</u>	<u>118,660,000</u>
SCHEDULE-2		
RESERVES AND SURPLUS		
CAPITAL RESERVE		
Capital Grant From NHAJ Grant as per last Balance Sheet Add: Further Grant received during the year	413,500,000	271,600,000
	<u>123,300,000</u>	<u>141,900,000</u>
	536,800,000	413,500,000
Share Premium Account		
Opening Balance	472,640,000	-
Share Premium received on allotment	-	472,640,000
Closing Balance	<u>472,640,000</u>	<u>472,640,000</u>
TOTAL	<u>1,009,440,000</u>	<u>886,140,000</u>
SCHEDULE-3		
SECURED LOANS		
Term Loan from Lenders (Refer Note 1 for Security)	1,280,867,374	1,044,545,416
TOTAL	<u>1,280,867,374</u>	<u>1,044,545,416</u>
SCHEDULE-4		
UNSECURED LOANS		
Loan from Director	650,000	650,000
TOTAL	<u>650,000</u>	<u>650,000</u>
SCHEDULE- 6		
CAPITAL WORK-IN-PROGRESS - PEC		
Opening Balance	1,924,969,837	1,479,173,987
Add: Cost Incurred during the year		
Payment to Contractors - EPC (Refer NoteB-6)	420,879,232	335,622,888
Salary Expenses	-	371,500
Printing & Stationery	8,320	9,300
Project Consultancy Charges	8,321,847	8,926,940
Professional and Legal Charges	3,306,928	2,038,696
Travelling Expenses	3,479	142,507
Sundry Expenses	8,502	26,380
Insurance Charges	892,651	1,065,604
Loan processing & Doc.Charges	6,861,000	742,846
Pre-Operative Expenses	2,425,043	-
Interest on Term Loan	130,982,955	94,323,372
Bank Gurantee and Other Charges	16,864	100,774
TOTAL	<u>2,496,251,615</u>	<u>1,924,969,837</u>
Add: Toll Collection Equipments (yet to be installed)	7,967,902	7,967,902
TOTAL	<u>2,504,219,517</u>	<u>1,932,937,740</u>

BALAJI TOLLWAYS LIMITED
SCHEDULE ANNEXED TO AND FORMING PART OF BALANCE SHEET

SCHEDULE - 5
FIXED ASSETS

(Amount in Rs.)

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRICIATION			NET BLOCK			
		AS AT 01/04/2009	ADDITIONS	DEDUCTIONS	AS AT 31/03/2010	AS AT 01/04/2009	FOR THE YEAR	DEDUCTIONS	UP TO 31/03/2010	AS AT 31/03/2010	AS AT 31/03/2009
1	Plant & Machinery	33,074,973	-	-	33,074,973	2,793,319	1,571,061	-	4,364,380	28,710,593	30,281,654
2	Residential Flat	691,500	-	-	691,500	26,526	11,271	-	37,798	653,702	664,974
	Total	33,766,473	-	-	33,766,473	2,819,846	1,582,333	-	4,402,178	29,364,295	30,946,627
	Previous year	33,766,473	-	-	33,766,473	1,237,512	1,582,333	-	2,819,846	30,946,627	32,528,961

BALAJI TOLL WAYS LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT

	As At 31st March, 2010 (Rs.)	As At 31st March, 2009 (Rs.)
SCHEDULE- 7		
INVESTMENT		
20,000 Equity Shares of Rs.25/- each in Shamrao Vithal Co, Op Bank Ltd	500,000	500,000
10,000 Equity Shares of Rs.50/- each in Dombivli Nagari Sahakari Bank Ltd	500,000	-
TOTAL	<u>1,000,000</u>	<u>500,000</u>
SCHEDULE- 8		
Cash & Bank Balances		
Cash and Bank Balances		
Cash on hand (Not Verified by Auditors)	43,300	43,300
Balances with Scheduled Banks :		
- current accounts	2,681,474	931,838
- fixed deposits	-	40,550,000
TOTAL	<u>2,681,474</u> <u>2,724,774</u>	<u>41,481,838</u> <u>41,525,138</u>
SCHEDULE- 9		
LOANS AND ADVANCES		
(Unsecured, Considered Good unless otherwise stated)		
Advances recoverable in cash or in kind for the value to be received		
Advance to M/s Atlanta Limited		
- Mobilisation Advance	18,277,074	32,086,017
- Other Advance	190,385,180	125,693,877
IRD South Asia Pvt Ltd	88,000	-
Maharashtra VAT Deposit	25,000	25,000
Prepaid Taxes	8,130,846	6,129,070
TOTAL	<u>216,906,100</u>	<u>163,933,964</u>
SCHEDULE- 10		
CURRENT LIABILITIES		
Sundry Creditors		
- Micro, Small and Medium Enterprises	-	-
- Others	13,421,294	134,012,832
Liability for Machinery from M/s Atlanta Limited	33,074,973	33,074,973
Duties & Taxes Payable	1,666,683	1,627,161
TOTAL	<u>48,162,950</u>	<u>168,714,966</u>
SCHEDULE- 11		
PROVISIONS		
Provision for Income Tax	500,000	500,000
Provision for Frienge Benefit Tax - A.Y. 2009-10	2,500	2,500
TOTAL	<u>502,500</u>	<u>502,500</u>
	2009-2010	2008-2009
SCHEDULE- 12		
OTHER INCOME		
Interest on Bank Deposits	137,169	798,474
(Tax deducted at source of 46,019/- Previous year Rs.1,27,978/)		
Dividend Income	56,301	-
TOTAL	<u>193,470</u>	<u>798,474</u>

SCHEDULE – 13

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS:

A) SIGNIFICANT ACCOUNTING POLICIES

The Significant Accounting Policies adopted by the company in respect of these financial statements are set out below:

1) Accounting Convention

The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting, to comply in all material respects with the notified accounting standards by the Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The accounting policies discussed more fully below, are consistent with those used in the previous year.

2) Use of estimates

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

3) Revenue Recognition

The company follows the mercantile system of accounting and recognizes revenue / income, cost / expenditure on accrual basis except in the case of significant uncertainties.

4) Fixed Assets and Depreciation

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

Depreciation on Fixed Assets is provided on the Straight Line Method at the rates and in the manner laid down in Schedule XIV of the Companies Act, 1956 or the rates based on the estimated useful lives of the fixed assets, whichever is higher. Depreciation on assets purchased /installed during the year/ period is calculated on a pro-rata basis from the date of such purchase / installation.

5) 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 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.

6) Taxes on Income

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred income taxes reflects the impact of current year/ period timing differences between taxable income and accounting income for the year/period and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are

recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised 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 realised.

7) Earnings per share

Basic and diluted earnings per share are calculated by dividing the net profit for the year/period attributed to equity shareholders by the weighted average number of equity shares outstanding during the year/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.

8) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when an enterprise has a present obligation as a result of past event; 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.

Contingent Liabilities are not recognised but disclosed in notes to accounts. Contingent assets are neither recognised nor recorded in financial statements.

9) Grants From NHAI

The company on receipt of grant as per the concession agreement accounts the same under Shareholders funds under reserves and surplus, in accordance with the terms of the concession granted to the company.

B) NOTES TO ACCOUNTS

1. SECURITY FOR LOANS FROM BANKS :

The Secured Obligations shall be secured by :

- a. a first mortgage and charge on all the Borrower's immovable properties, both present and future;
- b. a first charge by way of hypothecation of all the Borrower's moveables, both present and future, save and except the Project Assets;
- c. a first charge on Borrower's Receivables;
- d. a first charge over all bank accounts of the Borrower;
- e. a first charge on all intangibles of the Borrower including but not limited to goodwill, rights, undertakings and uncalled capital, present and future;
- f. a first charge by way of assignment or otherwise creation of Security Interest in:
 - i. all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents, duly acknowledged and consented to by the relevant counter-parties to such Project Documents to the extent not expressly provided in each such Project Document, all as amended, varied or supplemented from time to time ;

- ii. the right, title and interest of the Borrower by way of first charge in, to and under all the Government Approvals;
 - iii. all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents;
 - iv. all insurance contracts;
 - g. Pledge of shares held by the Consortium aggregating to 51% of paid up and voting equity share capital of the Borrower during the construction period, which shall be released by the Security Trustee from the pledge so created on occurrence of the Commercial Operation Date(COD).
 - h. Irrevocable unconditional corporate guarantee of the promoter guaranteeing the shortfall in the payment of the termination payment by NHA1 upon termination of the concession agreement due to the concessionaire event of default during any time upto the COD.
2. In the opinion of the Board of Directors, the current assets, Loans and Advances and Current Liabilities are approximately stated if realized in the ordinary course of business. As no confirmatory letters were obtained from debtors and creditors, their balances are reflected in the Balance sheet as appearing in the books are subject to confirmation and reconciliation, if necessary. The provisions for all other liabilities is adequate and not in excess of the amount reasonably necessary.
 3. Contingent liabilities not provided for Letter of Credit payable Rs.Nil (Previous year Rs. Rs.14,25,81,160/-)
 4. The company has applied for an extension of time from its scheduled project completion date of 06-12-2008 for the completion of the construction for further 24 months i.e. up to 06-12-2010. Due to extension of Commercial Operation Date (COD) there is cost overrun in the project implementation to the extent of Rs. 90.23 Crores. The same has been re-appraised by the lenders and accordingly have approved the cost overrun of Rs. 90.23 Crores in the restructuring proposal. As per the revised financing plan the cost overrun is being financed through an additional term loan of Rs. 40.00 Crores and balance of Rs.50.23 Crores through additional equity from promoters. .
 5. The company has received share application money from one of its promoters amounting to Rs.29.97 crores. The company is taking necessary steps to increase the authorized capital and allot the said shares.
 6. Due to substantial increase in the prices of materials and due to delays in the project resulting in the idling of the labour and plant used in the construction activity by the EPC contractor, pursuant to discussion and negotiation with the EPC Contractor, the company has sanctioned a provisional compensation against escalation of Rs.24 crores till the end of the project and Rs.1.5 crores per month against compensation for overhead expenses/ equipment rental charges till completion. Accordingly an amount of Rs. 35.11 crores have been paid to the EPC contractor during the year towards the same.
 7. Balance capital commitment for "Improvement, operation and maintenance including strengthening and widening of existing 2 lane road to 4 lane dual carriageway from K.M. 9.200 – K.M. 50.000 of NH-6 (Nagpur-Kondhali Section)" in the State of Maharashtra, on BOT basis. As on 31-03-2010 is Rs.66.00 Crores (Previous year Rs.32.95 Crores)

8. Segment Information

As the company's business activities falls within a single primary business segment viz. BOT Operations and it operates in a single geographical segment i.e. India, the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India are not applicable.

9. Since the principal business of the company is BOT Operations, additional information pursuant to the provisions of paragraphs 3 & 4 of Part II of Schedule IV of the Companies Act 1956 are given below to the extent applicable:
10. The Company has not received any intimation from the creditors regarding registration under Micro, Medium and Small Enterprises Development Act, 2006 and therefore no disclosure as per the said Act is made.
11. Expenses not related to the project like preliminary expenses, audit fees and other administrative overheads have been debited to the profit and loss account.
12. Auditors Remuneration (Excluding Service Tax)

	2009-2010 (Rupees)	2008-2009 (Rupees)
Audit Fees	1,10,300	1,10,300
Other matters	17,180	20,736
Total	127,480	131,036

13. Earnings Per Share :

Earnings Per Share (EPS) = Net Profit attributable to equity shareholders / Weighted Number of Shares Outstanding

	31 st March 2010	31 st March 2009
Net Profit/(Loss) for the Period	(27,55,836)	(18,55,719)
Weighted average Number of Shares outstanding during the period/year used for calculating Basic & Diluted Earnings per Share	1,18,66,000	13,12,532
Earnings per Share- Basic & Diluted(Rs.)	(0.23)	(1.41)

Weighted Average number of shares is computed with reference to the date of allotment, i.e. February 20, 2009, of Equity Shares on conversion of the Preference Shares.

14. Related Party Disclosures:

(As identified and certified by the Management and relied upon by the Auditors.)

As per the Accounting standard – 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard for the period ended 31st March, 2010 is given below:

A) List of Related Parties

- Entities where Control exists.
Atlanta Limited – Holding Company
SREI Infrastructure Finance Ltd
(upto 20th February 2009)
- Key Management Personnel and Their Relatives
Mr. Rajhoo Bbarot
Mr. Rikiin Bbarot
Mr. G. Radhakrishnan

B] Transaction with Related Parties

(Figures in brackets indicate previous year's data)

(In Rupees)

Nature of Transaction	Key Management Personnel	Entities where Control exists
Contract payments including compensation paid M/s Atlanta Limited	-	42,08,79,232 (39,08,63,581)
Preference share allotted to Atlanta Limited		Nil (11,81,60,000)
Premium received on issue of Preference Share allotted Atlanta Limited		Nil (47,26,40,000)
Equity Shares allotted to Atlanta Limited		Nil (11,81,60,000)
Premium received on issue of Equity Share allotted Atlanta Limited		Nil (47,26,40,000)
Share Application Money Pending Allotment M/s Atlanta Limited		29,97,24,500 (-)
Mobilization advance given against Contract M/s Atlanta Limited		- (-)
Mobilization Adjusted against Contract M/s Atlanta Limited		1,38,08,943 (6,47,83,347)
Professional Charges M/s Srei Infrastructure	-	Nil (7,49,442)
Interest M/s Srei Infrastructure	-	Nil (18,60,426)
Balance as on 31-03-2010 (Receivable)		
Mobilisation advance outstanding M/s Atlanta		1,82,77,074 (3,20,86,017)
Other Advance M/s Atlanta	-	19,03,85,180 (12,56,93,877)
Balance as on 31-03-2010 (Payable)		
Outstanding Loans/ Deposit Payable Radhakrishnan Pillai	6,50,000 (6,50,000)	-
Towards Machinery M/s Atlanta	-	3,30,74,973 (3,30,74,973)

15. The Company is only in the fourth year of its operations and has employed personnel for the first time in this year. The liability under the Payment of Gratuity Act does not arise as the Company does not have the minimum number of employees for being covered under the said Act. Accordingly no provision under Accounting Standard 15 is made. However the amount is not expected to be significant.

16. As per the terms of the concession agreement dated 9-12-2005 between the company and NHAI, the company is entitled for a grant from NHAI of Rs.57,11,00,000 during the construction period. The company has received a cumulative grant of Rs, 53,68,00,000 (Previous year 41,35,00,000) upto the date of the balance sheet. The same is considered as equity support and is credited to capital reserve under reserves and surplus in terms of the concession agreement.

17. There are no transaction of loans and advance in the nature of loan to subsidiaries, associates etc. as required under the listing agreement and the investment by the loanee in the share of the company.

18. Previous year's figures have been regrouped and rearranged whenever necessary.

AS PER OUR REPORT OF EVEN DATE

FOR NATVARLAL VEPARI & CO.CHARTERED ACCOUNTANTS
Firm Registration No 106971WRajesh Neelakantan
PARTNER
M. No. 109528PLACE : MUMBAI
DATED : 29th May, 2010

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

DIRECTOR

DIRECTOR

PLACE : MUMBAI
DATED : 29th May, 2010

19. BALANCE SHEET ABSTRACT AND COMPANY GENERAL PROFILE

1 REGISTRATION DETAILS

Registration No.	U 45203 MH 2005PLC 157445
Code	11
Balance-sheet Date	31-03-2010

2. CAPITAL RAISED DURING THE YEAR

(AMOUNT IN RS. THOUSANDS)

Public Issue	(Nil)
Rights Issue	(Nil)
Bonus Issue	(Nil)
Private Placement	(Nil)

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)

Total Liabilities 27, 12,198

Total Assets 27, 12,198

SOURCES OF FUNDS

Paid up Capital	1,18,660
Reserves & Surplus	10, 09,440
Share Application Money	2, 99,725
Secured Loans	12, 80,867
Unsecured Loans	650
Deferred Tax Liability	2,856

APPLICATION OF FUNDS

Net Fixed Assets	29,364
Capital Work-in-Progress	25, 04,219
Investments	1,000
Net Current assets	1, 71,125
Profit & Los Account (Debit Bal.)	6,490

3. PERFORMANCE OF THE COMPANY

(AMOUNT IN RS. THOUSANDS)

Turnover	1,367
Other Income	193
Total Expenditure	3,597
Profit before Tax	(2,036)
Profit after Tax	(2,756)
Earning Per Share in Rs.	(0.23)
Dividend rate	Nil

4. GENERIC NAME OF THE THREE-PRINCIPAL PRODUCTS

SERVICES OF THE COMPANY

Item Code No.

Product Description Infrastructure Development

CONSOLIDATED AUDITORS' REPORT

TO,

THE MEMBERS OF
ATLANTA LIMITED
101, SHREE AMBASHANTI CHAMBERS,
OPP. LEELA HOTEL, ANDHERI – KURLA ROAD,
MUMBAI – 400 059

- 1) We have audited the attached Consolidated Balance sheet of **ATLANTA LIMITED** ("the Company") and its subsidiary Company ("together referred to as "the Group") as at 31st March, 2010, Consolidated Profit and Loss Account for the year ended and also the Consolidated Cash Flow Statement for the year ended on that date both 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 have 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) We did not audit the financial statements of the subsidiary company, M/s.Balaji Toll Ways Ltd whose financial statements reflect the Group's share of total assets of Rs.253,45,83,812/- as at 31st March, 2010, the Group's share of total revenues of Rs.15,60,322/- and net cash outflow of Rs.3,88,00,365/- for the year ended as considered in the consolidated accounts. These statements were audited by other auditors whose report has been furnished to us and our opinion, so far as it relates to the amount included in respect of the subsidiary is based solely on the report of other auditor.
- 4) We report that the consolidated financial statements have been prepared by the Group's management in accordance with the requirements of Accounting Standard 21 "Consolidated Financial Statements" and AS-27 "Financial Reporting of Interest in Joint Ventures" as notified under the Companies (Accounting Standards) Rules 2006.
- 5) Attention is invited to Note No. 12 of Schedule 18 to the Consolidated Financial Statements relating to the change in the Accounting Policy for then recognition of contract revenue in respect of BOT contracts and profit arising there-from. Had the company followed the previous practice of recognizing contract revenue in respect of BOT project, its impact on the consolidated contract revenue, profit arising from BOT contract would have been as stated in the said note.
- 6) *Attention is invited to :-*
 - a) *Note No. 7 of Schedule 18 to the consolidated financial statements, relating to short amortization on the Toll collection rights (Mumbra-By-pass road) during the year amounting to Rs.12,69,42,862/- pending the process of getting an extension in the concession period.*
 - b) *Note No. 8 of Schedule 18 to the consolidated financial statements, relating to non provision of Mark to Market losses of Rs.7,88,94,340/- on Rupee Foreign Currency Swap transaction as on 31-03-2010.*

We further report that had the observations made by us in paragraph 6 (a) and (b) been considered,

 - a) *The profit after tax would have been Rs.19,81,13,244/-- as against the reported profit after tax of Rs.40,39,50,446/--*
 - b) *The net block of fixed assets would have been lower by Rs.12,69,42,862/— and*
 - c) *The balance in Reserve and Surplus would have been lower by Rs.20,58,37,202/-*
- 7) Subject to our comments on para 6 above, and based on our audit and in consideration of report of other auditors on separate financial statements, and to the best to our information and according to explanation given to us, we are of opinion that the attached consolidated financial statements give a true and fair view in conformity with accounting principles generally accepted in India.
 - a) In the case of Consolidated Balance Sheet of the state of affairs of the Group as at the 31st March, 2010
 - b) In the case of the consolidated Profit and Loss Account of the 'PROFIT' of the Group for the year ended on that date, and
 - c) In the case of the Consolidated Cash Flow Statement of the cash flows of the Group for the year ended on that date.

For **SURESH C. MANIAR & CO.**
CHARTERED ACCOUNTANTS
Firm Regn.No. 110663 W

K.V. SHETH
PARTNER
(M. NO. 30063)

PLACE : MUMBAI
DATED : 29th MAY, 2010

ATLANTA LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

(Amt in Rs.)

SOURCE OF FUNDS	SCH.	As At March 31, 2010		As At March 31, 2009	
SHAREHOLDERS' FUND					
a) Share Capital	1	188,000,000.00		188,000,000.00	
b) Reserves and Surplus	2	<u>2,550,291,012.78</u>	2,738,291,012.78	<u>1,549,142,525.10</u>	1,737,142,525.10
LOAN FUNDS					
a) Secured Loans	3	3,250,876,392.65		2,833,078,716.33	
b) Unsecured Loans	4	<u>257,756,122.86</u>	3,508,632,515.51	<u>258,881,619.50</u>	3,091,960,335.83
DEFERRED TAX LIABILITY (NET)			139,781,182.95		139,382,274.16
MINORITY INTEREST			<u>2,942,502.00</u>		<u>2,626,259.00</u>
TOTAL			<u>6,389,647,213.24</u>		<u>4,971,111,394.09</u>
APPLICATION OF FUNDS					
FIXED ASSETS					
a) Gross Block	5	2,495,267,863.70		2,593,176,940.98	
b) Less: Depreciation		<u>687,793,212.55</u>		<u>566,970,921.44</u>	
c) Net Block			1,807,474,651.15		2,026,206,019.54
d) Capital work-in-Progress			2,504,219,517.48		1,214,172,930.72
INVESTMENTS	6		16,238,668.37		11,101,628.00
CURRENT ASSETS,					
LOANS & ADVANCES					
a) Current Assets	7	2,447,295,946.21		2,107,473,048.59	
b) Loans and Advances	8	339,265,364.49		604,238,166.91	
		<u>2,786,561,310.70</u>		<u>2,711,711,215.50</u>	
LESS:CURRENT LIABILITIES AND PROVISIONS					
a) Current Liabilities	9	613,735,614.76		959,119,612.46	
b) Provisions	10	111,111,319.70		84,547,278.57	
		<u>724,846,934.46</u>		<u>1,043,666,891.03</u>	
NET CURRENT ASSETS			<u>2,061,714,376.24</u>		<u>1,719,630,815.83</u>
TOTAL			<u>6,389,647,213.24</u>		<u>4,971,111,394.09</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	18				

AS PER OUR REPORT OF EVEN DATE
FOR SURESH C. MANIAR & CO.
 CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

K. V. SHETH
 PARTNER
 (M.No.30063)

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

PLACE : MUMBAI
 DATED : 29th MAY,2010

PLACE : MUMBAI
 DATED : 29th MAY,2010

ATLANTA LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2010

(Amt in Rs.)

PARTICULARS	SCH.	2009-2010	2008-2009
INCOME			
Turnover	11	2,021,702,848.55	1,943,241,384.30
Other Income	12	9,093,291.40	25,598,258.08
Variation in Stock	13	13,253,500.00	43,598,000.00
TOTAL		2,044,049,639.95	2,012,437,642.38
EXPENDITURE			
Operating Expenses	14	936,772,006.11	1,132,350,177.11
Employees Emoluments and Benefits	15	62,875,322.08	56,758,517.93
Administrative Expenses	16	96,141,375.18	106,191,474.70
Interest and Finance Charges	17	296,576,451.97	325,954,480.49
Depreciation 5		142,501,305.53	144,749,170.98
Less : Transferred to Capital Work in Progress		11,030.40	
Transferred to Revaluation Reserve		1,187,981.18	1,187,981.18
Preliminary Expenses		-	3,911,071.00
TOTAL		1,533,667,449.29	1,768,726,911.03
PROFIT BEFORE TAX		510,382,190.65	243,710,731.35
Less : Provision for Tax			
Current		104,714,000.00	28,500,000.00
Deferred		398,908.79	18,669,251.00
Fringe Benefit		-	1,502,500.00
Prior Periods		1,326,066.00	1,409,435.23
PROFIT AFTER TAX & BEFORE MINORITY INTEREST		403,943,215.86	193,629,545.12
Less: Minority interest		(7,230.00)	(165.34)
NET PROFIT AFTER MINORITY INTEREST		403,950,445.86	193,629,710.46
Add : Profit brought forward from Previous Year		204,959,977.30	209,379,305.84
PROFIT AVAILABLE FOR APPROPRIATION		608,910,423.16	403,009,016.30
APPROPRIATIONS			
Proposed Dividend (2009-10)		22,550,000.00	22,550,000.00
Tax on Dividend (2009-10)		3,745,273.00	3,832,373.00
Proposed Dividend & Income Tax thereon Reversed (2008-09) (Refer Note—of Schedule No.18)		(19,070,185.00)	-
Transfer to Capital Redemption Reserve		11,666,666.00	11,666,666.00
Transfer to General Reserve		100,000,000.00	160,000,000.00
Balance carried to Balance Sheet		490,018,669.16	204,959,977.30
TOTAL		608,910,423.16	403,009,016.30
Basic & Diluted Earnings Per Share (Annulised)		24.33	11.43
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS 18			

AS PER OUR REPORT OF EVEN DATE
FOR SURESH C. MANIAR & CO.
 CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

K. V. SHETH
 PARTNER
 (M.No.30063)

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

PLACE : MUMBAI
 DATED : 29th MAY,2010

PLACE : MUMBAI
 DATED : 29th MAY,2010

ATLANTA LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2010

(Amt in Rs.)

Sr.No.	Particulars	2009-2010	2008-2009
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax	510,382,191	243,710,731
	Adjustment for :		
	Depreciation	141,302,294	143,561,190
	Interest Expenses	296,576,452	325,954,480
	Dividend Income	(78,801)	-
	Interest Income	(6,467,285)	(20,380,961)
	Deferred Revenue Expenses Charged	-	3,911,071
	Profit(-)/Loss(+) from Sale of Asset	(2,547,205)	(4,140,176)
	Provision for Gratuity	1,294,137	(244,375)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	940,461,782	692,371,960
	Adjustment for :		
	Trade and Other Receivables	217,722,536	(350,459,148)
	Inventories	(415,840,593)	9,368,700
	Trade and Other Payables	(305,282,706)	(71,132,387)
	Other Current Assets	266,684,932	343,909,039
	Other Current Liabilities	(40,101,291)	14,388,395
	Increase in Joint Venture Capital	(4,637,040)	-
	Gratuity Payments	(273,968)	(302,885)
	CASH GENERATED FROM OPERATIONS	658,733,651	638,143,674
	Income Tax Paid net of Refund	(87,721,282)	(146,935,118)
	CASH FROM OPERATING ACTIVITIES	571,012,370	491,208,556
B.	CASH FROM FINANCING ACTIVITIES		
	Proceeds from Long Term Borrowings (Banks & Financial Institutions)	417,797,676	71,219,094
	Proceeds from Long Term Borrowings (Contracting Authorities)	(54,484,694)	(147,557,473)
	Proceeds from Short Term Borrowings (Net)	53,359,197	86,216,565
	Grant from NHA	123,300,000	-
	Dividend Paid	-	(23,060,347)
	Interest Expenses	(296,576,452)	(325,954,480)
	NET CASH USED IN FINANCIAL ACTIVITIES	243,395,728	(339,136,642)
C.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets/ Work-in-Progress	(773,933,878)	(103,866,489)
	Sale proceed of Assets/Investments	36,921,303	5,819,941
	Purchase of Investments	(500,000)	72,723
	Dividend Income	78,801	-
	Interest Income	6,467,285	20,380,961
	NET CASH FROM INVESTING ACTIVITIES	(730,966,488)	(77,592,863)
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	83,441,609	74,479,052
	Cash & Cash Equivalents at start of the year	176,519,314	102,040,262
	Cash & Cash Equivalents at close of the year	259,960,923	176,519,314
	Net Increase/(Decrease)	83,441,609	74,479,052

AS PER OUR REPORT OF EVEN DATE
FOR SURESH C. MANIAR & CO.
 CHARTERED ACCOUNTANTS

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PLACE : MUMBAI
 DATED : 29th MAY,2010

PLACE : MUMBAI
 DATED : 29th MAY,2010

ATLANTA LIMITED
CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET

(Amt in Rs.)

	As At March 31, 2010	As At March 31, 2009
SCHEDULE-1		
SHARE CAPITAL		
AUTHORISED		
2,00,00,000 (Previous year 2,00,00,000) Equity Shares of Rs. 10/- each	200,000,000.00	200,000,000.00
30,00,000 (Previous year 30,00,000) Preference Shares of Rs.10/- each	<u>30,000,000.00</u>	<u>30,000,000.00</u>
	<u>230,000,000.00</u>	<u>230,000,000.00</u>
ISSUED, SUBSCRIBED AND PAID UP		
1,63,00,000 (Previous year 1,63,00,000) Equity Shares of Rs.10/- each fully paid	163,000,000.00	163,000,000.00
25,00,000 (Previous year 25,00,000) 25% Cumulative Redeemable Non Convertible Preference Shares Rs.10/- each fully paid	25,000,000.00	25,000,000.00
Application Money		
TOTAL	<u>188,000,000.00</u>	<u>188,000,000.00</u>
Of the above		
1) 9800 (Previous year 9800) Equity Shares of Rs. 10/- were allotted pursuant to a contract for allotment of shares other than in cash.		
2) 27,68,810 (Previous year 27,68,810) Equity Shares of Rs.10/- each were allotted as fully paid up Bonus Shares by Capitalisation of General Reserve.		
3) 25,00,000 (Previous year 25,00,000) 25% Cumulative Redeemable Non Convertible Preference Shares Rs.10/- each fully paid are held by M/s.Ideal Toll Road Investment & operations Pvt.Ltd, a company in which Director of this company is Director .		
SCHEDULE-2		
RESERVES AND SURPLUS		
GENERAL RESERVE		
Balance as per last Balance-sheet	1,315,451.27	391,996,597.27
Add: Transferred from Profit & Loss Account	<u>100,000,000.00</u>	<u>160,000,000.00</u>
	<u>101,315,451.27</u>	<u>551,996,597.27</u>
Add / (Less): Consolidation Adjustments	<u>550,681,146.00</u>	<u>651,996,597.27</u> (550,681,146.00)
		1,315,451.27
SECURITIES PREMIUM ACCOUNT		
Balance as per last Balance-sheet	709,980,577.00	709,980,577.00
Add: Consolidation Adjustments	-	<u>472,640,000.00</u>
	<u>709,980,577.00</u>	<u>1,182,620,577.00</u>
Less: Consolidation Adjustments	-	<u>472,640,000.00</u>
	<u>709,980,577.00</u>	709,980,577.00
REVALUATION RESERVES		
Balance as per last Balance-sheet	96,314,345.53	97,502,326.71
Less : Adjusted during the year	<u>68,046,562.00</u>	-
	<u>28,267,783.53</u>	97,502,326.71
Less : Depreciation on Revalued Assets	<u>1,187,981.18</u>	<u>1,187,981.18</u>
	<u>27,079,802.35</u>	96,314,345.53
CAPITAL REDEMPTION RESERVE		
Balance as per last Balance-sheet	43,333,331.00	31,666,665.00
Transfer from Profit & Loss Account	<u>11,666,666.00</u>	<u>11,666,666.00</u>
	<u>54,999,997.00</u>	43,333,331.00
CAPITAL RESERVE		
Balance as per last Balance-sheet	493,238,843.00	0.00
Forfeiture of Warrant Application Money (Refer Note No.11 of Schedule-18)	-	85,725,000.00
Add: Consolidation Adjustments	-	<u>407,513,843.00</u>
	<u>493,238,843.00</u>	493,238,843.00
NHAI GRANT RECEIVED		
Capital Grant from NHAI		
Balance as per last Balance-sheet	-	271,600,000.00
Consolidation Balance	-	141,900,000.00
Add: Received During the year	<u>123,300,000.00</u>	<u>141,900,000.00</u>
Less:	<u>123,300,000.00</u>	413,500,000.00
Consolidation Adjustments	<u>323,473.00</u>	-
	<u>122,976,527.00</u>	-
PROFIT AND LOSS ACCOUNT		
	<u>490,018,669.16</u>	204,959,977.30
TOTAL	<u>2,550,291,012.78</u>	<u>1,549,142,525.10</u>

ATLANTA LIMITED
CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET

(Amt in Rs.)

	As At March 31, 2010	As At March 31, 2009
SCHEDULE-3		
SECURED LOANS		
Term Loan from Bank and Financial Institution	2,389,353,170.63	2,151,868,135.85
Equipments/Vehicles Finance Loans	16,423,671.51	93,981,762.00
Working Capital Borrowing from Banks	791,788,858.89	523,432,030.41
Bank Line of Credit Facility	53,310,691.62	63,796,788.07
TOTAL	<u>3,250,876,392.65</u>	<u>2,833,078,716.33</u>

NOTE

- 1) Term Loan from banks and financial Institution is secured by Pari-Passu charge among the lenders and by first charge by way of hypothecation of book debts, operating cash flows, receivables, revenues arising from the project and secured by way of assignment of all the right, title, interest, benefits, claims and demands of whatsoever nature in Mumbra By-pass project of the company.
- 2) Equipment/Vehicles finance loans are secured by hypothecation of specific equipments/assets.
- 3) Working Capital Borrowing from banks is secured by all encumbered movable assets other than those specifically charged, office premises of the company along with furniture and fixture and hypothecation of stocks of raw materials, stores and spares and book-debts, both present & future and also guaranteed by the directors.
- 4) Loan from Life Insurance Corporation of India is secured against the surrender value of keyman insurance policy of the Directors assigned in favour of company
- 5) Term Loan includes Rs. 1,087.50 Lacs repayable within 12 months (previous year Rs. 1,087.50 Lacs)

SCHEDULE-4

UNSECURED LOANS

Mobilisation Advance from Contracting Authorities	49,524,706.50	104,009,400.50
Inter - Corporate Deposits	170,000,000.00	59,117,173.00
Short Term Deposits	9,852,000.51	81,306,077.00
Unsecured Loans from Shareholders	28,379,415.85	14,448,969.00
TOTAL	<u>257,756,122.86</u>	<u>258,881,619.50</u>

ATLANTA LIMITED

CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET

SCHEDULE - 5 FIXED ASSETS													
(Amount in Rs.)													
SR. NO	DESCRIPTION OF ASSETS	GROSS BLOCK					DEPRECIATION					NET BLOCK	
		AS AT 01-04-2009	CONSO-LI-DATION ADJUST-MENTS	ADDITIONS	DEDUCTIONS	AS AT 31-03-2010	AS AT 01-04-2009	CONSO-LI-DATED ADJUST-MENTS	FOR THE YEAR	DEDUCTIONS	UP TO 31-03-2010	AS AT 31-03-2010	AS AT 31-03-2009
	A.	INTANGIBLE ASSETS											
1	Good Will	300,000.00	-	-	-	300,000.00	-	-	-	-	300,000.00	300,000.00	300,000.00
	Total(A)	300,000.00				300,000.00					300,000.00	300,000.00	300,000.00
	B. TANGIBLE ASSETS												
1	Land	78,892,617.00	-	-	76,435,432.00	2,457,185.00	-	-	-	-	2,457,185.00	2,457,185.00	78,892,617.00
2	Bot Rights (Mumbra Bypass)	1,422,698,231.60	-	-	-	1,422,698,231.60	105,414,018.49	84,858,584.15	-	190,272,602.63	1,232,425,628.97	1,232,425,628.97	1,317,294,213.11
2	Temporary Erections												
	& Structures	48,019,347.07	-	-	-	48,019,347.07	45,618,379.71	(0.00)	-	45,618,379.71	2,400,967.36	2,400,967.36	2,400,967.36
3	Buildings	33,976,916.42	-	-	-	33,976,916.42	5,602,042.52	755,818.77	-	6,357,861.29	27,621,055.13	27,621,055.13	28,376,873.90
4	Plant & Machineries	555,671,223.50	34,188,616.00	19,195,904.00	19,195,904.00	570,863,935.50	148,420,328.53	25,345,294.98	1,993,481.48	171,772,141.27	398,891,794.23	407,250,894.97	
5	Earthmoving Machineries	286,668,871.40	-	-	19,046,595.00	247,843,306.40	130,892,568.06	21,647,610.07	4,303,981.32	148,236,196.81	99,407,109.59	135,797,303.34	
6	Vehicles	167,150,490.54	-	-	17,860,800.00	149,289,690.54	113,886,495.45	14,397,943.98	15,431,708.08	112,882,131.35	36,437,559.19	53,263,895.09	
7	Furniture, Fixtures & Office Equipments	19,776,243.45	185,895.00	185,895.00	-	19,962,138.45	17,137,088.71	(4,525,035.72)	-	12,612,082.97	7,350,085.46	2,639,154.76	
8	Other Assets (JV & Associates)	-	228,843.63	26,289.08	-	255,112.71	50,156.43	71,846.49	183,266.22	-	7,350,085.46	7,350,085.46	
	Total(B)	2,592,876,940.98	228,843.63	34,400,780.08	132,538,701.00	2,494,867,863.69	566,970,921.46	142,501,306.29	21,729,170.89	687,793,212.52	1,807,174,651.15	2,025,906,019.53	
	Grand Total (A+B)	2,593,176,940.98	228,843.63	34,400,780.08	132,538,701.00	2,495,267,863.69	566,970,921.46	142,501,306.29	21,729,170.89	687,793,212.52	1,807,474,651.15	2,026,206,019.53	
	Previous year	2,496,534,121.48	-	103,868,488.50	7,223,669.00	2,598,176,940.98	422,149,331.10	146,158,097.40	1,336,507.04	566,970,921.46	2,026,206,019.54	2,026,206,019.54	

ATLANTA LIMITED
CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET

(Amt in Rs.)

	As At March 31, 2010	As At March 31, 2009
SCHEDULE-6		
INVESTMENTS		
(Long Term, At cost)		
i) Non-Trade (Unquoted)		
(a) In Government Securities		
- 7 year National Savings Cert.	85,200.00	85,200.00
- Kisan Vikas Patra	750,000.00	750,000.00
- Indira Vikas Patra	118,540.00	118,540.00
	953,740.00	953,740.00
(b) In Shares		
- 22,000 (previous year 22,000) Equity Shares of Shamrao Vithal Co-op. Bank Ltd. of face value of Rs.25/- each	550,000.00	550,000.00
- 10,000 (previous year Nil) Equity Shares of Rs.50/- each in Dombivli Nagari Sahakari Bank Ltd	500,000.00	-
- 50,000 (previous year 50,000) Equity Shares of Janakalyan Sahakari Bank Ltd. of face value of Rs.10/- each	500,000.00	500,000.00
- 1,000 (previous year 1,000) Equity Shares of The Janata Janakalyan Sahakari Bank Ltd. of face value of Rs.10/- each	100,000.00	100,000.00
ii) Trade (Unquoted)		
- 1,18,34,870 (previous year 1,18,34,870) Equity Shares of Balaji Toll Ways Ltd of face value of Rs.10/- each	-	-
- 3,153 (previous year 3,153) Equity Shares of Atulraj Builders Pvt. Ltd. of face value of Rs.100/- each	315,300.00	315,300.00
	1,965,300.00	1,465,300.00
iii) Share Application money in Balaji Toll Ways Ltd	-	-
iv) Capital Account with Joint Venture / Partnership	5,657,040.37	1,020,000.00
v) Flats at Charkop - Kandivali	7,662,588.00	7,662,588.00
TOTAL	16,238,668.37	11,101,628.00

SCHEDULE-7

CURRENT ASSETS

Interest Accrued on Bank Deposits, N.S.C. & Indira Vikas Patra	1,657,908.00	3,370,038.00
Cash and Bank Balances		
- Cash on hand	90,413,889.51	11,978,235.84
- Balances with Scheduled Banks :		
in current accounts	119,214,314.57	78,036,954.12
in fixed deposits	50,332,719.38	86,504,124.22
	259,960,923.46	176,519,314.18
Sundry Debtors (Unsecured, considered good)		
- Debts exceeding six months	1,380,722,564.97	1,173,612,216.11
- Others	176,143,265.76	600,976,150.30
	1,556,865,830.73	1,774,588,366.41
Inventories (As valued & certified by the Management):		
- Stock of Material (at cost)	164,959,500.00	151,706,000.00
Work-in-Progress (Real estate Project) Under implementation)	412,757,747.90	1,289,330.00
Expenditure on Contract including estimated Profits	51,094,036.12	51,586,491.36
TOTAL	2,447,295,946.21	2,107,473,048.59

ATLANTA LIMITED
CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET

(Amt in Rs.)

	As At March 31, 2010	As at March 31, 2009
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SCHEDULE-8

LOANS AND ADVANCES

(Unsecured, Considered Good unless otherwise stated)

- Advances recoverable in cash or in kind for the value to be received	151,696,715.25	24,455,290.82
- Advance to staff	41,628.00	81,196.00
- Deposits with Govt. Authorities	33,840,885.15	33,483,067.00
- Other Deposits and Retention Money	149,949,624.09	134,142,163.09
- Loans and advances to Joint Venture & Firms	-	409,230,903.00
- Sales Tax Payments	3,736,512.00	2,758,633.00
- Pre-Paid Expenses	-	86,914.00
TOTAL	339,265,364.49	604,238,166.91

SCHEDULE-9

CURRENT LIABILITIES

- Sundry Creditors	450,805,798.34	690,824,537.65
- Sundry Creditors for Capital Goods & Others	16,625,224.97	70,622,359.78
- Provision for Expenditure -(EPC Contract)	142,066,721.00	156,797,179.00
- Bank Overdraft as per cash book	444,559.72	40,539,244.03
- Rent and Security Deposits	179,400.00	179,400.00
- Other Current Liabilities	26,954.00	26,954.00
- Unclaimed Dividend	123,331.00	129,938.00
- Advance against progress billing	3,463,625.73	-
TOTAL	613,735,614.76	959,119,612.46

SCHEDULE-10

PROVISIONS

- Provision for Taxation (Net of Advance Tax)	396,350,739.00	290,985,934.00
- Less: Income Tax Payments	321,872,509.30	74,478,229.70
- Proposed Dividend	28,800,000.00	22,550,000.00
- Tax on Dividend	4,807,461.00	7,664,745.00
- Provision for Gratuity	3,025,629.00	2,005,460.00
TOTAL	111,111,319.70	84,547,278.57

ATLANTA LIMITED

CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF PROFIT AND LOSS ACCOUNT

(Amt in Rs.)

	2009-2010	2008-2009
SCHEDULE-11		
TURNOVER		
Contract Revenue	1,648,093,068.97	1,600,843,177.30
Toll Income	373,609,779.58	342,398,207.00
TOTAL	2,021,702,848.55	1,943,241,384.30
SCHEDULE-12		
OTHER INCOME		
- Interest on N.S.C., Indira Vikas Patra and Bank Deposits (Tax Deducted at Source Rs.12,72,879/-)	6,467,285.16	20,380,961.38
- Dividends	78,801.37	-
- Profit on Sale of Assets	2,547,204.87	4,140,176.06
- Sale of Scrap	-	895,000.00
- Share of Profit from Firms & Joint Venture	-	182,120.64
TOTAL	9,093,291.40	25,598,258.08
SCHEDULE-13		
VARIATION IN STOCK		
Stock of Material		
Closing Stock	164,959,500.00	151,706,000.00
Less : Opening Stock	151,706,000.00	108,108,000.00
TOTAL	13,253,500.00	43,598,000.00
SCHEDULE-14		
OPERATING EXPENSES		
Purchase of Material	473,120,536.35	469,137,934.24
Repairs & Maintenance	29,514,368.84	51,917,459.24
Labour Charges	14,971,478.71	19,205,188.00
Payment to Contractor	366,739,722.55	392,375,656.79
Machinery Hire Charges	17,491,799.71	17,193,410.15
Electricity & Power Expenses	3,717,421.00	4,061,200.67
Tyre Expenses	2,446,340.00	2,889,148.24
Transport and Freight Charges	12,523,189.34	41,441,177.76
Lease Rent	3,598,393.00	3,326,337.00
Water Charges	2,898,852.50	1,468,707.00
Quarry Expenses and Royalty Charges	2,843,573.67	-
Laboratory and Material Testing Charges	7,215,401.00	2,509,029.00
Sales Tax	7,476,977.00	3,830,294.00
Doubtful Debts Written Off	-	206,941,388.94
Completed Projects Expenses	6,944,410.44	18,316,118.58
Service Tax	-	11,277,383.00
	951,502,464.11	1,245,890,432.61
Expenditure on EPC Contract		
Provision for Expenditure	142,066,721.00	156,797,179.00
Less: Opening Balance	156,797,179.00	(14,730,458.00)
TOTAL	936,772,006.11	1,132,350,177.11

CONSOLIDATED SCHEDULES ANNEXED TO AND FORMING PART OF PROFIT AND LOSS ACCOUNT

(Amt in Rs.)

	2009-2010	2008-2009
SCHEDULE-15		
EMPLOYEES' EMOLUMENTS AND BENEFITS		
Salary and Bonus	51,295,221.38	50,470,531.93
Welfare Expenses	3,093,627.77	2,092,003.00
Director's Remuneration	5,267,332.93	2,263,151.00
Contribution to Provident & Other Funds	1,625,003.00	1,897,207.00
Gratuity	1,294,137.00	(244,375.00)
Director's Sitting Fees	300,000.00	280,000.00
Completed Contract Salaries	-	-
TOTAL	62,875,322.08	56,758,517.93
 SCHEDULE-16		
ADMINISTRATIVE EXPENSES		
Printing & Stationery	1,611,640.37	2,447,324.44
Professional Charges	11,830,318.23	8,940,966.00
Advertisement	1,741,488.00	1,383,329.00
Municipal & Water Taxes	878,407.00	198,613.00
Insurance Charges	7,171,120.80	4,448,633.00
Motor Car Expenses	470,461.00	350,038.50
Telephone & Postage Expenses	3,013,223.62	3,604,997.27
News Paper & Subscription	767,772.00	73,470.00
Documantation Regd. and Processing Charges	5,924,790.00	5,068,516.00
Tender Fees	3,787,444.00	4,874,948.00
Sundry Expenses	2,032,712.91	5,411,103.81
Conveyance Expenses	4,714,351.59	3,047,286.43
Vehicle Taxes	1,464,156.00	1,573,079.00
Office Premises Rent	2,160,000.00	2,160,000.00
Travelling Expenses	6,715,824.23	6,228,192.69
Business Promotion Expenses	227,204.00	1,498,270.00
Security Expenses	5,111,874.81	4,816,623.00
Rates and Taxes	7,116,969.00	4,873,276.00
Completed Projects Adm.Expenses	684,292.00	4,948,990.13
Loss on Foreign Exchahange Difference	27,966,192.37	39,692,318.43
Loss on Sale of Assets	-	-
Internal Audit Fee	52,575.00	-
Auditors' Remuneration	698,558.25	551,500.00
TOTAL	96,141,375.18	106,191,474.70
 SCHEDULE-17		
INTEREST AND FINANCE CHARGES:		
Interest on Hire Purchase Credit & Mobilisation Advance	97,377,313.60	133,296,278.72
Interest on Working Capital Borrowing	151,721,152.91	137,291,827.50
Bank Guarantee and Other Charges	26,679,927.46	36,919,202.60
Discounting Charges	20,798,058.00	18,447,171.67
TOTAL	296,576,451.97	325,954,480.49

SCHEDULE ANNEXED TO AND FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2010 AND CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2010

SCHEDULE 18

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2010

I. SIGNIFICANT ACCOUNTING POLICIES

1) Accounting Convention

The financial statements are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956 on an accrual basis of accounting.

2) Use of estimates

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

3) Principles of consolidation

The financial statements of the group have been prepared in accordance with Accounting Standard- 21 "Consolidated Financial Statement" and Accounting Standard- 27 "Financial Reporting of Interest in Joint Ventures" issued by the Companies Accounting Standards Rules 2006

All inter group transactions, balances and unrealized surpluses and deficits on transactions between group companies are eliminated.

The BOT contracts are governed by Service Concession Agreements with Government Authorities (Grantor). Under this agreement the operator does not own road but gets "Toll Collection Rights" against the cost incurred for construction services. Since the construction cost incurred by the operator is considered as exchanged with the Grantor against toll collection rights, profits from such contract is considered as realized.

Accordingly BOT contracts awarded to group company (Operator) where the work is sub-contracted to fellow group company, the inter group transactions on BOT contracts profit arising thereon are taken as realized and are not eliminated.

4) Fixed Assets and Depreciation

i) All fixed assets are stated at cost less accumulated depreciation thereon. The cost comprises the purchase price and attributable cost of bringing the asset to its working condition for its intended use. Revalued assets are stated at the revalued amount.

ii) Depreciation is provided on straight line method at the rates and method specified in Schedule XIV of the Companies Act 1956. Depreciation on the revalued component of the asset has been charged in the similar manner over the residual life of the assets and withdrawn from the revaluation reserve.

5) Capital Work-in-Progress

Projects under commissioning and other capital work-in-progress, are carried at cost, comprising of direct cost, related incidental expenses, interest and other financing cost payable on funds specifically borrowed to the extent they relate to the period till assets are put to use.

6) Intangible Assets and Amortization

i) Intangible assets are stated at cost of acquisition / development less accumulated amortization.

ii) Cost of Toll Collection Right on Mumbra By-pass Road is amortized on straight line basis over the period for which

the toll collection rights on the said road have been granted by the authorities.

7) Investments

All long-term investments are stated at cost.

8) Inventories

a. Construction Materials are valued and stated at lower of cost or net realizable value.

b. Work in progress (i.e. unbilled contract expenditure) on the construction contracts reflects value of material input and expenses incurred on the contracts including the estimated profits thereon after adjusting progress billing in the manner provided under Accounting standard AS-7 (revised) on construction Contracts.

9) Revenue Recognition

The company follows the mercantile system of accounting and recognizes revenue / income, cost / expenditure on accrual basis except in the case of significant uncertainties. The principles of revenue recognition are given below:

i) Income from Projects under Long Term Contracts is recognized on the Percentage of completion basis in the manner specified under Accounting Standard – AS7 (Revised) on Construction Contracts. As the long term contracts necessarily extend beyond one year, revision in the costs and revenues estimated during the course of contract are reflected in the accounting period in which the facts requiring revision become known.

ii) Additional claim including escalations, which in the opinion of the management, are recoverable on the contract are recognized at the time of evaluating the job.

iii) The determination of revenue under the Percentage of Completion Method necessarily involves making estimates by the company which are of technical nature concerning, where relevant, the percentage of completion, costs to completion, the expected revenue from the projects and the losses, if any, to completion. Such estimates, made by the company, have been relied upon by the Auditors as these are of technical nature.

iv) Revenue from other contracts is recognized based on billing schedules agreed with the clients on Progressive Completion basis.

v) Revenue from toll collection is recognized on the receipt of toll from users of the concession facility.

vi) Interest income is recognized on time proportion basis.

vii) Dividend income is recorded when the right to receive the dividend is established.

viii) Other revenues are accounted on accrual basis.

10) Turnover

a) In respect of Engineering Procurement and Construction (EPC) contract, where the company is also responsible for designing and engineering in addition to procurement and construction, the percentage of completion and the turnover therefrom is based on physical proportion of contract work as per the certificate of the independent consulting engineer.

b) In respect of other contracts and other project related activities, the turnover is recognized by applying Percentage of Completion method to the total contract cost, along with an estimated profit thereon. The percentage of completion is determined by applying the proportion of the cost incurred to date to the total estimated project cost.

c) Turnover includes toll collection of BOT infrastructure project and mining.

11) Foreign Currency Transactions

Any income or expenses on account of foreign exchange derivative contract is recognized on settlement in the Profit & Loss account in the reporting period

- 12) Retirement Benefits
- Company's contribution to Provident Fund are made at predetermined rates to the appropriate authority and charged to Profit & Loss Account on accrual basis.
 - Gratuity in respect of past and present services of the employees is being accounted for an accrual basis based on actuarial valuation.
 - Actuarial gains/losses are immediately taken to profit and loss account and are not deferred
 - No provision has been made in respect of Leave Encashment, as the employees of the company are required to utilize their entitlement of earned leave before the end of the financial year.

13) Taxes on Income

Income tax expenses for the period comprises of current tax and deferred tax is included in determining the Net profit / (Loss) for the period.

Current Tax provision has been determined on the basis of relief, deductions, etc. available under the Income Tax Act.

Deferred Tax is recognized for all timing differences between taxable income and the accounting income, which originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws enacted or substantively enacted as of the Balance Sheet date.

14) Earning per Share

The company reports basic and diluted Earning Per Share (EPS) in accordance with Accounting Standard 20. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilutive potential Equity Shares.

15) Impairment of Assets

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

16) Grants From NHAI

The Company on receipt of grant as per the concession agreement accounts the same under Shareholders funds under reserves and surplus, in accordance with the terms of the concession granted to the company.

17) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the year in which they are incurred.

18) Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in the Accounting Standard – 3 on Cash Flow Statement and presents the cash flows by operating, investing and financing activities of the company. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and balance with banks.

19) Contingent Liabilities

Contingent liabilities are reflected as notes to accounts

II. NOTES TO ACCOUNTS

- (1) The consolidated financial statements present the consolidated accounts of Atlanta Ltd with its following Subsidiary and Joint Ventures

a) Subsidiary

Name of Subsidiary	Country of Incorporation	Proportion of ownership Interest
Balaji Toll Ways Ltd	India	99.74%

b) Associates

Name of Associates	Country of Incorporation	Proportion of ownership Interest
Atlanta Thakural		
Constructions	India	51.00%
ABT Developers	India	51.00%
Shreenath Builders	India	51.00%

(2) Contingent liabilities not provided for:

- Guarantees given by the banks on behalf of the Company Rs. 61,51,09,603/-(Previous year Rs47,00,90,932/-)
 - Unexpired Letters of Credit Rs 11,89,63,277/-(previous year Rs.39,32,06,663/-)
 - Corporate guarantee given to Bank and Financial Institution on behalf of group company (M/s.Balaji Toll Ways Ltd) amounting to Rs.150,00,00,000/- (previous year Rs.1,10,00,00,000/-) against term loan availed by the them.
- (3) 7 year National Saving Certificates and Kisan Vikas Patra of the face value of Rs. 8,35,200/- have been lodged as security with Municipal Corporation, Mumbai.
- (4) In the opinion of the Management, the current assets, Loans and Advances and Current Liabilities are approximately stated if realized in the ordinary course of business. The balances of debtors, creditors and Loans & Advances are subject to confirmation and reconciliation, if any. The provisions for all other liabilities is adequate and not in excess of the amount reasonably necessary.
- (5) The company, following the principle of prudence, conservatism and matching principle of cost and revenue in an EPC contract for Engineering, Designing, Procuring and Construction of road project in Nagpur provides for expenditure on such contract so that profit from the contract is accrued proportionately in relation to the physical progress of the work throughout the contract. In view thereof, in this account an amount of Rs.1,47,30,458.00 (net of last year's provision of Rs. 11,35,40,255.50 has been adjusted in the Operating expenses.
- (6) In the matter of Arbitration proceedings in respect of difference and dispute arising out of contract of construction of " Arterial and Sub Arterial Roads" at Bangalore, the Arbitrator had made an award on 22-03-2003 in favour of the company against which the contracting authority preferred an appeal before the City Civil Court Bangalore. The Honorable City Civil Court Bangalore directed the contracting authority to pay the amount of Rs. 30.16 Crores. The contract revenue for the year includes an amount of Rs.9.59 crores on the basis of above order.
- (7) The Government of Maharashtra, Public Works Department (PWD) vide agreement dated 18.10.2000 originally awarded a contract of construction of Mumbra – Kausha By-pass Project on NH – 4, Mumbai Pune Road on Built, Operate & Transfer (BOT) basis for a concession period of 6 years and 9 months (including construction period).
- Subsequently, due to change in the scope of work, a supplementary agreement dated 11.5.2005 was entered which increased the concession period to 10 years, 4 months and 25 days.
- The Government of Maharashtra vide Notification dated 27.12.2007 authorised the company to collect the toll from the vehicles passing through the said road effective from 28.12.2007 to 11.9.2010 as per the supplementary agreement.

However, the company made a representation before the Contracting Authority for enhancement of the concession period for various reasons including change in scope of work. Based on such representations, the PWD has recommended to the concerned Authority the enhancement of concession period from 10 years, 4 months and 25 days to 24 years, 1 months and 17 days.

In the year under review the company referred the matter before the Arbitral Tribunal to resolve the issue. In the mean time the Government of Maharashtra issued an interim Notification extending the concession period from 11-09-2010 to 21-09-2014. Considering the interim Notification and recommendation of the Chief Engineer (PWD), Mumbai Region and also relying upon the legal opinion of a counsel, the management is reasonably certain about the enhancement of concession period as stated above. In view of this, the toll collection rights are amortized in the manner whereby the total cost of the project i.e. Rs.142.27 crores is written off over the proposed enhanced concession period of 24 years, 1 months and 17 days. The company, therefore, amortized the toll collection rights at Rs.8.49 crores, as against the amortization of Rs.21.18 crores based on the concession period notified by the Government of Maharashtra.

- (8) In pursuance of announcement dated March 29, 2008 of the Institute of Chartered Accountants of India on Accounting of Derivatives, Mark to Market Loss on outstanding derivative instruments as on March 31, 2010 stood at Rs. 7,88,94,340/- in respect of Rupee Foreign Currency Swap Transaction. The company does not hold or issue derivative financial instruments for trading or speculative purpose and all the derivatives entered in to by the company are to mitigate or offset the risk that arise from their normal business activities only. Pending the quantification of actual loss or gain on the expiry of derivative contract with the authorized dealer the company has not provided for the Mark to Market Losses in the interim period.
- (9) In the 26th Annual General Meeting of the company held on 30th September, 2009, the Shareholders did not approve the dividend proposed by Board of Directors for the financial year 2008-09 amounting to Rs. 1.63 crores. Hence, in the accounts for the year under review, the proposed dividend and Dividend Tax there on aggregating to Rs. 1.90 crores has been reversed and credited back to Profit and Loss Appropriation Account.
- (10) The company had based on valuation made by approved valuers revalued some of its fixed assets in the various accounting years. The resultant appreciation aggregated to Rs. 3,99,90,973/- has been added to the Gross Block of the Fixed Assets and credited to the Revaluation Reserve as per details given below:

Year Ended	Particulars of Fixed Assets	Original Cost	Revalued Cost	Difference added to Fixed Assets
31/03/2000	Office Premises	53,92,627	2,82,00,000	2,28,07,373
31/03/2000	Plant & Machinery	3,16,400	1,75,00,000	1,71,83,600
Total		57,09,027	4,57,00,000	3,99,90,973

Consequent to revaluation, the appreciated proportion of Fixed Assets has been depreciated at the rates applicable to the respective assets under the straight-line method of depreciation. In the year under consideration the company decided the commercial development of plot of land situated at Shil Village, Thane, and accordingly the said land has been transferred at a cost price to capital work in progress after adjusting the revalued amount. In the opinion of the Management, the current assets, Loans and Advances and Current Liabilities are approximately stated if realized in the ordinary course of business. The balances of debtors, creditors and Loans & Advances are subject to confirmation and reconciliation, if any. The provisions for all other liabilities is adequate and not in excess of the amount reasonably necessary.

- (11) Amount paid as Compensation for short-term loans availed by the company are treated as discounting charges by the company and has been merged with interest and financial charges.
- (12) The Company has been awarded a EPC contract for Engineering, Designing, Procuring and Construction of BOT project by its subsidiary company namely M/s. Balaji Toll Ways Ltd (Operator) at NH-6 (Nagpur-Kondhali Section)" in the State of Maharashtra. The BOT project is governed by Service Concession agreement with Government Authorities (Grantor). Under this agreement the operator does not own road but gets "Toll Collection Rights" against the cost incurred for construction services. Since the construction cost incurred by the operator is considered as exchanged with the Grantor against toll collection rights, profits form such contract is considered as realized.

Hitherto, the consolidated financial statements were prepared under which inter group transaction on BOT projects and the profits arising there on were considered as unrealized and were eliminated.

In the year under consideration the company has considered the revenue of Rs. 60,25,40,226/- and profits of Rs. 44,00,16,650/- on such BOT contract as realized and therefore not considered for elimination under AS-21. The company has, during the year also reinstated General Reserve and Capital Work In Progress of Rs.55,06,81,146/- which was derecognized and eliminated in the previous accounting year on account of earlier accounting policy.

- (13) Balance capital commitment of subsidiary company for "Improvement, operation and maintenance including strengthening and widening of existing 2 lane road to 4 lane dual carriageway from K.M.9.200 – K.M.50.000 of NH-6 (Nagpur-Kondhali Section)" in the State of Maharashtra, on BOT basis. As on 31-03-2010 is Rs.66.00 Crores (Previous year Rs.32.95 Crores)
- (14) Deferred Tax
- a) In compliance with Accounting Standard – 22 (AS – 22) on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India in respect of the deferred tax liability arising on account of timing difference for the current financial year, a sum of Rs.3,98,909/- has been accounted as deferred tax liability.
- b) The major components of Deferred tax balances are as under :

	UPTO 31/03/2009	DURING THE YEAR	UPTO 31/03/2010
Deferred Tax liability :			
Difference between accounting and tax depreciation/ amortization (Cumulative)	14,18,46,492	(13,00,592)	14,05,45,900
Total (A)	14,18,46,492	(13,00,592)	14,05,45,900
Deferred Tax Asset:			
Disallowance of Gratuity Payable	(7,64,719)	(2,63,692)	(10,28,411)
Other Disallowances	(16,99,500)	19,63,193	2,63,693
Total (B)	(24,64,219)	16,99,501	(7,64,719)
Net Deferred Tax Liability (A-B)	13,93,82,273	3,98,909	13,97,81,182

- (15) Disclosure in accordance with Accounting Standard AS-7 (Revised) in respect of contracts entered into by the company:

(Rs. in Lakhs)

Turnover	7,354.86
Expenditure	5,748.11
Profit/(Loss) recognized	1,606.75
Advances received	24,220.87
Gross Amount due from customers for contract work	(1,046.20)
Retention Money	130.36

- (16) Disclosure as per Accounting Standard -15 (Revised)

a) Defined Contribution Plan

The Company has recognized, in the Profit and Loss Account for the year ended 31 March, 2009, contribution to provident fund amounting to Rs. 13,16,728/- as expenses under defined contribution plan under the head "Contribution to Provident and Other Funds" in schedule - 15 – employees Emoluments and Benefits.

b) Defined Benefit Plan – Gratuity (Wholly unfunded)

i)	Assumptions	31-03-2010	31-03-2009
	Discount Rate	7.75%	7.75%
	Rate of Return on Plan	7.75%	7.75%
	Salary Escalation	5.00%	5.00%
	Withdrawals Rates	1.00% at each age	1.00% at each age
	Mortality Rate	LIC (94-96) Ultimate	LIC (94-96) Ultimate
	Benefits	As per Gratuity Act.	As per Gratuity Act

ii)	Table showing change in the benefit in present value of obligation	31-03-2010 (Rs.)	31-03-2009 (Rs.)
	Liability at the Beginning of the Year	20,05,460/-	25,52,720/-
	Interest Cost	1,55,423/-	2,09,323/-
	Current Service Cost	4,44,830/-	8,21,008/-
	Benefits Paid	(2,73,968)	(-)
	Actuarial (Gain)/Loss on obligation	(2,27,412)	(15,77,591)
	Liability at the end of the Year	30,25,629/-	20,05,460/-

iii) The amount to be recognized in the Balance Sheet

	Present Value of obligations as at the end of the year	30,25,629/-	20,05,460/-
	Fair Value of Plan Asset as at the end of the year	Nil	Nil
	Net Asset (Liability) recognized in Balance Sheet	30,25,629/-	20,05,460/-

iv) Expenses recognized in Statement of Profit and Loss

	Interest Cost	1,55,423/-	2,09,323/-
	Current Service Cost	4,44,830/-	8,21,008/-
	Expected Return on Plan Asset	Nil	Nil
	Net actuarial (Gain)/ Loss recogd.	(2,27,412)	(15,77,591)
	Expenses recognized in the statement of Profit and Loss	12,94,137/-	(5,47,260)

v) Valuation Method : Projected Unit Credit Method

Note: The above disclosure is made to the extent of information given by the actuaries.

- (17) Managerial Remuneration

Managerial Remuneration paid to Managing Director and Whole Time Directors for the year is as under:

	2009-2010	2008-2009
Salaries	52,67,333	22,63,151
Contribution to Funds	28,080	28,080
Director's Sitting Fees	3,00,000	2,80,000

Note: As there is no commission payable to the directors, the computation of profit under section 198 and 350 of the Companies Act, 1956 has not been disclosed.

- (18) Segment Information

The company is engaged in the business of contracting activities i.e. construction and development of infrastructure. The entire operations are governed by the same set of risk and rewards and there fore the same has been considered as representing single primary business segment. The company operates with in a single geographical segment i.e. India. In view of this, the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" issued by the Institute of Chartered Accountants of India are not applicable.

- (19) There was no impairment Loss on fixed assets on the basis of review carried out by the Management in accordance with the Accounting Standard – 28 "Impairment of Assets" issued by the Institute of Chartered Accountants of India

- (20) Auditors' Remuneration

	2009-2010	2008-2009
Audit Fees	3,70,000	4,80,600
Tax Audit Fees	1,00,000	1,00,000
Taxation matters	65,000	65,000
Other Services/Certification	92,180	1,16,472
Service Tax	51,500	51,500
Total Rupees	6,78,980	6,82,536

- (21) Since the principal business of the company is construction activities, additional information pursuant to the provisions of paragraphs 3 & 4 of Part II of Schedule IV of the Companies Act 1956 are given below to the extent applicable:

Expenditure in Foreign Currencies

	2009-2010	2008-2009
On capital goods	Nil	2,10,74,199/-

- (22) The company has not received any intimation from the suppliers regarding the status as per the provisions of Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure if any, relating to the amounts un paid as at the year end together with interest paid/payable under the said act could not be furnished.

- (23) Earning Per Share:

	2009-2010	2008-2009
a) Calculation of Weighted average number of equity shares		
Face Value of the shares	Rs. 10/-	Rs.10/-
No. of equity shares	1,63,00,000	1,63,00,000
Weighted Average No. of equity shares	1,63,00,000	1,63,00,000
b) Net profit for the year available to Equity Share holders	40,39,50,446	19,36,29,710
c) Basic and diluted earnings per share (Annualized)	24.33	11.43

- (24) Related Party Disclosures:

As per the Accounting standard – 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard for the year ended 31st March, 2010 is given below:

A) List of Related Parties

● **Key Management Personnel and Their Relatives**

Rajhoo Bbarot
Bhavana Bbarot
Rikiin Bbarot
Rekha A.Barot
Ambalal P.Barot
Ridhima M.Doshi
Mitul M.Doshi
Rajendra Barot HUF
Ambalal P. Barot HUF
G. Radhakrishnan

Associates and Joint Ventures

Prakash-Atlanta Joint Venture
Gammon-Atlanta Joint Venture
AAP Construction Company
Balaji Toll Ways Pvt. Ltd.

ABT Developers

Atlanta Thakural Constructions

Shreenath Builders

Enterprises over which key Management Personnel is able to exercise significant influence.

Atulraj Builders Pvt. Ltd

Shrikant Studio Pvt.Ltd

Ideal Toll Road Investments & Operations Pvt. Ltd.

(As identified and certified by the Management and relied upon by the auditors. For details of transactions entered into with the related parties refer **Annexure – 1**)

- (25) The company has option to claim deduction under section 80 IA of the Income Tax Act, 1961 in respect of toll collection income of BOT infrastructure project. The company has made provision for Minimum Alternative Tax (MAT) of Rs.2,85,00,000/- considering the future expected benefits.
- (26) Balaji Toll Ways Ltd become a subsidiary company by virtue of Atlanta Limited acquiring 99.74% of its share capital on 20-02-2009.

SIGNATORIES TO SCHEDULE 1 TO 18

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR SURESH C. MANIAR & CO.

CHARTERED ACCOUNTANTS

K. V. SHETH

PARTNER

MANAGING DIRECTOR

DIRECTOR

COMPANY SECRETARY

PLACE : MUMBAI

DATED: 29th May,2010

PLACE : MUMBAI

DATED: 29th May,2010

Annexure -1

RELATED PARTIES TRANSACTIONS

(Rs.in Lakhs)

Nature of Transaction	Key Management Personnel		Associates & Joint Ventures		Relative of Key Management Personnel		Enterprises over which Key management personnel exercise significant influence		Total	
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
Contract Receipts	-	-	1,181.66	1,803.35	-	-	-	1,181.66	1,803.35	
Loans taken	50.00	74.65	-	-	104.00	64.30	-	150.00	154.00	288.95
Loans repaid	125.79	0.36	-	-	166.20	9.05	150.00	43.50	441.99	52.91
Managerial Remuneration & Directors Sitting Fees	55.67	25.43	-	-	-	-	-	-	55.67	25.43
Salary	-	-	-	-	7.42	1.20	-	-	7.42	1.20
Rent Expenses	14.40	14.40	-	-	7.20	7.20	-	-	21.60	21.60
Interest Expenses	12.20	-	-	-	13.33	-	-	24.64	25.53	24.64
Professional Fees	-	-	-	-	-	-	-	7.49	-	7.49
Dividend on Equity share	-	67.79	-	-	-	47.21	-	-	-	115.00
Dividend on Preference share	-	-	-	-	-	-	62.50	62.50	62.50	62.50
Joint Venture Current Account Contribution/(withdrawals)	-	-	8.27	16.39	-	-	-	-	8.27	16.39
Profit on Sale of Investments	-	-	-	-	-	-	-	48.95	-	48.95
Recd.against Sale of Investments	-	-	-	-	-	-	-	129.95	-	129.95
Outstanding balances as on 31.03.2010	-	-	-	-	-	-	-	-	-	-
Mobilisation Advance	-	-	54.78	54.78	-	-	-	-	54.78	54.78
Receivables/ as debtors/advances	-	-	8,188.87	8,188.87	-	-	-	-	8,188.87	8,188.87
Capital Balance Partnership Firms/Joint Venture	-	-	(0.27)	(0.27)	-	-	-	-	(0.27)	(0.27)
Current Account Balance Partnership Firms/Joint Venture	-	-	892.76	884.49	-	-	-	-	892.76	884.49
Loans/deposit given	720.50	720.50	-	-	75.00	75.00	-	-	795.50	795.50
Loans/deposit taken	6.50	82.29	-	-	-	62.20	-	207.56	6.50	352.05
Preference Share Capital (Excluding premium)	-	-	-	-	-	-	250.00	250.00	250.00	250.00
Investment in Equity Share Capital	-	-	3.15	3.15	-	-	-	-	3.15	3.15
Trade Creditors	43.08	14.20	-	-	-	-	-	-	43.08	14.20

ATLANTA LIMITED

BALANCE SHEET ABSTRACT AND COMPANY GENERAL PROFILE

(Additional information pursuant to the provision of part IV of Schedule VI to the Companies Act,1956)

1	REGISTRATION DETAILS		
	Registration No.		31852
	State Code		11
	Balance Sheet Date		31 March,10
2	CAPITAL RAISED DURING THE YEAR		
	(Amount in Thousands Rupees)		
	Public Issue		-
	Rights Issue		-
	Bonus Issue		-
	Private Placement		-
3	POSITION OF MOBILISATION AND DEPLOYMENT		
	(Amount in Thousands Rupees)		
	TOTAL ASSETS		6,389,647
	TOTAL LIABILITIES		6,389,647
	SOURCES OF FUNDS		
	Paid up Capital		188,000
	Reserves & Surplus		2,550,291
	Secured Loans		3,250,876
	Unsecured Loans		257,756
	Deferred Tax Liability		139,781
	Minority Interest		2,943
	TOTAL		6,389,647
	APPLICATION OF FUNDS		
	Net Fixed Assets		4,311,694
	Investments		16,239
	Net Current assets		2,061,714
	TOTAL		6,389,647
4	PERFORMANCE OF THE COMPANY		
	(Amount in Thousands Rupees)		
	Turnover		2,030,796
	Total Expenditure		1,520,414
	Profit before Tax		510,382
	Profit after Tax		403,943
	Earning Per Share in Rs.		24.33
	Dividend rate		10%
4	GENERIC NAME OF THE THREE-PRINCIPAL PRODUCTS		
	Item Code No.		NIL
	Product Description		Infrastructure Development

ATLANTA LIMITED

Regd. Office : 101, Shree Amba Shanti Chambers, Opp. Leela Hotel Andheri-Kurla Road,
Andheri (East) Mumbai 400 059.

PROXY FORM

DP ID _____ Master Folio _____

Client ID _____ No. of Shares _____

I/We _____ of _____

being a member / members of ATLANTA LTD. hereby appoint _____
_____ of _____

or falling him / her _____ of _____

as my / our proxy to vote for me / us on my / our behalf at the TWENTYSEVENTH ANNUAL GENERAL MEETING of the
Company be held on 30th September, 2010 at 3.00 P.M.

Signed this _____ day of _____ 2010 Signature _____

Affix
Revenue
Stamp of
Re. 1

- Notes:**
- 1) The Proxy need not be a member
 - 2) The form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting.

Tear Here

ATLANTA LIMITED

Regd. Office : 101, Shree Amba Shanti Chambers, Opp. Leela Hotel Andheri-Kurla Road,
Andheri (East) Mumbai 400 059.

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

27th ANNUAL GENERAL MEETING - Wednesday the 30th September, 2010

I hereby record my presence at the TWENTYSEVENTH ANNUAL GENERAL MEETING of the Company at Auditorium,
A Wing, Ground Floor, National Stock Exchange of India Limited, Exchange Plaza, Plot No. C-1, G Block, Bandra
Kurla Complex, Bandra (E), Mumbai - 400051 on 30th September, 2010 at 3.00 P.M.

Full Name of the Member : _____
(in BLOCK LETTER)

DP ID : _____ Master Folio: _____

Client ID : _____ No. of Shares: _____

Full Name of proxy : _____

(in BLOCK LETTER)

Member's / Proxy's Signature : _____

Tear Here