

Standalone Financial Statements

AUDITORS' REPORT TO THE MEMBERS OF GMR INFRASTRUCTURE LIMITED

1. We have audited the attached Balance Sheet of GMR Infrastructure Limited ("the Company") as at March 31, 2009, and the related Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order'), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to 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 law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
 - e. On the basis of written representations received from the directors, as on March 31, 2009 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
 - ii. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Thomas Mathew

Partner

Membership No. 50087

For and on behalf of

Price Waterhouse

Chartered Accountants

Place: Bangalore

Date: June 04, 2009

Annexure to Auditors' Report

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of GMR Infrastructure Limited on the financial statements for the year ended March 31, 2009]

- 1 a. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
 - c. In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
2. The Company is a holding company with its investments mainly within the group companies and as such does not hold any physical inventory. Accordingly clause (ii) of paragraph 4 of the Order is not applicable to the Company.
- 3 a. The company has granted unsecured loans to two companies covered in the register maintained under Section 301 of the Act, during the year ended March 31, 2008. The maximum amount involved during the year and the year-end balance of such loans aggregate to Rs. 740,000,000 and Rs. Nil respectively.
 - b. In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the company
 - c. In respect of the aforesaid loans, the parties are regular in repaying the principal amounts as stipulated and are also regular in payment of interest, where applicable.
 - d. In respect of the aforesaid loans, there is no overdue amount more than Rupees 1 lakh
 - e. The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly clauses (iii) (f) and (iii) (g) of paragraph 4 of the said Order are not applicable to the company for the current year.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets. The activities of the Company did not involve the purchase of inventory and sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, there are no contracts or arrangements, the particulars of which need to be entered in the register maintained under Section 301 of the Act during the year. Accordingly, clause (v) of paragraph 4 of the said Order is not applicable to the Company for the current year.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
8. The Central Government has not prescribed cost records under section 209 (1) (d) of the Act for any of the activities of the Company and accordingly clause (viii) of paragraph 4 of the Order is not applicable to the Company.
- 9 a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, income-tax and other material statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, and the records of the Company examined by us, investor education and protection fund, employees' state insurance, sales tax, wealth tax, customs duty, service tax, excise duty, and cess are not applicable to the Company for the current year.
 - b. According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax which have not been deposited on account of any dispute. According to the information and explanations given to us and the records of the company examined by us, sales tax, wealth tax, service tax, customs duty, excise duty and cess are not applicable to the Company for the current year.
10. The company has no accumulated loss as at March 31, 2009 and it has not incurred any cash loss in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to a bank or a financial institution or debenture holders as at the balance sheet date.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the company, for loans taken by others

from banks or financial institutions during the year, are not prejudicial to the interest of the company.

16. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
18. 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 during the year.
19. The company has created security or charge in respect of debentures issued and outstanding at the year end.
20. The company has not raised any money by public issues during the year. The management has disclosed the end use of monies during the year, out of public issue raised during the year ended March 31, 2007 [Refer Note 3 on Schedule 15 (II)] and the same has been verified by us.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

Thomas Mathew

Partner

Membership No. 50087

For and on behalf of

Price Waterhouse

Chartered Accountants

Place: Bangalore

Date: June 04, 2009

Balance Sheet as at March 31, 2009

(Amount in Rupees)

| Particulars | Schedules Ref | March 31, 2009 | | March 31, 2008 | |
|---|---------------|-----------------------|----------------|-----------------------|----------------|
| I. Sources of Funds | | | | | |
| 1. Shareholders' Funds | | | | | |
| a) Capital | 1 | 3,641,313,426 | | 3,641,304,551 | |
| b) Reserves and Surplus | 2 | 53,380,937,910 | 57,022,251,336 | 52,404,369,003 | 56,045,673,554 |
| 2. Loan Funds | | | | | |
| a) Secured Loans | 3 | 4,203,010,883 | | 4,691,761,693 | |
| b) Unsecured Loans | 4 | – | | 100,000,000 | 4,791,761,693 |
| Total | | 61,225,262,219 | | 60,837,435,247 | |
| II. Application of Funds | | | | | |
| 1. Fixed Assets | | | | | |
| a) Gross Block | 5 | 16,599,198 | | 17,100,604 | |
| b) Less : Depreciation | | 8,467,326 | | 10,324,611 | |
| c) Net Block | | 8,131,872 | | 6,775,993 | |
| 2. Investments | 6 | 40,618,683,534 | | 47,803,096,209 | |
| 3. Deferred Tax Asset / (Liability) (Net) [Refer Note 11 of Schedule 15 (II)] | | 2,156,458 | | (274,717) | |
| 4. Current Assets, Loans and Advances | | | | | |
| a) Cash and Bank Balances | 7 | 13,319,157,676 | | 1,081,496,436 | |
| b) Other Current Assets | 8 | 57,969,224 | | 41,217,820 | |
| c) Loans and Advances | 9 | 7,402,076,268 | | 12,117,733,857 | |
| | | 20,779,203,168 | | 13,240,448,113 | |
| Less : Current Liabilities and Provisions | 10 | | | | |
| a) Liabilities | | 174,475,912 | | 212,141,636 | |
| b) Provisions | | 8,436,901 | | 468,715 | |
| | | 182,912,813 | | 212,610,351 | |
| Net Current Assets | | 20,596,290,355 | | 13,027,837,762 | |
| Total | | 61,225,262,219 | | 60,837,435,247 | |
| Statement on Significant Accounting Policies and Notes to the Accounts | 15 | | | | |

The Schedules referred to above form an integral part of the Balance Sheet.

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

For and on behalf of the Board of Directors

Thomas Mathew
Partner
Membership Number: 50087
For and on behalf of
Price Waterhouse
Chartered Accountants

G. M. Rao
Executive Chairman

G. B. S. Raju
Managing Director
(Place: Singapore)

A. Subba Rao
Group CFO

Place: Bangalore
Date: June 04, 2009

C.P. Sounderajan
Company Secretary

Profit and Loss Account for the year ended March 31, 2009

(Amount in Rupees)

| Particulars | Schedules Ref | March 31, 2009 | March 31, 2008 |
|--|---------------|----------------------|----------------------|
| I. Income | | | |
| Operating Income | 11 | 1,592,003,544 | 1,027,670,401 |
| Other Income | 12 | 58,182,517 | 94,293,238 |
| | | 1,650,186,061 | 1,121,963,639 |
| II. Expenditure | | | |
| Administration and Other Expenditure | 13 | 371,286,309 | 211,601,846 |
| Interest and Finance Charges | 14 | 237,924,361 | 253,655,318 |
| Depreciation | | 1,085,519 | 1,293,226 |
| | | 610,296,189 | 466,550,390 |
| III. Profit Before Taxation | | 1,039,889,872 | 655,413,249 |
| Provision for Taxation | | | |
| - Current | | 57,500,000 | 27,500,000 |
| - Deferred | | (2,431,175) | 180,269 |
| - Fringe Benefit Tax | | 8,087,723 | 750,000 |
| IV. Profit After Taxation | | 976,733,324 | 626,982,980 |
| Surplus brought forward from previous year | | 1,496,168,468 | 817,810,488 |
| V. Profit available for Appropriation | | 2,472,901,792 | 1,444,793,468 |
| Transfer from Debenture Redemption Reserve | | (37,500,000) | (51,375,000) |
| VI. Available Surplus carried to Balance Sheet | | 2,510,401,792 | 1,496,168,468 |
| Earnings Per Share(Rs.) - Basic & Diluted | | 0.54 | 0.37 |
| [Per equity share of Rs.2 each] [Refer Note 10 of Schedule 15 (II)] | | | |
| Statement on Significant Accounting Policies and Notes to the Accounts | 15 | | |

The Schedules referred to above form an integral part of the Profit and Loss Account.

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

For and on behalf of the Board of Directors

Thomas Mathew
Partner
Membership Number: 50087

G. M. Rao
Executive Chairman

G. B. S. Raju
Managing Director
(Place: Singapore)

A.Subba Rao
Group CFO

For and on behalf of
Price Waterhouse
Chartered Accountants

Place: Bangalore
Date: June 04, 2009

C.P. Sounderarajan
Company Secretary

Schedules forming part of Balance Sheet as at March 31, 2009

(Amount in Rupees)

| Schedule 1 CAPITAL | March 31, 2009 | March 31, 2008 |
|---|-----------------------------|-----------------------------|
| Authorised | | |
| 3,750,000,000 Equity shares of Rs. 2 each | 7,500,000,000 | 7,500,000,000 |
| | <u>7,500,000,000</u> | <u>7,500,000,000</u> |
| Issued, Subscribed and paid up | | |
| 1,820,658,088 Equity Shares of Rs. 2 each fully paid-up | 3,641,316,176 | 3,641,316,176 |
| Notes: | | |
| Of the above, | | |
| i. 528,873,615 equity shares of Rs. 2 each fully paid-up were allotted during the year ended March 31, 2006, by way of bonus shares by capitalising free reserves of the company. | | |
| ii. 1,362,523,238 (2008: 1,333,613,610) equity shares of Rs 2 each fully paid-up are held by the holding company GMR Holdings Private Limited. | | |
| | <u>3,641,316,176</u> | <u>3,641,316,176</u> |
| Less: Calls unpaid | 2,750 | 11,625 |
| Total | <u><u>3,641,313,426</u></u> | <u><u>3,641,304,551</u></u> |

Note: Refer note 10 (iii) of Schedule 15 (II) on sub division of one equity share of the company carrying face value of Rs.10/- each into 5 equity shares of Rs. 2 each during the year ended March 31, 2008.

(Amount in Rupees)

| Schedule 2 RESERVES AND SURPLUS | March 31, 2009 | March 31, 2008 |
|---|------------------------------|------------------------------|
| Securities Premium Account | | |
| At the commencement of the year | 50,708,200,535 | 12,017,841,305 |
| Add: Received towards QIP of equity shares (Refer Note 3 & 4 on Schedule 15 (II)) | – | 39,326,664,944 |
| Less: Utilised towards share issue expenses | 287,782 | 636,840,863 |
| Add: Received against Calls Unpaid | 123,365 | 535,149 |
| | <u>(i) 50,708,036,118</u> | <u>50,708,200,535</u> |
| Debenture Redemption Reserve | | |
| At the commencement of the year | 200,000,000 | 251,375,000 |
| Less: Transfer to Profit and Loss Account | 37,500,000 | 51,375,000 |
| | <u>(ii) 162,500,000</u> | <u>200,000,000</u> |
| Balance in Profit and Loss Account | <u>(iii) 2,510,401,792</u> | <u>1,496,168,468</u> |
| Total (i)+(ii)+(iii) | <u><u>53,380,937,910</u></u> | <u><u>52,404,369,003</u></u> |

Schedules forming part of Balance Sheet as at March 31, 2009

(Amount in Rupees)

| Schedule 3 SECURED LOANS | March 31, 2009 | March 31, 2008 |
|---|----------------------|----------------------|
| Debentures | | |
| 650 (2008: 800) Secured Redeemable Non-Convertible Debentures of Rs. 1,000,000 each [These debentures bear interest at the rate of 11.93% per annum (10.40% up to September 30, 2008)] [These debentures are secured by immovable property of the Company and further secured by deposit of margin money] | 650,000,000 | 800,000,000 |
| Bank Overdraft | 803,010,883 | 1,141,761,693 |
| [Secured by pledge of 5,000,000 fully paid-up equity shares of Rs.10 each of GMR Industries Limited, held by GMR Holdings Private Limited and by way of Guarantee issued by GMR Holdings Private Limited] | | |
| Term Loan | | |
| Rupee Loan | | |
| From a Financial Institution | 2,750,000,000 | 2,750,000,000 |
| [Secured by pledge of 80,273,416 fully paid-up equity shares of Rs. 2 each of GMR Infrastructure Limited, held by GMR Holdings Private Limited and by way of Guarantee issued by GMR Holdings Private Limited] | | |
| Total | 4,203,010,883 | 4,691,761,693 |

(Amount in Rupees)

| Schedule 4 UNSECURED LOANS | March 31, 2009 | March 31, 2008 |
|------------------------------|----------------|--------------------|
| Other than Short Term | | |
| From Banks | – | 100,000,000 |
| Total | – | 100,000,000 |

Schedules forming part of Balance Sheet as at March 31, 2009

Schedule 5 - Fixed Assets

(Amount in Rupees)

| Description | Gross Block at Cost | | | Depreciation | | | Net Block | | |
|------------------------|----------------------------|------------------|------------------|----------------------------|------------------|-------------------|----------------------------|----------------------------|----------------------------|
| | As at March 31, 2008 | Additions | Withdrawals | As at March 31, 2008 | For the year | On Withdrawals | As at March 31, 2009 | As at March 31, 2009 | As at March 31, 2008 |
| Freehold Land | 835,700 | — | — | — | — | — | — | 835,700 | 835,700 |
| Office Equipment | 9,135,574 | 655,000 | 960,473 | 6,078,051 | 561,244 | 903,157 | 5,736,138 | 3,093,963 | 3,057,523 |
| Furniture and Fixtures | 6,208,830 | — | 2,705,463 | 3,649,971 | 276,802 | 2,039,647 | 1,887,126 | 1,616,241 | 2,558,859 |
| Vehicles | 920,500 | 2,509,530 | — | 596,589 | 247,473 | — | 844,062 | 2,585,968 | 323,911 |
| Total | 17,100,604 | 3,164,530 | 3,665,936 | 10,324,611 | 1,085,519 | 2,942,804 | 8,467,326 | 8,131,872 | 6,775,993 |
| Previous Year | 17,086,053 | 14,551 | — | 9,031,385 | 1,293,226 | — | 10,324,611 | 6,775,993 | — |

Schedules forming part of Balance Sheet as at March 31, 2009

| | (Amount in Rupees) | |
|---|--------------------|----------------|
| Schedule 6 INVESTMENTS | March 31, 2009 | March 31, 2008 |
| I. Long term - At cost | | |
| Other than Trade - Unquoted | | |
| A. In Equity Shares of Subsidiaries | | |
| In Equity Shares of Companies | | |
| GMR Energy Limited @ | 3,962,707,176 | 3,962,707,176 |
| [586,914,708 (2008: 586,914,708) Equity Shares of Rs.10 each fully paid up] | | |
| GMR Hyderabad International Airport Limited @ | 2,381,399,950 | 369,950 |
| [238,139,995 (2008: 36,995) Equity Shares of Rs.10 each fully paid up] | | |
| GMR Pochanpalli Expressways Private Limited @ | 1,242,000,000 | 633,420,000 |
| [124,200,000 (2008: 63,342,000) Equity Shares of Rs.10 each fully paid up] | | |
| GMR Jadcherla Expressways Private Limited @ | 1,060,425,000 | 540,906,750 |
| [106,042,500 (2008: 54,090,675) Equity Shares of Rs.10 each fully paid up] | | |
| GMR Ambala Chandigarh Expressways Private Limited @ | 456,327,200 | 456,327,200 |
| [45,632,720 (2008: 45,632,720) Equity Shares of Rs.10 each fully paid up] | | |
| Delhi International Airport Private Limited @ | 3,732,000,000 | 2,177,000,000 |
| [373,200,000 (2008: 217,700,000) Equity shares of Rs. 10 each fully paid up] | | |
| GMR Ulundurpet Expressways Private Limited @ | 1,788,750,000 | 912,262,500 |
| [178,875,000 (2008: 91,226,250) Equity shares of Rs. 10 each fully paid up] | | |
| GMR (Badrinath) Hydro Power Generation Private Limited | 49,000 | 49,000 |
| [4,900 (2008: 4,900) Equity shares of Rs. 10 each fully paid up] | | |
| GVL Investments Private Limited | 6,798,262,400 | 3,993,262,400 |
| [10,995,789 (2008: 2,495,789) Equity shares of Rs. 10 each fully paid up] | | |
| GMR Aviation Private Limited. | 864,400,000 | 200,000,000 |
| [86,440,000 (2008: 20,000,000) Equity shares of Rs. 10 each fully paid up] | | |
| Gateways for India Airports Private Limited | 37,840 | 37,840 |
| [3,784 (2008: 3,784) Equity shares of Rs.10 each fully paid-up] | | |
| GMR Kamalanga Energy Limited | 1,000 | 1,000 |
| [100 (2008: 100) Equity shares of Rs.10 each fully paid-up] | | |
| GMR Krishnagiri SEZ Limited | 1,175,000,000 | 500,000 |
| [117,500,000 (2008: 50,000) Equity shares of Rs.10 each fully paid-up] | | |
| GMR Oil & Natural Gas Private Limited | 99,990 | - |
| [9,999 (2008: Nil) Equity shares of Rs.10 each fully paid-up] | | |
| GMR Highways Private Limited | 19,750,000 | - |
| [1,975,000 (2008: Nil) Equity shares of Rs.10 each fully paid-up] | | |
| In Equity Shares of Other Body Corporates | | |
| GMR Energy (Mauritius) Limited | 202 | - |
| [5 (2008: Nil) Equity share of USD 1 fully paid up] | | |
| GMR Infrastructure (Mauritius) Limited | 7,175,661,500 | 39 |
| [156,550,001 (2008: 1) Equity share of USD 1 fully paid up] | | |
| Istanbul Sabiha Gokcen Uluslararası Havalimanı Yatırım Yapım Ve İşletme Anonim Şirketi @ | 1,570,061,222 | 219,620,993 |
| [51,108,925 (2008: 6,681,713) Equity shares of YTL 1 each fully paid-up] | | |
| Istanbul Sabiha Gokcen Uluslararası Havalimanı Yer Hizmetleri Anonim Şirketi @ | 10,317,420 | - |
| [3,502 (2008: Nil) Equity shares of YTL 100 each fully paid-up] | | |
| GMR Holding (Malta) Limited @ | 3,924 | - |
| [58 (2008: Nil) Equity shares of EUR 1 each fully paid-up] | | |
| (i) | 32,237,253,824 | 13,096,464,848 |
| @ - Refer Note (6) of Schedule 15 (II) for details of investments pledged as security in respect of the loans availed by the Company and the investee companies | | |
| B. In Preference Shares of Subsidiary Companies | | |
| GMR Energy Limited | 8,381,429,710 | 2,121,495,960 |
| [838,142,971 (2008: 212,149,596) 1% Preference Shares of Rs. 10 each fully paid up] | | |
| (ii) | 8,381,429,710 | 2,121,495,960 |

Schedules forming part of Balance Sheet as at March 31, 2009

| | (Amount in Rupees) | |
|--|--------------------|----------------|
| Schedule 6 INVESTMENTS (contd.) | March 31, 2009 | March 31, 2008 |
| II. Current Investment at cost or below | | |
| Other than Trade - Unquoted | | |
| A. Investments in Bonds* | | |
| Central Bank of India Tier II Bonds [Nil (2008: 50) Bonds of face value of Rs. 1,000,000 each] | – | 50,000,000 |
| B. Investments in Mutual Funds** | | |
| Sold during the year | | |
| Birla Sun Life Liquid Plus - Instl. - Daily Dividend -Reinvestment [Nil (2008: 65,089,341) Units of Rs.10 per unit] | – | 651,336,026 |
| BSL Interval Income Fund - INSTL - Quarterly - Series 2-Dividend [Nil (2008: 50,396,317) Units of Rs.10 per unit] | – | 503,965,000 |
| Birla Dynamic Bond Fund - Retail - Quarterly Dividend -Reinvestment [Nil (2008: 71,256,199) Units of Rs.10 per unit] | – | 750,000,000 |
| Birla Infrastructure Fund - Dividend -Payout [Nil (2008: 4,953,792) Units of Rs.10 per unit] | – | 64,597,458 |
| DSP Merrill Lynch Liquid Plus Institutional Plan - Daily Dividend [Nil (2008: 502,252) Units of Rs.10 per unit] | – | 502,554,027 |
| DWS Money Plus Fund - Institutional Plan - Daily Dividend [Nil (2008: 54,017,580) Units of Rs.10 per unit] | – | 540,618,752 |
| HDFC Floating Rate Income Fund - Short Term Plan - Dividend Reinvestment - Daily [Nil (2008: 52,008,282) Units of Rs.10 per unit] | – | 524,290,295 |
| HSBC Liquid Plus-Inst. Plus-Daily Dividend [Nil (2008: 69,289,029) Units of Rs.10 per unit] | – | 693,763,333 |
| ICICI Prudential Institutional Liquid Plan - Super Institutional Daily Div- Reinvest Dividend [Nil (2008: 507,300,106) Units of Rs.10 per unit] | – | 5,073,254,719 |
| ICICI Prudential Interval Fund II Quarterly Interval Plan [Nil (2008: 35,000,000) Units of Rs.10 per unit] | – | 350,000,000 |
| ICICI Prudential FMP Series 42 - Three Months Plan A Retail Dividend- Pay Dividend [Nil (2008: 50,000,000) Units of Rs.10 per unit] | – | 500,000,000 |
| ICICI Prudential FMP Series 42 - Three Months Plan C Retail Dividend- Pay Dividend [Nil (2008: 25,000,000) Units of Rs.10 per unit] | – | 250,000,000 |
| ICICI Prudential - Flexible Income Plan Dividend - Daily- Reinvest Dividend [Nil (2008: 29,175,596) Units of Rs.10 per unit] | – | 308,488,168 |
| ICICI Prudential Interval Fund Quarterly Interval Plan - 1 Retail Dividend- Reinvest Dividend [Nil (2008: 75,641,974) Units of Rs.10 per unit] | – | 756,420,000 |
| ING Liquid Fund Super Inst. - Daily Dividend Option [Nil (2008: 318,315,386) Units of Rs.10 per unit] | – | 3,184,681,778 |
| ING Liquid Plus Fund - Institutional Daily Dividend [Nil (2008: 27,855,723) Units of Rs.10 per unit] | – | 278,649,159 |
| ING Fixed Maturity Fund - 42 Institutional Dividend [Nil (2008: 25,000,000) Units of Rs.10 per unit] | – | 250,000,000 |
| JM Money Manager Fund Super Plus Plan - Daily Dividend [Nil (2008: 50,658,755) Units of Rs.10 per unit] | – | 506,795,261 |
| JM Interval Fund - Quarterly Plan 4 - Institutional Dividend Plan [Nil (2008: 50,000,000) Units of Rs.10 per unit] | – | 500,000,000 |
| Kotak Flexi Debt Scheme - Daily Dividend [Nil (2008: 102,008,526) Units of Rs.10 per unit] | – | 1,023,257,728 |
| LICMF Liquid Fund - Dividend Plan [Nil (2008: 83,973,127) Units of Rs.10 per unit] | – | 922,033,339 |
| LIC Liquid Plus Fund - Daily Dividend Plan [Nil (2008: 29,676,826) Units of Rs.10 per unit] | – | 296,768,263 |

Schedules forming part of Balance Sheet as at March 31, 2009

| | (Amount in Rupees) | |
|--|--------------------|----------------|
| Schedule 6 INVESTMENTS (contd.) | March 31, 2009 | March 31, 2008 |
| Lotus India Liquid Plus Fund - Institutional Daily Dividend [Nil (2008: 58,523,242) Units of Rs.10 per unit] | – | 586,151,240 |
| Principal Floating Rate Fund FMP - Insti. Option - Dividend Reinvestment Daily [Nil (2008: 51,681,601) Units of Rs.10 per unit] | – | 517,451,700 |
| Reliance Fixed Horizon Fund - VI Series Institutional Dividend Plan [Nil (2008: 50,000,000) Units of Rs.10 per unit] | – | 500,000,000 |
| Reliance Liquidity Fund - Daily Dividend Reinvestment Option [Nil (2008: 409,771) Units of Rs.1,000 per unit] | – | 410,237,017 |
| Reliance Liquid Plus Fund - Institutional Option - Daily Dividend Plan [Nil (2008: 32,778) Units of Rs.1,000 per unit] | – | 32,814,069 |
| Reliance Daily Dividend Reinvestment Plan [Nil (2008: 272,118) Units of Rs.10 per unit] | – | 2,722,029 |
| TATA Dynamic Bond Fund Option B - Dividend [Nil (2008: 98,352,594) Units of Rs.10 per unit] | – | 1,000,000,000 |
| TATA Floater Fund - Daily Dividend [Nil (2008: 78,596,175) Units of Rs.10 per unit] | – | 788,759,776 |
| TATA Fixed Horizon Fund Series - Institutional Plan - Periodic Dividend [Nil (2008: 25,000,000) Units of Rs.10 per unit] | – | 251,870,000 |
| UTI Liquid Cash Plan Institutional - Daily Income Option - Re-investment [Nil (2008: 7,443,069) Units of Rs.1,000 per unit] | – | 7,587,805,589 |
| UTI - Fixed Maturity Plan HFMP 03/08 - I Institutional Dividend Plan - Reinvestment [Nil (2008: 100,000,000) Units of Rs.10 per unit] | – | 1,000,000,000 |
| UTI Fixed Income Interval Fund-Quarterly Interval Plan Series-I - Institutional Dividend Plan - Reinvestment [Nil (2008: 50,000,000) Units of Rs.10 per unit] | – | 500,000,000 |
| UTI Fixed Income Interval Fund - Quarterly Plan Series - III- Institutional Dividend - Reinvestment [Nil (2008: 50,398,255) Units of Rs.10 per unit] | – | 503,982,555 |
| UTI - Fixed Maturity Plan - QFMP (02/08-I) - Institutional Dividend Plan - Reinvestment [Nil (2008: 25,206,872) Units of Rs.10 per unit] | – | 252,068,728 |
| ING Global Real Estate [Nil (2008: 10,000,000) Units of Rs.10 per unit] | – | 100,000,000 |
| (iii) | – | 32,515,336,009 |
| C. Other than Trade - Quoted | | |
| Equity Shares*** | | |
| Sold during the year | | |
| AIA Engineering Limited [Nil (2008: 2,442) shares of Rs.10 each, fully paid up] | – | 3,678,629 |
| BASF India Limited [Nil (2008: 13,462) shares of Rs.10 each, fully paid up] | – | 2,614,320 |
| Bharath Earth Movers Limited [Nil (2008: 3,916) shares of Rs.10 each, fully paid up] | – | 3,880,756 |
| Container Corporation of India Limited [Nil (2008: 2,301) shares of Rs.10 each, fully paid up] | – | 3,971,066 |
| Coromandel Fertilisers Limited [Nil (2008: 24,952) shares of Rs.2 each, fully paid up] | – | 2,929,365 |
| Crompton Greaves Limited [Nil (2008: 12,084) shares of Rs.2 each, fully paid up] | – | 3,328,538 |
| Gammon India Limited [Nil (2008: 9,404) shares of Rs.2 each, fully paid up] | – | 3,618,189 |

Schedules forming part of Balance Sheet as at March 31, 2009

| | | (Amount in Rupees) | |
|--|-----------------------|-----------------------|--|
| Schedule 6 INVESTMENTS (contd.) | March 31, 2009 | March 31, 2008 | |
| Great Offshore Limited [Nil (2008: 4,666) shares of Rs.10 each, fully paid up] | – | 2,990,906 | |
| HDFC Limited [Nil (2008: 2,114) shares of Rs.10 each, fully paid up] | – | 5,030,791 | |
| Hindustan Dorr Oliver Limited [Nil (2008: 27,826) shares of Rs.2 each, fully paid up] | – | 2,622,600 | |
| ICICI Bank Limited [Nil (2008: 5,665) shares of Rs.10 each, fully paid up] | – | 4,358,651 | |
| KEC International Limited [Nil (2008: 4,128) shares of Rs.10 each, fully paid up] | – | 2,702,395 | |
| Larsen and Turbo Limited [Nil (2008: 2,350) shares of Rs.2 each, fully paid up] | – | 7,134,483 | |
| Moser Baer (I) Limited [Nil (2008: 14,153) shares of Rs.10 each, fully paid up] | – | 2,153,379 | |
| Navin Flourine International Limited [Nil (2008: 12,369) shares of Rs.10 each, fully paid up] | – | 2,727,983 | |
| Reliance Industries Limited [Nil (2008: 2,863) shares of Rs.10 each, fully paid up] | – | 6,486,985 | |
| Reliance Energy Limited [Nil (2008: 2,259) shares of Rs.10 each, fully paid up] | – | 2,825,670 | |
| Welspun Gujarat Stahl Rohren Limited [Nil (2008: 7,354) shares of Rs.5 each, fully paid up] | – | 2,817,685 | |
| (iv) | – | 65,872,391 | |
| D. Other than Trade - Un Quoted | | | |
| Equity Shares | | | |
| Sai Rayalaseema Paper Mills Limited [Nil (2008: 323,210) shares of Rs.10 each, fully paid up] | – | 3,927,001 | |
| (v) | – | 3,927,001 | |
| Total (i)+(ii)+(iii)+(iv)+(v) | 40,618,683,534 | 47,803,096,209 | |

* Aggregate Market Value as at March 31, 2009 - Rs. Nil (2008: Rs. 50,000,000).

** Aggregate Net Asset Value as at March 31, 2009 - Rs. Nil (2008: Rs. 32,465,336,009).

*** Aggregate Market Value as at March 31, 2009 - Rs. Nil (2008: Rs. 69,799,392).

- Refer Note (13) of Schedule 15 (II) for details of current investments (Other than trade) purchased and sold during the year.

| | | (Amount in Rupees) | |
|--|-----------------------|----------------------|--|
| Schedule 7 CASH AND BANK BALANCES | March 31, 2009 | March 31, 2008 | |
| Balances with Scheduled Banks | | | |
| - On Current Account - Balance of unutilised monies raised by way of IPO | – | 163,592 | |
| - On Current Accounts - Others | 1,464,084,890 | 23,507,813 | |
| - On Deposit Accounts* | 11,770,497,468 | 980,000,000 | |
| - On Margin Money accounts** | 84,575,318 | 77,825,031 | |
| Total | 13,319,157,676 | 1,081,496,436 | |

*Includes deposit of Rs 650,000,000 (2008:Nil) which has been offered as security in favour of debenture holders.

**Includes Rs. Nil (2008: Rs. 65,400,000) out of balance of unutilised monies raised by way of IPO.

**The Margin money deposits are towards Bank Guarantees issued by the bankers on behalf of the company.

Schedules forming part of Balance Sheet as at March 31, 2009

(Amount in Rupees)

| Schedule 8 OTHER CURRENT ASSETS | March 31, 2009 | March 31, 2008 |
|-----------------------------------|-------------------|-------------------|
| (Unsecured, considered good) | | |
| Interest accrued but not due | 57,969,224 | 33,645,500 |
| Dividend receivable | – | 7,572,320 |
| Total | 57,969,224 | 41,217,820 |

(Amount in Rupees)

| Schedule 9 LOANS AND ADVANCES | March 31, 2009 | March 31, 2008 |
|---|----------------------|-----------------------|
| (Unsecured and considered good, unless otherwise stated) | | |
| Loan to Subsidiary Companies | – | 858,895,000 |
| Advance towards investment in Subsidiary / Associate companies | 6,848,357,513 | 10,541,624,264 |
| Advances recoverable in cash or in kind or for value to be received | | |
| Considered good | 151,343,818 | 400,183,492 |
| Considered doubtful | 60,000,000 | – |
| Less: Provision for doubtful advance | (60,000,000) | – |
| Advance Tax (Net of provisions) | 43,769,537 | 887,501 |
| Deposits with Others | 358,605,400 | 316,143,600 |
| Total | 7,402,076,268 | 12,117,733,857 |

(Amount in Rupees)

| Schedule 10 CURRENT LIABILITIES | March 31, 2009 | March 31, 2008 |
|---|--------------------|--------------------|
| A) Liabilities | | |
| Sundry Creditors | | |
| Dues to Micro and Small Enterprise [Refer Note 14 of Schedule 15 (II)] | – | – |
| Dues to other than Micro and Small Enterprise | 74,880,154 | 124,684,318 |
| Share Application Money Refunds - Not claimed | 507,055 | 723,180 |
| Other Liabilities | 19,225,703 | 6,871,138 |
| Interest accrued but not due on Loans | 79,863,000 | 79,863,000 |
| | 174,475,912 | 212,141,636 |
| B) Provisions | | |
| Provision for employee benefits | 8,436,901 | 468,715 |
| | 8,436,901 | 468,715 |
| Total | 182,912,813 | 212,610,351 |

Schedules forming part of Profit and Loss Account for the year ended March 31, 2009

(Amount in Rupees)

| Schedule 11 OPERATING INCOME | March 31, 2009 | March 31, 2008 |
|--|----------------------|----------------------|
| Dividend from Subsidiary Companies | – | 7,572,320 |
| Dividend from Current Investments (other than trade) (gross) | 1,077,343,110 | 743,739,839 |
| Income from management / technical services | – | 100,000,000 |
| Interest Income - Gross | 514,660,434 | 176,358,242 |
| [Tax Deducted at source Rs 63,698,161 (2008: Rs.7,740,891)] | | |
| Total | 1,592,003,544 | 1,027,670,401 |

(Amount in Rupees)

| Schedule 12 OTHER INCOME | March 31, 2009 | March 31, 2008 |
|---|-------------------|-------------------|
| Profit on sale of current investments (other than trade) | – | 80,732,124 |
| [Net of loss on sale of investments of Rs. 2,951,250 for the year ended March 31, 2008] | | |
| Gain on foreign exchange Fluctuations | 53,374,575 | – |
| Miscellaneous Income | 4,807,942 | 13,561,114 |
| Total | 58,182,517 | 94,293,238 |

(Amount in Rupees)

| Schedule 13 ADMINISTRATION AND OTHER EXPENSES | March 31, 2009 | March 31, 2008 |
|---|--------------------|--------------------|
| Salaries, Allowances and Benefits to employees | 90,314,064 | 53,635,701 |
| Contribution to provident fund and others | 10,904,030 | 5,872,620 |
| Staff welfare expenses | 23,544 | 51,708 |
| Rent | – | 5,250,924 |
| Rates and Taxes | 17,897,076 | 8,522,768 |
| Repairs and Maintenance | 293,171 | 246,503 |
| Insurance | 586,902 | 590,302 |
| Consultancy and Professional Charges | 74,189,969 | 14,479,105 |
| Directors' sitting fees | 1,080,000 | 1,420,000 |
| Provision for Diminution in value of Investments | – | 65,363,174 |
| Provision for Doubtful Advances | 60,000,000 | – |
| Travelling and Conveyance | 31,048,355 | 7,267,352 |
| Loss on foreign exchange fluctuations | – | 6,780 |
| Loss on Sale of current investment (other than trade) | 36,064,690 | – |
| [Net of Profit on sale of investment of Rs. 27,480,163 for the year ended March 31, 2009] | | |
| Fixed Assets Written off | 723,136 | – |
| Advertisement | 7,535,805 | 29,202,760 |
| Printing and Stationery | 12,584,137 | 4,939,340 |
| Meetings and Seminars | 2,503,965 | 3,730,319 |
| Donations | 6,595,000 | 4,485,000 |
| Miscellaneous Expenses | 18,942,465 | 6,537,490 |
| Total | 371,286,309 | 211,601,846 |

(Amount in Rupees)

| Schedule 14 INTEREST AND FINANCE CHARGES | March 31, 2009 | March 31, 2008 |
|---|--------------------|--------------------|
| Interest on Debentures / Fixed Period Loans | 221,968,263 | 191,357,178 |
| Interest - Others | 8,634,439 | 27,531,535 |
| Bank and other finance charges | 7,321,659 | 34,766,605 |
| Total | 237,924,361 | 253,655,318 |

Notes forming part of Accounts

Schedule 15 | SIGNIFICANT ACCOUNTING POLICIES

Accounting Assumptions

The Financial Statements are prepared in accordance with the historical cost convention and to comply in all material aspects with the applicable accounting principles in India, the accounting standards notified under Sub-section (3C) of Section 211 of the Companies Act, 1956 of India (the 'Act') and other relevant provisions of the Act. The significant accounting policies are as follows:

Revenue Recognition

Dividend income on investments is accounted for when the right to receive the payment is established.

Interest on investments and bank deposits are booked on a time proportion basis taking into account the amounts invested and the rate of interest.

Income from management/technical services is recognized as per the terms of the agreement and on the basis of services rendered.

Expenditure

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Fixed Assets

Fixed Assets are stated at cost of acquisition less depreciation. Cost of acquisition is inclusive of freight, duties, levies and all incidentals attributable to bringing the asset to its working condition.

All the fixed assets are assessed for any indication of impairment at the end of each financial year. On such indication, the impairment (being the excess of carrying value over the recoverable value of the asset) is charged to the Profit and Loss account in the respective financial year. The impairment loss recognized in the prior years is reversed where the recoverable value exceeds the carrying value of the asset upon re-assessment in the subsequent years.

Depreciation

Depreciation is provided on straight line method at the rates specified under Schedule XIV to the Companies Act, 1956 except for assets of less than Rs. 5,000, which are fully depreciated in the year of acquisition.

Leasehold improvements are amortized over the period of the lease or estimated useful life whichever is shorter.

Investments

Long term investments are valued at cost and provision for diminution in value is made for any decline, other than temporary, in the value of such investments for each category. The Current investments are valued at cost or market value whichever is lower. Cost of acquisition is inclusive of expenditure incidental to acquisition. Income from investments is recognised in the year in which it is accrued and stated at gross.

Foreign Currency Transactions

All foreign currency transactions are accounted for at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and the resultant gain /loss is recognized in the financial statements. The original cost of fixed assets acquired through foreign currency borrowings at the end of each financial year is adjusted for any change in liability arising out of expressing the outstanding foreign currency loan at the rate of exchange prevailing at the date of balance sheet.

Long term foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and the resultant exchange differences are accumulated in a foreign currency monetary item translation difference account and amortized over the balance period of such long term asset/liability but not beyond March 31, 2011.

In case of forward exchange contracts or any financial instruments not intended for trading or speculation, the premium or discount arising at the inception of the contract is amortized as expense or income over the life of the contract. Gain/Loss on settlement of transaction arising on cancellation or renewal of a forward exchange contract is recognized as income or as expense for the year.

Retirement Benefits

a. Defined Contribution Plans

Contributions paid/payable to defined contribution plans comprising of provident fund and pension fund are charged on accrual basis.

The Company also has a defined contribution superannuation plan (under a scheme of Life Insurance Corporation of India) covering all its employees and contributions in respect of such scheme are charged on accrual basis in the Profit and Loss Account. The Company makes monthly contributions and has no further obligations under the plan beyond its contributions.

Notes forming part of Accounts

Schedule 15 | SIGNIFICANT ACCOUNTING POLICIES

b. Defined Benefit Plan

Gratuity for employees is covered under a scheme of Life Insurance Corporation of India and contributions in respect of such scheme are recognised in the Profit and Loss Account. The liability as at the Balance Sheet date is provided for based on the actuarial valuation in accordance with the requirements of revised AS 15 as at the end of the year.

c. Other Long term employee benefits

Other Long term employee benefits comprise of leave encashment which is provided for based on the actuarial valuation carried out in accordance with revised AS 15 as at the end of the year.

d. Short term employee benefits

Short term employee benefits, including accumulated compensated absences as at the Balance Sheet date, are recognised as an expense as per Company's schemes based on the expected obligation on an undiscounted basis.

Earnings Per Share

The earnings considered in ascertaining the company's Earnings Per Share (EPS) comprise the net profit after tax less dividend (including dividend distribution tax) on preference shares. The number of shares used for computing the basic EPS is the weighted average number of shares outstanding during the year.

Taxes on Income

Current tax is determined based on the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized on timing differences; being the difference between the taxable incomes and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities have been computed on the timing differences applying the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

1. Contingent Liabilities:

Corporate Guarantees issued in respect of borrowings availed by subsidiary companies and others – Rs.71,001,000,000 (2008 – Rs. 28,898,700,000).

2. Capital Commitments

a. Investment in subsidiary companies including contribution towards equity shares and commitment towards subordinate debt - Rs. 1,020,000,000 (2008 – Rs. 2,424,159,200).

b. Investment in equity shares of joint venture – Rs. 1,146,000,000 (2008 – Rs. 882,157,843).

3. During the year ended March 31, 2007, pursuant to the decision of the shareholders of the Company at the Extra Ordinary General Meeting held on February 28, 2006; 38,136,980 equity shares of face value of Rs. 10 each have been allotted by way of Initial Public Offer (IPO) on August 17, 2006 and August 24, 2006. The details of funds received and their utilisation upto March 31, 2009 are given below:

| Particulars | (Amount in Rupees) | |
|--|----------------------|----------------------|
| | As at March 31, 2009 | As at March 31, 2008 |
| Equity Share Capital | 381,369,800 | 381,369,800 |
| Share Premium (Refer Note (i) below) | 7,567,867,038 | 7,567,867,038 |
| Interest on delayed payment of call money | 573,528 | 547,887 |
| Less: Calls unpaid | 40,975 | 173,213 |
| Total | 7,949,769,391 | 7,949,611,512 |
| Utilisation | | |
| Investment in Subsidiary Companies (including Share Application Money, pending allotment) – Refer Note (ii) below | 5,194,955,264 | 5,099,513,690 |
| Repayment of Unsecured Loans | 550,000,000 | 550,000,000 |
| Payment to GMR Holdings Private Limited and GMR Operations Private Limited for acquisition of equity shares of GVL Investments Private Limited | 1,558,564,340 | 1,558,564,340 |
| Expenses incurred towards the IPO | 646,249,787 | 645,969,890 |
| Deposit with Securities and Exchange Board of India (SEBI) | – | 30,000,000 |
| Margin Money towards Bank Guarantee issued to SEBI | – | 65,400,000 |
| Total Utilisation | 7,949,769,391 | 7,949,447,920 |
| Balance of unutilised monies out of IPO, details of which are given below: | | |
| Amount lying in current accounts | – | 163,592 |
| Total | – | 163,592 |

Notes:

- i. In case of 5,669,425 equity shares allotted to the retail investor's category, a discount of five percent on the issue price was given in accordance with the terms of the Company's prospectus dated August 7, 2006.
- ii. Represents investment made directly by the company, through its subsidiary companies and by way of repayment of loans taken for the purpose of investment in subsidiary companies.

4. Pursuant to the decision of the shareholders of the Company at the Extra Ordinary General Meeting held on November 26, 2007, 165,238,088 equity shares of face value of Rs. 2 each have been allotted to Qualified Institutional Buyers (QIB) at a premium of Rs. 238 per share on December 12, 2007 and received an amount of Rs. 39,657,141,120. The net proceeds after the issue expenses will be utilized towards capital expenditure for various projects under development (either directly or through our subsidiaries, joint ventures or affiliates), general corporate purposes including working capital and strategic initiatives and acquisitions in India and abroad. Pending utilization for the purposes described above, the funds have been invested in Short term Mutual Funds and bank deposits.

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

5. Employee Benefits

The following table sets forth the status of the Gratuity Plan of the Company and the amounts recognized in the Balance Sheet:

(Amount in Rupees)

| Particulars | Year Ended March 31, 2009 | Year Ended March 31, 2008 |
|--|------------------------------|------------------------------|
| Projected benefits obligation at the beginning of the year | 227,290 | 204,793 |
| Current service cost | 362,157 | 32,470 |
| Interest cost | 15,910 | 16,383 |
| Actuarial loss/(gain) | (36,426) | (25,875) |
| Benefits paid | - | (481) |
| Projected benefit obligation at the end of the year | 568,931 | 227,290 |
| Amounts recognized in the balance sheet | | |
| Projected benefit obligation at the end of the year | 568,931 | 227,290 |
| Fair value of plan assets at end of the year | 723,778 | 661,589 |
| Funded status of the plans – asset | (154,847) | (434,299) |
| Cost for the year | | |
| Current service cost | 362,157 | 32,470 |
| Interest cost | 15,910 | 16,383 |
| Expected return on plan assets | (52,927) | (48,424) |
| Net actuarial (gain)/loss recognized in the year | (27,164) | (18,006) |
| Net Cost | (297,976) | (17,577) |
| Assumptions | | |
| Discount Rate | 7.00% | 8.00% |
| Estimated rate of return on plan assets | 8.00% | 8.00% |
| Expected rate of salary increase | 6.00% | 6.00% |
| Attrition Rate | 5.00% | 5.00% |

Leave encashment liability provided based on actuarial valuation amounting to Rs. 7,867,970 (2008: Rs. 241,425) as at March 31, 2009.

6. The following long term unquoted investments included in Schedule 6 have been pledged/subjected to negative lien/frozen by the Company towards borrowings of the Company or the investee companies:

(Amount in Rupees)

| Description | No of Shares | Carrying Value as at March 31, 2009 |
|--|--------------|--|
| GMR Energy Limited | 32,607,413 | 220,157,423 |
| (Equity shares of Rs. 10 each fully paid up) | (81,518,532) | (990,450,163) |
| GMR Hyderabad International Airport Limited | 151,080,552 | 1,510,805,520 |
| (Equity shares of Rs. 10 each fully paid up) | (25,501) | (255,010) |
| GMR Pochanpalli Expressways Private Limited | 37,260,000 | 372,600,000 |
| (Equity shares of Rs. 10 each fully paid up) | (19,002,600) | (190,026,000) |
| GMR Jadcherla Expressways Private Limited | 31,812,750 | 318,127,500 |
| (Equity shares of Rs. 10 each fully paid up) | (16,227,202) | (162,272,020) |
| GMR Ambala Chandigarh Expressways Private Limited | 23,272,687 | 232,726,870 |
| (Equity shares of Rs. 10 each fully paid up) | (13,774,800) | (137,748,000) |
| GMR Ulundurpet Expressways Private Limited | 53,662,500 | 536,625,000 |
| (Equity shares of Rs. 10 each fully paid up) | (27,367,875) | (273,678,750) |
| Delhi International Airport Private Limited | 93,166,904 | 931,669,040 |
| (Equity shares of Rs. 10 each fully paid up) | (-) | (-) |
| GMR Holding (Malta) Limited | 58 | 3924 |
| (Equity shares of EUR 1 each fully paid-up) | (-) | (-) |
| Istanbul Sabiha Gokcen Uluslararası Havalimani Yatirim Yapim Ve Isletme Anonim Sirketi | 40,887,140 | 1,256,048,978 |
| (Equity shares of YTL 1 each fully paid-up) | (5,345,370) | (175,696,794) |
| Istanbul Sabiha Gokcen Uluslararası Havalimani Yer Hizmetleri Anonim Sirketi | 3,502 | 10,317,420 |
| (Equity shares of YTL 100 each fully paid-up) | (-) | (-) |

Note: Previous year figures are mentioned in brackets.

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

7. The Company is a holding company with investments mainly within group companies and has certain service activity. Since the income from services rendered is below the threshold limit prescribed in the Accounting Standard 17 "Segment Reporting" as referred to in section 211(3C) of the Companies Act, 1956, no separate segment reporting/disclosure are considered necessary.

8. Related Party Transactions

a) Name of Related Parties and description of relationship:

| Description of Relationship | Name of the Related Parties |
|---|--|
| Holding Company | GMR Holdings Private Limited (GHPL) |
| Subsidiary Companies | GMR Energy Limited (GEL) |
| | GMR Power Corporation Private Limited (GPCPL) |
| | Vemagiri Power Generation Limited (VPGL) |
| | GMR (Badrinath) Hydro Power Generation Private Limited (GBHPL) |
| | Badrinath Hydro Power Generation Private Limited (BHPL) |
| | GMR Mining and Energy Private Limited (GMEPL) |
| | GMR Kamalanga Energy Limited (GKEL) |
| | GMR Energy Trading Limited (GETL) |
| | GMR Consulting Engineers Private Limited (GCOEPL) |
| | GMR Coastal Energy Private Limited (GCEPL) |
| | GMR Bajoli Holi Hydropower Private Limited (GBHHPL) |
| | GMR Londa Hydropower Private Limited (GLHPPL) |
| | Londa Hydropower Private Limited (LHPL) |
| | Himal Hydro Power Company Private Limited (HHPCPL) |
| | GMR Upper Karnali Hydropower Public Limited, Nepal (GUKHL) |
| | GMR Energy (Mauritius) Limited, Mauritius (GEML) |
| | GMR Lion Energy Limited, Mauritius (GLEL) |
| | GMR Energy (Cyprus) Limited, Cyprus (GECL) |
| | GMR Energy (Netherlands) B.V. (GENBV) |
| | PT Dwikarya Sejati Utama (PTDSU) |
| | PT Duta Sarana Internusa (PTDSI) |
| | PT Barasentosa Lestari (PTBL) |
| | GMR Highways Private Limited (GMRHPL) |
| | GMR Tunj Anapallil Expressways Private Limited (GTAEPL) |
| | GMR Tambaram Tindivanam Expressways Private Limited (GTTEPL) |
| | GMR Ambala Chandigarh Expressways Private Limited (GACEPL) |
| | GMR Jadcherla Expressways Private Limited (GJEPL) |
| | GMR Pochanpalli Expressways Private Limited (GPEPL) |
| | GMR Ulundurpet Expressways Private Limited (GUEPL) |
| | GMR Hyderabad International Airport Limited (GHIAL) |
| | Gateways for India Airports Private Limited (GFIAPL) |
| | Hyderabad Menzies Air Cargo Private Limited (HMACPL) |
| | Hyderabad Airport Security Services Limited (HASSL) |
| | GMR Hyderabad Airport Resources Management Limited (GHARML) |
| | GMR Hyderabad Aerotropolis Limited (GHAL) |
| | GMR Hyderabad Aviation SEZ Limited (GHASL) |
| | GMR Hyderabad Multiproduct SEZ Limited (GHMSL) |
| | GMR Airport Handling Services Limited (GAHSL) |
| | Delhi International Airport Private Limited (DIAL) |
| | DIAL Cargo Private Limited (DCPL) |
| Delhi Aerotropolis Private Limited (DAPL) | |
| East Delhi Waste Processing Company Private Limited (EDWPCPL) | |

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

| Description of Relationship | Name of the Related Parties |
|---|---|
| | GVL Investments Private Limited (GVL) |
| | GMR Aviation Private Limited (GAPL) |
| | GMR Corporate Center Limited (GCCL) |
| | GMR Krishnagiri SEZ Limited (GKSEZL) |
| | Advika Real Estate Private Limited (AREPL) |
| | Aklima Real Estates Private Limited (AKREPL) |
| | Amartya Real Estates Private Limited (AMREPL) |
| | Baruni Real Estates Private Limited (BREPL) |
| | Camelia Real Estates Private Limited (CREPL) |
| | Eila Real Estate Private Limited (EREPL) |
| | Gerbera Estates Private Limited (GEPL) |
| | Hiral Real Estates Private Limited (HREPL) |
| | Honeysuckle Properties Private Limited (HPPL) |
| | Idika Real Estate Private Limited (IREPL) |
| | Krishnapriya Real Estates Private Limited (KREPL) |
| | Nadira Real Estate Private Limited (NREPL) |
| | Prakalpa Properties Private Limited (PPPL) |
| | Purnachandra Real Estates Private Limited (PREPL) |
| | Shreyadita Real Estate Private Limited (SHREPL) |
| | Sreepa Real Estates Private Limited (SREPL) |
| | GMR Oil and Natural Gas Private Limited (GONGPL) |
| | GMR Infrastructure (Mauritius) Limited (GIML) |
| | GMR Infrastructure (Cyprus) Limited (GICL) |
| | GMR Infrastructure Overseas Sociedad Limitada (Spain) (GIOSL) |
| | GMR Infrastructure (UK) Limited (GIUL) |
| | GMR Infrastructure (Global) Limited (GIGL) |
| | GMR Energy (Global) Limited (GEGL) |
| | GMR Infrastructure (Singapore) Pte Limited (GISPL) |
| | GMR International (Malta) Limited (GMRIML) |
| Enterprises where significant influence exists | Sri Varalakshmi Jute Twine Mills Private Limited (SVJTMPL) |
| | Istanbul Sabiha Gokcen Uluslararası Havalimani Yatırım Yapım Ve İşletme Şirketi (ISG) |
| | Istanbul Sabiha Gokcen Uluslararası Havalimani Yer Hizmetleri Anonim Şirketi (SGH) |
| | Limak GMR Construction JV (LGCJV) |
| | GMR Chhattisgarh Energy Private Limited (GCHEPL) |
| Enterprises where Key Management Personnel and their relatives exercise significant influence | GMR Varalakshmi Foundation (GVRF) |
| Fellow Subsidiaries | GMR Industries Limited (GIDL) |
| | Raxa Security Services Limited (RSSL) |
| | GMR Properties Private Limited (GPPL) |
| | GMR Projects Private Limited (GMRPPL) |
| | GMR Corporate Affairs Private Limited (GCAPL) |
| | GMR Holding (Malta) Limited (GH(M)L) |
| Key Management Personnel and their relatives | Mr. G.M.Rao (Executive Chairman) |
| | Mr. G.B.S.Raju (Managing Director) |
| | Mr. Kiran Kumar Grandhi (Director) |
| | Mr. Srinivas Bommidala (Director) |
| | Mr. B.V.Nageswara Rao (Director) |
| | Mr. O.Bangaru Raju (Director) |

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

b) Summary of transactions with the above related parties are as follows:

(Amount in Rupees)

| Nature of Transaction | 2009 | 2008 |
|--|---------------|---------------|
| Dividend received/receivable | | |
| - Subsidiary Company – GEL | – | 10,349,312 |
| Service Income | | |
| - Fellow Subsidiary – GMRPPL | – | 112,360,000 |
| Refund of Rent Deposit | | |
| - Fellow Subsidiary – GPPL | – | 19,593,600 |
| Deposit given | | |
| - Subsidiary Company – GCCL | 787,500,000 | 285,790,000 |
| - Fellow Subsidiary – GCAPL | 107,800,000 | – |
| Refund of Deposit given | | |
| - Subsidiary Company – GCCL | 792,500,000 | – |
| - Fellow Subsidiary – GCAPL | 60,000,000 | – |
| Security Services rendered by | | |
| - Fellow Subsidiary – RSSL | – | 138,518 |
| Purchase of equity shares from | | |
| - Holding Company - GHPL | 250,000 | 9,999,000 |
| Sale of equity shares | | |
| - Subsidiary Company – GVL | – | 2,000,000 |
| Interest free loan recovered from | | |
| - Subsidiary Company - GVL | 118,895,000 | 31,600,000 |
| Equity Share application money invested in | | |
| - Subsidiary Company | | |
| - GHIAL | – | 1,026,288,000 |
| - GACEPL | 1,055,387,600 | 257,495,000 |
| - GJEPL | 569,518,250 | 270,000,000 |
| - GPEPL | 518,580,000 | 90,000,000 |
| - GUEPL | 876,487,500 | 100,000,000 |
| - DIAL | 3,732,000,000 | 3,265,500,000 |
| - GEL | – | 1,934,604,913 |
| - GVL | 2,680,000,000 | 5,321,512,200 |
| - GAPL | 1,815,250,000 | 863,500,000 |
| - GKSEZL | 1,989,660,000 | 455,575,000 |
| - GFIAPL | 400,000 | 925,000 |
| - GONGPL | – | 100,000 |
| - GIML | 7,640,695,000 | 1,966,461 |
| - GMRHPL | 165,000,000 | – |
| - GEML | 202 | – |
| - GH(M)L | 3,924 | – |
| -Fellow Subsidiary | | |
| - GCAPL | – | 13,900,000 |
| - Enterprises where significant influence exists | | |
| - ISG | 1,373,512,016 | – |
| - SGH | 10,317,420 | – |
| Preference Share application money invested in | | |
| - Subsidiary Company- GEL | 6,269,933,750 | – |

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

(Amount in Rupees)

| Nature of Transaction | 2009 | 2008 |
|--|---------------|---------------|
| Refund of Share application money | | |
| - Subsidiary Company | | |
| - GEL | - | 47,603,200 |
| - GACEPL | 1,126,604,400 | - |
| - GAPL | 555,187,500 | 274,320,000 |
| - GFIAPL | 425,000 | 84,548,000 |
| - GVL | 4,394,720,000 | 774,512,200 |
| - GUEPL | 100,000,000 | - |
| - GJEPL | 320,000,000 | - |
| - GMRHPL | 1,000,000 | - |
| - GIML | 505,800,000 | - |
| - GHIAL | 1,531,000 | - |
| - Fellow Subsidiary - GCAPL | - | 13,900,000 |
| - Enterprises where significant influence exists – ISG | 23,071,786 | - |
| Investment in Equity Shares | | |
| - Subsidiary Company (Refer Note (c) below) | | |
| - GACEPL | - | 186,278,200 |
| - GJEPL | 519,518,250 | - |
| - GPEPL | 608,580,000 | - |
| - GUEPL | 876,487,500 | - |
| - DIAL | 1,555,000,000 | 1,555,000,000 |
| - GAPL | 664,400,000 | 190,000,000 |
| - GKEL | - | 1,000 |
| - GKSEZL | 1,174,500,000 | 500,000 |
| - GIML | 7,175,661,461 | 39 |
| - GONGPL | 99,990 | - |
| - GEML | 202 | - |
| - GHIAL | 2,381,030,000 | - |
| - GVL | 2,805,000,000 | - |
| - GMRHPL | 19,500,000 | - |
| - GH(M)L | 3,924 | - |
| - Enterprises where significant influence exists | | |
| - ISG | 1,350,440,230 | 219,620,992 |
| - SGH | 10,317,420 | - |
| Investment in Preference shares of | | |
| - Subsidiary Company - GEL | 6,259,933,750 | 1,387,001,710 |
| Redemption of Preference share by | | |
| - Subsidiary Company | | |
| - GTAEPL | - | 575,572,000 |
| - GTTEPL | - | 784,696,000 |
| Loans Given to | | |
| - Subsidiary Company | | |
| - GTAEPL | - | 324,860,000 |
| - GTTEPL | - | 415,140,000 |
| Logo Licence fee paid/payable to | | |
| - Holding Company - GHPL | 4,776,000 | - |
| Advances given and received | | |
| - Subsidiary Company - DAPL | 4,000,000 | - |

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

| Nature of Transaction | (Amount in Rupees) | |
|--|--------------------|-----------------|
| | 2009 | 2008 |
| Refund of Loans Given to | | |
| - Subsidiary Company | | |
| - GTAEPL | 324,860,000 | - |
| - GTTEPL | 415,140,000 | - |
| Managerial Remuneration to | | |
| - Key management personnel and their relatives | | |
| - G.M Rao | 51,994,494 | 32,770,662 |
| - G.B.S. Raju | 31,196,696 | 19,662,397 |
| Aviation Services availed | | |
| - Fellow Subsidiaries - GIDL | 22,541,437 | - |
| Balances Payable / (Recoverable) | | |
| - Holding Company – GHPL | 4,776,000 | - |
| - Subsidiary Companies | | |
| - GEL | (510,000,003) | (507,572,323) |
| - GVL | (27,280,000) | (4,665,895,000) |
| - GHIAL | - | (2,382,561,000) |
| - GAPL | (994,842,500) | (399,180,000) |
| - GACEPL | - | (71,216,800) |
| - GKSEZ | (1,270,235,000) | (455,075,000) |
| - GJEPL | - | (270,000,000) |
| - GUEPL | - | (100,000,000) |
| - GPEPL | - | (90,000,000) |
| - DIAL | (3,887,500,000) | (1,710,500,000) |
| - GMRHPL | (158,500,000) | (14,000,000) |
| - GFIAPL | - | (25,000) |
| - GIML | - | (1,966,461) |
| - GONGPL | (10) | (100,000) |
| - GTAEPL | - | (324,860,000) |
| - GTTEPL | - | (415,140,000) |
| - GCCL | (280,800,000) | (285,790,000) |
| - Fellow Subsidiaries – GCAPL | (47,800,000) | - |
| - Key Management Personnel and their relatives | | |
| - G.M.Rao | 15,093,265 | 12,457,285 |
| - G.B.S.Raju | 7,049,145 | 7,284,265 |

Notes:

- The Company has provided securities by way of pledge of investments for loans taken by certain companies.
- Certain Key Management Personnel have extended personal guarantees as security towards borrowings of the Company and other bodies corporate. Similarly the holding company has pledged certain shares held in the Company and other bodies corporate as security towards the borrowings of the Company.
- Includes allotment of equity share out of Share Application money paid in earlier years.
- Transactions and outstanding balances in the nature of reimbursement of expenses incurred by one company on behalf of the other have not been considered above.

9. The company has entered into certain operating lease agreements and an amount of Rs. Nil (2008: 5,250,924) paid during the year under such agreements has been disclosed as rent under Schedule 13. These agreements are cancelable in nature.

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

10. Earnings Per Share (EPS)

Calculation of EPS – (Basic and Diluted)

| Particulars | Year ended March 31, | |
|---|----------------------|---------------|
| | 2009 | 2008 |
| Nominal Value of Equity Shares (Rs. per Share) | 2 | 2 |
| Total number of Equity Shares outstanding at the beginning of the year | 1,820,658,088 | 1,655,420,000 |
| Add: Issue of Equity Shares through QIP [Refer Note – 4 above] | – | 165,238,088 |
| Total number of Equity Shares outstanding at the end of the year | 1,820,658,088 | 1,820,658,088 |
| Weighted average number of Equity Shares outstanding at the end of the year | 1,820,649,979 | 1,705,071,192 |
| Net Profit after tax for the purpose of EPS | 976,733,324 | 626,982,980 |
| EPS – Basic and Diluted (Rs.) | 0.54 | 0.37 |

Note:

- As at March 31, 2009, Rs. 2,750 (2008: Rs. 11,625) was receivable towards Equity Shares and for the computation of weighted average number of Equity Shares outstanding at the end of the year, these have been considered as partly paid-up shares.
- Since the company did not have any dilutive securities, the basic and diluted earning per share are the same.
- Pursuant to the approval for the subdivision of the equity shares of the Company in the Annual General Meeting held on August 30, 2007, each equity share carrying a face value Rs. 10 each has been subdivided into 5 equity shares of Rs. 2 each on October 8, 2007, being the record date. Accordingly, the weighted average number of shares for both the current and corresponding previous periods has been adjusted to reflect such subdivision while calculating the earnings per share.

11. Deferred Tax Asset / (Liability) (Net) as at March 31, 2009 comprises of:

(Amount in Rupees)

| Sl. No | Particulars | 2009 | | 2008 | |
|--------|---|--------------------|------------------------|--------------------|------------------------|
| | | Deferred Tax Asset | Deferred Tax Liability | Deferred Tax Asset | Deferred Tax Liability |
| 1 | Depreciation | – | 874,643 | – | 436,074 |
| 2 | Preliminary Expenses | 4,082 | – | 2,041 | – |
| 3 | Other 43B disallowances | 3,027,019 | – | 159,316 | – |
| | Total | 3,031,101 | 874,643 | 161,357 | 436,074 |
| | Deferred Tax Asset / (Liability) (Net) | 2,156,458 | | (274,717) | |

Note: In view of the management's assessment that the future income in the form of dividends is tax free, deferred tax asset on carry/ brought forward losses have not been recognised by the Company, on the grounds of prudence.

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

12. Information on Joint Ventures as per Accounting Standard – 27

The Company's interests in the below mentioned joint ventures are reported as Long Term Investments (Schedule 6) and stated at Cost. However, the Company's share of each of the assets, liabilities, income and expenses etc related to its interests in these joint ventures, based on the audited financial statements are:

(Amount in Rupees)

| Particulars | GMR Hyderabad International Airport Limited (GHIAL) | | Delhi International Airport Private Limited (DIAL) | | Istanbul Sabiha Gokcen Uluslararası Havalimani Yatirim Yapim Ve Isletme Anonim Sirketi (ISG) | |
|---|---|----------------|--|----------------|--|-------------|
| | (Refer Note (b) below) | | (Refer Note (c) below) | | (Refer Note (d) below) | |
| | 2009 | 2008 | 2009 | 2008 | 2009 | 2008 |
| (1) Share in ownership and voting power of the company | 63.00% | 63.00% | 31.10% | 31.10% | 35.00% | 35.00% |
| (2) Country of incorporation | India | India | India | India | Turkey | Turkey |
| (3) Contingent Liabilities - Company has incurred in relation to Joint Venture | 2,300,000,000 | - | - | 17,500,000,000 | 22,673,300,000 | - |
| (4) Company's share of contingent liabilities of joint venture | 134,415,769 | 119,823,370 | 1,954,541,700 | 1,788,606,095 | - | - |
| (5) Company's share of capital commitments of the joint venture | 144,244,304 | 1,022,613,283 | 13,442,321,900 | 13,189,018,309 | - | - |
| (6) Aggregate amount of company's share in each of the following: | | | | | | |
| (a) Current Assets | 2,525,069,472 | 1,300,873,019 | 1,361,408,100 | 1,519,644,898 | 2,707,317,599 | 187,910,501 |
| (b) Fixed Assets (including Capital work in progress and pre – operative expenditure, pending allocation) | 17,309,121,820 | 15,589,366,107 | 20,390,515,843 | 9,041,294,657 | 4,834,105,459 | 2,990,087 |
| (c) Investments | 83,720,291 | 566,140,667 | 172,837,939 | 2,738,485,931 | 23,570,764 | - |
| (d) Deferred Tax Asset /(Liability) | - | - | (94,246,710) | (135,112,110) | 56,845,457 | (157,500) |
| (e) Current Liabilities and Provisions | 2,043,559,468 | 3,100,972,887 | 1,646,219,380 | 1,234,384,813 | 1,182,887,526 | 3,462,648 |
| (f) Borrowings | 15,964,421,063 | 11,850,409,655 | 12,370,428,143 | 7,775,000,000 | 5,114,530,809 | - |
| (g) Income | | | | | | |
| 1. Sales | 2,405,808,795 | 34,881,253 | 1,576,752,238 | 1,455,052,056 | 2,350,546,002 | - |
| 2. Other Income | 64,637,004 | 28,594,422 | 32,608,207 | 15,801,489 | 684,180 | - |
| (h) Expenses | | | | | | |
| 1. Operating Expenses | 996,747,855 | 191,754,171 | 1,091,870,350 | 859,942,085 | 1,927,699,956 | - |
| 2. Administration and other expenses | 507,671,238 | 205,122,573 | 293,040,611 | 305,634,657 | 398,424,195 | - |
| 3. Depreciation | 706,758,060 | 16,133,312 | 163,340,199 | 28,330,234 | 345,138,318 | - |
| 4. Interest and Finance Charges | 1,003,125,382 | 13,966,201 | 167,523,118 | 2,352,735 | 12,240,117 | - |
| 5. Provision for Taxation (including Deferred Taxation) | 12,256,720 | 688,676 | (33,401,400) | 98,369,300 | (53,425,087) | - |

Notes:

- Disclosure of Financial Data as per Accounting Standard – 27 'Financial Reporting of Interest in the joint venture' has been done based on the audited financial statements of GHIAL and DIAL and ISG as on March 31, 2009.
- The Company directly holds 63% of the equity shares of GHIAL.
- The Company directly holds 31.1% of the equity shares of DIAL and 19.00% of the equity shares through its subsidiary companies.

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

d. The Company directly holds 35% of the equity shares of ISG and 5% of the equity shares through its subsidiary companies.

13. Details of Current Investments (other than trade) purchased and sold during the year ended March 31, 2009

| Particulars | Purchased | | Sold | |
|---|---------------|--------------------|---------------|--------------------|
| | No. of Units | Amount (in Rupees) | No. of Units | Amount (in Rupees) |
| Mutual Funds, Unquoted | | | | |
| ABN Amro Institutional Plus–Daily Dividend | – | – | – | – |
| | (200,000,000) | (2,000,000,000) | (200,125,874) | (2,001,258,747) |
| ABN Amro Money Plus Institutional Plan – Daily Dividend | – | – | – | – |
| | (200,123,873) | (2,001,258,747) | (200,729,041) | (2,007,290,408) |
| ABN Amro Interval Fund Monthly Plan | – | – | – | – |
| | (20,000,000) | (200,000,000) | (20,121,350) | (201,213,497) |
| AIG Liquid Fund Super Institutional Daily Dividend | – | – | – | – |
| | (1,998,373) | (2,000,000,000) | (1,999,219) | (2,000,846,123) |
| AIG Treasury Plus Fund Super Institutional Daily Dividend | – | – | – | – |
| | (199,843,797) | (2,000,846,123) | (200,928,547) | (2,011,495,683) |
| Birla Sun Life Cash Plus – Instl. Prem. – Daily Dividend –Reinvestment | 108,139,129 | 1,083,500,000 | 108,556,696 | 1,087,683,816 |
| | (470,532,462) | (4,714,500,000) | (470,830,889) | (4,717,490,090) |
| Birla Sun Life Liquid Plus – Instl. – Daily Dividend –Reinvestment | 209,805,573 | 2,099,482,410 | 214,740,437 | 2,148,864,594 |
| | (446,386,788) | (4,466,903,313) | (449,694,207) | (4,500,000,000) |
| Birla Dynamic Bond Fund – Retail – Quarterly Dividend - Reinvestment | – | – | – | – |
| | (16,371,458) | (170,029,047) | (16,432,903) | (170,795,373) |
| BSL Interval Income Fund – INSTL – Quarterly – Series 1–Dividend - Payout | – | – | – | – |
| | (50,000,000) | (500,000,000) | (50,000,000) | (500,000,000) |
| Can Bank ST Growth | – | – | – | – |
| | (21,157,931) | (250,000,000) | (21,157,931) | (252,462,298) |
| Can Bank Robeco Floating rate ST Daily Dividend | – | – | – | – |
| | (233,161,598) | (2,392,238,000) | (233,242,171) | (2,393,798,552) |
| Can Bank Robeco Liquid Plus Inst Daily Dividend | – | – | – | – |
| | (177,390,444) | (2,200,900,978) | (178,534,156) | (2,215,091,121) |
| DBS Chola Short Term Floating Rate Fund – Daily Div Rein v Plan | – | – | – | – |
| | (184,647,199) | (1,849,500,000) | (184,891,352) | (1,851,945,738) |
| DBS Chola Freedom Income STP Inst – Daily Dividend Reinvestment Plan | – | – | – | – |
| | (131,361,508) | (1,313,615,076) | (131,996,325) | (1,320,084,035) |
| DSP Merrill Lynch Liquid Plus Institutional Plan – Daily Dividend | – | – | – | – |
| | (499,950) | (500,000,000) | (500,485) | (500,535,437) |
| DWS Short Term Floating Rate – Cum. – Growth | – | – | – | – |
| | (21,711,566) | (250,000,000) | (21,711,566) | (255,721,288) |
| DWS Insta Cash Plus Fund – Institutional Plan – Growth | – | – | – | – |
| | (8,150,956) | (100,000,000) | (8,150,956) | (100,020,377) |
| DWS Short Maturity Fund – Growth Option | – | – | – | – |
| | (7,579,196) | (100,020,377) | (7,579,196) | (100,437,991) |
| DWS Insta Cash Plus Fund Super Institutional – Growth Plan | – | – | – | – |
| | (409,124,927) | (4,100,437,991) | (409,453,077) | (4,105,030,977) |
| DWS Insta Cash Plus Fund Super Institutional Plan Daily Dividend | 79,405,610 | 795,644,215 | 79,916,722 | 800,765,557 |
| | (–) | (–) | (–) | (–) |
| DWS Money Plus Advantage Fund – Institutional Plan | – | – | – | – |
| | (49,621,881) | (500,000,000) | (50,228,148) | (508,796,074) |
| DWS Credit Opportunities Cash Fund – Weekly – Dividend Plan | – | – | – | – |
| | (49,842,001) | (500,000,000) | (50,428,199) | (506,828,613) |

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

| Particulars | Purchased | | Sold | |
|---|-----------------|--------------------|-----------------|--------------------|
| | No. of Units | Amount (in Rupees) | No. of Units | Amount (in Rupees) |
| DWS Money Plus Fund – Institutional Plan | – | – | – | – |
| – Daily Dividend | (246,065,158) | (2,462,669,316) | (249,795,168) | (2,500,000,000) |
| DWS Fixed Term Fund Series 58 – Institutional | 50,000,000 | 500,000,000 | 50,000,000 | 511,056,289 |
| Dividend | (–) | (–) | (–) | (–) |
| DWS Fixed Term Fund Series 51 – Institutional | 25,000,000 | 250,000,000 | 25,000,000 | 249,422,500 |
| Growth | (–) | (–) | (–) | (–) |
| G 50 Grindlays – Floating Rate Fund – LT – Inst. | 105,862,654 | 1,059,208,784 | 108,437,182 | 1,084,968,227 |
| Plan B – daily Dividend | (6,997,900) | (70,000,000) | (6,997,900) | (70,000,000) |
| HDFC Liquid Fund Premium Plan – Dividend | 65,775,951 | 806,400,000 | 65,790,554 | 806,579,026 |
| – Daily Reinvest | (163,134,798) | (2,000,000,000) | (163,161,411) | (2,000,326,270) |
| HDFC Floating Rate Income Fund – Short Term | | | | |
| Plan – Wholesale Option – Dividend Reinvest | 80,010,617 | 806,579,026 | 83,996,937 | 846,764,721 |
| – Daily | (146,419,067) | (1,476,035,975) | (148,796,238) | (1,500,000,000) |
| HSBC Cash Fund– Institutional Plus – Daily | 161,759,415 | 1,618,500,000 | 161,788,801 | 1,618,794,030 |
| Dividend | (237,437,035) | (2,375,700,000) | (237,583,498) | (2,377,165,449) |
| HSBC Flexi Debt Fund – Inst. Growth | – | – | – | – |
| | (9,958,655) | (100,015,765) | (9,958,655) | (100,567,475) |
| HSBC Cash Fund– Institutional Plus – Growth | – | – | – | – |
| | (8,145,490) | (100,567,475) | (8,145,490) | (101,626,394) |
| HSBC Liquid Plus – Institutional Plus – Daily | 28,818,724 | 288,550,359 | 31,236,394 | 312,757,518 |
| Dividend | (148,145,104) | (1,483,317,671) | (149,811,238) | (1,500,000,000) |
| HSBC Fixed Term Series 53 Inst Gr | 35,000,000 | 350,000,000 | 35,000,000 | 350,756,000 |
| | (–) | (–) | (–) | (–) |
| HSBC Floating Rate – LT– Inst Daily Dividend | 92,872,899 | 930,177,810 | 93,125,810 | 932,710,858 |
| | (–) | (–) | (–) | (–) |
| HSBC Interval Fund–Plan2–Inst Dividend | 49,999,500 | 500,000,000 | 49,999,500 | 500,809,992 |
| | (–) | (–) | (–) | (–) |
| ICICI Prudential Institutional Liquid Plan | – | – | – | – |
| – Super Institutional Growth | (44,155,569) | (500,000,000) | (44,155,569) | (514,933,413) |
| ICICI Prudential Institutional Liquid Plan – | 700,886,891 | 7,009,219,358 | 721,028,067 | 7,210,641,162 |
| Super Institutional Daily Div– Reinvest Dividend | (399,980,001) | (4,000,000,000) | (400,267,510) | (4,002,875,231) |
| ICICI Flexible Income Plan Dividend – Daily | 10,876,247 | 115,000,000 | 11,176,523 | 118,174,960 |
| – Reinvest Dividend | (349,400,583) | (3,694,387,063) | (354,660,235) | (3,750,000,000) |
| ICICI Liquid Plan – Super Institutional Daily Div | – | – | – | – |
| | (666,846,658) | (6,668,800,000) | (667,585,607) | (6,676,189,868) |
| ICICI Prudential Institutional Liquid Plan | – | – | – | – |
| – Super Institutional Daily | (1,283,246,025) | (12,833,101,876) | (1,286,885,656) | (12,869,500,000) |
| FRDD ICICI Prudential Floating Rate Plan D – | 671,525,292 | 6,716,663,128 | 677,940,656 | 6,780,830,240 |
| Daily Dividend – Reinvest Dividend | (–) | (–) | (–) | (–) |
| ICICI Prudential FMP Series 44 – 3 | 48,500,000 | 485,000,000 | 48,500,000 | 493,909,450 |
| Months Plan C Retail Dividend– Pay Dividend | (–) | (–) | (–) | (–) |
| ICICI Prudential FMP Series 47 – 3 | 75,000,000 | 750,000,000 | 75,000,000 | 766,462,500 |
| Months Plan B Retail Dividend– Pay Dividend | (–) | (–) | (–) | (–) |
| ICICI Prudential Interval Fund II Quarterly | 49,946,058 | 500,000,000 | 51,001,777 | 510,568,586 |
| Interval Plan B – Retail Dividend– | (–) | (–) | (–) | (–) |
| Reinvest Dividend | | | | |

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

| Particulars | Purchased | | Sold | |
|--|------------------------------|----------------------------------|------------------------------|----------------------------------|
| | No. of Units | Amount (in Rupees) | No. of Units | Amount (in Rupees) |
| ICICI Prudential Interval Fund II Quarterly Interval Plan D – Retail Dividend– Reinvest Dividend | 77,000,000 (–) | 770,000,000 (–) | 78,395,240 (–) | 784,154,517 (–) |
| ICICI Prudential FMP Series 47 – Three Months Plan C Retail Dividend– Pay Dividend | 46,500,000 (–) | 465,000,000 (–) | 46,500,000 (–) | 475,304,400 (–) |
| IDFC Fixed Maturity Plan – Quarterly Series 39 – Dividend | 125,000,000 (–) | 1,250,000,000 (–) | 127,731,550 (–) | 1,277,762,558 (–) |
| ING Liquid Fund Super Institutional – Daily Dividend Option | 176,285,383 (5,073,690) | 1,763,700,000 (50,761,250) | 179,683,588 (8,727,659) | 1,797,698,358 (87,318,478) |
| ING Income Fund – Short Term Plan –Growth Option | – (32,309,143) | – (453,587,485) | – (32,309,143) | – (457,200,767) |
| ING Liquid Fund Super Institutional – Growth Option | – (52,378,701) | – (605,597,797) | – (52,378,701) | – (607,393,769) |
| ING Liquid Plus Fund – Inst. Growth | – (29,116,912) | – (300,332,214) | – (29,116,912) | – (303,587,485) |
| ING Liquid Fund – Super Institutional – Daily Dividend Option | – (23,988,485) | – (240,000,000) | – (24,004,184) | – (240,157,061) |
| ING Liquid Fund – Super Institutional Daily Dividend Option | – (641,134,398) | – (6,414,421,422) | – (643,580,094) | – (6,438,890,129) |
| ING Liquid Plus Fund – Institutional Daily Dividend | 337,370,226 (212,241,724) | 3,374,815,579 (2,123,117,639) | 343,239,924 (214,985,022) | 3,433,531,925 (2,150,559,669) |
| ING Income Fund – Short Term Plan – Growth | – (13,922,729) | – (200,000,000) | – (13,922,729) | – (201,486,947) |
| ING Liquid Fund – Super Institutional – Growth Option | – (20,148,695) | – (201,486,947) | – (20,352,512) | – (203,525,120) |
| ING Fixed Maturity Fund – 47 Institutional Growth | 20,000,000 (–) | 200,000,000 (–) | 20,000,000 (–) | 197,400,000 (–) |
| ING Fixed Maturity Fund–46 Institutional Dividend | 20,000,000 (–) | 200,000,000 (–) | 20,000,000 (–) | 203,730,637 (–) |
| JM High Liquidity Fund – Super Institutional Plan – Daily Dividend | – (199,670,544) | – (2,000,000,000) | – (199,808,851) | – (2,001,385,354) |
| JM Money Manager Fund Super Plus Plan – Daily Dividend | – (249,374,079) | – (2,494,763,226) | – (251,819,771) | – (2,519,230,173) |
| JM High Liquidity Fund – Super Institutional Plan – Daily Dividend (92) | 100,989,622 (99,835,272) | 1,011,562,545 (1,000,000,000) | 101,707,900 (99,852,557) | 1,018,814,003 (1,000,173,132) |
| JM Interval Fund – Quarterly Plan 6 – Institutional Dividend Plan (307) | 50,000,000 (–) | 500,000,000 (–) | 51,114,430 (–) | 511,261,393 (–) |
| Kotak – Flexi Debt Scheme – Daily Dividend | 79,771,983 (97,506,535) | 800,200,741 (978,097,800) | 82,140,003 (99,689,964) | 823,954,584 (1,000,000,000) |
| Kotak Flexi Debt Scheme Institutional – Daily Dividend | 183,847,954 (–) | 1,847,212,312 (–) | 186,026,769 (–) | 1,869,103,958 (–) |
| Kotak Liquid (Institutional Premium) – Daily Dividend | 76,348,738 (245,336,561) | 933,600,000 (3,000,000,000) | 76,386,409 (245,489,706) | 934,060,646 (3,001,872,677) |
| Kotak Quarterly Interval Plan Series 3 – Dividend | 100,000,000 (–) | 1,000,000,000 (–) | 102,226,300 (–) | 1,022,262,996 (–) |
| Kotak Quarterly Interval Plan Series 8 – Dividend | 50,000,000 (–) | 500,000,000 (–) | 50,000,000 (–) | 497,455,000 (–) |

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

| Particulars | Purchased | | Sold | |
|--|---------------|--------------------|---------------|--------------------|
| | No. of Units | Amount (in Rupees) | No. of Units | Amount (in Rupees) |
| LIC MF Interval Fund – Series 1 – Monthly Dividend Plan | 60,000,000 | 600,000,000 | 60,388,880 | 603,888,799 |
| LICMF Liquid Fund – Dividend Plan | (362,889,834) | (3,984,566,661) | (364,310,273) | (4,000,163,233) |
| LIC Liquid Fund – Dividend Plan | (475,860,876) | (5,225,000,000) | (476,193,873) | (5,228,656,349) |
| LIC Liquid Fund – Growth Plan | (34,727,769) | (500,000,000) | (34,727,769) | (500,419,103) |
| LIC Plus fund – Daily Dividend Plan | (541,747,959) | (5,506,755,642) | (555,100,000) | (5,551,000,000) |
| LIC Liquid Plus Fund – Growth Plan | (33,972,018) | (400,220,071) | (33,972,018) | (406,615,056) |
| Lotus India Super Institutional Daily Dividend | (200,233,038) | (2,002,450,522) | (200,118,786) | (2,003,653,838) |
| Lotus India Liquid Plus Fund – Institutional Daily Dividend | (99,908,540) | (1,000,653,965) | (100,087,914) | (1,002,450,522) |
| Lotus India Short Term Plan – Institutional Daily Dividend | (39,559,916) | (400,061,515) | (39,718,540) | (401,884,100) |
| Lotus India Liquid Plus Fund – Institutional Daily Dividend | (99,031,430) | (991,869,097) | (99,843,246) | (1,000,000,000) |
| Lotus India Liquid Fund – Super Institutional Daily Dividend | (117,569,313) | (1,175,893,000) | (117,593,633) | (1,176,136,239) |
| Principal Cash Management Fund Liquid Option Instl. Prem. Plan – Dividend Reinvestment Daily | 49,996,500 | 500,000,000 | 50,004,838 | 500,083,388 |
| Principal Floating Rate Fund FMP Insti. Option – Dividend Reinvestment Daily | 49,946,904 | 500,083,388 | 52,828,037 | 528,930,146 |
| Principal Liquid Option Inst. Prem. Plan – DD reinvestment | (299,979,001) | (3,000,000,000) | (301,166,552) | (3,001,875,642) |
| Reliance Liquid Fund – Cash Plan – Daily Dividend Option | 4,487,726 | 50,000,000 | 4,500,360 | 50,140,759 |
| Reliance Liquidity Fund – Daily Dividend Reinvestment Option | 171,696,774 | 1,717,500,000 | 171,756,631 | 1,718,098,750 |
| Reliance Liquid Plus Fund – Institutional Option – Growth Plan | (302,758) | (321,952,406) | (302,758) | (323,729,293) |
| Reliance Liquidity Fund–Growth Option | (42,915,194) | (500,000,000) | (42,915,194) | (506,552,406) |
| Reliance Liquid Plus Fund – Institutional Option – Daily Dividend Plan | 1,627,328 | 1,629,177,777 | 1,665,541 | 1,667,434,483 |
| Reliance Medium Term Fund – Daily Dividend Plan | 34,969,472 | 597,820,606 | 35,041,256 | 598,519,501 |
| SBI Debt Fund Series – 180Days– 8– Dividend | 100,000,000 | 1,000,000,000 | 100,000,000 | 1,022,160,000 |
| Stan Chart Grindlays Floating Rate Fund–LT–Inst Plan B–Daily Div. | (330,643,697) | (3,308,231,512) | (332,757,668) | (3,329,389,348) |
| Stan Chart Liquidity Manager – Plus – Daily Dividend | 1,058,778 | 1,059,000,000 | 1,058,986 | 1,059,208,784 |
| | (2,904,390) | (2,905,000,000) | (2,905,626) | (2,906,236,249) |

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

| Particulars | Purchased | | Sold | |
|--|---------------|--------------------------|---------------|--------------------------|
| | No. of Units | Amount (in Rupees) | No. of Units | Amount (in Rupees) |
| Stan Chart Liquidity Manager | – | – | – | – |
| | (39,950,062) | (400,000,000) | (40,149,340) | (401,995,262) |
| TDAD TATA Dynamic Bond Fund Option A | 95,478,869 | 1,007,445,291 | 96,059,365 | 1,014,338,866 |
| – Dividend | (–) | (–) | (–) | (–) |
| TDBD TATA Dynamic Bond Fund Option B | 98,910,675 | 1,014,338,866 | 100,066,357 | 1,027,995,748 |
| – Dividend | (–) | (–) | (–) | (–) |
| TATA Liquid Super High Investment Fund | 717,798 | 800,000,000 | 718,154 | 800,397,375 |
| – Daily Dividend | (1,794,494) | (2,000,000,000) | (1,795,767) | (2,001,419,284) |
| TATA Floater Fund – Daily Dividend | 206,854,871 | 2,075,912,746 | 213,895,742 | 2,146,572,109 |
| | (120,835,775) | (1,212,659,508) | (124,556,579) | (1,250,000,000) |
| Templeton India Treasury Management Account Super Institutional Plan – Daily Dividend Reinvestment | 299,798 | 300,000,000 | 306,716 | 306,922,444 |
| | (–) | (–) | (–) | (–) |
| UTI – Liquid Plus Fund Institutional Plan (Daily Dividend Option) – Reinvestment | 3,264,499 | 3,265,197,390 | 3,285,743 | 3,286,446,029 |
| | (–) | (–) | (–) | (–) |
| UTI Liquid Cash Plan Institutional – Daily Income Option – Reinvestment | 490,463 | 500,000,000 | 537,211 | 547,656,568 |
| | (27,759,867) | (28,299,677,073) | (27,811,051) | (28,351,856,202) |
| UTI Liquid Plus Fund Institutional Plan – Daily Income Option – Reinvestment | – | – | – | – |
| | (7,558,310) | (7,559,927,472) | (7,625,751) | (7,627,382,662) |
| UTI Liquid Plus Fund Institutional – Growth Option | – | – | – | – |
| | (1,317,544) | (1,074,616,831) | (1,332,499) | (1,086,812,911) |
| UTI Liquid Cash Plan – Growth Option | – | – | – | – |
| | (830,413) | (1,073,600,000) | (830,413) | (1,074,616,831) |
| Total | | 57,896,492,331 | | 58,857,808,751 |
| | | (167,991,742,754) | | (168,790,810,587) |

Notes: Previous year figures are mentioned in brackets.

14. There are no micro and small enterprises, to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2009. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This information has been relied upon by the Auditors'.

15. Managerial Remuneration

(Amount in Rupees)

| Particulars | 2009 | 2008 |
|---|-------------------|-------------------|
| a. Salaries | 56,100,000 | 30,256,452 |
| b. Perquisites and Other allowances | 460,780 | 14,542 |
| c. Contributions to Provident and Other Funds | 4,488,000 | 2,420,516 |
| d. Sitting Fee | 1,080,000 | 1,420,000 |
| e. Commission | 22,142,410 | 19,741,550 |
| Total | 84,271,190 | 53,853,060 |

Notes:

The above figures do not include provision for gratuity, superannuation and premium for personal accidental policy, as the same are determined for the company as a whole.

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

16. Computation of Net Profit in accordance with Section 309 (5) of the Companies Act, 1956.

(Amount in Rupees)

| Particulars | Year Ended | |
|--|---------------|-------------|
| | 2009 | 2008 |
| Profit after Tax | 976,733,324 | 626,982,980 |
| Add: | | |
| Managerial Remuneration | 83,191,190 | 52,433,060 |
| Provision for Taxation | 63,156,548 | 28,430,269 |
| Depreciation as per Profit and Loss Account | 1,085,519 | 1,293,226 |
| Less: | | |
| Depreciation as per section 350 of the Companies Act, 1956 | 1,085,519 | 1,293,226 |
| Net Profit in accordance with Section 309 (5) of the Companies Act, 1956 | 1,123,081,062 | 707,846,309 |
| Total remuneration including commission thereon | | |
| Executive Chairman @ 5% | 56,154,053 | 35,392,315 |
| Managing Director @ 3% | 33,692,432 | 21,235,389 |
| Total remuneration including commission restricted to | | |
| Executive Chairman | 51,994,494 | 32,770,662 |
| Managing Director | 31,196,696 | 19,662,397 |
| Commission payable for the year | | |
| Executive Chairman | 15,093,265 | 12,457,285 |
| Managing Director | 7,049,145 | 7,284,265 |

17. Additional information pursuant to paragraph 3, 4, 4A, 4B, 4C and 4D of part II of Schedule VI of the Companies Act, 1956:

a) Remuneration to Auditors

(Amount in Rupees)

| Particulars | 2009 | 2008 |
|----------------------------|------------------|------------------|
| Audit fees** | 1,123,600 | 1,123,600 |
| Tax Audit** | 168,540 | 168,540 |
| Other certification fees** | 2,941,585 | 180,000 |
| Out of Pocket Expenses | 50,205 | 57,050 |
| Total | 4,283,930 | 1,529,190 |

** Includes service tax

b) Expenditure in Foreign Currency (on payment basis)

(Amount in Rupees)

| Particulars | 2009 | 2008 |
|--------------------------------------|-------------------|-------------------|
| Traveling expenses | 17,100,136 | 1,588,792 |
| Professional and Consultancy charges | 15,134,011 | 19,734,716 |
| Others | 70,041 | 751,460 |
| Total | 32,304,188 | 22,074,968 |

Notes forming part of Accounts

Schedule 15 | II NOTES TO ACCOUNTS

18. Disclosure as per Clause 32 of the listing agreement

Loans and Advances in the nature of Loans to Subsidiaries.

(Amount in Rupees)

| Name of the Subsidiary | Amount Outstanding as at the year end | Maximum amount outstanding during the year | Investment by loanee in the Company's Shares (Nos) |
|------------------------|---------------------------------------|--|--|
| GVL * | - | 118,895,000 | Nil |
| | (118,895,000) | (150,495,000) | (Nil) |
| GTAEPL ** | - | 327,494,481 | Nil |
| | (324,860,000) | (325,349,515) | (Nil) |
| GTTEPL ** | - | 418,506,615 | Nil |
| | (415,140,000) | (415,299,232) | (Nil) |

Note: Previous figures are shown in brackets.

* Interest free & On Call - no repayment schedule.

** Includes interest accrued.

19. Information pursuant to paragraphs 3, 4, 4A, 4B, 4C and 4D to the extent either Nil or Not Applicable has not been furnished.

20. Previous year's figures have been regrouped and reclassified, wherever necessary, to conform to those of the current year.

For and on behalf of the Board of Directors

G. M. Rao
Executive Chairman

G. B. S. Raju
Managing Director
(Place: Singapore)

A.Subba Rao
Group CFO

Place: Bangalore
Date: June 04, 2009

C.P.Sounderarajan
Company Secretary

Cash Flow Statement for the year ended March 31, 2009

(Amount in Rupees)

| Sl. No. | Particulars | March 31, 2009 | March 31, 2008 |
|-----------|--|-----------------------|-------------------------|
| A. | CASH FLOW FROM /(USED IN) OPERATING ACTIVITIES | | |
| | Net Profit Before Tax and Extraordinary Items | 1,039,889,872 | 655,413,249 |
| | Adjustments for : | | |
| | Depreciation | 1,085,519 | 1,293,226 |
| | Provision for doubtful advances | 60,000,000 | - |
| | Provision for diminution in the value of investments | - | 65,363,174 |
| | (Profit)/Loss on sale of current investments | 36,064,690 | (80,732,124) |
| | Fixed Assets written off | 723,136 | - |
| | Dividend Income | (1,077,343,110) | (751,312,159) |
| | Interest Income | (514,660,434) | (176,358,242) |
| | Interest and Finance Charges | 237,924,361 | 253,655,318 |
| | Operating Profit Before Working Capital Changes | (216,315,966) | (32,677,558) |
| | Adjustments for : | | |
| | (Increase) / Decrease in Trade and other receivables | 146,377,874 | (640,926,021) |
| | Increase / (Decrease) in Trade Payables | (29,697,538) | 116,526,626 |
| | Cash generated from Operations | (99,635,630) | (557,076,953) |
| | Income Taxes refund / (paid) during the year | (108,469,759) | (8,458,915) |
| | Net Cash Flow from/(used in) Operating Activities | (208,105,389) | (565,535,868) |
| B. | CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES | | |
| | (Purchase)/Sale of Fixed Assets | (3,164,530) | (14,551) |
| | (Purchase)/Sale of Long Term Investments - (including Share application money) | (21,707,455,980) | (11,273,837,206) |
| | (Purchase)/Sale of Investments - Short Term | 32,549,070,711 | (32,161,271,214) |
| | Interest Income Received | 490,336,710 | 186,660,329 |
| | Dividend Received | 1,084,915,430 | 746,516,831 |
| | Net Cash Flow from/(used in) Investing Activities | 12,413,702,341 | (42,501,945,811) |
| C. | CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES | | |
| | Proceeds from Secured Loans | - | 3,125,531,290 |
| | Repayment of Secured Loans | (488,750,809) | (205,500,000) |
| | Proceeds/(Repayment) from/of Unsecured Loans (Net) | (100,000,000) | (100,000,000) |
| | Loan (given) to/received from a subsidiary company (Net of repayments) | 858,895,000 | (708,400,000) |
| | Issue of equity shares (including share premium) (Refer Note 2 below) | (155,542) | 39,020,873,906 |
| | Interest and Financial Charges paid | (237,924,361) | (174,723,818) |
| | Net Cash from/(used in) Financing Activities | 32,064,288 | 40,957,781,378 |
| | Net increase/(decrease) in Cash and Cash Equivalents | 12,237,661,240 | (2,109,700,301) |
| | Cash and Cash Equivalents at the beginning of the year | 1,081,496,436 | 3,191,196,737 |
| | Cash and Cash Equivalents at the end of the year | 13,319,157,676 | 1,081,496,436 |

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 on "Cash Flow Statements" as referred to in Section 211 (3C) of the Companies Act, 1956.
- Represents amount received towards issue of Equity Shares under Qualified Institutional Placement for the year ended March 31, 2008, net of issue expenses.
- Cash and Cash Equivalents includes restricted Cash and Bank balances amounting to Rs. 734,575,318 (2008:Rs.77,825,031).
- Previous year's figures have been regrouped and reclassified to conform to those of the current year.

This is the cash flow statement referred to in our report of even date.

For and on behalf of the Board of Directors

Thomas Mathew
Partner
Membership Number: 50087
For and on behalf of
Price Waterhouse
Chartered Accountants

G. M. Rao
Executive Chairman

G. B. S. Raju
Managing Director
(Place: Singapore)

A.Subba Rao
Group CFO

Place: Bangalore
Date: June 04, 2009

C.P.Sounderarajan
Company Secretary

Balance Sheet Abstract

Information pursuant to the Provisions of Part IV of Schedule VI to the Companies Act, 1956
Balance Sheet Abstract and company's General Business Profile

I Registration Details

Registration No.: State Code:

Balance Sheet Date:
Date Month Year

I. Capital raised during the year (Amount in Rs. Thousands)

Public Issue: Rights Issue :

Bonus Issue: Private Placement :

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

Total Liabilities : Total Assets :

Sources of Funds

Paid-up capital : Reserves & Surplus :

Secured Loans : Unsecured Loans :

Deferred Tax Liabilities :

Application of Funds

Net Fixed Assets : Investments :

Net Current Assets : Misc. Expenditure :

Accumulated Losses : Deferred Tax Asset :

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

Gross Income : Total Expenditure :

Profit/Loss Before Tax : Profit/(Loss) After Tax :

Earnings Per Share in Rs. : Dividend Rate (%) :

V. Generic Names of Three Principal Products / Services of Company (as per Monetary terms)

Infrastructure Development & Contract Business.

Item Code No. (I T C Code)

Product Description