

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 14th Annual Report together with the audited accounts of your Company for the year ended March 31, 2010.

Financial Results

Your Company, as a holding company, operates in four different business sectors – energy, airports, highways and urban infrastructure through subsidiary and associate companies. During the year under review, your Company commenced the Engineering, Procurement and Construction (EPC) business as a separate operating division mainly to cater to the requirements for implementing the projects undertaken by the subsidiaries. This strategy would enable the Company to insulate the risks associated with third party contractors, ease in accessing funds, servicing debt through operating revenues, enhancement of project management, procurement and construction skills, reinforce risk management processes, better cost management besides enhancing the synergies and operational advantages thereof. The company's revenue, expenditure and results of operations are presented through consolidated financial statements and the details given below show both the consolidated and standalone financial results.

Presented below are the consolidated financial results of your Company:

Particulars	(Rs. in Crore)	
	March 31, 2010	March 31, 2009
Gross revenue	5,123.42	4,476.19
Fee paid to Airports Authority of India	556.91	456.97
Net revenue	4,566.51	4,019.22
Operating and administrative expenditure	3,202.20	2,952.43
EBITDA	1,364.31	1,066.79
Other Income	163.39	21.37
Interest & finance charges	722.33	368.20
Depreciation / amortisation	612.24	389.83
Profit before tax	193.13	330.13
Provisions for taxation (including deferred tax, MAT credit entitlement and fringe benefit tax)	(32.21)	53.02
Profit after tax	225.34	277.11
Minority interest - (Profits)/ Losses	(45.36)	2.34
Share of Profits/(Losses) of Associates	(21.58)	-
Profit after tax and Minority interest and share of Profits/(Losses) of associates	158.40	279.45
Surplus brought forward from previous year	778.36	524.21
Amount available for appropriation after minority interest	936.76	803.66
Appropriations / Adjustments	22.64	25.30
Available surplus carried to Balance Sheet	914.12	778.36
Earnings per share (Rs.) (Face value of Re.1/- each) – Basic and Diluted	0.43	0.77

Consolidated gross revenue grew by 14.46% from Rs. 4,476.19 Crore to Rs. 5,123.42 Crore and net revenue by 13.62% from Rs. 4,019.22 Crore to Rs. 4,566.51 Crore. Airport, Energy, Highways,

EPC and other (net of inter segment) segments contributed Rs. 2,045.53 crore (39.93%), Rs. 2,039.47 crore (39.81%), Rs. 346.07 crore (6.75%) Rs. 409.85 crore (8.00%) and Rs. 282.50 crore (5.51%) respectively to the gross revenues.

EBITDA has grown by 27.89% as compared to the previous year from Rs.1,066.79 Crore to Rs. 1,364.31 Crore. PAT has gone down from Rs. 277.11 Crore to Rs. 225.34 Crore as compared to the previous year mainly due to the higher depreciation and interest charges. Most of the projects are in their initial phase of operations wherein the capacity costs tend to be higher and revenue optimization yet to accrue.

Presented below are the standalone financial results of your Company:

Particulars	(Rs. in Crore)	
	March 31, 2010	March 31, 2009
Gross revenue	169.36	159.20
Operating and administrative expenditure	95.09	37.13
EBITDA	74.27	122.07
Other Income	9.42	5.82
Interest & finance charges	69.11	23.79
Depreciation	0.94	0.11
Profit before tax	13.64	103.99
Provisions for taxation (including deferred tax and fringe benefit tax)	0.19	6.32
Profit after tax	13.45	97.67
Surplus brought forward from previous year	251.04	149.62
Amount available for appropriation	264.49	247.29
Appropriations		
Debenture redemption reserve	(12.98)	(3.75)
Surplus carried to Balance Sheet	277.48	251.04
Earnings per share (Rs.) – Basic and Diluted	0.04	0.27

The total revenues of your Company on standalone basis have gone up by 6.38% from Rs. 159.20 Crore to Rs. 169.36 Crore primarily due to revenue from EPC division of Rs.101.39 Crore. The increase in operating and administrative expenditure from Rs. 37.13 Crore to Rs. 95.09 Crore is mainly due to operating expenses of construction division. Increase in interest expenditure from Rs. 23.79 Crore to Rs. 69.11 Crore is on account of interest on borrowings made during the year to meet the increased requirement of funds for investments. During the year under review, the Company allotted unsecured debentures of Rs. 500 Crore on private placement basis which are listed on National Stock Exchange.

Dividend

The strength of your company lies in identification, planning, execution and successful implementation of the projects in the infrastructure space. To strengthen the long-term prospects and ensuring sustainable growth in assets and revenue, it is important for your company to evaluate various opportunities in the different business verticals in which your company operates. Your company

currently has several projects under implementation and continues to explore newer opportunities, both domestic and international.

Your Board of Directors considers this to be in the strategic interest of the Company and believe that this will greatly enhance the long term shareholders' value. In order to fund these projects in their development, expansion and implementation stages, conservation of funds is of vital importance. Therefore, your Directors have not recommended any dividend for the financial year 2009-10.

Subsidiary companies

As stated earlier, your Company carries its business operations through several subsidiary and associate companies which are formed either directly or as step-down subsidiaries or in certain cases by acquisition of a majority stake in existing enterprises, mainly due to the requirement of concession agreements. As on March 31, 2010, your Company has total 89 Subsidiary Companies apart from other joint ventures / associate companies.

The total list of subsidiary companies as on March 31, 2010 is provided as annexure 'A' to this report.

Review of Operations / Projects of Subsidiary Companies

The detailed review of operations of each subsidiary's business is presented in the respective company's Directors' Report; a brief overview of the major developments thereof is presented below. Further, Management Discussion and Analysis, forming part of this Report, also brings out a brief review of the business operations of various subsidiaries and associates.

Airport Sector

Airports business of your Company consists of two airports at Delhi and Hyderabad in India and one airport abroad in Istanbul, Turkey. Briefly presented below are the significant developments in these three assets during the year:

Delhi International Airport Private Limited (DIAL)

DIAL is a joint venture between your Company (54%), Airports Authority of India (26%), Fraport AG (10%) and Malaysia Airports (10%). DIAL has entered into a long term agreement to operate, manage and develop the Indira Gandhi International Airport, Delhi. The significant progresses achieved during the current year are:

- Work on the new integrated Terminal 3 construction has been completed in a record time of 37 months and commercial operations are slated to commence from July 2010.
- DIAL has signed agreements for 11 Joint Venture partnerships which include Duty-free, F&B, Cargo, IT, Fuel Farm, Car Parking, Advertising and Bridge Mounted Equipments.
- In Phase I of the hospitality district, the Company awarded all asset areas (45 acres) to successful bidders for commercial property development.
- Delhi Airport has been declared the World's 4th Best Airport and Asia Pacific's Most Improved Airport for Airport Service Quality (ASQ) in the 15 to 25 million passengers category by Airports Council International (ACI). It has improved its ASQ score from 3.15 in 2008 to 4.16 in 2009.

DIAL recorded 7% and 18% growth in international and Domestic passenger traffic respectively for the year 2009-10. With overall growth of 14%, DIAL recorded 26.1 million passengers traffic for 2009-10 making it the busiest airport in India.

GMR Hyderabad International Airport Limited (GHIAL)

GHIAL has set up India's first Greenfield Airport, Rajiv Gandhi International Airport (RGIA) in Shamshabad, Hyderabad through the Public Private Partnership (PPP) route. GHIAL is a joint venture between your Company (63%), Airports Authority of India (13%), Government of Andhra Pradesh (13%) and Malaysia Airports Holdings Berhad (11%). The progresses achieved during the current year are:

- RGIA was declared world's best airport in 5 to 15 million passengers category and 5th best overall by ACI (ASQ 4.44 in 2009) on service quality standards. It also won the "Best Airport Award" at the Skytrax World Airports Awards, 2010.
- On Airlines marketing, Jet Airways and Etihad have started one new route each to Dubai and Abu Dhabi respectively; Indigo has added new routes, Silk Air, Etihad and Malaysian Airlines have increased their frequency. RGIA has been successful in bringing Lufthansa Cargo to Hyderabad.
- GMR Aviation Academy in collaboration with Jeppesen Aviation Training Services, a subsidiary of Boeing, is in process of initiating Flight Operations Management training courses at its training academy at Rajiv Gandhi International Airport.
- CFM International, world's leading aircraft engine manufacturer, inaugurated the engine Maintenance Training Center at Hyderabad Airport Aerospace Park.

GHIAL has seen a 5% growth in overall passenger traffic during Financial Year 2009-10 with the international traffic growing by 9% and domestic traffic by 3%. Cargo volumes have also recorded growth of 14.8% reaching a volume of 65.727 tonnes in Financial Year 2009-10.

The Istanbul Airport

Your Company owns 40% of Istanbul Sabiha Gokcen Uluslararası Havalimani Yatirim Yapim Ve Isletme A.S., (ISGIA), the company that is operating and expanding the Istanbul Sabiha Gokcen International Airport at Istanbul, Turkey for a concession period of 20 years. The other shareholders of ISGIA are Limak Insaat Sanayi Ve Tic A.S. with 40% and Malaysia Airports Holdings Berhad with 20%. The consortium took over the operations of the Istanbul airport in May 2008. Key milestones achieved during the year at ISGIA are:

- Inauguration of the new passenger terminal building on October 31, 2009 (the building was completed 12 months ahead of schedule in 18 months).
- The airport can now handle 25 million passengers annually.
- Developed Cargo Handling capacity of over 1,000 tons monthly.
- All the contracts are in place and the concessions fully operational (F&B, Duty Free, Advertising etc).
- The airport achieved a 48% increase in the passenger traffic and handled 6.3 million passengers in the year 2009.
- The airport won the *anna.aero* Airport Traffic Growth Award for highest traffic growth in the 5 to 10 million passengers category. The airport also won the Routes Airport Marketing Award 2009 for European Region.

Energy Sector

The year under review was a significant year for the Energy Sector of your Company. To further strengthen presence in the power generation; your Company acquired two power projects with a total capacity of 1,970 MW. They are (i) 600 MW coal based EMCO Power project in Warora, Maharashtra and (ii) 1,370 MW coal based SJK power project in Shahdol, Madhya Pradesh.

The year was significant for three operating power plants which your company currently owns:

- Owing to availability of gas, the 388.5 MW GMR Vemagiri Power Plant achieved its first full year of operation since it was commissioned recording 89% PLF for the year.
- The 220 MW barge mounted power plant was successfully relocated from Mangalore to Kakinada and converted to operate on gas. This plant is expected to commence operation by June 2010.
- O&M operations at the 200 MW contracted capacity LSHS-fired Chennai power plant was taken over by the Company achieving significant cost savings.

During the year, your Company achieved significant milestones for different projects which are under different stages of implementation:

- Kamalanga Project: Achieved financial closure for the 1050 MW plant;
- Chhattisgarh Project: EPC order for BTG package has been placed for the 1370 MW plant;
- EMCO Project: Achieved financial closure and order for BTG equipment placed for the 600 MW plant; and
- Rajahmundry Energy Project: EPC contract placed for the capacity of 768 MW.

Your Company is on track to implement the other projects which it is developing and due progress has been made in these projects during the year. These projects are coal based 1,370 MW SJK Powergen Project, gas based 800MW Island power project in Singapore and the five hydroelectric power projects - (i) 300 MW Alaknanda power project on the Alaknanda River in the state of Uttarakhand, (ii) 160 MW Talong power project in the East Kameng district in the state of Arunachal Pradesh, (iii) 180 MW Bajoli Holi power plant in the Chamba district in the state of Himachal Pradesh, (iv) 600 MW Upper Marsyangdi power project in Nepal; and (v) 900 MW Upper Karnali power project in Nepal.

Highways

Your Company has six highway projects under operation across India measuring a total length of around 421 kms. These include three Annuity based projects: Tuni - Anakapalli, Tambaram - Tindivanam, Adloor Yellareddy - Gundla Pochanpalli and three Toll based projects: Ambala - Chandigarh, Thondapalli - Jadcherla and Tindivanam - Ulundurpet. The Company commenced this business in October 2004, when the Tambaram - Tindivanam road project entered into commercial operation. The Group has been maintaining safety standards by continuous monitoring of traffic and accident analysis. Several accident mitigation measures have been put in place.

During the financial year under review, the sixth road project, namely Tindivanam - Ulundurpet was completed and commenced commercial operations as per schedule.

Your Company has been successful in winning three new projects in the Highways Sector. These are the 181.6 kms Hyderabad - Vijayawada toll project, 29.65 kms Chennai Outer Ring Road annuity project and 99.05 kms Hungund - Hospet toll project.

Urban Infrastructure

Your Company is developing SEZ in Krishnagiri and two Aerotropolis around the Delhi and Hyderabad Airports as part of this sector. The major developments are:

Krishnagiri SEZ.

Pursuant to a memorandum of understanding entered into with the state of Tamil Nadu, SEZ is being developed at Krishnagiri district in the state of Tamil Nadu, through a joint venture with Tamil Nadu Industrial Development Corporation. The Krishnagiri SEZ is expected to cater to biotechnology, information technology, traditional electronics and engineering companies.

The Krishnagiri SEZ is planned to be spread over 3,300 acres, approximately 60% of which has already been acquired. Commercial operation of this SEZ is expected to commence by 2014.

Aerotropolis Development

Your Company is developing airport cities around the Delhi and Hyderabad Airports to match world class standards.

The Delhi Airport Aerocity is in its first phase of development, which may ultimately cover up to 5% of the 5,100 acres of the land area of Delhi Airport. The hospitality district is envisaged to be developed in the first phase of property development to bring in leading national and international brands of hotels. A total of 45 acres of land divided into 14 asset areas has been leased out. 7 asset areas (21.8 acres) were awarded to successful bidders in 2008-09 during the first round of bidding and the remaining 7 assets were successfully awarded during the current year. Second phase development is expected to start in financial year 2010-11.

The Hyderabad Aerotropolis is envisaged on a 1,000 acres of commercial land around the Hyderabad Airport. Your Company plans to develop the Hyderabad Aerotropolis on a theme based development and it is in the conceptualization stage. Some of these theme based developments is likely to happen during financial year 2010-11.

Corporate and International Business

The Corporate business includes provision of common services and resources to all Group businesses. It also includes the Group's Corporate Aviation business which consists of chartering business jets both to the Group companies as well as to third parties. The Company's wholly owned subsidiary, GMR Aviation Private Limited (GAPL) has a young fleet comprising of short-haul & long-haul planes and helicopters with experienced crew & operational staff. The fleet includes Falcon and Hawker aircrafts and Bell helicopter.

GMR International was set up by the Group as a dedicated division for expanding its presence in the global market place especially in Energy and Airport sectors. GMR International is pursuing a region-based strategy with a focus on building strong local relationships with strategic partners, investors, financial institutions and governmental bodies. Competing globally, the Group will capitalize on new business opportunities in emerging markets, access global talent, raise capital from international market at competitive rates, diversify the portfolio and strengthen the GMR brand globally.

This division, headquartered in London, leverages the Group's bidding, financing, project management, and partnership development skills to develop, own and operate assets abroad. GMR International focuses on a few 'hot spot' regions characterized by high growth, high demand - supply gap and openness to Indian investment. The regions of interest for growing GMR's footprint are Middle East and North Africa (MENA), South East Asia (ASEAN) and Emerging Europe.

Till date, GMR International has opened two regional offices in Istanbul and Singapore to target opportunities in MENA and ASEAN regions respectively.

Your Company is also developing the Island Power Project in Singapore after acquisition of its 100% stake last year in the gas based 800 MW private power utility.

Your Company continuously monitors overseas investment made by the Group. The Company has taken efforts to strengthen the managerial focus in respect of investments made in InterGen N.V. The investment in Homeland Energy Group is for long term strategic requirements to meet the fuel needs of the energy companies of the Group. The management team has been strengthened in the Homeland Energy to ensure profitable operations.

Risk Management

Like all businesses in the Infrastructure sector, your Company is exposed to a number of risk factors, both known and unknown, not all of which are wholly within our control. All of them have the potential to impact our business, revenues, profits, assets, liquidity and capital resources adversely.

We realize that it is imperative to identify and address these risks and leverage opportunities in order to achieve the objectives that it has set for itself. Enterprise Risk Management (ERM) Framework is aimed at institutionalizing a culture of risk awareness and facilitating risk based decision making across the Group by establishing a suitable balance between harnessing opportunities and containing risks.

Your Company has well defined processes for risk identification, risk assessment, appropriate risk mitigation treatment and monitoring actions thereof at various stages of the value chain, i.e. Bid, Project and Asset stages.

Your Company also continuously seeks to bring the existing risk policies in line with current ERM thinking, revisit the risk management organization structure, refine roles and responsibilities, strengthen the process for risk treatment and ensure regular reviews at all levels of the organization.

As a measure of derisking its business, your Company seeks to follow a policy of undertaking diversified projects in different segments, geographies and revenue models.

A process exists to inform the Board / Audit Committee Members about the risk assessment and minimization procedures. These procedures are subjected to a periodical review to ensure that the management controls the risk through means of a properly defined framework.

A detailed note on risks and concerns affecting the businesses of your Company is provided in Management Discussion and Analysis.

Developments in Human Resources and Organisation Development

Your company has robust process of human resources development which is described in detail in Management Discussion and Analysis under the heading "Developments in human resources and organisation development at GMR Group".

Consolidated Financial Statements

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Directors' Report, Balance Sheet and Profit and Loss account of its subsidiary companies to its Annual Report. The Ministry of Corporate Affairs, Government of India (GoI) has granted exemption to your Company for not attaching the above documents of subsidiary companies with the Annual Report of the Company for the financial year 2009-10. Accordingly, this Annual Report does not contain the reports and other statements of the subsidiary companies. Your Company will make available the annual audited accounts and related detailed information of the subsidiary companies to the investors of the company and its subsidiaries seeking such information at any point of time. The annual accounts of the subsidiary companies will also be available for inspection during business hours at the head / registered office of the Company and that of the subsidiary companies concerned.

The statement pursuant to above stated approval of Government of India, about financial information of each subsidiary company, containing details of (a) capital, (b) reserves, (c) total assets, (d) total liabilities, (e) details of investment (except in case of investment in subsidiaries), (f) turnover, (g) profit before taxation, (h) provision for taxation, (i) profit after taxation and (j) proposed dividend is provided as annexure 'B'. However, the financial statements of GMR Corporate Centre Limited (GCCL) are not consolidated since GCCL is a guarantee company having no share capital and commercial operations.

As required by Accounting Standard – 21 and Listing Agreement with stock exchanges, the audited consolidated financial statements of your Company and its subsidiaries are attached.

Changes in Share capital

Sub-division of Equity Shares

During the year under review, your Company has sub-divided its equity shares from a face value of Rs.2 to Re.1 in order to facilitate the benefits like more liquidity, less volatility and broad basing of small investors.

Qualified Institutional Placements (QIP)

Your Company successfully completed issue of 22,50,80,390 equity shares of Re.1 each at a price of Rs.62.20 per equity share, including premium of Rs.61.20 per equity share, aggregating Rs.1400 Crore to Qualified Institutional Buyers (QIBs) as per Chapter VIII of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009, through the QIP. The QIP opened for subscription to QIBs on April 15, 2010 and closed on April 19, 2010.

The entire money amounting to Rs.1400 Crore was received and allotment of shares was made on April 21, 2010. The BSE and the NSE had given trading permission for the equity shares issued to QIBs on April 22, 2010. Consequent to this allotment, the listed equity share capital has been increased from Rs. 366,73,54,392 to Rs. 389,24,34,782.

The Company has paid the listing fees payable to the BSE and the NSE for the financial year 2010-11.

Directors

Mr. G.B.S. Raju, resigned as the Managing Director with effect from May 12, 2010. He continues as a Director on the Board of Directors of the Company. The Board places on record, its appreciation for the valuable contribution made by Mr. G.B.S. Raju during his tenure as the Managing Director of the Company.

Mr. Srinivas Bommidala has been appointed as the Managing Director of the Company with effect from May 24, 2010 for a period of 5 years subject to the approval of the members at the ensuing General Meeting.

Mr. G.B.S. Raju, Mr. B.V. Nageswara Rao, Mr. Arun K. Thiagarajan and Mr. K.R. Ramamoorthy, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The Board recommends their reappointment for your approval.

The professional background of the above Directors is given under the section "Board of Directors" in the Report of Corporate Governance attached to the Annual Report.

Group

Pursuant to intimation from the Promoters, the names of the Promoters and entities comprising 'group' are disclosed in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

Directors' responsibility statement

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

1. That in the preparation of the annual accounts for the year ended March 31, 2010, the applicable Accounting Standards have been followed and proper explanations were provided for material departures, if any.
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for the year.
3. That the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended March 31, 2010, on a going concern basis.

Corporate Governance

Corporate Governance at GMR is driven by a simple principle - 'Achieve right results through right means'. Your Company continually works at improving its practices and processes as it is spreading its presence through continents. Your Company has a Corporate Governance Committee which was constituted in 2009 to ensure that the best practices are identified, adopted and followed. Your company has also developed a framework for corporate governance and a roadmap for forward thinking corporate governance practices.

A detailed report on Corporate Governance practices followed by your Company, in terms of Clause 49 (VI) of the Listing agreement with Stock Exchanges, is provided separately in this Annual Report.

Secretarial Audit

As per SEBI requirement, Secretarial audit is being carried out at specific periodicity by a Practising Company Secretary. The findings of the audit have been satisfactory.

Awards and Recognitions

During the period under review, your company and its subsidiaries / associates have received the following awards / recognitions:

- GMR Varalakshmi Foundation, the CSR arm of the Group, received the Silver Plate Award for supporting cause of Elders – on October 1, 2009, New Delhi for the CSR works with elderly. The award aims to recognize and applaud the highest contribution given to the cause of disadvantaged older persons.
- Delhi's Indira Gandhi International Airport (IGIA) was ranked 4th best airport in the world at the Airport Council International's (ACI) Annual Airport Service Quality (ASQ) Awards. It received this prestigious rating for airports in the 15 to 25 million passenger traffic per annum category in ACI's announcement on February 16, 2010.
- IGIA was also declared the winner of the 'Best Improved Airport' award in the Asia Pacific Region by ACI.
- Rajiv Gandhi International Airport (RGIA) was adjudged as the best airport in the 5 to 15 million passenger capacity airports in the world.
- Further, RGIA secured the fifth position amongst all airports, both worldwide and in the Asia-Pacific region. This unique achievement comes within less than two years of the green field airport having commenced operations.
- RGIA also won the 'Essar Steel Infrastructure Excellence Award 2009' organized by CNBC TV 18.
- Mr. Kiran Kumar Grandhi, Business Chairman - Airports and Managing Director - DIAL received SATTE's - 'Young Entrepreneur Award 2009' in the area of Travel and Tourism.

The Directors of your Company are glad to inform you that Mr. G.M. Rao, Executive Chairman of your Company was conferred with the following awards:

- 'First Generation Entrepreneur of The Year' at the CNBC TV18 India Business Leader Awards 2009.
- Doctorate from Andhra University - received an honorary doctorate (Doctor of Letters) from Governor of Andhra Pradesh and Chancellor of the Andhra University at the 76th Convocation on December 5, 2009.

Management Discussion and Analysis (MDA)

The Management Discussion and Analysis, forming part of this report, as required under Clause 49(IV)(F) of the Listing Agreement with the stock exchanges is attached separately in this Annual Report.

Auditors and Auditors' Report

M/s. S. R. Batliboi & Associates, Chartered Accountants and M/s. Price Waterhouse, Chartered Accountants, joint statutory auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting of the Company. M/s Price Waterhouse, Chartered Accountants have expressed their desire to discontinue as joint Statutory Auditors of the Company for the financial year 2010-11.

M/s. S. R. Batliboi & Associates, Chartered Accountants have expressed their willingness for appointment as statutory auditors and confirmed that their appointment, if made, will be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956. Special notice has also been received from a member

proposing the appointment of M/s. S. R. Batliboi & Associates, Chartered Accountants as statutory auditors of the Company for the financial year 2010-11.

The Notes to Accounts forming part of the financial statements are self-explanatory and need no further explanation.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification or explanation.

Corporate Social Responsibility (CSR)

GMR Group believes corporates have a special and continuing responsibility towards the society. GMR Varalakshmi Foundation (GMRVF) is the CSR arm of the Group. GMRVF is actively involved in the areas of education, health, hygiene & sanitation, community development programmes, employment and livelihood by developing a sense of entrepreneurship, especially in the areas where the Group has a presence. GMRVF's mission is to make a difference in all the above fields through empowerment and capacity building of the poorest of the poor and their institutions, especially in rural India with humility, compassion and empathy.

Details on the activities of GMRVF are covered elsewhere in the Annual Report.

Environmental Protection and Sustainability

Industrial entrepreneurial success of your company is integrated with strong Environmental Management practices across all process operations. Clean environment is our top priority and to support that several unique schemes have been implemented and continually progressed to prevent pollution and conserve natural resources to achieve sustainable development.

All the operating units are in compliance with environmental regulations. Hazardous wastes are being disposed through Pollution Control Board authorized agencies. Continuous Ambient Monitoring systems have been set up at appropriate locations in and around the plants and the Environmental performance indicators like Stack emissions, Ambient air quality etc. are much below the stipulated norms.

Vemagiri and Chennai units are certified with OHSAS 18001, ISO 14001, ISO 9001 and work is on for establishing Integrated Management System Certification for Quality, Environment, Health, and Safety in all our existing and proposed units.

At Chennai plant, fully integrated Sewerage Water Treatment Plant has been set up including Reverse Osmosis process for treating 10% of Chennai plant's total sewage saving fresh water intake of 5,400 m³/day, which is equivalent to the water use by 100,000 people. The treated STP water is used for cooling operations and green belt development. Waste Heat Recovery Boilers generate steam for use in indirect heating of fuel storage tanks and pipelines. Solar energy is used to lighten the boundary fence.

At Vemagiri Plant the Gas Turbine uses the advanced Dry Low NOx (DLN 2.0 +) burner system to reduce NOx emissions at source. Waste heat from Gas Turbine is used for power production in Steam Turbine through Heat Recovery Steam Generator (HRSG). Reuse of Steam Condensate and HRSG is designed for zero make up.

At GMR Hyderabad International Airport Limited (GHIAL), special environment friendly design features have been incorporated for power savings by using natural sun light. The Lighting per square foot in the passenger terminal block uses only 0.9 watts of energy as against the minimum of 1.3 watts prescribed by the American Society of Heating, Refrigerating and Air-Conditioning Engineers.

Process has been put in place for effective waste management system and Carbon footprint studies have been initiated aiming to reduce carbon footprint.

Delhi International Airport Private Limited (DIAL) has won Greentech Gold award Environmental Excellence in Aviation Sector two years in succession (2008 and 2009). The Greentech award is presented to company in recognition of outstanding achievements in the field of environment protection on the basis of evaluation of performance every year. DIAL is certified for its Implemented Environmental Management System ISO 14001:2004. DIAL has also undertaken initiative for the certification of new integrated passenger Terminal Building –T3 under LEED (Leadership in Energy and Environmental Design) Green Building Rating System.

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

The Particulars as required under section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, are set out in the annexure "C" included in this report.

Particulars of employees

In terms of the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, as amended, the names and other particulars of employees are set out in the annexure 'D' to the Directors' Report. However, having regard to the provisions of Section 219(1)(b) (iv) of the Companies Act, 1956, the Annual Report excluding the aforesaid information is being sent to all members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Fixed Deposits

During the year under review, the Company has not accepted any deposits from the public.

Acknowledgments

Your Directors wish to express their grateful appreciation for the valuable support and cooperation received from lenders, business associates, banks, financial institutions, shareholders, various statutory authorities and society at large. Your Directors also place on record, their appreciation for the contribution, commitment and dedication of the employees of the Company and its subsidiaries at all levels

For and on behalf of the Board

Sd/-

G. M. Rao

Executive Chairman

Place: Bengaluru

Date : June 10, 2010

Annexure 'A' to the Directors' Report

GMR Infrastructure Limited - Subsidiaries

Sector		Direct Subsidiaries		Subsidiaries to Subsidiaries	
Airports	Delhi International Airport Pvt. Ltd. (DIAL) GMR Hyderabad International Airport Ltd. (GHIAL)	Subsidiaries of DIAL		Subsidiaries of GHIAL	
		DIAL Cargo Pvt. Ltd. Delhi Aviation Fuel Facility Pvt. Ltd. East Delhi Waste Processing Company Pvt. Ltd. Delhi Aerotropolis Pvt. Ltd.	Hyderabad Menzies Air Cargo Pvt. Ltd. GMR Hyderabad Airport Security Services Ltd. Hyderabad Airport Management Ltd. GMR (Badrinath) Hydro Power Generation Pvt. Ltd. GMR Mining & Energy Pvt. Ltd.	GMR Hyderabad Air Cargo Pvt. Ltd. GMR Hyderabad Airport Security Services Ltd. GMR Hotels and Resorts Ltd. GMR Kamalanga Energy Ltd. GMR Kakinada Energy Pvt. Ltd. GMR Himtal Hydro Power Company Pvt. Ltd.	GMR Hyderabad Multi Product SEZ Ltd. GMR Hyderabad Aerotropolis Ltd. GMR Hyderabad Aviation SEZ Ltd. Subsidiaries of GEL GMR Coastal Energy Pvt. Ltd. GMR Consulting Services Pvt. Ltd. GMR Bajoli Holi Hydropower Pvt. Ltd.
Energy	GMR Energy Ltd. (GEL) GMR Energy Trading Ltd. (GETL)	Subsidiaries of GEL		Subsidiaries of GEL	
		GMR Rajahmundry Energy Ltd. GMR SJK Powergen Ltd. GMR Lion Energy Ltd. (GLEL) Subsidiaries of GEL GMR Energy (Mauritius) Ltd. (GEML) GMR Power Corporation Ltd.	GMR Chhattisgarh Energy Pvt. Ltd. GMR Lion Energy Ltd. (GLEL) Subsidiary of GEML GMR Upper Karnali Hydro Power Public Ltd. GMR Energy (Cyprus) Ltd. (GECL)	EMCO Energy Ltd. PT Unsoco Subsidiaries of GENB Subsidiaries of GISP Subsidiary of GECL GMR Energy (Netherlands) BV (GENB) Island Power Intermediary Pte. Ltd. (IP)	Subsidiary of PT DSI Subsidiary of PT DSU Subsidiaries of GISP Subsidiary of IPC
Highways	GMR Highways Ltd. (GHL) GMR Ambala – Chandigarh Expressways Pvt. Ltd. (GACEPL) GMR Pochanpalli Expressways Ltd. (GPEL) GMR Jodcherla Expressways Pvt. Ltd. (GJEPL) GMR Tambaram – Tindivanam Expressways Pvt. Ltd. (GTTEPL) GMR Tunj – Anakapalli Expressways Pvt. Ltd. (GTAEPL) GMR Ulundurpet Expressways Pvt. Ltd. (GUEPL) GMR Hyderabad Vijayawada Expressways Pvt. Ltd. (GHVEPL) GMR Chennai Outer Ring Road Pvt. Ltd. (GCCORRL) GMR OSE Hungund Hospet Highways Pvt. Ltd. (GOHHHPL)	Subsidiaries of GEL		Subsidiaries of GEL	
		GMR Lion Energy Ltd. (GLEL) Subsidiaries of GEML GMR Energy (Mauritius) Ltd. (GEML) GMR Power Corporation Ltd.	GMR Chhattisgarh Energy Pvt. Ltd. GMR Lion Energy Ltd. (GLEL) Subsidiary of GEML GMR Upper Karnali Hydro Power Public Ltd. GMR Energy (Cyprus) Ltd. (GECL)	EMCO Energy Ltd. PT Unsoco Subsidiaries of GENB Subsidiaries of GISP Subsidiary of GECL GMR Energy (Netherlands) BV (GENB) Island Power Intermediary Pte. Ltd. (IP)	Subsidiary of PT DSI Subsidiary of PT DSU Subsidiaries of GISP Subsidiary of IPC
Urban Infrastructure	GMR Krishnagiri SEZ Ltd. (GKSL)	Subsidiaries of GKS		Subsidiaries of GKS	
		Advika Properties Pvt. Ltd. Honeysuckle Properties Pvt. Ltd.	Amartya Properties Pvt. Ltd. Krishnapriya Properties Pvt. Ltd.	Baruni Properties Pvt. Ltd. Nadira Properties Pvt. Ltd.	Ella Properties Pvt. Ltd. Shreyadita Properties Pvt. Ltd.
Corporate & International Business	GMR Infrastructure (Mauritius) Ltd. (GIML) GMR Corporate Centre Ltd. (GCCCL) GMR Airports Holding Ltd. (GAHL) GMR Aviation Pvt. Ltd. (GAPL) GMR SEZ and Port Holdings Pvt. Ltd. (GSPHPL) Gateways for India Airports Pvt. Ltd. (GFIAPL) GMR Campus Pvt. Ltd. (GCPL) GMR Infratech Pvt. Ltd. (GMR Infratech) GMR Corporate Affairs Pvt. Ltd. (GCAPL) Dhruvi Securities Pvt. Ltd. (DSPL)	Subsidiaries of GIML		Subsidiaries of GIML	
		GMR Infrastructure (UK) Ltd. (GIUL) GMR Infrastructure (Cyprus) Ltd. (GICL)	GMR International (Malta) Ltd. (GIML) GMR Infrastructure Overseas Sociedad Limitada (GIOSL)	GMR Infrastructure Pre. Ltd. (GISPL) GMR Infrastructure Overseas (GIGL)	Subsidiaries of GICL GMR Infrastructure (Global) Ltd. (GIEL)

Annexure 'B' to the Directors Report: Statement Pursuant to approval of the Central Government Under Section 212(8) of the Companies Act, 1956 exempting from attaching Financial Statements of Subsidiary Companies vide letter nos. 47/265/2010-CL-III dated May 03, 2010 and June 01, 2010.

S.No	Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit before Taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Rs. in Crore	
	Indian Subsidiaries												
1	GMR Energy Limited	1,305.05	853.00	4,168.66	2,010.61	441.08	236.39	18.01	4.18	13.83	-		
2	GMR Vemagiri Power Generation Limited	274.50	(128.13)	1,250.73	1,104.36	137.86	766.50	94.87	(74.19)	169.06	-		
3	GMR Power Corporation Limited	247.50	287.80	820.75	285.45	240.99	870.33	151.52	23.84	127.68	49.50		
4	GMR Mining & Energy Private Limited	0.02	(0.05)	0.01	0.04	-	-	(0.05)	-	(0.05)	-		
5	GMR Consulting Services Private Limited	0.01	0.09	27.38	27.28	-	26.72	0.17	0.08	0.09	-		
6	GMR Energy Trading Limited	52.00	(1.12)	98.01	47.13	47.04	345.89	(2.23)	-	(2.23)	-		
7	GMR Kamalanga Energy Limited	354.68	(9.53)	891.49	546.34	14.36	-	(9.03)	0.50	(9.53)	-		
8	GMR (Badrinath) Hydro Power Generation Private Limited	5.00	(7.24)	226.95	229.19	-	-	(7.24)	-	(7.24)	-		
9	Badrinath Hydro Power Generation Private Limited	0.01	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-		
10	GMR Coastal Energy Private Limited	0.01	(0.04)	0.01	0.04	-	-	(0.04)	-	(0.04)	-		
11	GMR Bajoli Holi Hydropower Private Limited	0.01	(0.05)	69.18	69.22	-	-	(0.05)	-	(0.05)	-		
12	EMCO Energy Limited	155.29	(3.06)	156.78	4.55	-	-	(1.45)	-	(1.45)	-		
13	GMR Londa Hydropower Private Limited	0.01	(0.22)	40.86	41.07	-	-	(0.22)	-	(0.22)	-		
14	Londa Hydro Power Private Limited	0.01	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-		
15	GMR Chhattisgarh Energy Private Limited	0.01	(0.76)	176.15	176.89	-	-	(0.74)	0.01	(0.76)	-		
16	SJK Powergen Limited	0.50	4.15	8.18	3.53	-	-	(0.02)	-	(0.02)	-		
17	GMR Rajahmundry Energy Limited	0.05	(0.51)	558.30	558.76	-	-	(0.51)	-	(0.51)	-		
18	GMR Ulundurpet Expressways Private Limited	344.17	(32.75)	1,079.29	767.87	78.71	37.47	(32.75)	-	(32.75)	-		
19	GMR Pochanpalli Expressways Limited	182.50	5.62	840.59	652.46	57.56	108.36	6.70	1.24	5.46	-		
20	GMR Jaodherla Expressways Private Limited	197.00	(22.94)	504.13	330.07	6.81	41.78	(21.39)	0.03	(21.43)	-		
21	GMR Ambala Chandigarh Expressways Private Limited	216.59	(54.60)	591.40	429.41	-	18.62	(41.06)	-	(41.06)	-		
22	GMR Tambaram Tindivanam Expressways Private Limited	1.00	110.91	550.34	438.43	32.60	80.86	42.12	7.16	34.96	-		
23	GMR Tuni Anakapalli Expressways Private Limited	1.00	62.54	402.95	339.41	21.16	58.97	12.20	2.07	10.13	-		
24	GMR Hyderabad Vijayawada Expressways Private Limited	2.01	-	81.23	79.22	4.20	-	-	-	-	-		
25	GMR Chennai Outer Ring Road Private Limited	0.01	-	202.21	202.20	-	-	-	-	-	-		
26	GMR OSE Hungund Hospet Highways Private Limited	0.01	-	15.68	15.67	-	-	-	-	-	-		
27	GMR Highways Limited	361.49	(3.13)	803.18	444.83	241.95	6.17	(3.11)	(0.47)	(2.64)	-		
28	GMR Hyderabad International Airport Limited	378.00	(184.09)	2,822.97	2,629.06	5.00	433.23	(109.22)	-	(109.22)	-		
29	Hyderabad Airport Security Services Limited	12.50	(0.60)	95.06	83.15	5.00	-	(0.86)	-	(0.86)	-		
30	GMR Hyderabad Airport Resource Management Limited	0.05	0.39	0.44	(0.00)	-	33.86	0.17	0.05	0.12	-		
31	GMR Hyderabad Aerropolis Limited	2.18	(0.09)	2.09	(0.00)	-	-	(0.09)	0.00	(0.09)	-		
32	Hyderabad Menzies Air Cargo Private Limited	19.04	8.20	29.44	2.21	-	40.36	10.58	0.56	10.02	4.74		
33	GMR Hyderabad Multiproduct SEZ Limited	0.05	(0.02)	0.03	(0.00)	-	-	(0.00)	-	(0.00)	-		
34	GMR Hyderabad Aviation SEZ Limited	1.90	(0.20)	1.70	0.00	-	-	(0.01)	0.00	(0.01)	-		
35	GMR Hotels & Resorts Limited	0.05	(0.02)	0.69	0.66	-	-	(0.02)	-	(0.02)	-		

Annexure 'B' to the Directors Report: Statement Pursuant to approval of the Central Government Under Section 212(8) of the Companies Act, 1956 exempting from attaching Financial Statements of Subsidiary Companies vide letter nos. 47/265/2010-CL-III dated May 03, 2010 and June 01, 2010. (contd.)

S.No	Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit before Taxation	Provision for taxation	Profit after taxation	Proposed Dividend
	Indian Subsidiaries										
36	Gateways For India Airports Private Limited	0.01	0.04	3.05	3.00	2.80	-	0.12	0.04	0.09	-
37	Delhi International Airport Private Limited	1,200.00	82.39	11,133.85	9,851.46	922.66	614.35	16.83	(3.06)	19.89	-
38	Delhi Aerropolis Private Limited	0.10	-	4.90	4.80	-	-	-	-	-	-
39	DIAL Cargo Private Limited	0.10	(0.04)	0.06	-	-	-	(0.04)	-	(0.04)	-
40	East Delhi Waste Processing Company Private Limited	0.02	(0.03)	8.28	8.29	-	-	-	-	-	-
41	Delhi Aviation Fuel Facility Private Limited	0.01	-	8.55	8.54	-	-	-	-	-	-
42	GMR Airports Holding Private Limited	340.87	37.30	378.17	0.00	82.10	23.82	23.92	2.01	21.91	-
43	GMR Krishnagiri SEZ Limited	117.50	(2.38)	379.22	264.10	100.55	-	(2.26)	0.06	(2.32)	-
44	GMR Aviation Private Limited	86.44	(16.25)	417.96	347.77	-	67.43	(15.78)	(5.05)	(10.73)	-
45	GMR SEZ & Port Holdings Private Limited	0.05	(0.00)	0.05	-	-	-	(0.00)	-	(0.00)	-
46	GMR Corporate Affairs Private Limited	5.00	0.47	22.46	16.99	-	15.18	0.78	0.35	0.42	-
47	GMR Campus Private Limited	0.01	(0.00)	0.01	-	-	-	(0.00)	-	(0.00)	-
48	GMR Headquarters Private Limited	0.01	(0.00)	0.01	(0.00)	-	-	(0.00)	-	(0.00)	-
49	Dhruvi Securities Private Limited	2.85	11.00	51.49	37.64	40.84	0.06	(0.07)	0.01	(0.07)	-
50	Advika Properties Private Limited	0.01	(0.00)	7.01	7.00	-	-	(0.00)	-	(0.00)	-
51	Aklima Properties Private Limited	0.01	(0.00)	4.07	4.06	-	-	(0.00)	-	(0.00)	-
52	Amartya Properties Private Limited	0.01	(0.00)	8.24	8.23	-	-	(0.00)	-	(0.00)	-
53	Baruni Properties Private Limited	0.01	(0.00)	6.12	6.11	-	-	(0.00)	-	(0.00)	-
54	Bougainvillea Properties Private Limited	0.01	0.00	6.58	6.57	-	-	0.01	0.00	0.00	-
55	Camelia Properties Private Limited	0.01	(0.00)	5.95	5.94	-	-	(0.00)	-	(0.00)	-
56	Eila Properties Private Limited	0.01	(0.00)	7.45	7.44	-	-	(0.00)	-	(0.00)	-
57	Gerbera Properties Private Limited	0.01	(0.00)	6.49	6.48	-	-	(0.00)	-	(0.00)	-
58	Lakshmi Priya Properties Private Limited	0.01	(0.00)	7.26	7.25	-	-	(0.00)	-	(0.00)	-
59	Honeysuckle Properties Private Limited	0.01	(0.01)	7.63	7.62	-	-	(0.01)	-	(0.01)	-
60	Idika Properties Private Limited	0.01	(0.00)	6.36	6.35	-	-	(0.00)	-	(0.00)	-
61	Krishnapriya Properties Private Limited	0.01	(0.00)	5.96	5.95	-	-	(0.00)	-	(0.00)	-
62	Nadira Properties Private Limited	0.01	(0.00)	6.73	6.72	-	-	(0.00)	-	(0.00)	-
63	Prakalpa Properties Private Limited	0.01	(0.00)	6.77	6.76	-	-	(0.00)	-	(0.00)	-
64	Purnachandra Properties Private Limited	0.01	(0.00)	6.83	6.82	-	-	(0.00)	-	(0.00)	-
65	Shreyadita Properties Private Limited	0.01	(0.00)	5.70	5.69	-	-	(0.00)	-	(0.00)	-
66	Sreepa Properties Private Limited	0.01	(0.00)	5.51	5.50	-	-	(0.00)	-	(0.00)	-
67	GMR Corporate Centre Limited	-	-	0.52	0.52	-	-	-	-	-	-

Rs. in Crore

Annexure 'B' to the Directors Report: Statement Pursuant to approval of the Central Government Under Section 212(8) of the Companies Act, 1956 exempting from attaching Financial Statements of Subsidiary Companies vide letter nos. 47/265/2010-CL-III dated May 03, 2010 and June 01, 2010. (contd.)

S.No	Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit before Taxation	Provision for taxation	Profit after taxation	Proposed Dividend	Rs. in Crore	
Foreign Subsidiaries (Reporting currency reference mentioned against each Subsidiary)													
68	Himtal Hydro Power Company Private Limited, Nepal (a)	2.83	0.27	15.23	0.00	-	-	0.37	0.10	0.27	-	-	
69	GMR Upper Karnali Hydropower Public Limited (a)	0.94	(0.09)	22.33	0.00	-	-	(0.08)	0.01	(0.09)	-	-	
70	GMR Energy (Mauritius) Limited (b)	67.14	0.36	39.69	(27.81)	-	-	(0.28)	-	(0.28)	-	-	
71	GMR Lion Energy Limited (b)	13.41	(0.23)	13.31	0.14	-	-	(0.13)	-	(0.13)	-	-	
72	GMR Energy (Netherlands) B.V. (b)	0.11	73.58	257.22	183.53	-	-	(10.94)	-	(10.94)	-	-	
73	GMR Energy (Cyprus) Limited (b)	0.02	47.44	127.34	79.88	-	-	(0.24)	-	(0.24)	-	-	
74	GMR Energy (Global) Limited (b)	884.33	226.96	1,249.74	138.45	1,159.64	95.33	98.07	-	98.07	-	-	
75	GMR Infrastructure (Global) Limited (b)	893.86	(0.43)	893.82	0.39	-	-	(0.31)	-	(0.31)	-	-	
76	GMR Infrastructure (Mauritius) Limited (b)	1,005.27	16.22	1,808.94	787.46	0.03	-	(13.63)	-	(13.63)	-	-	
77	PT Barasentosa Lestari (b)	0.00	(0.00)	0.01	0.01	-	-	(0.00)	0.00	(0.00)	-	-	
78	PT Dwikarya Sejati Utama (c)	0.50	(10.48)	28.83	38.82	-	-	2.76	-	2.76	-	-	
79	PT Duta Sarana Internusa (c)	0.50	(10.35)	62.81	72.67	-	-	2.76	0.04	2.72	-	-	
80	PT Unsoco (c)	0.50	(0.00)	0.49	(0.00)	-	-	0.01	0.01	-	-	-	
81	GMR International (Malta) Limited (d)	0.01	(0.15)	0.02	0.16	-	-	(0.11)	-	(0.11)	-	-	
82	GMR Infrastructure (Cyprus) Limited (d)	0.03	46.61	1,116.51	1,069.87	-	-	2.12	0.57	1.55	-	-	
83	GMR Infrastructure Overseas Sociedad Limitada (Spain) (d)	0.02	(31.85)	199.03	230.86	0.05	3.67	(20.24)	(4.40)	(15.84)	-	-	
84	GMR Infrastructure (UK) Limited (e)	34.05	(24.50)	74.01	64.46	-	74.97	(1.73)	-	(1.73)	-	-	
85	Lion Energy Tuas Pte. Limited (f)	-	-	-	-	-	-	-	-	-	-	-	
86	GMR Infrastructure (Singapore) Pte Limited (f)	221.81	(0.89)	267.49	46.56	-	-	0.28	-	0.28	-	-	
87	Island Power Intermediary Pte Limited(f)	220.79	(46.68)	228.63	54.51	-	-	-	-	-	-	-	
88	Island Power Company Pte Limited (f)	46.72	-	46.72	(0.01)	-	-	-	-	-	-	-	
89	Island Power Supply Pte Limited (f)	0.00	(0.00)	-	(0.01)	-	-	-	-	-	-	-	

Notes: 1 The annual accounts of the Subsidiary Companies and the related detailed information will be made available to the investors of the Company and the subsidiary companies seeking such information at any point of time.

The annual accounts of the subsidiary companies will also be kept for inspection by any investor in the head office and that of the subsidiary companies concerned.

2 * Investments except investment in Subsidiaries.

3 Details of reporting currency and the rate used in the preparation of Consolidated Statements.

Reporting Currency Reference	Currency	For Conversion	
		Average Rate(in Rs.)	Closing Rate(in Rs.)
a	NPR	1.60	1.60
b	USD	48.29	45.58
c	IDR(Indonesian Rupee)	0.004716	0.004950
d	Euro	67.42	60.45
e	GBP	75.99	67.96
f	Singapore Dollar	33.32	32.08

Annexure "C" to the Directors' Report

Information pursuant to Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, as amended and forming part of the Directors' Report for the year ended March 31, 2010.

1. Conservation of energy and technology absorption:

Since the Company is not engaged in any manufacturing activity, the particulars are not applicable.

2. Foreign exchange earnings and outgo in foreign exchange during the period:

The particulars relating to foreign exchange earnings and outgo in foreign exchange incurred during the period are:

- i. There were no Foreign Exchange earnings during the year.
- ii. The details of Foreign Exchange outgo are as shown below:

(Rs. in Crore)

Particulars	Year ending March 31, 2010	Year ending March 31, 2009
Travelling expenses	0.52	1.71
Professional charges	1.11	1.51
Others	0.15	0.01

For and on behalf of the Board

Sd/-

G. M. Rao

Executive Chairman

Place: Bengaluru

Date : June 10, 2010