



ATLANTA LIMITED

Realty : Infrastructure Development : Mining

24th
Annual Report
2006-2007

ATLANTA LIMITED
24th ANNUAL REPORT 2006-2007

BOARD OF DIRECTORS

| | |
|----------------------|--------------------|
| Mr. G. Vishwanathan | Chairman |
| Mr. Rajhoo Bbarot | Managing Director |
| Mr. Rikiin Bbarot | Executive Director |
| Mr. G. Radhakrishnan | Executive Director |
| Mr. Samir Degan | Director |
| Mr. Arpan Brahmbhatt | Director |
| Mr. Sachin Jain | Company Secretary |

AUDITORS

M/s. Suresh C. Maniar & Co.
Chartered Accountants,
Mumbai

Report Junction.com

REGISTRAR AND SHARE TRANSFER AGENT

M/s. Karvy Computershare Private Limited
"Karvy House, 46, Avenue 4, Street No. 1,
Banjara Hills, Hyderabad – 400 034

REGISTERED OFFICE

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

BANKERS

State Bank of India
ICICI Bank Limited
Bank of India
Axis Bank Limited
Punjab National Bank
State Bank of Patiala
Central Bank of India

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Shareholders of ATLANTA LIMITED will be held on Friday, the 28th September, 2007 at 3.00 p.m. at Auditorium, A Wing, Ground Floor, National Stock Exchange of India Limited, Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051 to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March 2007, Profit & Loss Account of the Company for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare dividend
3. To appoint a Director in place of Mr. Rikiin Bbarot, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Arpan Brahmabhatt, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board
of Directors

Sachin Jain
Company Secretary

Place : Mumbai

Date : 21st August, 2007

Registered office:

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

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE VALID MUST BE DULY COMPLETED STAMPED AND SIGNED AND MUST REACH THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Reappointment of Directors:

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

I) Profile of Director being Appointed/Re-appointed under Clause 49 of the Listing Agreement:

Name: Rikiin Bbarot
Age: 28 Years
Experience: holds a bachelor's degree in commerce from Commercial University, Delhi and a Diploma in Civil Engineering. He is presently pursuing diploma in Business Management from S. P. Jain Institute of Management and

Research in Family Managed Business. He has an experience of 6 years in the industry and has attained first hand experience in implanting modern technology construction in multi-facilitate projects with different logistics. He has been instrumental in developing and implementing 'Sitrep system' resulting in improved productivity and better equipment utilization.

Other Directorship: 1) Balaji Tollways Limited
2) Vainkuntam Realty Pvt. Ltd.

No. of Shares Held 39,72,150

II) Profile of Director being Appointed/Re-appointed under Clause 49 of the Listing Agreement:

Name: Arpan Brahmabhatt
Age: 37 Years
Experience: holds a degree in Civil Engineering and has an experience of 16 years in the construction business and has executed many projects. He is presently the Managing Director in Core Contracting Private Limited

No. of Shares Held 932

3. The Register of Members and Share Transfer Book of the Company will remain closed from Monday, 24th September, 2007 to Friday, 28th September, 2007 (both days inclusive).
4. Members are requested to intimate to the Company or its Registrar and Share Transfer Agent immediately, of any change in their address.
5. Corporate Members are requested to send to the registered office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the Annual General Meeting.
6. Members/proxies should bring their attendance slip along with copy of the Annual Report to the Meeting.
7. Members are requested to send all share transfer lodgments (Physical mode) / correspondence to the Registrar and Share Transfer Agent at the following address:
Karvy Computershare Private Limited
"Karvy House, 46, Avenue 4, Street No. 1,
Banjara Hills, Hyderabad – 400 034
- 3) Write to the Company at least 7 days before the date of meeting, in case they desire any information as regards the Audited Accounts for the financial year ended 31st March 2007, so as to enable the Company to keep the information ready.
- 4) Quote Registered Folio Numbers in all the correspondence.

DIRECTORS' REPORT

To

The Members
ATLANTA LIMITED

Your Directors have pleasure in presenting the 24th Annual Report of the Company and the Audited Statement of Accounts for the year ended **31st March 2007**

FINANCIALS RESULTS:

[Amt (in Rs)]

| Particulars | 2006-2007 | 2005-2006 |
|-------------------------------------------|-------------------|-------------------|
| Gross value of work executed | 2,74,91,34,712.75 | 1,96,82,12,044.49 |
| Less: Transferred to Capital Works | 1,07,27,42,952.18 | 89,65,09,771.49 |
| Net value of work executed | 1,67,63,91,760.57 | 1,07,17,02,273.00 |
| Profit before Taxation | 50,06,07,928.38 | 18,42,46,189.33 |
| Provision for Taxation - Current | 18,50,00,000.00 | 2,57,65,417.68 |
| Profit before prior period adjustments | 31,56,07,928.38 | 15,84,80,771.64 |
| Prior period adjustments | 14,07,36,701.61 | 28,27,605.07 |
| Profit after Taxation & prior adjustments | 17,48,71,226.77 | 15,56,53,166.57 |
| Add : Balance brought forward | 15,96,93,578.88 | 11,41,34,793.31 |
| Profit available for appropriation | 33,45,64,805.65 | 26,97,87,959.88 |

Appropriation:

| Particulars | 2006-2007 | 2005-2006 |
|----------------------------------------|-----------------|-----------------|
| Proposed Dividend | 2,05,35,479.00 | 88,52,779.00 |
| Tax on Dividend | 34,90,004.00 | 12,41,602.00 |
| Transfer to Capital Redemption Reserve | 83,33,333.00 | 00.00 |
| Transferred to General Reserve | 10,00,00,000.00 | 10,00,00,000.00 |
| Balance of profit carried forward | 20,22,05,989.65 | 15,96,93,578.88 |

DIVIDEND:

Preference Shares

The Board recommends a Dividend of Rs. 2.50 per share on 25,00,000 25% Non Cumulative Redeemable Preference Shares of Rs. 10/- each for the year ended on 31st March, 2007.

Equity Shares

Your Directors are pleased to recommend a dividend of Re. 1/- per Equity Share of Rs. 10/- each, for the financial year ended on 31st March, 2007.

The proposed dividend payment on equity and preference shares would entail an outflow of Rs. 2,63,82,372.00 including dividend tax.

BUSINESS OPERATION:

During the year under review, Company has executed net value of work to the tune of Rs. 16763.91 lacs (previous year 10717.02 lacs) registering an increase of 56.42%. Profit before tax is Rs.5006.08 lacs (previous year Rs. 1842.46 lacs) and the Profit after Tax and prior period adjustments Rs.1748.71 lacs (previous year Rs. 1556.53 lacs).

The Company is presently executing following contracts:

- Widening to 4/6 lanes and strengthening of existing 2 lane carriage way of NH-5 in the state of Orissa from Km. 387.700

to Km. 414.00 (Khurda-Bhubaneswar) by National Highways Authority of India in Joint venture with Gammon India Ltd.

- Construction of segment of Lucknow Bypass connecting NH-25 and NH-28 via NH-56 passing through Lucknow City in the State of Uttar Pradesh under phase II of North-South & East-West corridors project by National Highways Authority of India in joint venture with PBA Infrastructure Limited
- Extraction and transfer of coal/coal measure strata of about 9.64 Million Cu. Mtrs. by deploying Surface Miner for Mahanadi Coalfield Ltd. for Bharatpur Open Cast Project.
- Construction of Mumbra Bypass on Mumbai Pune Road NH4 from Km. 133/800 to 138/200 on Build, Operate and Transfer (BOT) basis
- Construction including Strengthening and Widening of existing 2-Lane road to 4-Lane Dual Carriageway from Km 9.200 to Km. 50.000 of NH-6 (Nagpur-Kondhali Section) in the State of Maharashtra.

The Company has been pre qualified for various contracts including those invited by National Highway Authority of India (NHAI), Ministry of Road Transport & Highways etc.

INITIAL PUBLIC OFFER

The Company had come up with an Initial Public offer (IPO) of 43,00,000 equity shares of Rs. 10/- each at a premium of Rs. 140/- per share for cash aggregating to Rs. 64,50,00,000/- through a 100% Book building route. The issue was oversubscribed 9 times. The QIB portion was oversubscribed eight times while the retail portion also saw a demand of over 12 times, which culminated in the listing on the Stock Exchanges on September 25, 2006.

During the year, the company has also brought Issue of 27,00,000 Preferential Warrants convertible into equal number of Equity shares at a price of Rs. 317.50/- per warrant. Company has received Rs. 8.57 Crores as 10 % of the Warrant price. The option for Conversion of warrants in to equity shares of the Company may be exercised by the warrant holders within a period of 18 months after payment of balance amount. However, the conversion of warrants is subject to SEBI clearance.

CHANGE IN CAPITAL STRUCTURE OF THE COMPANY :

In year 2005-2006, the Authorised Share capital was Rs.20,00,00,000/- (Rs. Twenty Crores Only) divided into 1,70,00,000 Equity Share of Rs.10/- each and 30,00,000 25% Non Cumulative Preference shares of Rs. 10/- each, which has been increased by adding 30,00,000 equity Shares of Rs. 10/- each to Rs. 23,00,00,000 (Rs. Twenty three Crore) divided into 2,00,00,000 Equity Share of Rs.10/- each and 30,00,000 25% Non Cumulative Preference shares of Rs. 10/- each. The paid up capital in previous year was Rs. 14,50,00,000/- (Rs. Fourteen Crores Fifty Lacs Only) divided into 1,20,00,000 Equity Share of Rs.10/- each fully paid up and 25,00,000 25% Non Cumulative Preference shares of Rs. 10/- each fully paid up, which has been increased by adding 43,00,000 equity Shares of Rs. 10/- each through Initial public offer to Rs. 18,80,00,000 (Rs. Eighteen Crores Eighty Lacs) divided into 1,63,00,000 Equity Share of Rs.10/- each fully paid up and 25,00,000 25% Non Cumulative Preference shares of Rs. 10/- each fully paid up.

"At Extra Ordinary General Meeting (EGM) of the Company held on February 16, 2007 **resolutions were passed, interalia :**

- for sub-division of face value of equity shares of the Company from Rs.10/- per share to Rs. 2/- per share,
- for increasing the Authorised Capital of the Company and for consequential changes in the Memorandum and Articles of Association of the Company,

- **authorizing the issue of further shares on preferential basis up to US\$200 million or its rupee equivalent.**

The Company had fixed March 5, 2007 as the record date for the purpose of determining the members who will be eligible to receive equity shares on sub-division. However, Securities and Exchange Board of India (SEBI) passed an interim ex-parte order dated February 22, 2007, *inter alia*, against the Company. By the above said order, SEBI directed the Company that "it shall not issue any equity shares or any other instruments convertible into equity shares, in any manner, or shall not give effect to any alteration in its capital structure in any manner till further directions in this regard". As a result of the SEBI's order above mentioned, the Company could not give effect to the resolutions passed at the EGM mentioned above relating to sub-division of equity shares, increase in authorised capital of the Company and for issue of further shares on preferential basis'

DIRECTORS:

In terms of the provisions of Sections 255 and 256 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Rikiin Bbarot and Mr. Arpan Brahmhatt retire at the ensuing Annual General Meeting and being eligible, have offered themselves for reappointment.

AUDITORS:

M/s Suresh C. Maniar & Co. Chartered Accountants, Mumbai, auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting. The Company has received a letter from M/s Suresh C. Maniar & Co. Chartered Accountants, to the effect that their reappointment, if made, would be within the prescribed limits under section 224 (1-B) of the Companies Act, 1956. Yours Directors recommend their reappointment.

AUDITORS' REPORT:

The observations made in the Auditors' Report, read together with the relevant notes thereon are self-explanatory. However in respect of observation made by the Auditor for non-filing of return of deposit, we clarify that the return of deposit is filed with the Registrar of Companies and delay in filing the same was caused due to heavy rain and unavailability of internet facility to upload the return.

FIXED DEPOSIT:

During the year under review, the Company has accepted unsecured loan which comes under deposit under Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975 within the prescribed limit. As on 31st March, 2007 deposits from public stands at Rs. 3.30 Crores.

SEBI ORDER:

Against the ad interim exparte order dated 22nd February, 2007 passed by SEBI and referred to above, the Company had filed an appeal before the Hon'ble Securities Appellate Tribunal (SAT) which directed the Company to file its objections to the ad interim exparte order within 10 days of the passing of such order. In compliance with SAT's order above referred to, the Company had filed its objections to SEBI's ad interim exparte order. Thereafter SEBI sought further information and documents and personal appearance of Managing Director. All the information and documents were submitted and Managing Director had appeared before the SEBI. The matter is pending before SEBI.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, directors state that-

- (1) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

- (2) they have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at end of the financial year and of the profit of the Company for that period;
- (3) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ;
- (4) they have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES:

No employee is drawing the remuneration exceeding the specified limit prescribed under section 217(2A) of the Companies Act, 1956 and rules issued thereunder.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information required to be provided under section 217(1) (e) of the Companies Act, 1956 read with the Companies (disclosure of particulars in the Report of the Board of Directors) Rules 1988 in relation to conservation of energy and Technology Absorption are currently not applicable to the Company .

Foreign Exchange Earnings and Outgo:

There has not been any Foreign Exchange earning during the year.

The Foreign Exchange outgo during the year are as under:

| Sr.No | Particulars | Amount in Rupees |
|-------|------------------|------------------|
| 01 | On Travel Abroad | 2,84,094/- |
| 02 | On Capital Goods | 2,97,10,968/- |
| 03 | On Spare parts | 3,98,097/- |

CORPORATE GOVERNANCE:

A separate report on corporate governance as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges together with Auditors Certificate for compliances forms part of the Annual Report.

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

CONCLUSION:

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thank the employees at all levels, who, through their dedication, co-operation, support and smart work, have enabled the Company to achieve rapid growth. Your Directors look to the future with confidence.

For and on behalf of the Board of Directors

RAJHOO BBAROT
Managing Director

Date: August 21, 2007

Place: Mumbai

CORPORATE GOVERNANCE REPORT

MANDATORY REQUIREMENTS:

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

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

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

BOARD OF DIRECTORS :

Board Composition:

The Company is having optimum Combination of Directors on its Board. As the company is having Non –executive Chairman, one third of the Board are Independent Directors. As at March 31,

The particulars as to composition of the Board, attendance at Board Meetings held during the year and the last Annual General Meeting, number of Directorships in other companies and Memberships in committees across various companies of which the Director is a Member / Chairman and No. of shares of the company held by them are given below:

| Name of the Director | Category | Financial Year 06-07 | | As on 31 st March 2007 | | | |
|-----------------------|------------------------------------|----------------------|---------------------------|-----------------------------------|---------------------|----------|--------------------|
| | | Attendance At | | No. of other Directorships | Committee Positions | | No. of shares held |
| | | Board Meetings | Last AGM held on 18/09/06 | | No. of Memberships | Chairman | |
| Mr. G. Vishwanathan | Non Executive Chairman | 6 | Present | 2 | 1 | 1 | - |
| Mr. Rajhoo Bbarot | Managing Director | 8 | Present | 5 | 1 | 1 | 28,06,700 |
| Mr. Rikiin Bbarot | Executive Directors | 8 | Present | 2 | 1 | - | 39,72,150 |
| Mr. G. Radhakrishnan | Executive Director | 9 | Present | 1 | 2 | - | 2,786 |
| Mr. Samir Degan | Non Executive Director | 5 | Present | 4 | 1 | 1 | - |
| Mr. Arpan Brahmabhatt | Non Executive Independent Director | 6 | Present | 1 | 1 | 1 | 932 |

Information placed before the Board of Directors:

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

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

2007 the Board consisted of six members, three of whom are executive Directors and three non executive directors in which two directors are independent directors. The composition and category of directors on the Board of the Company were as under:

| Category | Particulars of the Directors |
|------------------------|------------------------------|
| Non Executive Chairman | Mr. G. Vishwanathan |
| Managing Director | Mr. Rajhoo Bbarot |
| Executive Directors | Mr. Rikiin Bbarot |
| | Mr. G. Radhakrishnan |
| Non Executive Director | Mr. Samir Degan |
| Independent Director | Mr. Arpan Brahmabhatt |

Board meetings:

During the period ended on 31st March, 2007 9 Board meetings were held on following dates: 29th April, 2006, 11th September, 2006, 19th September, 2006, 23rd October, 2006, 30th October, 2006, 8th December, 2006, 9th January, 2007, 16th January, 2007 and 16th February, 2007.

The minutes of the Board meetings disclose the timing of the meeting.

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

Code of Conduct:

During the year, the Board has approved and adopted a code of conduct for all Board members and senior management of the company. The code of conduct has been posted on the website of the Company at www.atlantainfra.com. All Board members and senior management personnel have affirmed compliance with

the code of conduct. A declaration to this effect signed by the MD of the company is annexed herewith and forms part of this report.

Declaration

All the Directors and Senior Management, of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2007.

Mumbai, August 21, 2007
Rajhoo Bbarot
Managing Director

Code of Conduct for prevention of Insider Trading:

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

Committees of the Board

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

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

AUDIT COMMITTEE

a) Composition :

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

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

Currently, the Company has setup qualified and independent audit committee consists of three non-executive directors, two of them being independent. The committee held two meetings during the year. The Audit Committee also advises the management on the areas where internal audit is considered. The Audit committee invites such of the executives, as it considers appropriate to be present at the meetings of the committee.

Mr. Sachin Jain, Company Secretary and compliance officer of the Company, acts as Secretary to the Audit Committee. The minutes of the meetings of the Audit Committee are placed before the Board.

b) Terms of reference

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

- 1) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) The replacement or removal of external auditors, fixation of audit fees and also approval for payment of any other services.
- 3) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to :
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's

report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.

- b) Changes, if any, in accounting policies and practices and reasons for the same.
- c) Major accounting entries involving estimates based on the exercise of judgement by management.
- d) Significant adjustments made in the financial statements arising out of audit findings.
- e) Compliance with listing and other legal requirements relating to financial statements.
- f) Disclosure of any related party transactions.
- g) Qualifications in the draft audit report.
- 4) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- 5) Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- 6) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 7) Discussion with internal auditors any significant findings and follow up there on.
- 8) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 9) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 10) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

c) Meetings and Attendance

During the financial year 2006-2007, the Audit Committee met two times. These were held on 30th October, 2006 and 7th January, 2007. The attendance of the members at these meetings is as follows:

| Name of the Member | No. of Meetings | |
|------------------------|-----------------|----------|
| | Held | Attended |
| 1. Mr. G. Vishwanathan | 2 | 2 |
| 2. Dr. Samir Degan | 2 | 2 |
| 3. Mr. Arpan Brahmhat | 2 | 2 |

REMUNERATION COMMITTEE

A) Brief description of terms of reference:

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

B) Composition:

Composition of Remuneration Committee is as follows:

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

C) Remuneration Policy:

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

D) No. of Meetings and Attendance:

During the financial year 2006-2007 Remuneration Committee met one time and meeting were attended by all the members.

The details of the remuneration paid /to be paid to all the Directors

| Name of Director | Salary (Rs.) | Benefits (Rs.) | Sitting Fees (Rs.) | Commission (Rs.) |
|----------------------|--------------|----------------|--------------------|------------------|
| Mr. Rajhoo Bbarot | 12,00,000 | 94,360 | – | – |
| Mr. Rikiin Bbarot | 4,20,000 | 39,360 | – | – |
| Mr. G. Radhakrishnan | 4,55,292 | 30,360 | – | – |
| Mr. G. Vishwanathan | – | – | 30,000 | – |
| Mr. Samir Degan | – | – | 25,000 | – |
| Mr. Arpan Brahmbhatt | – | – | 30,000 | – |
| TOTAL | 20,75,292 | 1,64,080 | 85,000 | – |

SHAREHOLDERS/ INVESTORS' GRIEVANCE COMMITTEE**A) Composition and Functions of the Committee:**

The Company under Chairmanship of independent Director Mr. Arpan Brahmbhat has constituted Shareholders/Investors Grievance Committee with Mr. Rajhoo Bbarot and Mr. G. Radhakrishnan as Members. The Committee monitors redressal of complaints from shareholders and Investors and observes the performance of Registrar & Share Transfer Agent and recommends measures for over all improvement in the quality of investor services.

During the year, the committee met two times on 1st November, 2006 and 11th January, 2007. Attendance of members at these meetings was as follows:

| Name | Status | No. of Meetings: | |
|----------------------|----------|------------------|--------------------------|
| | | Held | Attended during the year |
| Mr. Arpan Brahmbhatt | Chairman | 2 | 2 |
| Mr. Rajhoo Bbarot | Member | 2 | 2 |
| Mr. G. Radhakrishnan | Member | 2 | 2 |

B) Compliance Officer:

Mr. Sachin Jain, Company Secretary, appointed as the Compliance Officer.

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

| SR. NO. | PARTICULARS | RECEIVED | DISPOSED | PENDING AS ON 31.03.2007 |
|---------|--------------------------------------|----------|----------|--------------------------|
| 1 | NON RECEIPT OF REFUND ORDER | 28 | 28 | 0 |
| 2 | NON RECEIPT OF ELECTRONIC CREDITS | 10 | 10 | 0 |
| 3 | COMPLAINT FROM STOCK EXCHANGES/ SEBI | 6 | 6 | 0 |
| | TOTAL | 44 | 44 | 0 |

Management Committee**Composition:**

1. Mr. Rajhoo Bbarot Chairman
2. Mr. Rikiin Bbarot Member
3. Mr. G. Radhakrishnan Member

Powers and functions: The management committees has following powers and function:

- a. To take Investment Decisions
- b. To borrow short-term funds from the Banks, Financial Institutions and other sources as and when required.
- c. To scrutinize the periodical budget estimates and make recommendations to the Board.
- d. To scrutinize all proposals involving expenditure for which no provision is made in the budget or involving expenditure in excess of the amount provided for in the budget.

- e. To open new Bank Accounts and to authorise Directors/Executives to operate the same or to withdraw the authority granted and / or to make changes or revise the authorized signatories.
- f. To close the existing Bank Accounts when not required.
- g. To oversee the operations and activities of the Organisation to ensure it fulfils its desired aims and it is on the growth planned.
- h. To prepare the plans and strategy relating to sales, purchase, administration, finance, advertising etc. keeping in mind the purpose and object of the Organisation.
 - i. To review the performance of the Company in comparison to the plans and to find out the deviation if any, from the projections and to provide for remedial action.
 - j. To make sure that the guidelines and framework are provided for everyone in the Organisation to know where it is headed, what it aims to achieve, and how each job fits into the overall plan.
- k. To authorize person to appear as an authorized representative in any legal matters of the Company."

During the year committee met 16 times and attended by all the members except in one meeting Mr. Rajhoo Bbarot was not present.

GENERAL BODY MEETINGS

a) Location and time of Annual General Meetings

| Financial Year | Date | Time | Venue |
|----------------|------------|------------|------------------------------------------------------------------------------------------------------|
| 2003-2004 | 30.09.2004 | 3.00 p.m. | 101, Shree Amba Shanti Chambers, Opp. Hotel Leela, Andheri Kurla Road, Andheri (E), Mumbai – 400 059 |
| 2004-2005 | 30.09.2005 | 3.00 p.m. | 101, Shree Amba Shanti Chambers, Opp. Hotel Leela, Andheri Kurla Road, Andheri (E), Mumbai – 400 059 |
| 2005-2006 | 18.09.2006 | 11.30 a.m. | 101, Shree Amba Shanti Chambers, Opp. Hotel Leela, Andheri Kurla Road, Andheri (E), Mumbai – 400 059 |

b) Location and time of Extraordinary General meetings

| Financial Year | Date | Time | Venue |
|----------------|----------------|-----------|-----------------------------------------------------------------------------------------------------------|
| 2006-2007 | 25 - 08 - 2006 | 11.00A.M | 101, Shree Amba Shanti Chambers, Opp. Hotel Leela, Andheri Kurla Road, Andheri (E), Mumbai – 400 059 |
| | 23 - 11 -2006 | 2 P.M. | Vishal hall, Vishal Shopping centre, Hotel Highway Inn., Andheri-Kurla Road, Andheri(E), Mumbai - 400 069 |
| | 16 -02- 2007 | 2.30 P.M. | Vishal hall, Vishal Shopping centre, Hotel Highway Inn., Andheri-Kurla Road, Andheri(E), Mumbai – 400 069 |

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

DISCLOSURES

During the financial year ended March 31, 2007, there were no materially related party transactions that may have potential conflict with the interests of the Company at large.

On 22nd February, 2007 Securities and Exchange Board of India (SEBI) has passed an ad interim, ex-parte order directed the Company that it shall not issue any equity shares or any other instruments convertible into equity shares, in any manner, or shall not give effect to any alteration in its capital structure in any manner till further directions of SEBI in this regard.

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

MEANS OF COMMUNICATION

The Quarterly financial results of the Company were published in Business standard, Economic Times and Maharashtra Times immediately after the Board meeting. At the same time the results are also displayed on the website of the company www.atlantainfra.com.

The Company has created an exclusive E-mail id for the investors investors@atlantainfra.com. The investors can directly send their grievances to Compliance officer.

GENERAL SHAREHOLDERS INFORMATION

A) ANNUAL GENERAL MEETING

| | |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Day, Date, Time & Venue | Friday, 28 th September, 2007 at 3.00 P.M. at Auditorium, A Wing, Ground Floor, National Stock Exchange of India Limited, Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051 |
| Financial Year | April 1 to March 31 |
| Financial Calendar | Financial Reporting for the 1 st quarter ending June 2007- by end of July 2007 |
| | Financial Reporting for the 2 nd quarter ending September 2007- by end of October 2007 |
| | Financial Reporting for the 3 rd quarter ending December 2007 by end of January 2008 |
| | Financial Reporting for the 4 th quarter ending March 2008 by end of April 2008 |
| Dividend Payment Date | On or after October 5, 2007 |
| Book closure | Monday 24 th September, 2007, to Friday 28 th September, 2007 (both days inclusive). |
| Email ID for Investors | investors@atlantainfra.com |