

## BOARD OF DIRECTORS



**R Sarabeswar**  
*Chairman & Chief Executive Officer*



**S Sivaramakrishnan**  
*Managing Director*



**V G Janarthanam**  
*Director(Operations)*



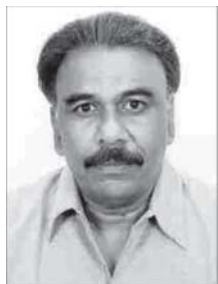
**K Kannan**  
*Independent Director*



**P Venkatesh**  
*Independent Director*



**P K Sridharan**  
*Independent Director*



**Jayaram Rangan**  
*Independent Director*



**Dr. P K Aravindan**  
*Independent Director*



**Raja Kumar KEC**  
*(Nominee Director of UTI Venture Funds  
Management Company Private Limited)*

---

**COMPANY SECRETARY**  
M.V.M Sundar

**CHIEF FINANCIAL OFFICER**  
T.R.Seetharaman

**AUDITORS**  
Murali Associates  
Chartered Accountants, Chennai

**COMPANY SECRETARY  
IN PRACTICE**  
N. Balachandran

---

**BANKERS** : State Bank of India, Bank of Baroda, ICICI Bank, IDBI Bank

---

### REGISTERED OFFICE

No.5,II Link Street, C.I.T.Colony,  
Mylapore, Chennai 600 004.  
Phone: 2345 4500 Fax: 2499 0225

### REGISTRARS:

**Karvy Computershare Pvt. Ltd.**  
No.17-24, Vittal Rao Nagar, Madhapur  
Hyderabad 500 081. Phone: 040-4465 5187/4465 5186.

## Contents

Notice	3
Directors' Report	10
Management Discussion and Analysis	19
Report on Corporate Governance	23
Auditors Report	35
Balance Sheet	39
Profit & Loss Account	40
Schedules	41
Notes on Accounts	48
Cash Flow Statement	58
Abstract	60
Consolidated Financial Statements	61



## NOTICE TO THE MEMBERS

Notice is hereby given that the 13th Annual General Meeting of the Company will be held at Hotel Deccan Plaza, 36, Royapettah High Road, Chennai 600014 on Thursday, the 24th June 2010, at 3.30 P.M. to transact the following business:-

### ORDINARY BUSINESS:

1. To Receive, Consider and adopt the Profit & Loss Account and Balance Sheet as at 31st March 2010 and the auditors' Report thereon;
2. To declare dividend.
3. To appoint a Director in the place of Mr. Jayaram Rangan, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in the place of Dr. P.K. Aravindan, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

#### Item No.6:

To consider and if thought fit the following resolution, with or without modification as an Ordinary Resolution:

#### EMPLOYEES' STOCK OPTION PLAN (ESOP):

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956, subject to SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and further to the resolution by shareholders of the company passed at the Extraordinary General Meeting held on 16th December 2005, and ratified by the members at the 11th Annual General Meeting held on 25th June 2008, consent of the company be and is hereby accorded to create, offer, issue and allot from time to time to or for the benefit of such person(s) who are in permanent employment of the company or its subsidiaries or associates, under the "Employee Stock Option Plan-2010" (hereinafter referred as "ESOP-2010") such number of equity shares which could give rise to the issue of equity shares not exceeding 5% (Five per cent) of the paid up equity share

capital of the company prevailing on the date of creation, offer, issue or allotment of shares, i.e. 92,38,861 equity shares of Rs.2/- each as on date of passing the resolution, at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board in accordance with the provisions or guidelines prevailing at the time of issue.

RESOLVED FURTHER THAT this ESOP-2010 is in substitution for the existing ESOP-2005 and shall validate the issue/allotment of shares to CCCL Employees Welfare Trust under ESOP-2005 and also the options granted under the said scheme in the year 2007 and 2009. The existing Trust shall continue to function with the Trustees appointed by the Board of Directors at their meeting held on 28th January 2010 and shall transfer shares at par to eligible employees who have been granted options under ESOP-2005.

RESOLVED FURTHER THAT following amendments be made to ESOP 2005 under the new ESOP:

To insert a new sub-clause (h) to Clause 11.1 of ESOP 2005:

"Clause 11.1.(h) In the event of rights issue, bonus issues and other corporate actions, reasonable adjustment to the number of options and to the exercise price in case of rights issue, bonus issues and other corporate actions will be made under the ESOP."

RESOLVED FURTHER THAT the Board be and is hereby authorized to allot, issue, offer the said shares, at such price as may be determined and on such terms and conditions as may be prescribed, to the CCCL Employees Welfare Trust subject to a maximum of 5% of the paid up share capital of the Company on the given date and the Trust shall in turn allot/transfer the shares to the eligible employees as recommended by the Employees Compensation Committee.

RESOLVED FURTHER THAT the shares be transferred from the Trust to all eligible employees of holding company, employees of subsidiary and associate companies, as per the terms of Employees Stock Option Plan 2010;

RESOLVED FURTHER THAT the Shares so offered as per the plan to the employees, shall rank pari passu with existing Equity Shares of the Company in all respects.



RESOLVED FURTHER THAT the Board be and is hereby authorised to make necessary correction, amendment or any other appropriate action, as it may deem necessary, to the ESOP and CCCL Employees Welfare Trust, in order to give effect to the aforesaid Resolution."

**Item No.7:**

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

**RAISING OF FUNDS:**

In accordance with Section 81(1A) and other applicable provisions of the Companies Act, 1956 and any other applicable laws, rules and regulations made there under, consent of the company is hereby given to the Board of Directors of the company ( which term shall deem to include any other committee which they may constitute as per this resolution), to raise debt and/or equity in domestic and/or international market which may be in the form of Global Depository Receipts (GDRs), American Depository Receipts (ADRs), foreign currency convertible bonds (FCCBs), convertible debentures, bonds and equity and other securities, equity linked instruments (hereinafter referred to as securities) for an aggregate sum not exceeding USD 100 Million from any person including foreign resident/non resident investor/s (whether institutions, bodies corporate, mutual funds, trusts or foreign institutional investors (FIIs), banks and/or any other individuals or otherwise) through public issue(s), private placements, or any combination thereof at such time or times in single or multiple tranches at such a price or prices and on such terms and conditions as may be decided and deemed appropriate by the Board in accordance with SEBI and other applicable guidelines and Regulations wherever necessary in consultation with the Lead managers, under writers, merchant bankers and financial and/or Legal Advisors, and to get listed in any stock exchange(s), whether in India and/or overseas."

RESOLVED FURTHER that in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies act, 1956 and any other applicable laws, rules and regulations including SEBI Guidelines for Qualified Institutions Placement (QIP) specified in Chapter XIII-A of SEBI (Disclosure and Investor Protection) Guidelines, 2000 ("DIP

Guidelines") and subject to such approvals, consents, permissions and sanctions of government and regulatory authorities as may be applicable, wherever required including any modification thereto, the consent of the company be and is hereby accorded to the Board of Directors of the Company ("Board") (which term shall be deemed to include any committee which the Board may constitute as per this resolution), to create, offer, issue and allot, in one or more placements/tranches to Qualified Institutional Buyers (QIBs) as defined under sub-clause (v) of Clause 2.2.2B of DIP Guidelines any security including equity shares, preference shares (whether convertible or not), fully convertible debentures, partly convertible debentures or securities in other forms as may be permitted under Chapter XIII-A of DIP Guidelines or any form of securities out of the aforesaid limit of rupees equivalent of USD 100 Million (inclusive of such premium as may be determined by the Board) through placement document at such time or times at a price to be determined in accordance with DIP Guidelines for QIB, as amended up to date."

**Item No.8:**

To consider and if thought fit, to pass the following resolution, with or without modification, as an Special Resolution:

**BORROWING IN EXCESS OF THE PAID UP CAPITAL AND FREE RESERVES**

"RESOLVED THAT in supersession of the resolution passed on 25th day of June 2008 by the members and pursuant to Section 293(1)(d) and all the other applicable provisions, if any of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the company be and is hereby accorded to the Board of Directors/Committee of Directors of the Company for borrowing (including by way of giving any corporate guarantees and any other guarantees) from time to time from any one or more Persons, Firms, Bodies Corporate, Banks or Financial Institutions any sum or sums of money which, together with the moneys already borrowed by the Company and outstanding exclusive of interest, charges at any time for an amount not exceeding Rs.3500,00,00,000/- (Rupees Three Thousand Five hundred Crores Only) or equivalent in foreign currencies and the Board of Directors in exercise of the aforesaid borrowings powers may borrow on such



terms and conditions as to repayment, interest and with or without security as the Board may deem fit and the Board/Committee of Board is hereby further authorized to execute such deeds of mortgage, charge, hypothecation, lien, promissory notes, deposit receipts, debentures, bonds and other deeds and instruments or writings as they may think fit and containing such conditions and covenants as the Board/Committee of Board may think fit.

RESOLVED FURTHER THAT, the Board of Directors or Committee of the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things and to take such steps as may be necessary or expedient to give effect to this resolution."

**Item No.9:**

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

**AGREEMENT WITH SAMRUDDHI HOLDINGS:**

"RESOLVED THAT subject to the approval of Central Government, consent be and is hereby accorded to the Board of Directors or committee thereof, for renewing the Permitted User Agreement with M/s.Samruddhi Holdings, a partnership firm registered under the Indian Partnership Act, 1932 and having its administrative office at S-4, Yuga Homes, II Floor, No.26-28, Vembuliamman Koil Street, West K.K.Nagar, Chennai 78, for use of Name, Logo and Trademark owned by the said contracting firm, for a period of FIVE years effective from 01.04.2011, as per the terms and conditions of the Agreement, and to apply for any approval to be obtained from the Central Government u/s 297(1) of the Companies Act, 1956 and/or any other applicable provisions thereof. The following are the information in regard to permitted user agreement with the above mentioned contracting party namely M/s.Samruddhi Holdings, in which the Directors of the Company are interested:

Mr.T.R.Seetharaman, Chief Financial Officer of the company, is also a partner in the abovesaid firm.

RESOLVED FURTHER that the Board be and is hereby authorized to do and cause to be done all such acts, deeds and other things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid Resolution."

**Item No.10:**

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

**APPROVAL FOR LENDING & INVESTMENT IN SUBSIDIARIES:**

RESOLVED that pursuant to provisions of Section 372A of the Companies Act, 1956 and further to the resolution of members by Postal Ballot passed on 11th May 2009, consent be and is hereby given to the Board of Directors to extend corporate guarantee and security to the bankers/lending institutions/statutory bodies. Firms, bodies corporate either on its behalf or on behalf of subsidiaries, associates, to invest in and extend secured/unsecured loans and advances to, the subsidiaries and associate firms, body corporate, other body corporate/firms, to an extent not exceeding the overall borrowing powers of the company under Section 293(1)(d) of the Companies Act, 1956 prevailing on that date, subject to the statutory compliance of applicable acts, modifications and amendments thereof and the rules made there under.

RESOLVED FURTHER that the Board be and is hereby authorized to do and cause to be done all such acts, deeds and other things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid Resolution."

Name of the company/firm	Interested Directors	Nature of Transactions	Value	Period
Samruddhi Holdings	Mr. R.Sarabeswar, Mr.S.Sivaramakrishnan, Mr.V.G.Janarthanam (as partners in the firm)	Use of Name, Logo and Trademark for a Trade Licence Fee	Payable @ 4% of audited profit before Tax (PBT), at the end of every Financial Year subject to maximum of Rs.2.00 Crores p.a.	5 years From 01.04.2011.





**Item No.11:**

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

**INCREASE IN REMUNERATION TO MR.S.KAUSHIKRAM:**

“RESOLVED THAT pursuant to the provision of Section 314 and all the other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), and subject to the approval of the Central Government and such other approvals or consents as may be necessary, and further to the resolution passed by the members at the 11th Annual

General Meeting of the company held on 25th June 2008, the consent of the company be and is hereby accorded for revision of remuneration payable to Mr.Kaushik Ram.S, President, holding place of profit, in the Senior Covenanted Cadre, at a gross monthly remuneration not exceeding Rs.7,50,000/- (Rs. Seven Lakhs Fifty Thousands only) inclusive of all allowances and perquisites as per the existing terms and conditions of employment applicable to the cadre, with effect from 12.06.2011 for a period of 5 years;

RESOLVED FURTHER THAT the Company Secretary be and is hereby authorised to seek the approval from the Central Government and to file the necessary forms with the Registrar of Companies and to do all such acts, deeds and things to give effect to this resolution.”

By Order of the Board

Place: Chennai  
Date : April 28, 2010

(M.V.M.Sundar)  
Company Secretary

---

**NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Register of Members and the Share Transfer books of the company will remain closed from 18th June to 24th June 2010 (both days inclusive).
3. Proxies in order to be effective must be lodged with the Company not later than 48 hours before the meeting.
4. Members are requested to bring their copies of the Annual Report sent to them, to the Meeting.
5. Any change in shareholders' address for communication/Bank account No. and Bank details may please be immediately intimated to M/s.Karvy Computershare Pvt. Ltd., No.17-24, Vittal Rao Nagar, Madhapur Hyderabad 500 081 and also the respective Depository Participants where the members have demat accounts.



## EXPLANATORY STATEMENT PURSUANT TO SEC.173(2) OF THE COMPANIES ACT 1956

### Item No. 6.

#### EMPLOYEES' STOCK OPTION PLAN (ESOP):

The shareholders of the company at the Extraordinary General Meeting held on 16th December 2005 had authorized the Board to offer, issue and allot at any time to or for the benefit of such person(s) who are in permanent employment of the company, under the "Employee Stock Option Plan" (ESOP) such number of equity shares, not exceeding 5% (Five percent) of the paid up equity share capital of the company at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board in accordance with the provisions or guidelines prevailing at the time of issue. The said shares were to be allotted to the trust created for the purpose viz. CCCL Employees Welfare Trust and the trust shall in turn allot/transfer the shares to the eligible employees as suggested by the Employees Compensation Committee established for this purpose. The Shares so offered under ESOP to the employees, shall rank pari passu with existing Equity Shares of the Company in all respects. The company had issued 1,00,000 equity shares to the trust as per the earlier approval cited above. Further 150000 shares were issued to the Trust in April 2007 as bonus shares along with the other share holders. Currently the Trust is holding 250000 (1250000 equity shares after split) shares and the company can issue balance options to the extent of 231090 (i.e. 1155450 shares after split) shares after exercise of options to an extent of 18910 shares (i.e. 94550 shares after split) and enable the Trust to allot/transfer shares to the employees as suggested by the Employees Compensation Committee established for this purpose.

The company has since October 15, 2007 become a listed company and the Employees Stock Option Plan 2005 was formulated before listing of shares. Hence, as a good measure of corporate governance, the Board places before the members an ESOP in substitution for ESOP 2005 for their approval to allocate 5% of the paid up capital of the company at any time of further issue or allotment of shares to the Trust subject to the

recommendations of Employees Compensation Committee.

The provisions of existing ESOP 2005, as per the authority given by the members at the Extra Ordinary General Meeting on 16th December 2005, have been modified by the Board and the same is placed before the members as ESOP 2010 for their approval.

All the allotments made to the Trust under the ESOP 2005 and also the options granted to the eligible employees shall remain valid and continue under ESOP 2010.

None of the Directors of the company are interested in this transaction except to the extent of their individual shareholding in the company.

### Item No.7:

#### RAISING OF FUNDS:

The company came out with public issue in September 2007 in order to mobilize public funds and this measure had ensured adequate finance for the company's major projects. The company's long term fund requirements has necessitated granting of specific powers to the Board to undertake issue of Global Depository Receipts, ADRs, convertible debentures, equity capital, from within the country and abroad. The resolution empowering the Board to raise funds from abroad will be helpful for embarking upon public issues/private placement/issue of ADRs, GDRs, FCCBs, debentures in future in order to mobilize funds from abroad. The company shall require additional funds to foray into bigger infrastructure projects like power plants, desalination plants, bridges, roads etc.

The members had empowered the Board to borrow upto Rs.2800 Crores during the 11th AGM and borrowings envisaged include funds through debentures, GDRs, ADRs and bonds, issued both in the domestic as well as international markets.

This enabling resolution is put forth before the members for their approval by way of Special Resolution. The resolution proposed may result in



issue of shares of the Company to persons other than the members of the Company and hence the consent of members is being sought pursuant to Section 81(1A) of the Companies Act, 1956 and the Listing Agreement.

None of the directors are interested in the resolution except to the extent of their respective shareholding in the company.

The Board recommends the resolution.

**Item No.8:**

**BORROWING IN EXCESS OF THE PAID UP CAPITAL AND FREE RESERVES**

Members have given their consent to the Board by way of resolution to borrow in excess of the paid up capital and free reserves, up to Rs.2800 Crores at the 11th Annual General Meeting held on 25th day of June 2008. In view of the proposed enhanced operations coupled with the company's proposed plan of stepping into infrastructure projects like ports, airports, roads, bridges & flyovers, power plants, water effluent treatment plants, and other allied projects including BOOT, BOLT DBFO etc on their own or in joint venture(s), substantial working capital/ term loan funds and non fund facilities like Bid Bonds, Performance Guarantees, other guarantees, LCs etc. are required by the company. At present, the total sanctioned credit limits from banks to the company including corporate guarantees executed on behalf of SPVs and subsidiaries are to the tune of Rs.2053.00 crores. The company plans to get into bridges and power stations sector which will entail usage of guarantee limits over and above the total borrowing powers of Rs.2800,00,00,000 the company at present is entitled to. Hence, your Directors have thought it prudent to get the consent from the Members for borrowing (including non funded facilities) up to Rs.3500,00,00,000 (Rupees Three Thousand Five Hundred Crores ) in total to carry out the increased volume of business and also for implementation of expansion plans in the near future.

The present paid up capital and free reserves as on 31st March 2010 is Rs584.00 crores

Pursuant to Section 293(1)(d) of the Companies Act, 1956, consent of the shareholders in general meeting to borrow moneys apart from the temporary loans

obtained in the ordinary course of business, in excess of the paid up capital and free reserves, is to be obtained and hence the resolution is put forth for your approval.

The Board recommends the resolution.

**Item No.9:**

**AGREEMENT WITH SAMRUDDHI HOLDINGS:**

The members had by postal ballot given their approval on 1st March 2008 for entering into a permitted user agreement for use of Trade Mark and Logo "CCC within a triangle" with M/s.Samruddhi Holdings, a partnership firm in which three of the directors are partners, with effect from 01.02.2008. The Central Government had vide its letter dated 8th April 2008 given its approval under Section 297(1) of the Companies Act, 1956 for entering into the agreement for a period from 01.02.2008 to 31.03.2011. Since the agreement is expiring on 31.03.2011, members' approval is sought for renewing the agreement for a further period of five years with effect from 1.04.2011.

The terms of agreement remain unchanged. CCCL undertakes to pay a Trade Licence Fee of 4% of profits before Tax or Rs.2.00 Crores, whichever is less, to Samruddhi Holdings every year for use of Trade Mark & Logo: "CCC within a Triangle".

**MEMORANDUM OF INTEREST**

Mr.R.Sarabeswar, Mr.S.Sivaramakrishnan and Mr.V.G.Janarthanam, Directors of the company are interested in this resolution as they are partners of the firm, Samruddhi Holdings. Mr.T.R.Seetharaman, CFO of the company is also a partner in the said firm.

**Item No.10:**

**APPROVAL FOR LENDING & INVESTMENT IN SUBSIDIARIES:**

Further to shareholders approval through Postal Ballot on 11th May 2009, the company proposes to extend corporate guarantees to financial institutions/banks and other lending entities, to lend unsecured loans and to make investments in the capital of bodies corporate, firms, subsidiaries and associate firms, associate bodies corporate, in the ordinary course of business. As per Section 372A, any amount lent or invested in excess of limit prescribed under the Act, will have to be approved by the shareholders by way of special resolution. As a





measure of good corporate governance, the Board seeks the approval of shareholders before hand, for exceeding the limit prescribed under Section 372A of the Companies Act, 1956. This approval of the shareholders will enable the company to lend moneys, invest and to extend guarantees, corporate guarantees beyond the paid up capital plus free reserves, but subject to the overall borrowing powers of the company u/s 293(1)(d) of the Companies Act, 1956.

None of the directors are interested in this resolution except to the extent of their shareholding in the company.

The Board commends the resolution to the members.

**Item No.11:****INCREASE IN REMUNERATION TO  
MR.S.KAUSHIK RAM:**

Mr.Kaushik Ram, son of Mr.R.Sarabeswar, Chairman & CEO, was appointed as Business Strategist of the

company on a remuneration of Rs.5.00 lakhs p.m. (all inclusive) with effect from 1.7.2008 for a period of 3 years, i.e. till 11.6.2011, pursuant to the approval of Central Government and members approval in the 11th Annual General Meeting held on 25th June 2008. He will be completing a tenure of three years on 11th June 2011 and hence, for renewing his appointment as President of the company, this resolution is placed before the members subject to the approval of Central Government. The increase in remuneration of Rs.7.50 lakhs p.m. is in consonance with his qualification and industry experience. Since he is a relative of the Chairman, Section 314 is attracted and hence, members approval as well as the approval of Central Government are required.

The Board commends this resolution.

Mr.R.Sarabeswar, Chairman & CEO of the company is interested in this resolution.

By Order of the Board

Place: Chennai  
Date : April 28, 2010

(M.V.M.Sundar)  
Company Secretary



## REPORT OF THE DIRECTORS TO THE MEMBERS

Your Directors have great pleasure in presenting this 13th Annual Report together with the Audited Financial Statements for the year ended 31st March 2010.

### 1. FINANCIAL RESULTS

The financial results of the Company are given below:

(Rupees in Million)

Particulars	Consolidated for the year ended		Standalone for the year ended	
	31-03-2010	31-03-2009	31-03-2010	31-03-2009
Income from Operations	19759.45	18413.07	19500.43	17558.61
Other Income	64.00	94.23	63.37	90.67
Expenditure	18349.20	17397.55	18083.06	16599.12
Profit Before Tax	1474.27	1109.75	1480.74	1050.16
Less Provision for Tax	503.96	381.77	490.76	359.60
Profit After Tax	915.92	727.98	935.61	690.56
Profit available for Appropriation	2604.23	1987.11	2564.80	1927.55
Transfer to General Reserves	261.50	195.30	256.50	192.80
Equity Dividend	92.38	92.38	92.38	92.38
Tax on Dividend	15.70	15.70	15.70	15.70
Balance carried to Balance Sheet	2234.64	1683.72	2200.21	1626.65
EPS (in Rupees)	4.96@	19.70	5.06**	18.70

@ comparable EPS based on equity share of Rs.10: Rs.24.78/-

\*\*comparable EPS based on equity share of Rs.10: Rs.25.32/-

During the year under review, your Company has achieved a sales and other income (standalone) of Rs.19563.80 Millions compared to Rs. 17649.28 Million achieved during the previous year registering an increase of about 11%. The PAT variance from the previous year is 35%.

The consolidated turnover of the company including its subsidiaries and Joint Ventures amounts to Rs.19759.45 Million and the profit after tax on consolidated basis comes to Rs.915.92 Million. There is a reduction in the profitability on a consolidated basis which is mainly due to the fact that one of the subsidiaries, viz. CCCL Infrastructure Ltd., is yet to start its operations.

### 2. DIVIDEND:

Keeping in mind the overall performance and the prospects for your company, the Directors wish to recommend dividend at Rs.0.50 per share of face value Rs.2/-, entailing a payout of Rs 92.38 Million. The corporate dividend tax amounts to Rs 15.70 Million. The dividend if approved, would be paid to all the members whose names appear in the list of members as of record date, i.e. 17th June 2010.

### 3. i) Management:

The Board focuses on improvement in every area of operation with transparency in its activities, and emphasis on quality outputs. It ensures that the principles of corporate governance are adhered to strictly. There were no changes in the composition of the Board during the current year. Two of the directors are retiring in the ensuing Annual General Meeting and are eligible for reappointment.

### ii) Corporate Social Responsibility:

The Board also emphasizes on corporate social responsibility and towards this, 39th National Safety Day was celebrated on 4th March 2010 at various project sites. Safety awareness demonstration was conducted at Dhanalakshmi Srinivasan Medical College Site at Perambalur and Safety Pledge was taken at Vedanta Township site at Orissa. Best Safety Worker Awards were presented to workmen employed at Chennai Airport Cargo Site, Mahindra Automotive Limited