



Annual Report

2009-2010

Maytas Infra Limited



Maytas House - Headquarters of Maytas Infra Limited

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Board of Directors

Ravi Parthasarathy
Vimal Kishore Kaushik
Ved Jain
Anil Kumar Agarwal
Arun K. Saha
Karunakaran Ramchand

Company Secretary

G. Venkateswar Reddy

Auditors

S. R. Batliboi & Associates
Chartered Accountants
Oval Office, 18, i Labs Centre
Hitech City, Madhapur
Hyderabad – 500 081

Bankers

Allahabad Bank
Axis Bank Limited
Bank of India
Bank of Maharashtra
BNP Paribas
ICICI Bank Limited
IDBI Bank Limited
Indian Overseas Bank
Kotak Mahindra Bank Limited
Punjab National Bank
Standard Chartered Bank
State Bank of Hyderabad
State Bank of India
Vijaya Bank

Registrar & Share Transfer Agent

Karvy Computershare Private Limited
No. 17-24, Vittalrao Nagar, Madhapur
Hyderabad – 500 081
Telephone No. 040-23420819 to 24
Fax No. 040-23420814, Email ID: einward.ris@karvy.com

Registered Office

6-3-1186/5/A, IIIrd Floor
Amogh Plaza, Begumpet, Hyderabad – 500 016
Tel: +91-40-40409333; 23408100
Fax: 040-23401107
www.maytasinfra.com

Notice

NOTICE is hereby given that the Twenty-second Annual General Meeting of the Members of Maytas Infra Limited will be held on Thursday the 23rd day of September, 2010 at 11.00 a.m. at KLN Prasad Auditorium, 3rd Floor, The Federation of Andhra Pradesh Chambers of Commerce and Industry, FAPCCI House, 11-6-841, Red Hills, Hyderabad – 500 004 to transact the following business:

ORDINARY BUSINESS :

- (1) To receive, consider and adopt the Audited Balance Sheet as at March 31, 2010, the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and the Auditors thereon.
- (2) To appoint a Director in place of Mr. Ravi Parthasarathy, who retires by rotation and, being eligible, offers himself, for re-appointment.
- (3) To consider, and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s SR Batliboi & Associates, Chartered Accountants, Institute of Chartered Accountants of India, Registration Number 101049W, be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting at a remuneration as may be determined by the Board of Directors of the Company".

SPECIAL BUSINESS :

- (4) To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification(s) or re-enactment thereof (the Act), relevant provisions of the Articles of Association of the Company, Mr. Vimal Kaushik be and is appointed as Managing Director of the Company for a period of three years with effect from January 8, 2010, on following terms and conditions, with authority delegated to the Board of Directors or Remuneration Committee thereof (hereinafter referred to as "the Board") to alter, vary and revise the terms of the said appointment subject to the relevant provisions of the Act.

(a) Consolidated Salary : Rs. 15,00,000/- per month.

(b) Perquisites : In addition to the Consolidated Salary, the Managing Director shall also be entitled to the following perquisites :

- (i) Company provided unfurnished accommodation. In case no accommodation is provided, House Rent Allowance @ Rs. 93,750/- per month.
- (ii) Chauffeur driven car as per Company policy. In case MD does not wish to avail of this facility, he may avail of an all inclusive lump-sum Vehicle Allowance @ Rs. 45,000/- per month in lieu of the Company car. The use of car for private purposes will be billed by the Company.
- (iii) Leave Travel Allowance @ Rs. 31,000/- per annum.
- (iv) Medical Reimbursement @ Rs. 27,000/- per annum.
- (v) House Maintenance Allowance @ Rs. 30,000/- per annum.
- (vi) Lunch coupons @ Rs. 24,000/- per annum
- (vii) A Mobile phone, a landline telephone / fax at residence. However, personal long distance calls will be billed by the Company.
- (viii) One Club Membership. This does not include Life Membership fees.
- (ix) Personal Accident Insurance Policy as may be approved by the Board from time to time.
- (x) Medclaim Insurance Policy for Managing Director,

his spouse (if dependent), two dependent children below the age of 24 and dependent parents. The premium of the policy should be Rs. 45,000/- per annum (approx).

- (xi) All payments to Managing Director are subject to Deduction of Tax at Source in terms of applicable statutory provisions from time to time.
- (c) Performance Related Pay/ Incentive : Such remuneration by way of performance based rewards/ incentives, in addition to the above salary and perquisites, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board at the end of each financial year, subject to the overall ceilings stipulated in Sections 198 and 309 of the Act, including amendments thereto.
- (d) Minimum Remuneration : Notwithstanding anything to the contrary herein contained where in any financial year the currency of tenure of Managing Director, the Company has no profits or its profits are inadequate, remuneration by way of salary, performance based rewards/ incentive and perquisites shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule XIII of the Act, whichever is lower, unless otherwise determined by the Board, subject to approval of the MCA, if required.

Explanation : For the purpose of calculating the limit under the Act, perquisites, allowances shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such rules, the perquisites, allowances shall be evaluated at the actual cost. Leave Encashment will not be included in the computation of the ceiling on perquisites.

- (e) General Conditions :

- (i) The total remuneration payable to the Managing Director along with other Whole-time Directors of the Company, if any, shall not exceed 10% of the net profits during any financial year. In case there are no other Whole-time Director, the total remuneration payable to the Managing Director shall not exceed 5% of the net profits during any financial year or such other limit as may be prescribed by the Central Government.
- (ii) The Managing Director shall not be liable to retire by rotation.
- (iii) The Managing Director shall not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof.
- (iv) The Managing Director shall be entitled to such other privileges, allowance, facilities and amenities in accordance with rules and regulations as may be applicable to other employees of the Company or as may be decided by the Board, within the overall limits prescribed under the Act.
- (v) Mr. Vimal Kaushik will cease to be Director on cessation of his employment with the Company.
- (vi) Managing Director, during the tenure of his appointment or after completion of the services/ contract, will not disclose any proprietary, confidential or classified information relating to the Project/activities/tasks, business or operations of the Company, without the written consent of the Board.

- (vii) During the tenure of his appointment, the Managing Director will not engage, either directly or indirectly, in any other business or professional activities, whether or not it may conflict with the business activities or business prospect of the Company, without the written consent of the Board”.

“RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company, be and is hereby authorised, jointly or severally, to take all necessary steps to give effect to the foregoing resolution including but not limited to :

- Apply/represent the case before the Ministry of Corporate Affairs, Government of India, or any other statutory/regulatory authority(ies) whenever any approval is required.
- Sign, correspond and liaison with the concerned authorities for and on behalf of the Company.
- Issue of public notice in terms of the provisions of the Companies Act, 1956”.

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

“RESOLVED THAT pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 (the Act), consent of the Company be and is hereby accorded to the Board of Directors of the Company and/or committee thereof (hereinafter referred to as “the Board”) to create mortgages and/or charges on all or any of the assets and properties, immovable and movable, both present and future including the undertaking of the Company (and including the Company’s interest as mortgagee in various properties belonging to the borrowers of the Company or otherwise) and including floating charge/ assignment or hypothecation on a pari passu basis over the Company’s book debt/s, receivables, actionable claims, outstanding loans and advances and other assets and properties of the Company and including mortgages or charges over the specific security as agreed upon between the Company and the concerned lenders, with interest thereon at the respective agreed rates, penal/ additional interest liquidated damages, costs, charges, expenses and/or monies, if any, due thereon, monies on the aforesaid securities already borrowed or to be borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) over the aggregate of the Paid-up Capital and Free Reserves of the Company upto Rs. 5,000 Crores or such other amount as the borrowing power of the Company, determined by the Members of the Company, pursuant to Section 293(1)(d) of the Act from time to time”.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise and execute all such documents for creating the aforesaid mortgage and/or charge and on such terms and conditions as may be deemed fit, proper or appropriate in their absolute discretion and do all such acts, things and matters as may be necessary for giving effect to the foregoing Resolution”.

- (6) To consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, (“SEBI (ICDR) Regulations 2009”) and other applicable Rules, Regulations and Guidelines, if any, prescribed by the

Securities and Exchange Board of India (“the SEBI”), the Reserve Bank of India (the “RBI”), Stock Exchanges and/or any other regulatory authorities and in terms of the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and subject to such approvals, consents, permissions and/or sanctions, if any of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/ or sanction and which may be agreed to, consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company and / or Committee thereof (hereinafter referred to as the Board”), to create, offer, issue, allot and deliver equity shares not exceeding 4,00,000 (Four Lakh only) of Rs.10/- (Rupees Ten only) each, at a price to be decided upon in accordance with SEBI (ICDR) Regulations 2009, in addition to the existing paid up equity share capital, in one or more tranches, to the various Bankers of the Company, details whereof are provided in the Explanatory Statement to this Notice, through preferential issue in such manner and on terms, conditions and price as may be determined by the Board in accordance with Chapter VII of the SEBI (ICDR) Regulations 2009 or other applicable Statutory provisions, rules or regulations”.

“RESOLVED FURTHER THAT the Relevant Date for the purpose of determining the price of the equity shares will be the date of Final CDR Empowered Group Meeting held for approving the CDR Package, being June 4, 2010 in terms of relevant provisions of SEBI (ICDR) Regulations 2009 as amended from time to time”.

“RESOLVED FURTHER THAT the Equity shares to be allotted shall be subject to lock-in requirements as prescribed by the SEBI (ICDR) Regulations 2009 as amended from time to time”.

“RESOLVED FURTHER THAT all equity shares proposed to be allotted pursuant to this resolution shall be listed on the Stock Exchanges on which existing equity shares of the Company are listed”.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to decide the date for the issue of equity shares, finalise the allotment of the equity shares on the basis of the subscriptions received, finalise and arrange for the submission of any documents with any Government and Regulatory Authorities, Institutions or Bodies, as may be required and applicable, decide the pricing and terms and conditions of the equity shares, and all other related matters, as per applicable laws, regulations or guidelines for the time being applicable, decide the number of equity shares to be issued, and determination of the price of the shares in accordance with the SEBI (ICDR) Regulations 2009, authorise any Director(s) or other Officer or Officer(s) of the Company, including power of attorney holder in this regard, to do such acts, deeds and things in connection with and incidental thereto, as the authorized person at the Board’s absolute discretion and as may deem fit and necessary or desirable in connection with the issue and allotment of the equity shares, to seek listing of the equity shares on any stock exchanges at which the equity shares of the Company already listed and proposed to be listed in future, submitting the listing applications to such stock exchange(s) and taking all necessary actions that may be required in connection with the obtaining of such listing approvals and to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable”.

“RESOLVED FURTHER THAT all the equity shares proposed to be allotted pursuant to this Resolution shall be subject to Memorandum and Articles of Association of the Company and rank pari passu with the existing equity shares of the Company in all respects including for payment dividend”.

"RESOLVED FURTHER THAT such of these equity shares to be issued in case not subscribed be disposed of by the Board to such persons and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Company including offering or placing them with other Banks / Financial Institutions/ Investment Institutions / Mutual Funds / Foreign Institutional Investors or such other persons or otherwise as the Board may in its absolute discretion decide".

"RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolutions, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may at their sole discretion deem necessary, desirable or expedient to the issue and allotment of equity shares and listing of the equity shares with the stock exchange(s) on which the Company's equity shares are listed as well as to resolve and settle any question, difficulty or doubt that may arise in regard to issue, offer and allotment of equity shares, without being required to seek any further consent or approval of the Shareholders".

- (7) To consider and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, ("SEBI (ICDR) Regulations 2009") and other applicable Rules, Regulations and Guidelines, if any, prescribed by the Securities and Exchange Board of India ("the SEBI"), the Reserve Bank of India (the "RBI"), Stock Exchanges and/or any other regulatory authorities and in terms of the Listing agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, and subject to such approvals, consents, permissions and/or sanctions, if any of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/ or sanction and which may be agreed to by the Board, consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company and/or Committee thereof (hereinafter referred to as "the Board"), to create, offer, issue, allot and deliver not exceeding 5,00,000 (Five Lakhs only) 6% Cumulative Redeemable Preference Shares (CRPS) of Rs.100/- (Rupees One hundred only) each aggregating to Rs.5,00,00,000/-

(Rupees Five Crores only), in one or more tranches, to the various Bankers of the Company, details whereof are provided in the Explanatory Statement to this Notice, through preferential issue in such manner and on such terms, conditions and price as may be determined by the Board in accordance with Chapter VII of the SEBI (ICDR) Regulations 2009 or other applicable statutory provisions, rules and regulations".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to decide the date for the issue of CRPS, finalise the allotment of the CRPS on the basis of the subscriptions received, finalise and arrange for the submission of any documents with any Government and Regulatory Authorities, Institutions or Bodies, as may be required and applicable, decide the pricing and terms and conditions of the CRPS, and all other related matters, as per applicable laws, regulations or guidelines for the time being applicable, decide the number of CRPS to be issued, and determination of the price in accordance with the SEBI (ICDR) Regulations 2009, authorise any Director(s) or Officer(s) of the Company, including any power of attorney holder granted in this regard, to do such acts, deeds and things in connection with and incidental thereto, as the authorized person at his absolute discretion may deem fit and necessary or desirable in connection with the issue and allotment of the CRPS".

"RESOLVED FURTHER THAT pursuant to the foregoing CRPS issued but not subscribed be disposed of by the Board, to such persons and in such manner and on such terms as the Board may in its absolute discretion think beneficial to the Company including offering or placing them with other Banks/ Financial Institutions/ Investment Institutions / Mutual Funds/ Foreign Institutional Investors or such other persons without being required to seek any further consent or approval of the Shareholders".

"RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing Resolutions, the Board, be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may at their sole discretion deem necessary, desirable or expedient to the issue and allotment of CRPS and to resolve and settle any question, difficulty or doubt that may arise in regard to any such issue, offer and allotment of CRPS, without being required to seek any further consent or approval of the Shareholders"

By order of the Board
For Maytas Infra Limited

Place : Mumbai
Date : July 30, 2010

G. Venkateswar Reddy
Company Secretary

NOTES:

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 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. THE PROXIES TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. BLANK FORM IS ATTACHED.
- (2) The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business set out above is annexed hereto and forms part of the Notice.
- (3) Details required under Clause 49 of the Listing Agreement with Stock Exchanges in respect of Directors seeking appointment / re-appointment at the Annual General Meeting are incorporated in the Report on Corporate Governance forming part of this Annual Report.
- (4) Members / Proxies are requested to hand over the enclosed Attendance Slip duly filled in, at the entrance for attending the meeting.
- (5) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf in the meeting.
- (6) Documents referred to in the accompanying Notice and Explanatory Statement are available for inspection at the Registered Office of the Company during office hours between 11 a.m. and 5.00 p.m. on all working days prior to the date of the Annual General Meeting.
- (7) The Register of Members and Share Transfer Books of the Company will remain closed from September 20, 2010 to September 23, 2010 (both days inclusive) for the Annual General Meeting.
- (8) Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and to the Registrars of the company i.e. Kany Computershare Private Limited, Plot No. 17-24 Vittal Rao Nagar, Madhapur, Hyderabad – 500 081 in respect of their physical share folios, if any.
- (9) Shareholders are requested to bring their copies of Annual Report to the Annual General Meeting.
- (10) Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
- (11) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

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

Item No. 4 :

At the Meeting of the Board of Directors of the Company held on January 8, 2010, Mr. Vimal Kishore Kaushik has been appointed as Managing Director of the Company in terms of Section 269 of the Companies Act, 1956 (the Act) for a period of three years effective January 8, 2010.

Since the Company has incurred losses for Financial Year 2008-09, in terms of provisions of Clause B of Section II of Part II of Schedule XIII of the Act, the Company is paying Managerial Remuneration as per ceiling prescribed under the schedule. Moreover as per

Schedule XIII provisions the concerned Company would be required to fulfill the following pre-conditions :

- (a) the Remuneration is approved by the Remuneration Committee;
- (b) the Company has not defaulted in repayment of any of its debts for a continuous period of 30 days in the preceding Financial Year before the date of such appointment; and
- (c) the appointment is approved by the Shareholders of the Company through a special resolution.

Since the Company has defaulted repayment of loans to Banks/ Financial Institutions, the appointment of Managing Director would require the approval of Central Government. The Company had approached the Central Government to seek requisite approval for appointment of Managing Director and payment of managerial remuneration in terms of his terms of appointment.

Brief Profile of Mr. Vimal Kishore Kaushik

Mr. Vimal Kishore Kaushik is an engineer from Madhav Institute of Technology, Gwalior. He was associated with Punj Lloyd for 37 years where he handled responsibilities in operations both in India and abroad. Beginning his career in air-conditioning, Mr. Vimal Kaushik moved to the specialised field of acoustical insulation of aero engine test beds for fighter and jumbo engines. He was in charge of insulation and painting projects in Algeria, Iraq, Sudan and Kuwait for eight years. In his capacity as an Executive Director at Punj Lloyd, he is credited for setting up the prestigious pipe coating yard at Kandla. At Punj Lloyd, Mr. Vimal Kaushik led the complete operations of the Company with responsibility for all the SBUs - Pipelines, Tankage & Terminals, Turnkey and Composite Construction, Civil Construction and Telecom.

Other Information :**(a) General Information :**

- (i) Nature of Industry : Construction & Infrastructure Development.
- (ii) Date or expected date of commencement of commercial production: Not applicable since the Company is an existing Company.
- (iii) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not applicable.
- (iv) Financial performance of the Company.

(Rs. in lakhs)

Particulars	FY 2008-09	FY 2007-08	FY 2006-07
Total Income	139246.35	167015.27	61252.29
Total Expenditure	185430.92	153559.34	53368.29
Profit/(Loss) After Tax	(48978.77)	9964.05	5311.99

Other Financial Data	FY 2008-09	FY 2007-08	FY 2006-07
Dividend (%)	-	15%	10%
Earning Per Share	(83.23)	18.44	10.62
Return on Networth	-	15.26	20.02

- (v) Foreign Investments or collaborators, if any : NIL

(b) Information about the Managing Director :**(i) Background Details.**

Mr. Vimal Kishore Kaushik is an engineer from Madhav Institute of Technology, Gwalior. He was associated with Punj Lloyd Limited, a renowned engineering corporate for 37 years where he handled responsibilities in operations both in India and abroad.

(ii) **Past Remuneration :**

S.No.	Name of the Organization	Period	Amount/Rs.
1.	Punj Lloyd Ltd.	2006-07	89,50,450
2.	Punj Lloyd Ltd.	2007-08	2,12,62,374
3.	Punj Lloyd Ltd.	2008-09	4,03,42,102

(iii) **Details of Remuneration paid:**

During the Financial Year **2009-10**, an amount of Rs.12 lakhs was paid to Mr.Vimal Kishore Kaushik, pending approval of Central Government for the remuneration proposed in the resolution.

- (iv) Job Profile and his suitability and comparative remuneration profile with respect to industry, size of the company, profile of the position & person.

Position Description	Person Description & suitability	Market benchmark in compensation
Managing Director	Mr. Vimal Kishore Kaushik is an engineer from Madhav Institute of Technology, Gwalior. He was associated with Punj Lloyd for 37 years where he handled responsibilities in operations both in India and abroad. Beginning his career in air-conditioning, Vimal Kaushik moved to the specialised field of acoustical insulation of aero engine test beds for fighter and jumbo engines. He was in charge of insulation and painting projects in Algeria, Iraq, Sudan and Kuwait for eight years. In his capacity as an Executive Director at Punj Lloyd, he is credited for setting up the prestigious pipe coating yard at Kandla. While at Punj Lloyd, Mr. Vimal Kaushik led the complete operations of Punj Lloyd with responsibility for all the SBUs - Pipelines, Tankage & Terminals, Turnkey and Composite Construction, Civil Construction and Telecom.	For Organizations with turnover range of Rs. 1000 and employee strength of 1,000- the remuneration of the Managing Director is in the range of Rs. 2.5 Cr. to Rs. 3.5 Crs. p.a.

(c) **Other Information :**

(i) **Reason of loss or inadequate profit :**

The Company has reported a turnover of Rs. 1,335 Crores for the year ended March 31, 2009 as against Rs. 1,637 Crores for the Previous Year, a reduction of 18.47%. The Company has reported a net loss of Rs. 489.79 Crores as against net profit of Rs. 99.64 Crores of the Previous Year.

The losses for the year are broadly on account of un-absorbed fixed expenses like personnel cost, interest, depreciation and administrative costs and secondly due to low level of operations against planned for the year. During the year, the Company has also provided a notional loss on account of restatement of foreign currency loans and various provisions created and write offs against advances. The Company has also recorded the share of loss from joint venture contracts as against profits accrued in the previous year. There are losses on account of variations in the work done and client not certifying the work done by the Company and levy of Liquidated Damages and encashment of Performance Bank Guarantees by clients in certain cases.

(ii) **Steps taken or proposed to be taken for improvement & expected increase in productivity and profits in measurable terms:**

The Company, at present, has an order book of approx Rs. 7500 Crores in the Irrigation, Power, Roads, Buildings and Railways sectors with bulk of them approx Rs. 6000 Crores in the Irrigation Sector and Rs. 1500 Crores distributed among all the other sectors. With a four years equivalent order book in hand, MIL is confident of rebuilding itself, with its qualifications intact, once the bank facilities are restored

As part of the rebuilding exercise, the Company is working closely with its new Promoters, IL&FS who have significant presence across all major verticals in Infrastructure Sector. The immediate objective is to restore credibility with all Stakeholders, namely, Customers, Bankers, Government and its Agencies, Joint Venture Partners and Others.

The Company has been able to attract the Saudi Binladin Group (SBG) of Saudi Arabia as a Strategic Partner in the Company. SBG would be investing 20% in the equity share capital of MIL at Rs. 195.30 per share leading to an investment of around Rs. 300 crores.

The participation of the SBG Group as Co-Promoter in MIL envisages creation of a strong amalgam of technological and financial resource pools with a diversified presence across the entire infrastructure and contracting space. This will enable MIL rebuild its strengths in the EPC space through a steady flow of contracts, agglomeration of execution capacity, access to the Indian infrastructure space and servicing of large value national and international projects. IL&FS and SBG Group have agreed to work closely and provide business support to MIL over a period of time.

With the induction of SBG, MIL is now well poised to systematically exploit niche segments of the EPC business. The Company should be in a position to diversify its geographical and sectoral mix and introduce newer and more efficient processes and solutions to its customers. This would result in improved delivery times, cost savings and better quality of product. With these build blocks in place, MIL would be able to stage a quicker turnaround of operating and financial performance.

(d) **Disclosures :**

The remuneration proposed to be paid to Mr.Vimal Kishore Kaushik was as stated above.

The Board recommends the resolution for the approval of the Members.

Except Mr. Vimal Kishore Kaushik, none of the Directors of the Company may be deemed to be concerned or interested in the resolutions.

The terms and conditions as set out in Resolution No 4 above should also be treated as an Abstract of Memorandum of Interest under Section 302 of the Companies Act, 1956.

Item No. 5:

The borrowings by a Company, in general, is required to be secured by mortgage or charge on all or any of the movable or immovable properties of the Company in such form and manner as may be determined by the Board of Directors of the Company or Committee thereof from time to time, in consultation with the lender(s).

The mortgage and/or charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company, to secure borrowings of the Company, with a power to the charge holders to take over the management of the business and concern of the Company in certain events of default, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 293(1)(a) of the Companies Act, 1956. Hence, it is necessary for the Members to pass a resolution under the said Section.

The Directors recommend the resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members in terms of relevant provisions of the Companies Act, 1956.

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

Item No.6 and 7 :

At the Extra-ordinary General Meeting of the Company held on July 19, 2010 approval was obtained to issue Equity Shares and 6% Cumulative Redeemable Preference Shares (CRPS) to various CDR Lenders of the Company as follows :

- (a) up to 28,20,000 Equity shares of Rs. 10 each on preferential basis , at a price to be determined in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009
- (b) up to 55,00,000 6% Cumulative Redeemable Preference Shares (CRPS) of Rs. 100 each as per details provided in the Resolution subject to relevant provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009.

The above shares were proposed to be issued against Funded Interest Term Loan (FITL). However, the above quantum of shares would not be sufficient to extinguish the entire FITL. The Board of Directors of the Company, on a comprehensive review, proposed to offer additional 4,00,000 Equity Shares of Rs.10/- each at a price to be decided upon as per the SEBI (ICDR) Regulations 2009 and an additional 5,00,000 – 6% Cumulative Redeemable Preference Shares (CRPS) of Rs.100/- at par to the CDR Lenders in order to enable the Company to completely convert the FITL into Share Capital of the Company. In view of this, the approval of Members is requested to issue and allot the requisite number of additional shares against the conversion of entire FITL into Share Capital of the Company.

The 'Relevant Date' for the purpose of fixation of price for equity shares will be the date of Final CDR Empowered Group Meeting held for approving the CDR Package, being June 4, 2010 and in terms of the SEBI (ICDR) Regulations 2009 as amended from time to time.

Disclosure under Regulation 73(1) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, regarding proposed issue and allotment of equity shares and specified securities as preferential allotment :

- (a) The objects of the preferential issue. The equity shares and preference shares are proposed to be issued with an objective of complying with the Corporate Debt Restructuring requirements.
- (b) The proposal of the promoters, directors or key management personnel of the issuer to subscribe to the offer. The promoters, directors or key management personnel do not propose to subscribe to the offer. The offer is meant for only to the Bankers of the Company pursuant to the CDR Scheme.
- (c) The shareholding pattern of the issuer before and after the preferential issue.

S.No.	Category	Pre-preferential holding (as on July 16, 2010)		Equity shares to be allotted up to a maximum of	Post-Preferential issue shareholding after proposed allotment of equity shares		Preference Shares (CRPS) to be allotted up to a maximum of
		(iii)	(iv) %		(vi)	(vii) %	
A.	Promoters' Shareholding						
	a. Indian	21778624	37.01		21778624	28.09	
	b. Foreign			15459133*	15459133*	19.94	
	Sub-Total (A)	21778624	37.01		37237757	48.03	
B.	Public Shareholding						
	1. NRIs/FIIs/OCBs	3281798	5.58		3281798	4.23	
	2. Govt./Banks/ Mutual Funds	3261876	5.54		3261876	4.21	
	3. CDR Consortium Banks**	0		3220000#	3220000#	4.15	6000000@
	4. General Public Shareholding						
	a. Bodies Corporate	17472693	29.69		17472693	22.54	
	b. Individuals	13055865	22.18		13055865	16.84	
	Sub-Total (B)	37072232	62.99		40292232	51.97	
C.	Custodian for GDRs						
	GRAND TOTAL	58850856	100.00	18679133	77529989	100.00	6000000@

* Pursuant to the Resolution No.2 of the Notice of Extra-Ordinary General Meeting held on July 19, 2010.

** CDR Consists of 10 banks, namely Allahabad Bank, Bank of India, Bank of Maharashtra, ICICI Bank, IDBI Bank, Indian Overseas Bank, Punjab National Bank, State Bank of Hyderabad, State Bank of India and Vijaya Bank.

Including issue of 28,20,000 equity shares to the CDR Lenders as approved by the Members in the Extra-Ordinary General Meeting held on July 19, 2010.

@ Including issue of 55,00,000 - 6% Cumulative Redeemable Preference Shares (CRPS) to the CDR Lenders as approved by the Members in the Extra-Ordinary General Meeting held on July 19, 2010.

Note: The pre-issue shareholding has been calculated, based on the shareholding of the Company as on July 16, 2010 and post issue is after allotment of shares pursuant to the above resolutions together with the resolutions passed vide Resolution Nos.2 and 3(A) in the Extra-ordinary General Meeting held on July 19, 2010.

(d) The time within which the preferential issue shall be completed.

The allotment of the equity shares will be completed as per SEBI (ICDR) Regulations, 2009.

The certificate from the Statutory Auditors of the Company stating that the issue is being made in accordance with the requirements of SEBI (ICDR) Regulations 2009 including fixation of issue price as per the SEBI (ICDR) Regulations 2009, will be placed before the Annual General Meeting proposed to be held on September 23, 2010 for verification of Members.

(e) The identity of the proposed allottee, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue.

S.No.	Name and addresses of the proposed allottees	Pre-preferential holding (as on July 16, 2010)	Equity shares to be allotted up to a maximum of	Post-Preferential issue shareholding after proposed allotment of equity shares		Preference Shares (CRPS) to be allotted up to a maximum of
1.	CDR CONSORTIUM BANKS					
2.	Allahabad Bank					
3.	Bank of India					
4.	Bank of Maharashtra					
5.	ICICI Bank Limited					
6.	IDBI Bank Limited	Nil	3220000*	3220000*	4.15%	6000000@
7.	Indian Overseas Bank					
8.	Punjab National Bank					
9.	State Bank of Hyderabad					
10.	State Bank of India					
	Vijaya Bank					

* Including issue of 28,20,000 equity shares to the CDR Lenders as approved by the Members in the Extra-Ordinary General Meeting held on July 19, 2010.

@ Including issue of 55,00,000 – 6% Cumulative Redeemable Preference Shares (CRPS) to the CDR Lenders as approved by the Members in the Extra-Ordinary General Meeting held on July 19, 2010.

There will neither be any change in the composition of the Board nor any change in the control of the Company on account of the proposed preferential issue. However, there will be corresponding change in the shareholding pattern as well as voting rights consequent to preferential issue.

(f) An undertaking that the issuer shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.

The Company undertakes that it shall re-compute the price of the specified securities in terms of the provisions of these regulations where it is required to do so.

(g) An undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

The Company undertakes that if the amount payable on account of the re-computation of price, if any, is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

By order of the Board
For Maytas Infra Limited

Place : Mumbai
Date : July 30, 2010

G. Venkateswar Reddy
Company Secretary