



14th ANNUAL REPORT 2009-10

Cover : 100 million liters per day Water Desalination Plant at Chennai in operation. An IVRCL Project.

BOARD OF DIRECTORS

E. SUDHIR REDDY
Chairman

E.SUNIL REDDY
Vice Chairman & Managing Director

T.N. CHATURVEDI
Director

S.RAMACHANDRAN
Managing Director
(BOOT Projects)

R. BALARAMI REDDY
Director

V.MURAHARI REDDY
Director

G. ANANTH SENA REDDY
Director

P.R. TRIPATHI
Director

A.S.PARDHA SARADHI
Company Secretary

STATUTORY AUDITORS

M/s. Chaturvedi & Patners
203, Kushal Bazar,
32-33, Nehru Place,
New Delhi - 110 019.

M/s.S.R.Batliboi & Associates
Oval Office, 18, Ilabs Centre,
Hi tech City, Madhapur,
Hyderabad - 500 081.

INTERNAL AUDITOR

T. Vijay Kumar
Chartered Accountant
Plot # 101, Jyothi Pride Apts.
P.S. Nagar, Masab Tank
Hyderabad – 500 028.

REGISTRARS & TRANSFER AGENTS

M/s. KARVY Computershare Private Ltd
17-24, Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081.

- | | |
|----------------------------|------------------------|
| ○ IDBI Bank | ○ HDFC Bank |
| ○ ICICI Bank | ○ Indian Overseas Bank |
| ○ Indus Ind Bank | ○ Karnataka Bank |
| ○ Kotak Mahindra Bank | ○ State Bank of India |
| ○ Tamilnad Mercantile Bank | ○ Axis Bank |

BANKERS

REGISTERED OFFICE

M-22/3RT,
Vijayanagar Colony, Hyderabad – 500 057
Andhra Pradesh
Ph: 91-40-23352961
Fax: 91-40-23354482

CORPORATE OFFICE

MIHIR, 8-2-350/5/A/24/1-B&2,
Road No.2, Panchavati colony
Banjara Hills, Hyderabad- 500 034
Andhra Pradesh

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FORWARD LOOKING STATEMENT

This communication contains statements that constitute “forward looking statements” including without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to our future business developments and economic performance.

While these forward looking statements represent our judgements and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors including but are not limited to, generated market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial condition of third parties dealing with us, legislative developments, and other key factors that have been indicated could adversely affect our business and financial performance.

IVRCL Assets & Holdings Ltd undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances.

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Fourteenth Annual General Meeting of the Members of IVRCL Assets & Holdings Limited will be held on Saturday the 18th day of September 2010 at 3.30 P.M. at Hotel Fortune Katriya, Somajiguda, Hyderabad - 500 082 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit & Loss Account for the year ended March 31, 2010, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors attached thereto.
2. To appoint a Director in place of Mr. E.Sudhir Reddy, Director, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. T.N.Chaturvedi, Director, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.

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 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s Chaturvedi & Partners, Chartered Accountants, and M/s. S. R. Batliboi & Associates, Chartered Accountants, the retiring Auditors be and are hereby re-appointed as Joint Statutory Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of the next annual general meeting and that the Board of Directors of the Company be and are hereby authorised to fix the remuneration payable to them in addition to reimbursement of all out-of pocket expenses in connection with the audit of the accounts of the Company .”

SPECIAL BUSINESS:

5. **To appoint Mr. S Ramachandran as Director of the Company**

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

“RESOLVED THAT Mr. S.Ramachandran , who was appointed as an Additional Director of the Company with effect from April 14, 2010 pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member proposing his candidature for the office of director, be and is hereby appointed as Director of the Company.”

6. **To appoint Mr. V.Murahari Reddy as Director of the Company**

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

“RESOLVED THAT Mr. V.Murahari Reddy, who was appointed as an Additional Director of the Company with effect from April 14, 2010 pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member proposing his candidature for the office of director, be and is hereby appointed as Director of the Company, liable to retire by rotation.”

7. **Variation in the remuneration of Mr.S.Ramachandran, Managing Director (BOOT Projects)**

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 Sections 198, 269, 309 and 311 read with Schedule XIII and other applicable provisions if any, of the Companies Act 1956, and subject to statutory approvals if any, the terms of remuneration of Mr. S Ramachandran, Managing Director (BOOT Projects) be modified, with effect from 14th April, 2010 for the remaining period of his present term of appointment as follows

- I. SALARY: Rs. 3,16,500 /- p.m.
(Basic Salary: Rs.1,97,813/- p.m. and Allowances : Rs.1,18,687/- p.m.)
- II. Leave Travel Assistance at the rate of one month's basic salary per annum.

- III. Reimbursement of medical expenses at the rate of one month's basic salary per annum.
- IV. Provident fund at the rate of 12% of basic salary.
- V. Super-annuation benefits equivalent to one month's basic salary per annum at the discretion of the Compensation Committee of the Board of Directors.
- VI. Gratuity as per rules of the Company
- VII. Free telephone facility at residence and mobile phone but personal long distance calls will be billed to the appointee.
- VIII. Provision for Car in accordance with the Employee Car Scheme formulated by the Compensation Committee and as amended from time to time.

"RESOLVED FURTHER THAT the other terms of appointment as approved by the members of the

company by way of special resolution at the Extraordinary General Meeting of the Company held on 10th May, 2010 shall remain unaltered being within the provisions of schedule XIII of the Companies Act, 1956".

"RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during Mr. S. Ramachandran's term of office as Managing Director, the remuneration and perquisites be paid as minimum remuneration, subject to the overall limits specified in Schedule XIII of the Companies Act, 1956."

By order of the Board of Directors

A.S.Pardha Saradhi
Company Secretary

Registered Office :

M-22/3RT, Vijaynagar Colony,
Hyderabad-500057, Andhra Pradesh
Date: 29.05.2010

NOTES:

- 1. A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy need not be a member of the Company. The proxy forms to be valid should be deposited at the Registered office of the Company at least 48 hours before the commencement of the meeting.
- 2. A Member desirous of seeking any information on the accounts or operations of the Company is requested to forward his / her query in writing to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
- 3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out all material facts in respect of Items 5,6,7 is attached and the Statement of particulars of Directors seeking reappointment as required under Clause 49 of the listing agreement is enclosed.
- 4. Members may please bring the Admission Slip duly filled in and may hand over the same at the entrance of the Meeting Hall.
- 5. Members, who hold shares in dematerialized form, are requested to bring their depository account number (Client ID No) for easier identification and recording of attendance at the meeting.
- 6. The Register of Members and Share Transfer Books of the Company shall be closed from 14th September, 2010 to 18th September, 2010 (both days inclusive).

- 7. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
- 8. Pursuant to the provisions of Section 205A (5) of the Companies Act, 1956 as amended, read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules 2001, dividend which remains unpaid or unclaimed for a period of 7 (seven) years will be transferred to the Investor Education and Protection Fund. Shareholders/Investors who have not encashed the dividend warrant(s) so far are requested to make their claim by specifying their Folio No. / DP ID and Client ID to the Secretarial Department, MIHIR, Road No 2, Banjara Hills, Hyderabad - 500 034. Shareholders are requested to please note that once the unclaimed dividend is transferred to the Investor Education and Protection Fund as above, no claim shall lie in respect thereof.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No.5,6

Appointment of Mr. S.Ramachandran and Mr. V.Murahari Reddy as Directors of the Company

The Board of Directors of the Company under Section 260 of the Companies Act, 1956 and the Articles of Association of the Company, appointed Mr. S.Ramachandran and Mr. V.Murahari Reddy as Additional Directors of the Company with effect from 14th April, 2010.

In terms of Section 260 of the Act, Mr. S.Ramachandran and Mr. V.Murahari Reddy hold office up to the date of this Annual General Meeting. The Company has received notice(s) in writing from members along with a deposit of Rs. 500/- each, proposing the candidatures of Mr. S.Ramachandran and Mr. V.Murahari Reddy for the office of Director of the Company under Section 257 of the Act.

Mr. S.Ramachandran and Mr. V.Murahari Reddy had confirmed that they are not disqualified from being appointed as Directors under Section 274 (1) (g) of the Act.

Mr. S.Ramachandran was appointed as Managing Director (BOOT Projects) of the Company by the members at the Extra Ordinary General Meeting held on 10th May, 2010.

Approval of the shareholders is sought by way of Ordinary resolutions in the Annual General Meeting for their respective appointments as Directors. The Board recommends the resolutions for your approval.

None of the Directors except Mr. S. Ramachandran and Mr. V.Murahari Reddy are interested in the above resolution.

Item No. 7

Variation in the remuneration of Mr.S.Ramachandran, Managing Director (BOOT Projects)

At the Extraordinary General Meeting of the Company held on 10th May, 2010, Mr.S.Ramachandran was

appointed as Managing Director (BOOT Projects) of the company with effect from 14th April, 2010 for a period of three years.

The Compensation committee of the board of directors of the company at its meeting held on 29th May, 2010 made certain changes in the terms of remuneration payable to Mr. S. Ramachandran, Managing Director (BOOT Projects) for the remaining period of his present term of appointment with effect from 14th April, 2010 as stated in the resolution. Variation in the remuneration in effect results in increase in monthly remuneration from Rs.2,63,750/- p.m. to Rs. 3,16,500/- p.m.

The Board recommends the above resolution for adoption by the members.

In terms of Schedule XIII of the Companies Act, 1956 as required, an annexure giving the required information is enclosed along with this notice.

None of the directors except Mr. S. Ramachandran are interested in the above resolution.

By order of the Board of Directors

A.S.Pardha Saradhi
Company Secretary

Registered Office :

M-22/3RT, Vijaynagar Colony,
Hyderabad-500057, Andhra Pradesh
Date: 29.05.2010

Annexure:

Statement as required in terms of Schedule XIII of the Companies Act, 1956 annexed to the Notice calling for the Annual General Meeting for approval of variation in remuneration payable to Shri S Ramachandran, Managing Director (BOOT Projects)

I. General Information

1. Nature of Industry : Infrastructure Development and Construction
2. Date of Incorporation and date of commencement of commercial production : Incorporation of Company on 28th June, 1996
Commencement of Business on 10th July, 1996
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable
4. Financial performance based on given indicators : The Key performance indicators of the Company during the previous three years are given here under:
(Rs. in Lakhs)

Particulars	2007-08	2008-09	2009-10
Sales & Other Income	61,433.25	8,106.46	14,508.18
Profit before Depreciation & Tax	24,262.44	1,467.07	(746.57)
Net Profit After Tax	17,579.49	858.56	(639.86)

Note: For further details, please refer to respective Annual Reports, available on Company's website : www.ivrclholdings.com

5. Export performance and net foreign exchange earnings : NIL
6. Foreign Investments or collaborators, if any : NIL

II. Information about the Appointee Viz Mr. S. Ramachandran

1. Background details
 - i. Age : 56 Years
 - ii. Academic Qualification : B.E. (Mechanical). PGDBM from XLRI Jamshedpur
 - iii. Experience : His experience is wide ranging from Production to Materials and now in Business Development & Corporate Strategy. His Career spans over 17 years experience with the Tata Group including Tubes Division & Tata Timken Ltd. He was with Pennar Aluminum, Hyderabad for a period of 5 years and joined IVRCL to Head the Business Development & Corporate Strategy activities in the year 1999.
 - iv. Particulars of Previous Employment : His responsibilities with IVRCL Infrastructures & Projects Limited included overall in-charge of Business Development & Corporate Strategy (BD & CS) in the Company.
2. Past Remuneration : Rs. 2,63,750/- p.m.
3. Job Profile and his suitability : Mr. S. Ramachandran has been responsible for the diversification of IVRCL Infrastructures & Projects Limited into emerging infrastructure sector such as Highways, Oil & Gas, Desalination and Metro Stations. He has a wide ranging experience in initiating strategic alliances and Joint Ventures with number of overseas Companies to bid for and implement Infrastructure projects in India.
4. Remuneration proposed : Please refer Notice and the explanatory statement attached thereto.
5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person : The remuneration is comparable with that offered by similar companies.
6. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any : Mr. S. Ramachandran holds 2250 Equity Shares of the Company and except employment with the Company does not have any other pecuniary relationship directly or indirectly. He is not related to any other director of the Company or managerial personnel.

III. Other Information

1. Reasons of loss or inadequate profits : Sluggish demand for Real Estate due to recession
2. Steps taken or proposed to be taken for improvement : Restructured the operations of the Company.
3. Expected increase in productivity and profit in measurable terms : Positive results are expected.

IV. Disclosures

1. Remuneration Package of the Managerial Person : Please refer Notice and the explanatory statement attached thereto

**Details of the Directors Seeking appointment / re-appointment at the forthcoming Annual General Meeting
(Pursuant of Clause 49 of the Listing Agreement)**

Name of Director	Mr. E. Sudhir Reddy	Mr. T. N. Chaturvedi	Mr. S. Ramachandran	Mr. V. Murahari Reddy
Date of Birth	13.04.1960	15.01.1959	17.05.1953	01.07.1943
Date of Appointment	28.06.1996	25.10.2006	14.04.2010	14.04.2010
Expertise in Specific functional areas	He has over 20 years of experience in construction and engineering business and he has been appointed on the board of various companies including that of our Promoter company, IVRCL Infrastructures & Projects Limited. He has been on our Board since our incorporation.	He has nearly twenty six years of experience in the field of auditing corporate and financial restructuring, public issues, mergers, taxation and other legal issues	His experience is wide ranging from production to materials and now in Business Development & Corporate Strategy. His Career spans over 17 years experience with the Tata Group including Tubes division & Tata Timken Ltd. He was with Pennar Alluminium, Hyderabad for a period of 5 years and joined IVRCL to head the Business Development & Corporate Strategy activities in the year 1999	He is a practising consultant in Roads & Bridges and Training of Highway Engineers, Procurement Training, Institutional aspects, Dispute resolution and arbitration
Qualification	B.Com	B.com, FCA	B.E. (Mechanical) PGDBM from XLRI Jamshedpur	B.E. (Hons) in Civil Engineering
List of Other companies in which Directorship is held as on 31 March, 2010	1) IVRCL Infrastructures & Projects Limited 2. Hindustan Dorr-Oliver Limited 3. Soma Hotels & Resorts limited 4. Palladium Infrastructures & Projects Ltd 5. S.V.Equities Limited 6. Indus Palms Hotels & Resorts Limited 7. Eragam Holdings Limited 8. IVR Hotels and Resorts limited 9. IVRCL Megamalls Limited 10. AP Enercon Engineers Private Limited 11. IOT Utikal Energy Services Limited	1) IVRCL Infrastructures & Projects Limited 2. Hindustan Dorr-Oliver Limited 3. Orient Abrasives Limited 4. Perfect Pac Limited 5. Rosmerta Technologies Limited 6. Punjab National Bank	1. IVR Vanaprastha Private Limited 2. IVR Prime Developers (Egmore) Private Limited 3. IVR Prime Developers (Ananthapuram) Private Limited 4. IVR Prime Developers (Retiral Homes) Private Limited 5. IVR Prime Developers (Ashram) Private Limited 6. IVRCL Indore Gujarat Tollways Limited 7. IVRCL Chengapalli Tollways Limited 8. Chennai Water Desalination Limited 9. Alkor Petroo Limited 10. IVRCL Steel Construction & Services Ltd 11. TELCON Ecoroad Resurfaces (P) Ltd 12. IVR Prime Developers (Perambalur) Private Limited 13. IOT Utikal Energy Services Limited	1. Ranky Infrastructure Limited

**Details of the Directors Seeking appointment / re-appointment at the forthcoming Annual General Meeting
(Pursuant of Clause 49 of the Listing Agreement)**

Name of Director	Mr. E. Sudhir Reddy	Mr. T. N. Chaturvedi	Mr. S. Ramachandran	Mr. V. Murahari Reddy
Chairman/Member of the Committees of the Board of the other Companies in which he is a Director as on March 31, 2010	Member of Shareholder / Investor Grievance Committee of IVRCL Infrastructures & Projects Limited, Hindustan Dorr – Oliver Limited	<p>a) IVRCL Infrastructures & Projects Limited Chairman Audit Committee Remuneration Committee</p> <p>b) Hindustan Dorr – Oliver Limited Chairman- Audit Committee Member - Remuneration Committee</p> <p>c) Orient Abrasives Limited Chairman Audit Committee, Remuneration Committee Member- Share transfer committee</p> <p>d) Rosmerta Technologies Limited Chairman- Audit Committee Member - Remuneration Committee</p> <p>e) Punjab National Bank Member Management Committee, Shareholders / Investors Grievance Committee</p>	Nil	Nil
Equity shares held in the Company	26,250	30,000	2,250	NIL