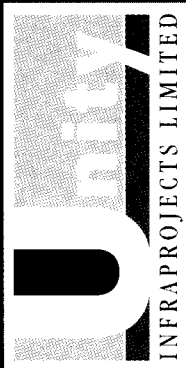


India's pioneering Infra - major

12th Annual Report 2008 - 2009



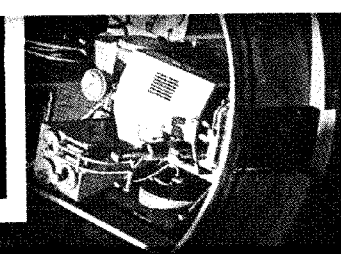
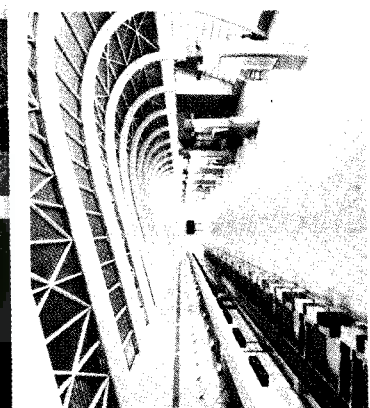
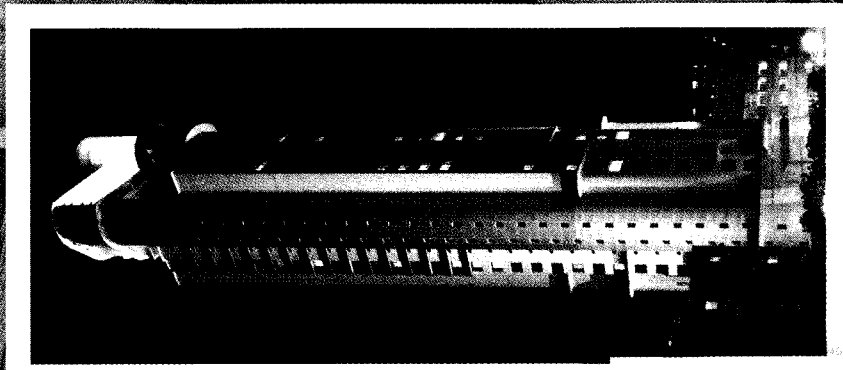
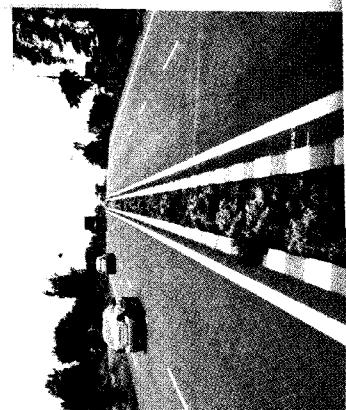
Civil Construction

Transportation & Engineering

Water Supply & Irrigation

Urban Infrastructure

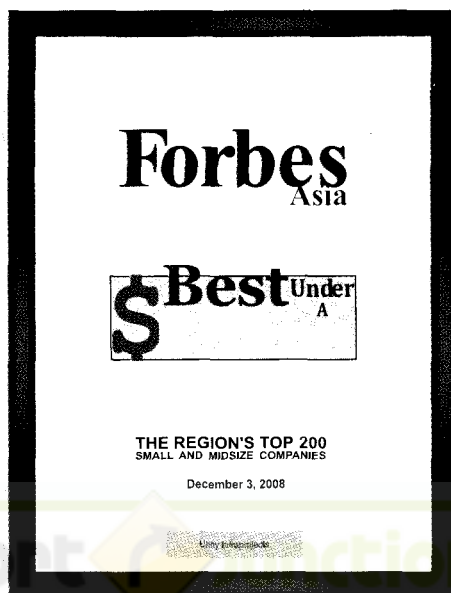
www.unityinfra.com



Recognition from Forbes - Asia



Forbes
Asia



Building a better world



**THE REGION'S TOP 200
SMALL AND MIDSIZE COMPANIES**

December 3, 2008

Your Company received recognition from the leading business magazine Forbes Asia by being listed as part of the top 200 small and midsize companies with revenues under a Billion US dollars from Asia – Pacific regions for the year 2008 – 2009.

Your Company was the only Infrastructure Company from the Indian Subcontinent region which received such global honour. Forbes–Asia's fourth annual “BEST UNDER A BILLION” list was focused on Asia–Pacific region’s companies with under \$ 1 billion in sales. The winners were culled from as many as 24,155 publicly listed companies' outfits in consumer technology, infrastructure, real estate and clean energy production.

Your Company's CMD, Mr. Kishore K. Avarsekar, collected the award in a glittering function in Singapore on December 3rd, 2008.

The other participants were from China, Japan, Indonesia, Singapore, Australia, New Zealand, Malaysia, South Kores, Sri Lanka, Taiwan, Thailand, Pakistan, Philippines.

Board of Directors

Chairman & Managing Director

Kishore K. Avarsekar

Vice Chairman & Managing Director

Abhijit K. Avarsekar

Executive Directors

Pushpa K. Avarsekar

Ashish K. Avarsekar

Directors

Anil G. Joshi

Chaitanya Joshi

Girish Gokhale

Dinesh Joshi

Registered Office

1252, Pushpanjali Apartments,
Old Prabhadevi Road,
Prabhadevi, Mumbai - 400 025.
Telephone: +91-22-6666 5500
Fax: +91-22-6666 5599
Website: www.unityinfra.com

Bankers

1. State Bank of India
2. State Bank of Indore
3. State Bank of Patiala
4. State Bank of Mysore
5. ICICI Bank Limited
6. IDBI Bank Limited
7. Abhyudaya Co-op. Bank Limited
8. Bank of India
9. Standard Chartered Bank
10. DBS Bank Ltd.
11. ABN Amro Bank
12. YES Bank Ltd.
13. ING VYSYA Bank Ltd.
14. Axis Bank Ltd.

Auditors

C. B. Chhajer & Co.

Corporate Management

Chief Operating Officer

Yogen Lal

Chief Financial Officer

Madhav Nadkarni

Chief Procurement Officer

Rajiv Shah

Company Secretary

Manoj Thakar

Senior Vice-President

Iftekhhar Ahmed

Registrars & Share Transfer Agents

Link Intime India Pvt. Ltd.
C/13, Pannalal Silk Mills Compound,
L B S Marg, Bhandup (West),
Mumbai - 400 078
Telephone: 91- 22 - 2596 3838
Fax: 91 - 22 - 2594 6969
Email: isrl@linkintime.co.in

Solicitors

Amarchand Mangaldas & Suresh A. Shroff & Co.
Paras Kuhad and Associates

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- India's leading construction and engineering Company with nearly three decades of experience in diverse areas of civil construction and infrastructure development
- Expertise in civil construction, transportation engineering and irrigation/ water supply projects
- Landmark completed projects include:
 - Expansion & Modification of Terminal IB at Chhatrapati Shivaji International Airport, Mumbai
 - Port Connectivity Project for the NHAI at JN Port, Navi Mumbai
 - Strengthening of the Tansa Dam, Thane
 - Design and Build of Clear Water Transmission Mains in South Delhi
 - New Transformer Factory for Siemens Limited at Kalwa, Navi Mumbai
 - Rabale Railway Station, Navi Mumbai
 - Design and Construction of Mass Housing Projects for the Delhi Development Authority in New Delhi
 - New Secretariat Complex in Dispur, Assam
 - Tunnel for the North Frontier Railway in Tripura
- ISO 9001-2000 and ISO 14001-2004 certified with accreditation from the ANSI-ASQ National Accreditation Board
- Strong first generation entrepreneurial management team, with excellent blend of experienced professional management
- 1183 on-roll employees as on 31st March 2009
- Revenue growth of more than 40% (Compounded Annual Growth Rate) over the last 5 years
- Net Profit growth of more than 50% (Compounded Annual Growth Rate) over the last 5 years
- Careful project selection and tight cost control leading to amongst highest EBITDA margins in the industry
- Revenues for FY 2009 at Rs. 1,130 crores and Net Profit at Rs. 70 crores
- Order Book as on 31st March 2009 at Rs. 2694 crores, translating into 2.4 times FY 2009 sales
- Diversified order book across geography, segments and clientele
- Listed on NSE (Code: UNITY) and BSE (Code: 532746)

Vision:

**To be among the first few globally recognized Indian enterprises
in infrastructure development and construction**

Dear Shareholder,

The Financial Year 2009 was an extraordinary year for the global economy, marked by liquidity crunch, fear psychosis and significant slackening in demand. Most developed economies showed negative GDP growth rate, and overall economic situation is still uncertain.

The global economic crisis had a significant impact on the Indian economy, hurting GDP growth rate, drying up liquidity and reducing risk appetite. Further, the impact was hardest on the fast growing infrastructure and construction sectors, which require significant and high gestation investments. The overall growth rate in these segments fell from 12%+ in 2006-07 to around 7% in 2008-09. This led to significant reduction in new investments in construction by cash strapped corporates. Also, with 'Code of Conduct' in place because of general elections, there were hardly any new government orders in last quarter of the financial year.

In spite of these challenging macro environment factors, I am pleased to inform that your Company has delivered a steady performance for FY 2009:

- Total income increased by 33% to Rs. 1,147 crores
- EBITDA increased by 34% to Rs. 159 crores
- EBITDA margins maintained at 13.9%
- PAT increased by 16% to Rs. 69 crores
- Net worth increased to Rs. 418 crores, a growth of 18%
- Order book at Rs. 2,694 crores, an increase of 12% over FY 2008.

The steady performance in FY 2009 clearly indicates that even in such tough macro conditions, our business strategy and processes remain robust, and that we are well positioned to take advantages of the business opportunities ahead.

Moreover, the global economic environment seems to be stabilizing, and India is one of the few countries in the world, which are likely to grow by more than 6-7% a year. The political situation in India has also stabilized, with the formation of the new government. The Government has shown keen focus on infrastructure development in the country. The Government has set a goal of increasing the investment in infrastructure to more than 9% of GDP by 2014 from current 5%. The Government has increased investments in urban infrastructure, highways, power etc., which augurs well for the construction industry.

We continue to remain focused on working with reputed and financially strong infrastructure and real estate companies. We continue to widen our geographic footprint, strengthen our expertise in handling diverse types of projects, and have a judicious mix of Government and private projects. Further, we continue to enhance our financial strength, which is especially important in the current business context. We have also benchmarked our cost structure with that of the industry, and are pleased to find that we are amongst the most cost effective in the industry. Nevertheless, waste reduction is an ongoing exercise, and we shall continue our efforts in this direction.

I am also glad to share that your Company was chosen as one of the Top 200 Asian companies with revenues under a Billion Dollar by the prestigious international business magazine, "Forbes". Your Company also received many other awards including 'Best Professionally Managed Company' from Construction Industry Development Council (CIDC), India, and 'Director's Shield' Safety award for BARC Site Mumbai' by BARC Safety Council.

I am confident that the steps we have taken in FY 2009 augur well for long term prospects of the Company, resulting in sustainable shareholder value creation.

I would like to thank all the shareholders for their continued confidence in the Company. I would also like to thank all the Company's employees and Senior Management Personnel for their dedication.

Kishore K. Avarsekar,
Chairman & Managing Director

Key Financial Statements for 5 Years

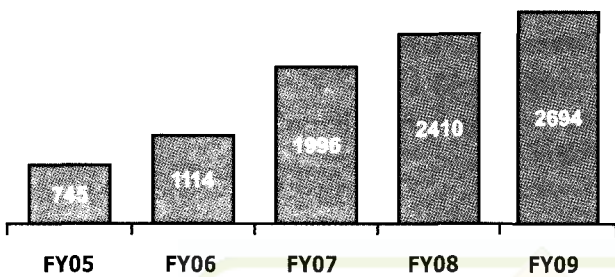
(Rs. in Crores)

| | FY 2005 | FY 2006 | FY 2007 | FY 2008 | FY 2009 |
|---------------------------------------|---------|---------|---------|---------|---------|
| Profit & Loss | | | | | |
| Net Sales | 265.3 | 328.7 | 542.9 | 849.5 | 1130.7 |
| Total Income | 270.6 | 333.2 | 553.6 | 862.4 | 1147.9 |
| EBITDA | 26.1 | 47.3 | 79.4 | 119.0 | 159.9 |
| EBITDA % | 9.6% | 14.2% | 14.3% | 13.8% | 13.9% |
| PBT | 17.6 | 30.6 | 61.9 | 91.1 | 103.9 |
| PBT% | 6.5% | 9.2% | 11.2% | 10.6% | 9.1% |
| PAT | 12.1 | 24.6 | 42.3 | 60.0 | 69.7 |
| PAT% | 4.5% | 7.4% | 7.6% | 7.0% | 6.1% |
| | | | | | |
| Balance Sheet | | | | | |
| Share Capital (Equity) | 10.0 | 10.6 | 13.4 | 13.4 | 13.4) |
| Reserves & Surplus | 34.4 | 84.7 | 288.5 | 342.3 | 404.9 |
| Net Worth | 44.4 | 95.3 | 301.9 | 355.6 | 418.3 |
| Total Loans | 59.5 | 74.6 | 90.2 | 279.4 | 472.1 |
| | | | | | |
| Gross Fixed Assets | 14.6 | 31.8 | 49.1 | 78.1 | 143.6 |
| Net Fixed Assets | 10.4 | 23.8 | 35.6 | 57.3 | 107.3 |
| Investments | 6.2 | 7.6 | 59.9 | 44.3 | 33.8 |
| Current Assets | 193.8 | 294.5 | 523.4 | 884.2 | 1246.7 |
| Current Liabilities & Provisions | 106.0 | 155.6 | 226.5 | 349.7 | 495.9 |
| Net Current Assets | 87.8 | 138.9 | 296.9 | 534.4 | 750.8 |
| | | | | | |
| Total Assets | 104.5 | 170.3 | 392.5 | 636.1 | 892.0 |
| | | | | | |
| Per Share (Rs.) | | | | | |
| EPS | 11.9 | 23.2 | 32.9 | 44.9 | 52.1 |
| Book Value | 44.4 | 89.9 | 225.8 | 266.0 | 314.0 |
| | | | | | |
| Ratios | | | | | |
| Debt Equity Ratio | 1.3 | 0.8 | 0.3 | 0.8 | 1.1 |
| Sales/ Average of Net Fixed Assets | 29.5 | 19.2 | 18.2 | 18.3 | 13.7 |
| Sales/ Average of Net Working Capital | 3.2 | 2.9 | 2.5 | 2.0 | 1.8 |
| ROE % | 27.3% | 25.8% | 14.0% | 16.9% | 16.7% |
| | | | | | |
| Order Book | | | | | |
| Order Book | 744.5 | 1,114.2 | 1,996.5 | 2,410.5 | 2,694.3 |
| Order Book/Sales | 2.8 | 3.4 | 3.7 | 2.8 | 2.4 |

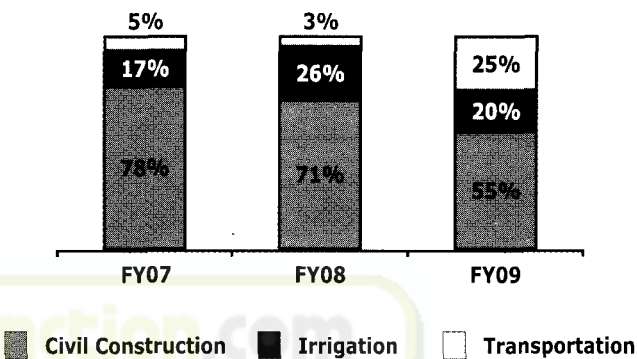
*ROE in FY 2007 and FY 2008 is on higher equity base after the IPO

Gaining Strength to Strength

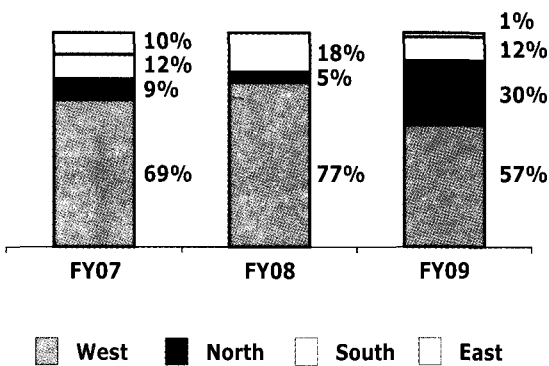
Order Book (Rs. in Cr.)



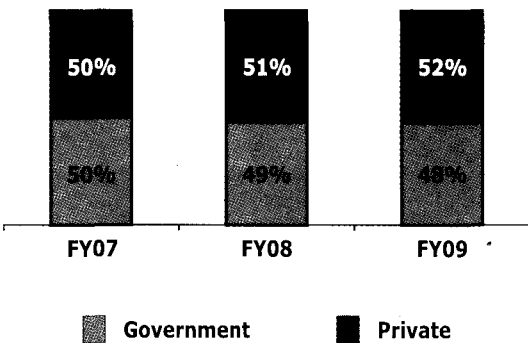
Diversifying Across Vertical



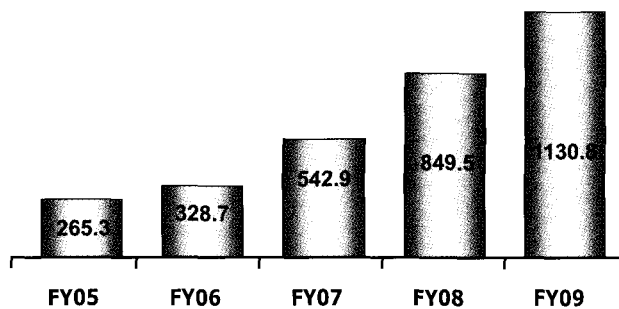
Geographical Spread



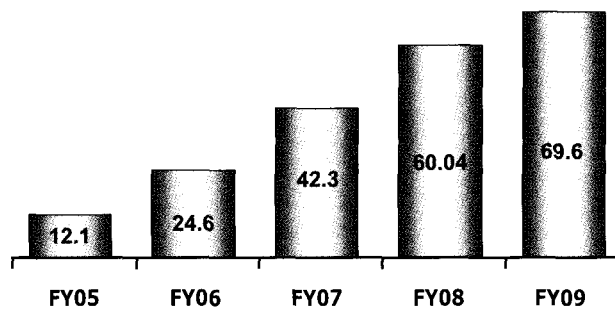
Clientele



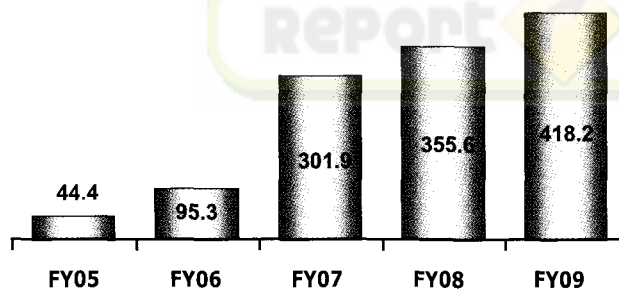
Net Sales (Rs. Cr.)



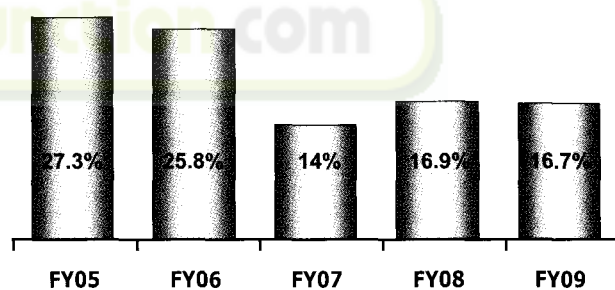
PAT (Rs. Cr.)



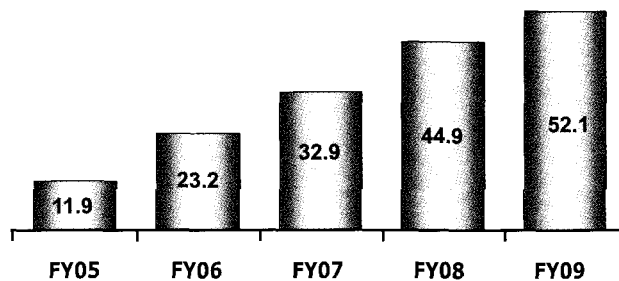
Net Worth (Rs. Cr.)



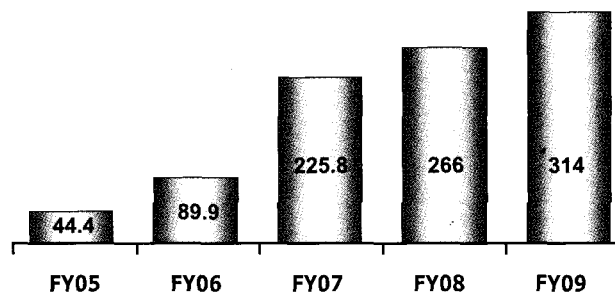
ROE (%)



EPS (Rs.)



Book Value per Share (Rs.)



Board of Directors

Kishore K. Avarsekar, Chairman & Managing Director

He holds a degree in Engineering from the University of Mumbai. He has over 36 years of experience and has worked previously with the Hindustan Construction Company, the Public Works Department of the Government of Maharashtra and the Municipal Corporation of Greater Mumbai. He is a Chartered Engineer and is also a Fellow of the Institute of Engineers. He is a first generation entrepreneur par excellence, and the leading force in bringing the Company to its current position of prominence.

Abhijit K. Avarsekar, Vice Chairman and Managing Director

He holds a diploma in Civil Engineering. He has over 11 years of experience in the construction industry. He is actively involved in the day to day management of the Company and its various departments including project execution, business development and administration. He is responsible for heading the infrastructure initiatives taken by the Company.

Ashish K. Avarsekar, Executive Director

He holds a degree in Engineering from the M.H. Saboo Siddik College of Engineering, Mumbai. He is involved in the procurement of fixed assets and equipments for the Company's various projects.

Pushpa K. Avarsekar, Executive Director

She holds a degree in Science from the University of Mumbai. She has over 31 years of experience. She is involved in corporate communications. She has previously worked with the RBI.

Anil G. Joshi, Director

He holds a postgraduate degree in Physics (electronics) from the Mumbai University and is a member of the Indian Institute of Bankers. He has over 31 years of experience and has worked with the Bank of Maharashtra. He was an Executive Director with the Indian Bank and retired as the Chairman and Managing Director of Dena Bank.

Chaitanya Joshi, Director

He holds a degree in Science and is a Gold Medallist from the Mumbai University and a degree in engineering from University Department of Chemical Technology, Mumbai.

Girish Gokhale, Director

He holds a degree in Science from the Marathwada University. In 1971, he was selected for the Indian Administrative Services (IAS). As an IAS Officer he held various important assignments such as Collector of Ratnagiri, Divisional Commissioner, Nashik. Before taking voluntary retirement he was working for three years as the Municipal Commissioner, at Municipal Corporation of Greater Mumbai.

Dinesh Joshi, Director

He holds a degree in Commerce from Mumbai University. He has also done his M.B.A. from Richmond College, London (U.K.) He is Managing Director of Enterprise Infrastructure Pvt. Ltd., which is in the business of promoting water transport, Inland Navigation and creation of supporting infrastructure. He is Co-Chairman of "Infrastructure Committee of Indian Merchants' Chamber."

Yogen Lal, Chief Operating Officer

He is a Civil Engineer from VJTI, Mumbai, and has 20 years of experience. He has been associated with the Company since 1989 in its earlier form.

Madhav Nadkarni, Chief Financial Officer

He is a Chartered Accountant and has 20 years of experience in the Accounts and Corporate Finance and has been working with the Company since 2005.

Manoj Thakar, Company Secretary

He is a Fellow Company Secretary, a Master in Financial Management and Law Graduate with 24 years of experience.

Rajiv Shah, Chief Procurement Officer

He is a Civil Engineer with nearly 21 years of experience. He has been associated with the Company since 1987 in its earlier form.

Iftekhar Ahmed, Senior Vice-President

He is a Civil Engineer with over 21 years of experience. He has been associated with the Company since 1987 in its earlier form.



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