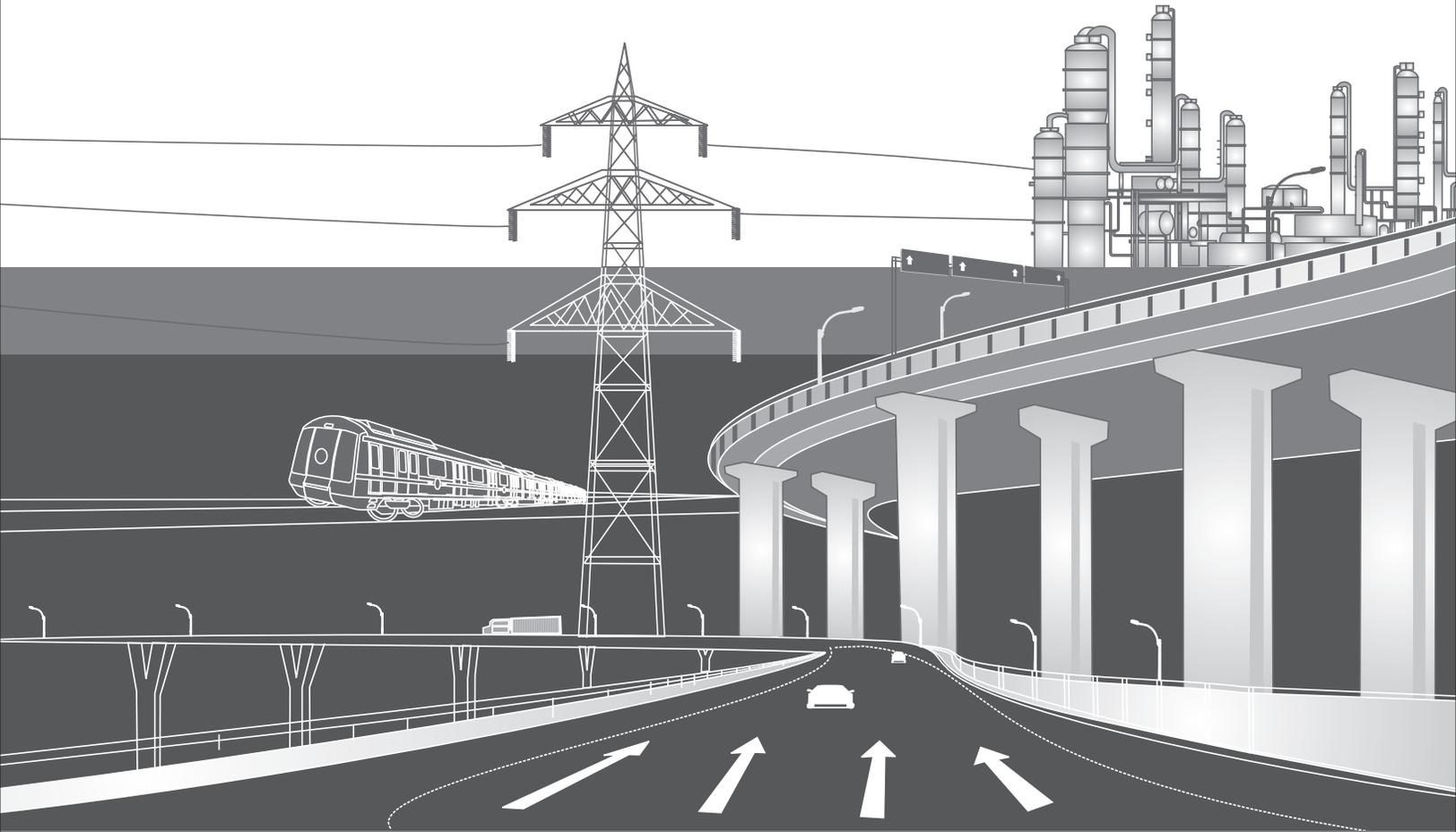




ERA

INFRA

Believe in difference



BUILDING THE LIFELINE OF TOMORROW

21st ANNUAL REPORT 2010 - 11

CONTENT

01	Corporate Information	12	Building on strengths	54	Auditors' Report
02	Building the lifeline of tomorrow	14	Chairman's message	58	Financials
04	Making tomorrow happen	16	Notice	82	Consolidated Auditors' Report
06	Building on a legacy	24	Directors' Report	83	Consolidated Financials
08	Building robust financials	30	Management Discussion and Analysis	106	Statement Pursuant to Section 212
10	Building new landmarks	38	Corporate Governance Report	107	Attendance Slip & Proxy Form

CORPORATE INFORMATION

HS Bharana

Chairman & Managing Director

JL Khushu

Whole-Time Director

Arvind Pande

Director

Anil Razdan

Director

SD Sharma

Director

SD Kapoor

Director

AK Mehta

Director

Amit Bharana

Director

Rajiv Kumar

Company Secretary

Registered Office:

370-371/2, Sahi Hospital Road,
Jungpura, Bhogal, New Delhi – 110014

Corporate Office:

153, Ground Floor, Okhla Industrial Area,
Phase III, New Delhi – 110020

Auditors:

G. C. Sharda & Co.
Chartered Accountants

Bankers:**Union Bank of India**

Industrial Finance Branch, New Delhi
(Lead Bank)

State Bank of India

CAG, Connaught Place, New Delhi

Bank of India

Parliament Street, New Delhi

Punjab National Bank

Connaught Place, New Delhi

Canara Bank

Connaught Place, New Delhi

IDBI Bank Ltd.

Red Cross Road, New Delhi

Bank of Maharashtra

South Extension, New Delhi

Corporation Bank

Connaught Place, New Delhi

Axis Bank

Malviya Nagar, New Delhi

Registrar & Share Transfer Agent:

Beetal Financial & Computer Services Private Ltd.,
99, Madangir, Behind Local Shopping Centre,
Near Dada HarsukhdasMandir,
New Delhi – 110062

Investors Help:

E-mail: investorrelation@eragroup.in

BUILDING THE LIFELINE OF TOMORROW

***Smooth roads that make travelling long distance
a journey to remember.***

***Strong railway tracks that make
travel possible to the remotest parts of the country.***

***Fast-speed Metro railway that has
transformed the landscape of the national capital.***

***Aviation infrastructure that has
changed the way, and the speed at which India moves.***

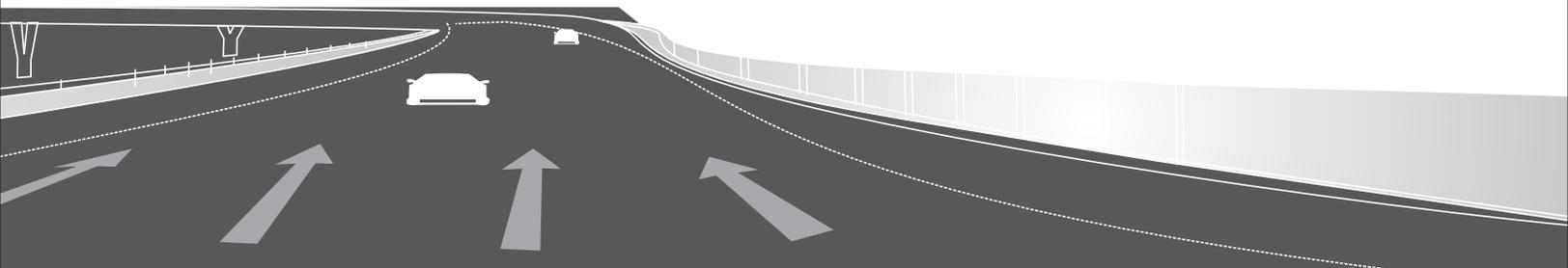
From being just a few lines on the drawing board to becoming the lifeline of the nation - the Indian infrastructure story has climaxed into one of the biggest growth stories ever to be chronicled in the nation's economic history.

It is the story of the successful realisation of what was once a small experiment in Public Private Partnership.

It is the story of a few visionary companies gauging the unfolding opportunity in infrastructure development to translate their dream into reality - the dream of being a part of the national transformation.

We, at Era Infra Engineering, are proud to be a part of that transformation.

Over two decades ago, we saw the vision to alter the course of history through iconic structures that would enable the metamorphosis of the



Indian infrastructural growth story, and committed ourselves to the realisation of that vision.

We saw what few others could see. We saw the lifeline of tomorrow getting shaped into infrastructural patterns across sectors and segments – from Power/T&D to Roads/Highways to Aviation to Railways/Metro to Refinery to Industrial to Social and Urban infrastructure.

We decided to join the transformational effort to build those vital lifelines of tomorrow that would make India a leading economic player in the global milieu. We did it on the back of our inherent strengths and the dedicated commitment of our people, as well as the vital support of our strategic alliances and partnerships.

It is an effort that continues to be the nucleus of our growth odyssey as we look at a new tomorrow.

MAKING TOMORROW HAPPEN

Era Infra Engineering Ltd., the flagship company of the ₹4500 crore Era Group, is amongst one of the fastest growing infrastructure companies in India. Boosted by a wide sectoral presence, encompassing key infrastructure segments of the Indian economy; it is engaged in building the lifeline of tomorrow.

The Company's diverse execution experience across sectors such as roads/highways, power, railways/metro, aviation, social infra, industrial, institutional and related segments makes a strong foundation for building the pillars of India's infrastructural foundation.

The business is steered majorly by three distinct business verticals and two subsidiaries, Era Infra Engineering services some of the most prestigious clients across both, public and private sectors with its strong ability to offer single-point turnkey solutions for contracts of all sizes and scale.

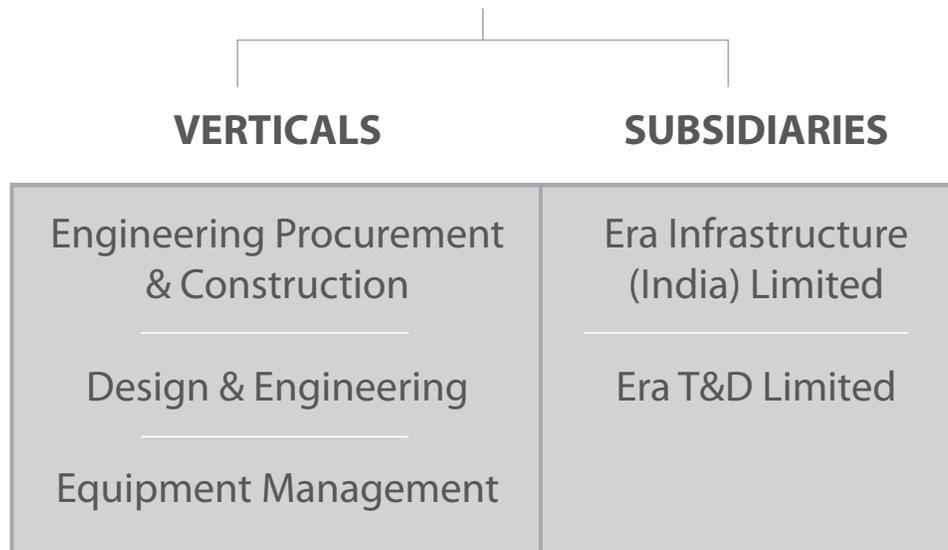
Our business structure

ERA INFRA ENGINEERING LIMITED

The flagship company

Activity:

Infrastructure Development & Construction



Our growing lifeline

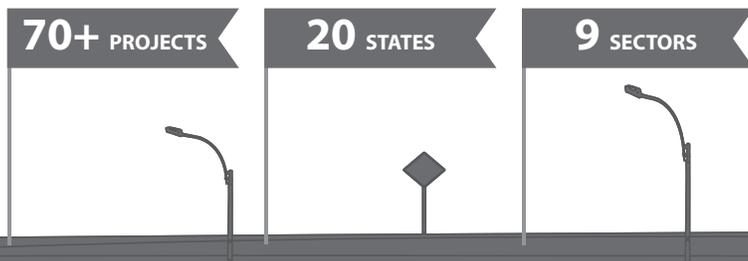
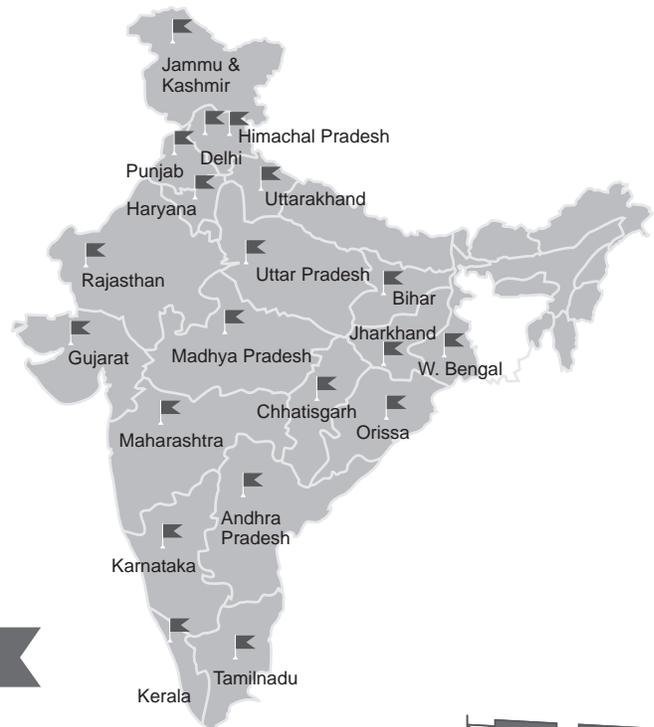
Era Infra Engineering's current order book size of ₹10,422 crores (as on 31st March 2011) is a standing testimony to its exceptional growth as one of the country's leading infrastructure and construction companies.

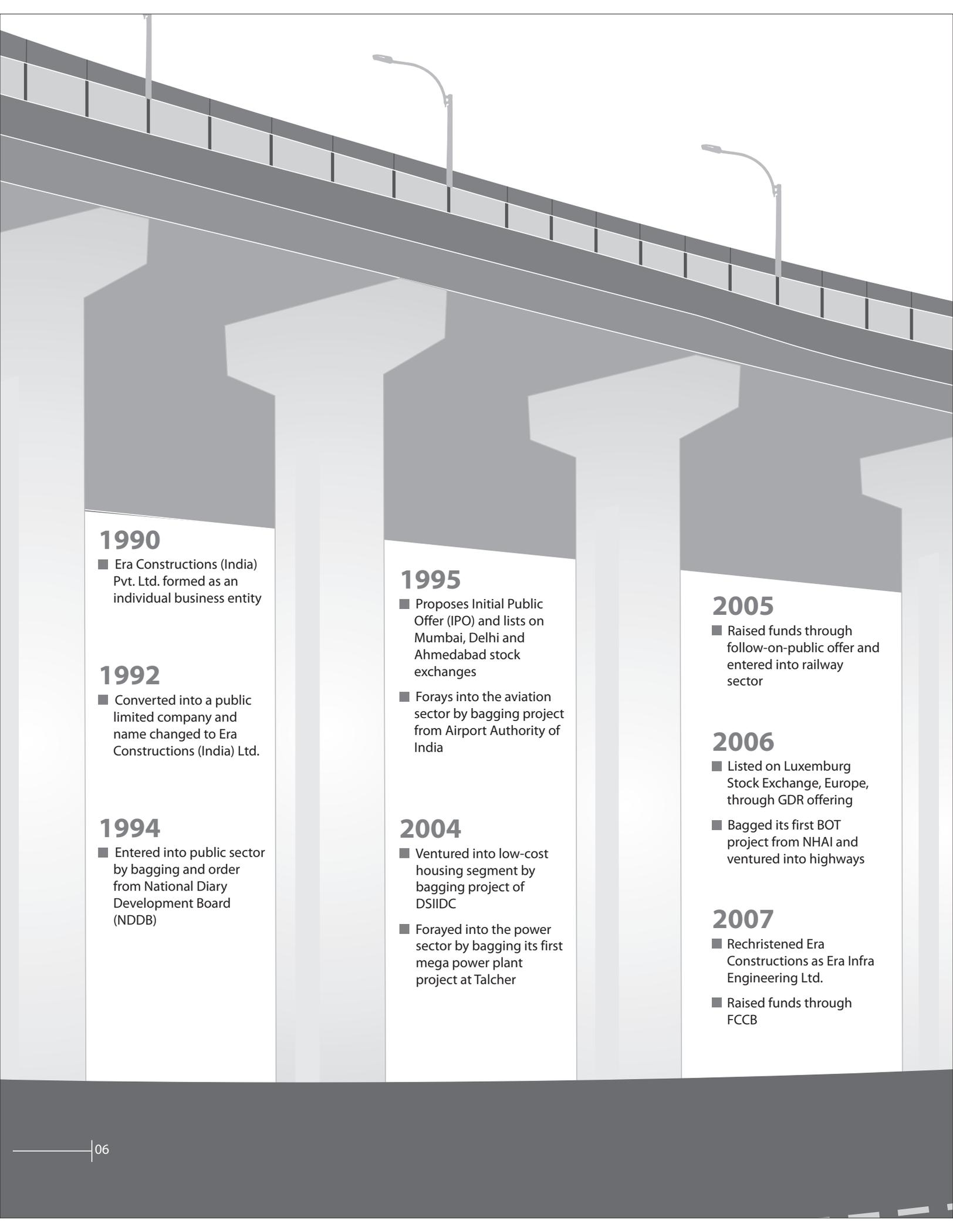
Business overview



Building lifelines across India

The course that Era Infra Engineering has charted for building the lifeline of tomorrow's India spans not only all the major sectors of the nation's growth but also its complete geographical expanse. The Company's pan-India presence is a critical and decisive factor in the development of vital infrastructural icons of excellence – connecting people and places across the country, not just for today but for the future too.





1990

- Era Constructions (India) Pvt. Ltd. formed as an individual business entity

1992

- Converted into a public limited company and name changed to Era Constructions (India) Ltd.

1994

- Entered into public sector by bagging and order from National Dairy Development Board (NDDB)

1995

- Proposes Initial Public Offer (IPO) and lists on Mumbai, Delhi and Ahmedabad stock exchanges
- Forays into the aviation sector by bagging project from Airport Authority of India

2004

- Ventured into low-cost housing segment by bagging project of DSIIDC
- Forayed into the power sector by bagging its first mega power plant project at Talcher

2005

- Raised funds through follow-on-public offer and entered into railway sector

2006

- Listed on Luxemburg Stock Exchange, Europe, through GDR offering
- Bagged its first BOT project from NHAI and ventured into highways

2007

- Rechristened Era Constructions as Era Infra Engineering Ltd.
- Raised funds through FCCB

BUILDING ON A LEGACY

With a visionary zeal, Era Infra Engineering strives to maximise value for stakeholders by continuously identifying opportunities, developing people, processes and systems through innovation and strategy along with professionalism and social responsibility. Since inception, the Company set the trend of spotting opportunity ahead of time and initiating projects to meet the infrastructural needs of the future. Some iconic milestones achieved have been listed below.

2009

- Bagged orders in the T&D space
- Received two big ticket BOT projects

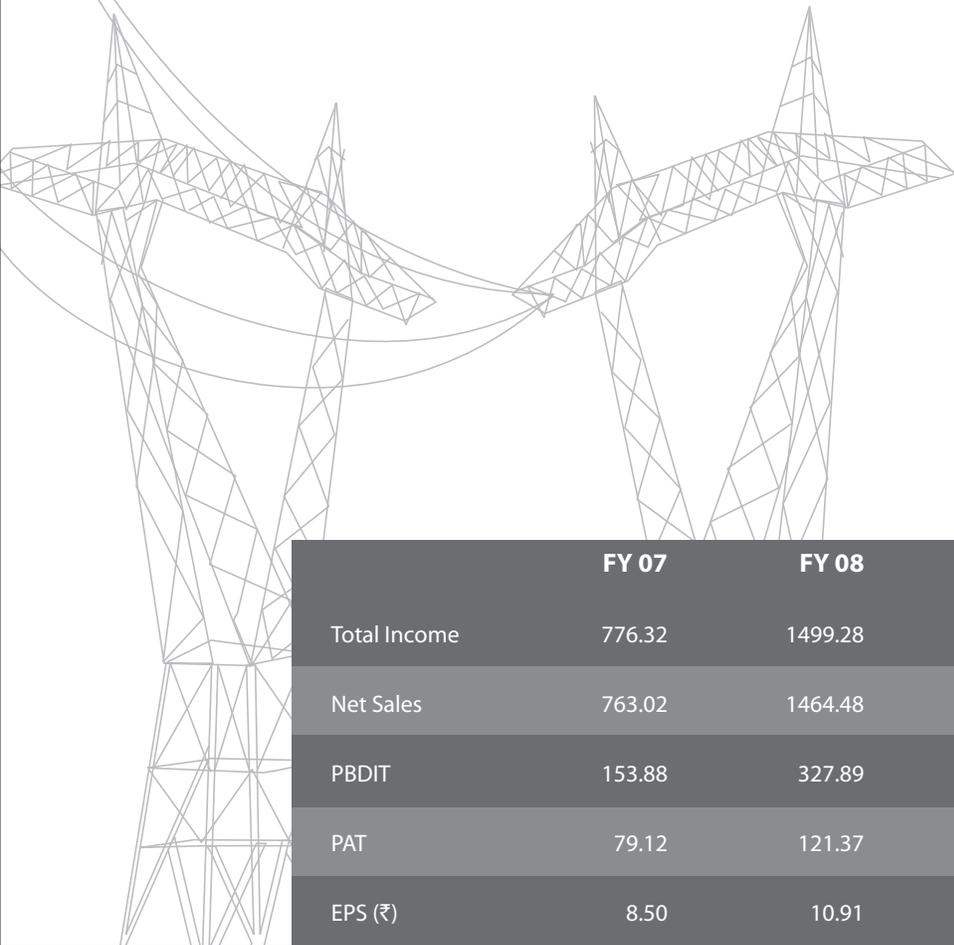
2010

- Bagged the largest 151 KM Bareilly-Sitapur BOT project from NHAI
- Constructed four stadiums in Delhi for Commonwealth Games 2010

2011

- Completed the construction of CBI Headquarters
- Commissioned tower manufacturing plant

BUILDING ROBUST FINANCIALS

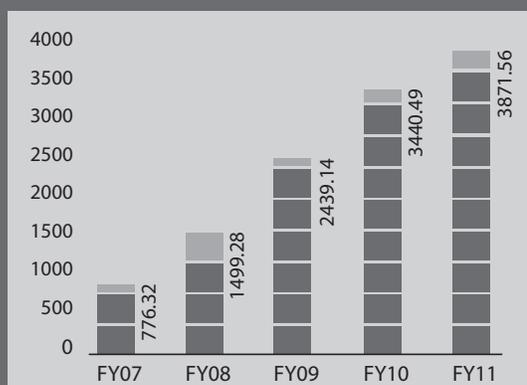


(₹ crores)

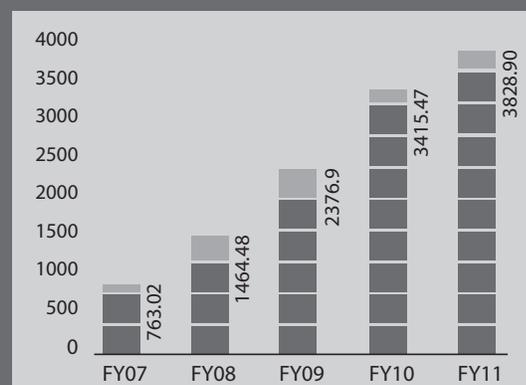
	FY 07	FY 08	FY 09	FY 10	FY 11
Total Income	776.32	1499.28	2439.14	3440.49	3871.56
Net Sales	763.02	1464.48	2376.90	3415.47	3828.90
PBDIT	153.88	327.89	475.85	677.51	760.02
PAT	79.12	121.37	202.61	279.41*	246.83
EPS (₹)	8.50	10.91	16.11	17.49	13.59

* includes ₹ 48.27 crores from Extraordinary Items.

Total Income (₹ crores)

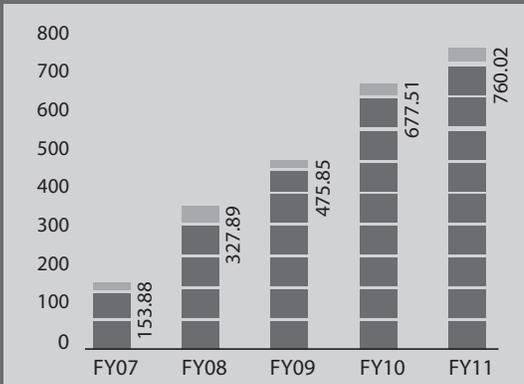


Net Sales (₹ crores)

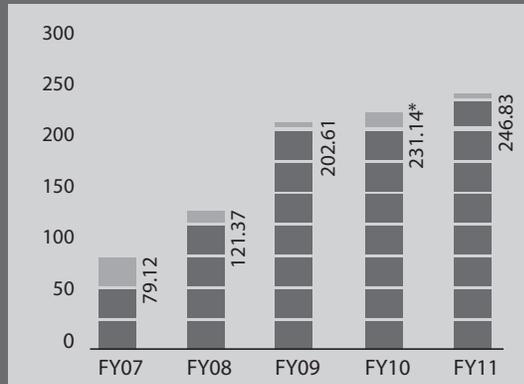




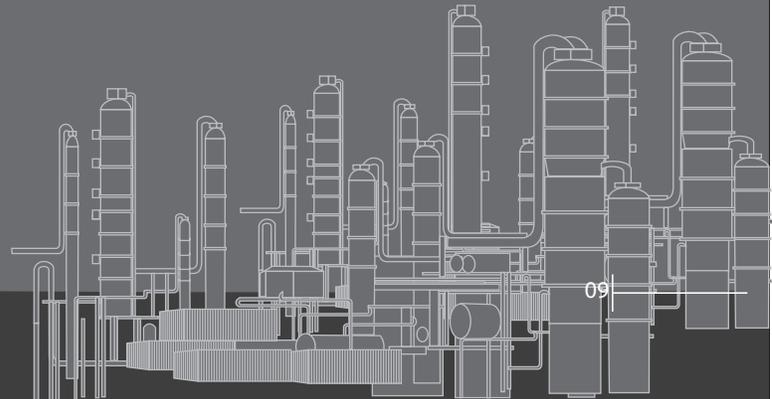
PBDIT (₹ crores)



PAT (₹ crores)



* PAT is ₹ 279.41 crores, including Extraordinary Items of ₹48.27 crores.



BUILDING NEW LANDMARKS

Steered by its nucleus of strengths and backed by its distinctive portfolio, Era Infra Engineering has emerged as a credible name in the infrastructure space. The Company has established a well diversified presence and is building new milestones across some of the fastest-growing verticals of the Indian economy.

During the year under review, the Company bagged the following new projects:

Power

Supply of material, survey, installation, testing and commissioning of 11 KV feeders for MP Poorv Kshetra Vidyut Vitaran Ltd., Jabalpur (M.P)

Supply, erection, testing, indexing, commissioning of 11 KV feeder separation programme in Sihora for MP Poorv Kshetra Vidyut Vitaran Co. Ltd., Jabalpur (M.P)

Civil work for 2X45 MW of Maqsodapur thermal power project & civil work for 2X45 MW of Barkhera thermal power project for Bajaj Infra Ltd.

Aviation

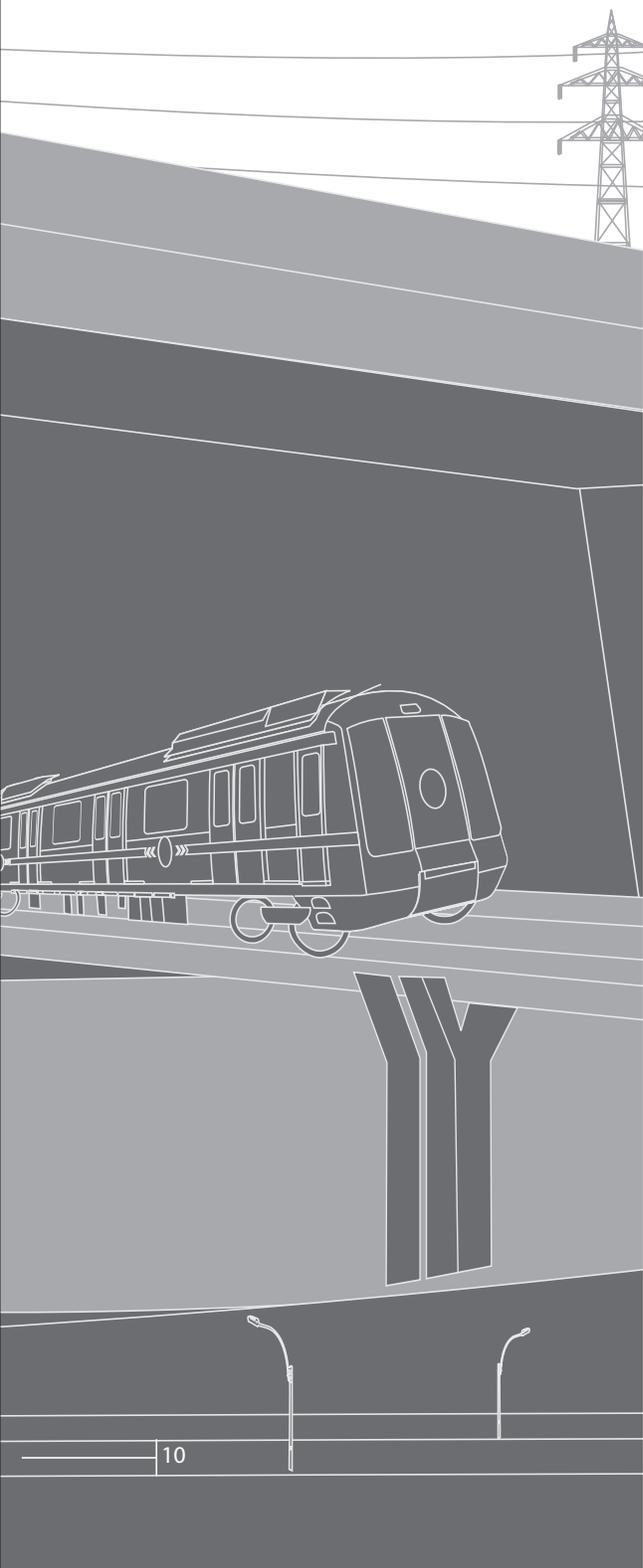
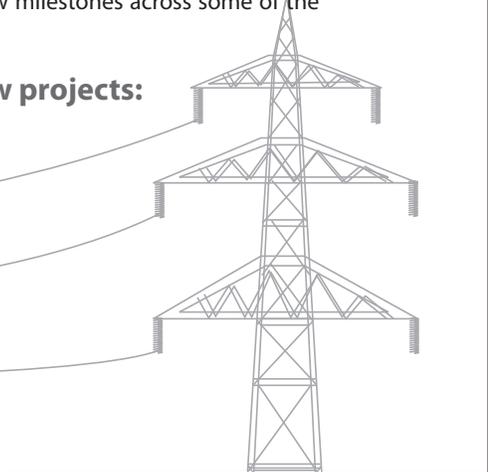
Construction of new civil enclave at Jaisalmer Airport for Airport Authority of India

Roads & Highways

EPC contract for 4 laning of Bareilly - Sitapur section of NH 24 on DBFOT basis in Uttar Pradesh for Bareilly Highways Projects Ltd.

Railways

Construction of EMU maintenance between Nallasopara & Virar stations of Western Railway at Mumbai for Mumbai Rail Vikas Corporation



Social Infra

Construction of convention centre including public health works & electrical works at Anushaktinagar, Mumbai for Department of Atomic Energy

Construction of over 200 flats including internal PH & electrical works at Anushaktinagar, Mumbai for Department of Atomic Energy

Construction of office building and guest house at Gomti Nagar, Lucknow for Central Public Works Department (CPWD)

Construction of reinforced concrete works of sub structure & super structure for building works of Michelin Tyre Factory at Thervai Kandigai Village, Chennai for MW High-tech Projects India Pvt. Ltd.

Housing

Construction of a residential complex at "The Arena", Kengri, Bengaluru

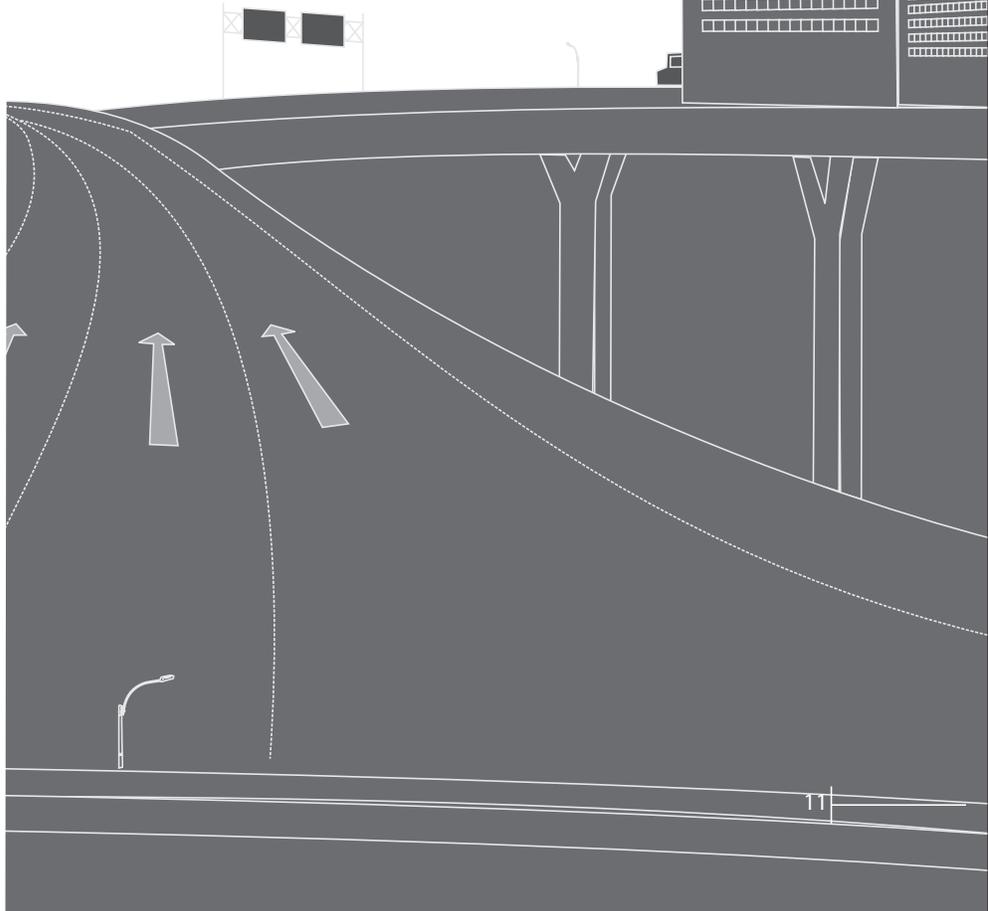
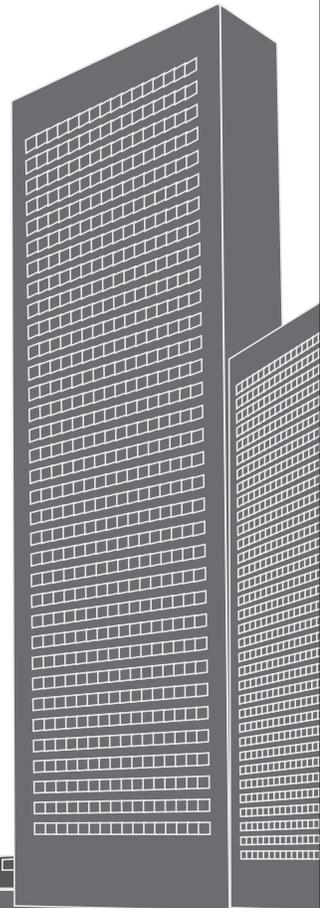
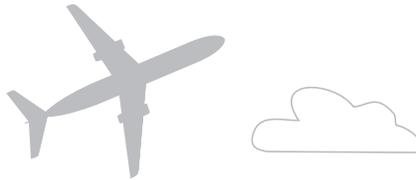
Industries

Supply, erection, testing, commissioning, of three 132/33 KV substations at Chanderkhud, Barsi & Makrani for Haryana Vidyut Prasaran Nigam Ltd.

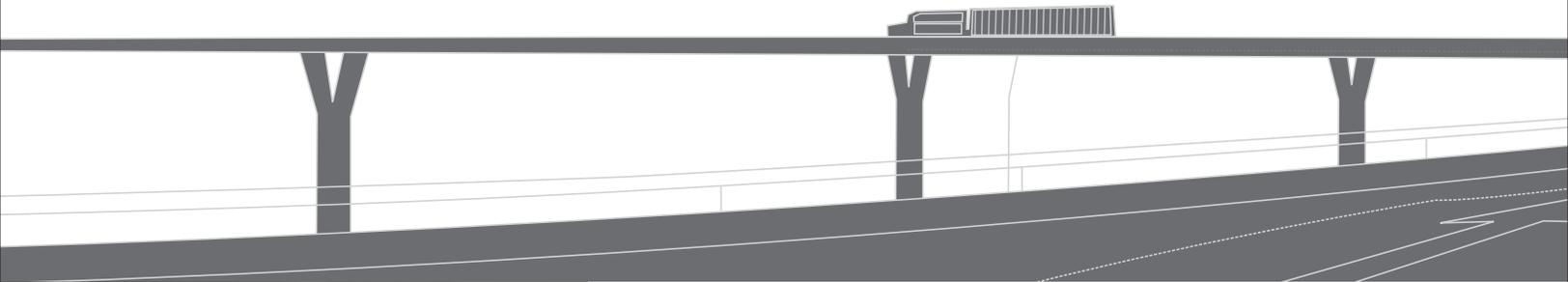
Project for Bharat Heavy Electrical Ltd. in Ranipur, Hardiwar

Project for Bharat Electronics Ltd., Ghaziabad

Construction of car radial plant for Birla Tyres Ltd., at Balasore Orrisa



BUILDING ON STRENGTHS



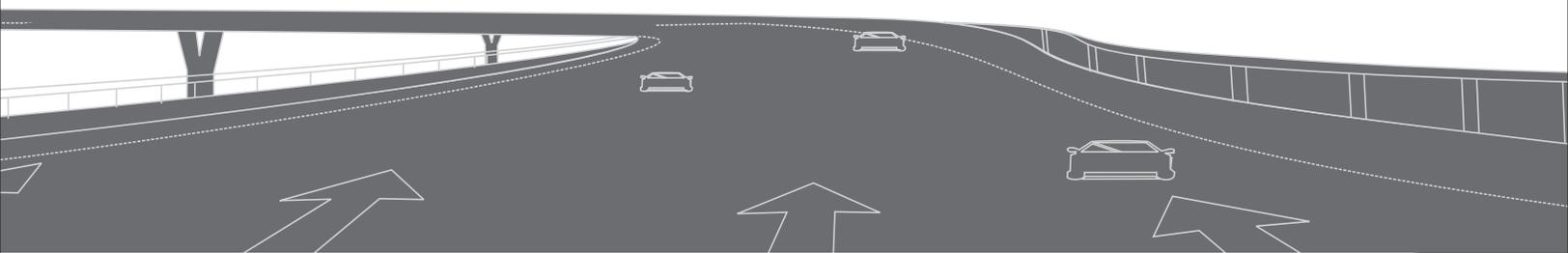
BUILDING ON PEOPLE

Infrastructure development is a people dependent business, it is manpower intensive and it involves having people with the requisite skill sets, training, experience and expertise. From engineers to machine operators, from supervisors to project managers, from procurement executives to architects, each role has to be played to perfection. Over the years the Company has not only built on this strength but also ensured extracting the best from its people in terms of their performance.

BUILDING ON EQUIPMENT

Infrastructure development calls for the deployment of large amount of equipment from cranes to crawlers, from dumpers to drilling machines etc. Procuring this equipment at the right time and deploying it with skilled precision is important to execute job within timelines and with the expected build quality. Era Infra Engineering has made an independent business around equipment leasing and this business caters to both internal as well as external customers. Nearly 60% of the business in this division is leasing to outsiders. Through equipment handling and deployment, the Company is focused on expanding presence in this business with additional investments in the future.

The Company's strength lies in building on what it has and capitalising on it to multiply its impact. In doing so, Era Infra Engineering multiplies its possibilities and opens up new frontiers of achievements. The Company's achievements are the result of building on strengths in six key areas - people, equipment, project management, supply chain, strategic alliances and most importantly management vision. While individually each of these has a great impact on the Company's achievements, when they are put together they make Era Infra Engineering an unassailable team. A Winning Team!

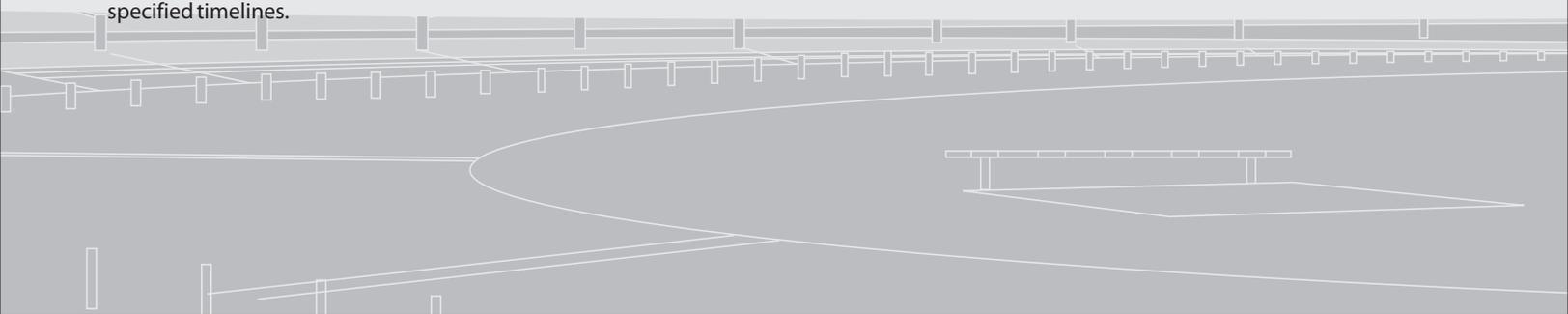


BUILDING ON PROJECT MANAGEMENT

Organising manpower, machine, work processes, supply schedules, etc is an intricate job, given the level of dependency involved in each of these functions. The Company's project managers work overtime to ensure that the project is run according to timelines and disparate processes dovetail with each other to offer a clear execution path ahead. Era Infra Engineering takes pride in its project management skills which result in adhering to specified timelines.

BUILDING ON SUPPLY CHAIN

Supply chain logistics play an important role in infrastructure projects. Complex projects require procuring materials from different places and ensuring they are deployed in the right manner. The Company has set up a team which ensures the seamless functioning of managing a variety of suppliers, vendors and service providers.

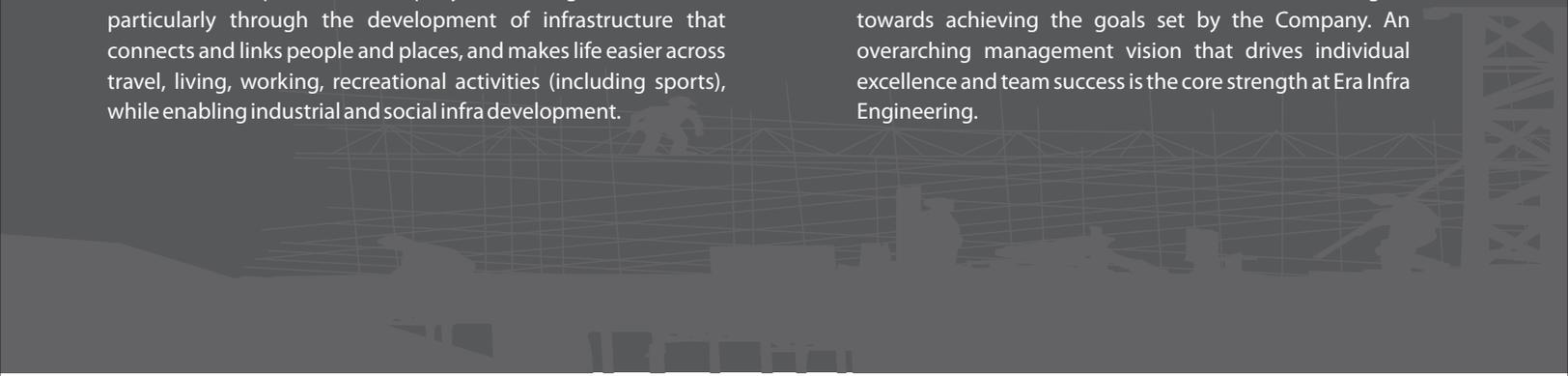


BUILDING ON STRATEGIC ALLIANCES AND PARTNERSHIPS

Strategic alliances and partnerships have been constantly powering the Company's ability to build strong lifelines across the infrastructural space. The Company is building these lifelines particularly through the development of infrastructure that connects and links people and places, and makes life easier across travel, living, working, recreational activities (including sports), while enabling industrial and social infra development.

BUILDING ON MANAGEMENT VISION

The Company's management vision is far seeking and has a great bearing on what we do in day to day execution. It binds us and enables us to harness our collective strengths towards achieving the goals set by the Company. An overarching management vision that drives individual excellence and team success is the core strength at Era Infra Engineering.



CHAIRMAN'S MESSAGE

Dear Shareholders,

I write to you at the end of yet another successful year at Era Infra Engineering. Let me take you through some of the key events that transpired during the year under review. After a short dip in growth rates, the Indian economy bounced back to robust growth rates in the year 2010-11. The GDP of the country grew at the rate of 8.6%, revealing the resilience and the sustainability of the Indian economic growth story. Sustaining this high growth will call for an enhanced infrastructure, new economic initiatives and a more liberalised economic regime. Today, we stand poised in front of an unprecedented opportunity to join the ranks of developed countries in a few decades and at the same time we are plagued by a dismal infrastructure, bottle necks in the economy and a flawed economic landscape.

Making this transition will require conscious efforts in redrawing the economic landscape, removing infrastructural bottlenecks and further liberalising the economy. Thus, the Government has identified infrastructure as one of the leading engines of growth and development.

Against this backdrop, your Company and its subsidiaries as an integrated infrastructure development organisation would work synergistically to build physical assets that will pave the way for the future. Our business activities are organised around three divisions— EPC, Design & Engineering, Equipment Management Divisions coupled with two subsidiaries Era Infrastructure and Era T&D.

Financial Review

It is with immense pleasure and satisfaction to report the robust growth achieved by your Company. With our focused efforts the year 2010-11 concluded with sales revenue of ₹3828.90 crores and net profit of ₹246.83 crores. Fresh order inflows and the quantum of the Order Book always determine your Company's ability to thrive and grow. Results on both these counts have been significant as your Company achieved an impressive growth in order inflows for FY11. Consequently, the order book position stood at an impressive ₹10,422 crores. This gives the Company clear revenue visibility over the next couple of years. Margins have, yet again, registered an improvement and your Company is hopeful of sustaining margins at a level close to this, despite volatile commodity prices and competition.

Division Review

Engineering Procurement & Construction

Today, with the Government's cumulative spending of ₹2,14,000

Your Company and its subsidiaries are an integrated infrastructure development organisation that works synergistically to build physical assets that will pave the way for the future.

core in the infrastructure development domain, there is a palpable sense of optimism in the industry. This optimism is reflected in our increasing EPC order book position which includes orders across diverse sectors such as power, roads/highways, aviation, railways, metro, refinery, social infrastructure and industrial construction.

Now we seek more projects from the metro line development, large scale housing projects, power transmission and distribution projects. In the year under review, apart from procuring several big ticket orders your Company bagged its biggest order. Valued at ₹1723 crores, it is an EPC contract for 4 laning of Bareilly-Sitapur section in Uttar Pradesh under the DBFOT pattern.

Looking forward, we seek to expand our EPC contract to foreign shores and are actively scouting projects in Middle East and Africa. Apart from our traditional emphasis and presence in the power, urban infrastructure, commercial complex, housing and industrial as well as institutional sectors, we have laid emphasis on expanding our presence in the domains of steel, healthcare and oil and natural gas, each of which are vital to India's future development.

Design & Engineering Division

Design & Engineering is an integral aspect of everything that we do in our business. Our Design & Engineering division acts as a central pool that handles the entire Group's work in these areas. It is staffed by senior, experienced and exceptionally talented top management, and supported by a dedicated team of middle management and engineers. The division will not only provide state-of-the-art solutions to all the engineering challenges within the Group but at the same time will function as an independent profit centre, by providing solutions to clients across the globe. Pre-engineered buildings, heavy steel structures, highways & bridges, power plants, metro projects, RCC structures & multi-storied real estate projects would form the key focus areas for this division.

Equipment Management Division

The increase in the infrastructure development automatically triggers a demand for construction equipment both in the internal as well as the external context. Builders and construction companies are constantly seeking to expand their capabilities, and leasing equipment for a build project is a lucrative option as compared to investing in capital expenditure. For companies with a large equipment bank like ours, this is an ideal way to encash idle machine time and earn revenues. The equipment leasing business of your Company has been a robust revenue

earner and would continue to do so in the years to come.

The division has been able to encash on the burgeoning demand for equipment from the North and the East of the Country and it has entered into several long term tie-ups with companies such as Shapoorjee Pallonji & Co., L&T EEC Division, McNally Bharat Alpine, Samsung and ACC to name a few.

Looking forward, your Company seeks to make significant investments in this division with a perspective to capture accelerated growth.

Subsidiary Review

Era Infrastructure

As India's infrastructure related ambitions grow, the Government finds it increasingly difficult to fund the slew of projects that are required. Current thinking is in favor of BOT projects that are done in the nature of a Public Private Partnership. This leverages the power of the private sector to raise funding and handle large projects. Your Company's BOT subsidiary is a dedicated unit that was set up to handle these kinds of projects.

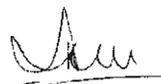
Era T&D

With an increased thrust on the power generation sector, there is a need for Transmission and Distribution network to grow simultaneously to deliver more power to the people. Era T&D undertakes turnkey projects that help lay power lines which will prove to be the lifelines for future development.

Proactive in service of our stakeholders

We seek to proactively manage our relationships with our stakeholder communities to mutual benefit. To our shareholders, we are committed to deliver ever increasing valuations and returns, to our employees we offer enhanced career building opportunities, to the communities we deliver infrastructure for a better tomorrow and to the industry and business in the geographic areas we operate in we offer the possibility of a bright future.

I end this note by reiterating our whole hearted commitment to this vision and would take this opportunity to thank our Board of Directors for the advice, guidance and mentoring they have provided us in our attempt to build the lifeline for tomorrow.



H.S. Bharana
Chairman & Managing Director

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF ERA INFRA ENGINEERING LIMITED WILL BE HELD ON MONDAY, THE 19TH DAY OF SEPTEMBER, 2011, AT 3:30 P.M. AT EXECUTIVE CLUB, 439, VILLAGE SHAHOORPUR P.O. FATEHPUR BERI, NEW DELHI-110074 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date together with reports of the Directors' and Auditors' thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Mr. S.D. Kapoor who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. S.D. Sharma who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s G.C. Sharda & Co., Chartered Accountants, 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 of the Company and fix their remuneration.

SPECIAL BUSINESS:-

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT Mr. Amit Bharana be and is hereby appointed as a Director of the company liable to retire by rotation."
7. 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 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 consent of the company be and is hereby accorded for increase in Salary and Perquisites of Mr. J. L. Khushu, Whole Time Director of the company to ₹ 8,33,333/-(Rupees Eight Lacs Thirty Three Thousand Three Hundred Thirty Three only) per month with effect from 01.01.2011, for remaining period of his appointment i.e. up to 30.09.2012."
"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits, the salary and perquisites payable to Mr. J.L. Khushu shall not exceed such sums as may be allowed under Schedule XIII of the Companies Act, 1956, in any Financial Year. "
"RESOLVED FURTHER THAT all acts done in the past by the Board of Directors of the Company in this regard be and are hereby confirmed and ratified."
8. 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 198, 269, 309, 310, 316 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the salary and perquisites of Mr. H.S. Bharana, Chairman and Managing Director of the company be increased to ₹18,00,000/-(Rupees Eighteen Lacs only) per month (including all the benefits /perquisites) with effect from 01st October, 2011 for remaining period of his tenure i.e. up to 27th August, 2014."
"RESOLVED FURTHER THAT in the event of loss or inadequacy of profit, the salary and perquisites payable to Mr. H.S. Bharana shall not exceed such sums as may be allowed under Schedule XIII of the Companies Act, 1956, in any Financial Year."
9. 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 other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, Regulations for Qualified Institutions Placement contained

in Chapter VIII of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009, the notifications issued by the Reserve Bank of India ("RBI") and other applicable laws, listing agreement entered into by the Company with the stock exchanges where the shares of the Company are listed, Articles of Association and subject to all other statutory and regulatory approvals, consents, permissions and/or sanctions of the Government of India, Reserve Bank of India, Securities and Exchange Board of India ("SEBI") and all other Concerned Authorities (hereinafter singly or collectively referred to as the "Appropriate Authorities") as may be required, and subject to such terms, conditions and modifications as may be prescribed by any of the Appropriate Authorities while granting any such approval, consent, permission and/or sanction and agreed to by the Board of Directors of the Company (the "Board") (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), which the Board be and is hereby authorized to accept, if it thinks fit in the interest of the Company, the Board be and is hereby authorized to create, issue, offer and allot equity shares and/or securities in one or more tranches, whether denominated in rupee or foreign currency(ies), in the course of international and/or domestic offering(s) in one or more foreign market(s), for a value of upto ₹1,000 Crores (Rupees One Thousand Crores only) including equity shares and/or Other Financial Instruments ("OFIS") through Qualified Institutions Placement ("QIP") basis to Qualified Institutional Buyers ("QIBs"), Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs"), any other Depository Receipt Mechanism convertible into Equity Shares (either at the option of the Company or the holders thereof) at a later date, any such instrument or security [including Debentures or Bonds or Foreign Currency Convertible Bonds ("FCCBs")] being either with or without detachable warrants attached thereto entitling the warrant holder to apply for Equity Shares/instruments or securities including Global Depository Receipts and American Depository Receipts representing equity shares (hereinafter collectively referred to as the "Securities") or any combination of Equity Shares with or without premium, to be subscribed to in Indian and/or any foreign currency(ies) by resident or non-resident / foreign investors (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/ or otherwise) / Foreign Institutional Investors ("FIIs")/ Mutual Funds/ Pension Funds/ Venture Capital Funds/ Banks and such other persons or entities, whether or not such investors are members of the Company, to all or any of them, jointly or severally through prospectus, offer document and/or other letter or circular ("Offer Document") and/or on private placement basis, from time to time in one or more tranches as may be deemed appropriate by the Board and such issue and allotment to be made on such occasion or occasions, at such value or values, at a discount or at a premium to the market price prevailing at the time of the issue and in such form and manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with the Lead Manager(s) and/or Underwriters and/or other Advisors, with authority to retain oversubscription upto such percentage as may be permitted by the Appropriate Authorities, with or without voting rights in general meetings/ class meetings, at such price or prices, at such interest or additional interest, at a discount or at a premium on the market price or prices and in such form and manner and on such terms and conditions or such modifications thereto, including the number of Securities to be issued, face value, rate of interest, redemption period, manner of redemption, amount of premium on redemption/ prepayment, number of further equity shares, to be allotted on conversion/ redemption/ extinguishment of debt(s), exercise of rights attached to the warrants, the ratio of exchange of shares and/or warrants and/or any other financial instrument, period of conversion, fixing of record date or book closure and all other related or incidental matters as the Board may in its absolute discretion think fit and decide in consultation with the appropriate authority(ies), the Merchant Banker(s) and/or Lead Manager(s) and/or Underwriter(s) and/or Advisor(s) and/or such other person(s), but without requiring any further approval or consent from the shareholders and also subject to the applicable regulations for the time being in force."

"RESOLVED FURTHER THAT the Relevant Date for determining the pricing of the securities [whether on Qualified Institutional Placement to QIBs as per the provisions of Chapter VIII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009] or issue of equity shares underlying the Global Depository Receipts or securities issued on conversion of FCCBs is the date of the meeting in which the Board decides to open the proposed issue or such date, if any, as may be notified by SEBI or the RBI or any Appropriate Authority from time to time."

"RESOLVED FURTHER THAT within the aforesaid limit, approval of the Company be and is hereby given, to issue and allot Equity Shares or any other Securities convertible into equity shares through Depository Receipts/ Foreign Currency Convertible Bonds (FCCB's)/ Private Placement of Debentures including placement of such shares and securities through Qualified Institutions Placement ("QIP") basis to Qualified Institutional Buyers ("QIB") pursuant to Chapter VIII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009."

“RESOLVED FURTHER THAT the Board be and is hereby authorized to allot further shares, upto 15 (fifteen) percent of its issue size to the Stabilization Agent by availing the Green Shoe Option subject to the provision of relevant SEBI Regulations and enter into and execute all such agreements and arrangements with any Merchant Banker or Book Runner, as the case may be, involved or concerned in such offerings of Securities and to pay all such fee/ expenses as may be mutually agreed between the Company and the said Stabilization Agent.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into and execute all such agreements and arrangements with any Lead Manager(s), Co-Lead Manager(s), Manager(s), Advisor(s), Underwriter(s), Guarantor(s), Depository(ies), Custodian(s), Trustee, Stabilization Agent, Banker/Escrow Banker to the Issue and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and also to seek the listing of such Securities in one or more Indian/ International Stock Exchanges.”

“RESOLVED FURTHER THAT the Board and/or agency or body authorized by the Board may issue Depository Receipt(s) or Certificate(s), representing the underlying securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and/or International Capital Markets for the instruments of this nature and to provide for the tradability or free transferability thereof, as per the Indian/ International practices and regulations and under the norms and practices prevalent in the Indian/ International Markets.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of further equity shares as may be required to be issued and allotted upon conversion of any securities or as may be necessary in accordance with the terms of the offering, all such further equity shares ranking pari-passu with the existing equity shares of the Company in all respects except provided otherwise under the terms of issue and in the offer document.”

“RESOLVED FURTHER THAT subject to the existing law and regulations, such Securities to be issued, that are not subscribed, may be disposed of by the Board to such person(s) 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 resident or nonresident/ foreign investor(s) (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise)/ Foreign Institutional Investors (“FIIs”)/ Qualified Institutional Buyers (“QIBs”)/ Mutual Funds/ Pension Funds/ Venture Capital Funds/ Banks and/or Employees and Business Associates of the Company or such other person(s) or entity(ies) or otherwise, whether or not such investors are members of the Company, 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 agree to and make and accept such conditions, modifications and alterations stipulated by any of the relevant authorities while according approvals, consents or permissions to the issue as may be considered necessary, proper and expedient and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation the entering into of underwriting, marketing, depository and custodian arrangements and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue(s)/ offer(s) or allotment(s) or otherwise and utilization of the issue proceeds and/ or otherwise to alter or modify the terms of issue, if any, as it may in its absolute discretion deem fit and proper without being required to seek any further consent or approval of the Company to the end and intent that the Company shall be deemed to have given its approval thereto expressly by the authority of this resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution on it, to any Committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution.”

**By Order of the Board of Directors
For Era Infra Engineering Limited**

**(Rajiv Kumar)
Company Secretary**

New Delhi, August 13, 2011

Registered Office:

Era Infra Engineering Limited

370-371/2, Sahi Hospital Road, Jungpura, Bhogal, New Delhi -110 014. Tel: 011- 43637000.

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/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM DULY COMPLETED AND SIGNED SHOULD REACH AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ATTACHED HEREWITH.**
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out all material facts in respect of Special Business of the Notice is attached.
3. Members are requested to intimate their queries, if any, relating to the accounts at least seven days in advance of the Meeting so that the information can be made readily available and furnished at the meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 14th September, 2011 to 19th September, 2011 (both days inclusive).
5. In the case of joint holder(s), if more than one holder intends to attend the meeting, they may obtain additional admission slip(s) on request from the Registered Office of the Company on or before 16th September, 2011.
6. Members/proxy-holders are requested to produce at the entrance the attached Admission Slip duly completed and signed for admission to the meeting hall.
7. Members attending the meeting are requested to bring their copy of Annual Report.
8. The Members are requested to notify any change of address to (i) The depository participant in respect of their electronic share account and (ii) The Registrar and Share Transfer Agent, M/s. Beetal Financial & Computer Services Private Limited, Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062 in respect of their physical shares. Members are also requested to quote ledger folio no. or DP ID & Client ID in their correspondences.
9. Payment of Dividend, if declared at the meeting, will be made on or before 19th October 2011.
 - a) to all the beneficial owners in respect of shares held in electronic form as per the data as may be made available by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on 13th September, 2011.
 - b) to all the shareholders in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 19th September, 2011.
10. Payment of Dividend through ECS:
 - a) Members holding equity shares in physical form are advised to submit particulars of their bank account, viz. name and address of the bank, 9-digit MICR code of the Branch, type of the Account and Account No. to the Registrar and Transfer Agent of the Company viz. Beetal Financial & Computer Services Private Limited, Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062.
 - b) Members holding shares in electronic form are advised to inform the particulars of their bank account to their respective depository participants.
11. PURSUANT TO THE PROVISIONS OF SECTION 205A (5) OF THE COMPANIES ACT, 1956, DIVIDEND FOR THE FINANCIAL YEAR ENDED 31-03-2004 AND THEREAFTER WHICH REMAIN UNCLAIMED FOR A PERIOD OF 7 YEARS WILL BE TRANSFERRED BY THE COMPANY TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF) ESTABLISHED BY THE CENTRAL GOVERNMENT. MEMBERS WHO HAVE NOT SO FAR ENCASHED THEIR DIVIDEND WARRANTS FOR THE FINANCIAL YEAR ENDED 31-03-2004 OR ANY SUBSEQUENT FINANCIAL YEARS ARE REQUESTED TO APPROACH THE COMPANY FOR OBTAINING FRESH INSTRUMENT(S) IN LIEU OF EXPIRED DIVIDEND WARRANT(S). IT MAY ALSO BE NOTED THAT ONCE THE UNCLAIMED DIVIDEND IS TRANSFERRED TO THE SAID FUND, AS ABOVE, NO CLAIM SHALL LIE AGAINST THE COMPANY OR THE FUND IN RESPECT THEREOF.

MEMBERS WHO HAVE NOT YET ENCASHED THEIR DIVIDEND WARRANT(S) FOR THE FINANCIAL YEAR 2003-04 ARE REQUESTED TO MAKE THEIR CLAIMS WITHOUT ANY FURTHER DELAY TO THE COMPANY'S REGISTRAR AND TRANSFER AGENT, M/S BEETAL FINANCIAL & COMPUTER SERVICES PRIVATE LIMITED.

MEMBERS MAY PLEASE NOTE THAT NO CLAIM WILL LIE AGAINST IEPF OR THE COMPANY WITH RESPECT TO DIVIDEND DECLARED FOR THE FINANCIAL YEAR 2003-04, ON OR AFTER 01ST NOVEMBER, 2011.
12. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.

13. All documents as are mentioned either in Notice containing draft resolution or in explanatory statement attached to the Notice are open for inspection at the Registered Office during the business hours up to the date of this Annual General Meeting.
14. Details of Directors seeking appointment/re-appointment at the forth coming Annual General Meeting as required under clause-49 of the Listing Agreement are given as follows:

Name of Directors	Mr. S.D. Sharma	Mr. S.D. Kapoor	Mr. Amit Bharana
Date of Birth	08.07.1939	01.08.1946	17.10.1981
Date of Appointment	28.05.2005	01.12.2007	15.12.2010
Expertise in Specific Areas	Mr. S.D. Sharma has 41 years of experience in executing Railway Projects in India & Abroad involving Construction of New Lines, Gauge Constructions, Yard Remodeling, Bridges, Multistory Building. He held Senior Positions in Northern Railway, PSUs and Railway Board (Ministry of Railways).	Mr. S. D. Kapoor is having more than 28 years of experience in various fields. He also served as a Chairman of MMTC Ltd and Neelachal Ispat Nigam Limited.	Mr. Amit Bharana has worked with various service industries.
Qualifications	B. Tech in Civil Engineering. Masters in Structural Engineering. Fellow member of the Institution of Engineers and Institution of Permanent Way Engineers (India) and is Fellow member of Arbitration Council of India.	MBA from University of Leeds, UK and B.Sc in (Met. Engineering).	BBA (Hons.) from Thames Valley University UK and MBA from Central Queensland University, Australia and also holds Diploma in Import and Exports Management from Foreign Trade Development Centre, New Delhi.
Directorship in other Companies	<ul style="list-style-type: none"> Era E-Zone (India) Limited Surya Dutta Nirmal Engineering Private Limited 	<ul style="list-style-type: none"> Era E-Zone (India) Limited IL&FS Infrastructure Development Corporation Limited Visa Comtrade Limited Visa Steel Limited Hindustan Dorr-Oliver Limited Visa Bao Limited 	<ul style="list-style-type: none"> Bareilly Highways Project Limited Trifalagur Square Infrastructure Private Limited Bhisham Infrastructure Private Limited Pawan Doot Estate Private Limited Jamvant Estates Private Limited Sameeksha Estate Private Limited Sachet Infrastructure Private Limited Angad Infrastructure Private Limited Manogayan Estates Private Limited Impulse Probuild Private Limited Identity Buildtech Private Limited Voice Realtech Private Limited Deva Buildtech Private Limited Era Power and Infrastructure Zambia Limited Era E-Zone (India) Limited Era Global Infrastructure Zambia Limited Voice Builders Private Limited Hi Point Investment & Finance Private Limited. Xema Infrastructure Private Limited
* Other Committee Membership/ Chairmanship as on 31.03.2011	<p>AUDIT COMMITTEE: Chairman</p> <p>1. Era E-Zone (India) Limited</p> <p>SHAREHOLDERS GRIEVANCE COMMITTEE Member</p> <p>1. Era E-Zone (India) Limited</p>	<p>AUDIT COMMITTEE: Chairman</p> <p>1. Hindustan Dorr-Oliver Limited</p> <p>2. Visa Steel Limited</p> <p>3. Visa Comtrade Limited</p> <p>Member</p> <p>1. Era E-Zone (India) Limited.</p> <p>IL&FS Infrastructure Development Corporation Limited</p> <p>SHAREHOLDERS GRIEVANCE COMMITTEE Member</p> <p>1. Era E-Zone (I) Limited</p> <p>2. Visa Steel Limited</p>	<p>AUDIT COMMITTEE: Member</p> <p>1. Bareilly Highways Project Limited</p>
Shareholding in the Company as at 31.03.2011	Nil	Nil	Nil

*Only two committees namely, Audit Committee and Shareholders/ Investor Grievance Committee have been considered.

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not yet registered their e-mail addresses, so far, are requested to register their e-mail addresses with Depository through their concerned Depository Participants, in respect of electronic holdings. Members who hold shares in physical form are required to kindly register their e-mail address with the company at e-mail: investorinfra@eragroup.in or by fill in the Registration Form, attached herewith. The company shall use the e-mail address of the members obtained from Depositories/ Depository Participants, available with the company, to send all future members communications.

**By Order of the Board of Directors
For Era Infra Engineering Limited**

**(Rajiv Kumar)
Company Secretary**

New Delhi, August 13, 2011

Registered Office:

Era Infra Engineering Limited.
370-371/2, Sahi Hospital Road, Jungpura, Bhogal,
New Delhi -110 014. Tel: 011- 43637000.

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

Item No. 6

Pursuant to the provisions of section 260 of the Companies Act, 1956, Mr. Amit Bharana was appointed as an Additional Director of the company with effect from 15.12.2010. He holds office up to the date of this Annual General Meeting.

In pursuance of provisions of section 257 of the Companies Act, 1956, the company has received a notice from a shareholder along with a deposit of ₹ 500/- proposing the name of Mr. Amit Bharana for the office of Director.

Mr. Amit Bharana is an MBA from Central Queensland University, Australia and also holds BBA (Hons.) from Thames Valley University, United Kingdom. He also holds a Diploma in Import and Exports from Foreign Trade Development Centre, New Delhi.

The Board of Directors recommends the resolution as set out at Item No. 6 of the accompanying Notice for approval of the Members.

None of the Director except Mr. Amit Bharana himself is concerned or interested in the resolution.

Item No. 7

The Board of Directors at their meeting held on 14.02.2011, considering the overall contribution of Mr. J. L. Khushu, Whole Time Director, to the growth the Company, revised his salary and perquisites to ₹ 8,33,333/- (Rupees Eight Lacs Thirty Three Thousand Three Hundred Thirty Three only) per month [including Salary and Perquisites] w.e.f. 01.01.2011 till the remaining period of his tenure i.e. upto 30.09.2012.

The said increase has been approved by the remuneration committee in its meeting held on that date.

Pursuant to the provisions of Schedule XIII of the Companies Act 1956, the increase in remuneration of Mr. J. L. Khushu requires approval of shareholders by way of an Ordinary Resolution.

The terms and conditions of the remuneration of Mr. J. L. Khushu will be as under:

- i. **Tenure:** Two years w.e.f. 01.10.2010
(increase in remuneration is effective from 01.01.2011).
- ii. **Basic salary:** ₹ 3,18,712/- p.m.
- iii. **Housing:**
 - (a) The expenditure incurred by the company in hiring unfurnished accommodation will be subject to the ceiling of 60% of Basic Salary.
 - (b) In case no accommodation is provided by the company, the Whole Time Director shall be entitled to House Rent Allowance subject to the ceiling laid down as above.
- iv. **Medical Reimbursement:** Reimbursement of medical expenses incurred for self and family subject to the ceiling of maximum of 8.33% of basic salary.
- v. **Leave Travel Allowance:** 8.33% of basic salary.
- vi. **Conveyance:** 25% of basic salary.
- vii. **Special Allowance:** 35% of basic salary.
- viii. **Bonus/ Exgratia Payment:** Entitled to Bonus/ Exgratia payment subject to maximum of 20% of basic salary.
- ix. **Gratuity:** 4.81% of basic salary.

Explanation

Unless otherwise stipulated, for the purpose of the above, the perquisites shall be evaluated as per Income Tax Rules wherever actual cost cannot be determined.

Mr. J. L. Khushu is a Master in Structural Engineering. He is a retired Chief Engineer from Ministry of Urban Development, Government of India.

He is associated with the company for the last 7 years and heading EPC division of the company. Under his dynamic leadership, your company has grown tremendously.

None of the Directors except Mr. J. L. Khushu himself is concerned or interested in the resolution.

The Board of Directors recommends the resolution as set out at item no. 7 of the accompanying notice for approval of the members.

Item No.8

Mr. H.S. Bharana was appointed as Chairman and Managing Director of the company for five years with effect from 28th August, 2009. Considering his status, prevailing industry parameters, his overall contribution to the growth of the Company, the present remuneration is not sufficient. The Board of Directors at their meeting held on 13.08.2011 revised his salary and perquisites to ₹ 18,00,000 (Rupees Eighteen lac only) per month with effect from 1st October, 2011. As per Section 310 read with Schedule XIII to the Companies Act, 1956, the shareholders approval is required for revision of salary. The board, therefore, recommends resolution as set out at item no. 8 of the accompanying notice for approval of the members.

The appointment and remuneration payable to Mr. H.S. Bharana was duly approved by the Remuneration Committee of Directors in its meeting held on 13th August, 2011.

The terms of revision of remuneration given in the said resolution may be treated as an abstract of the terms of remuneration of Mr. H.S. Bharana under Section 302 of the Companies Act, 1956.

None of the director except Mr. H.S. Bharana himself is concerned or interested in the resolution.

Item No.9

The Company requires funds to strengthen the financial position by augmenting the long term resources for financing capital expenditure, funding long term working capital requirements, making loans, advances, investments and general corporate purposes. The Company therefore proposes to raise funds for an amount upto ₹1,000 crore by issue of equity shares and/or any other financial instruments convertible into equity through Qualified Institutional Placement under SEBI(ICDR) Regulations, 2009 and/or through issuance of securities in the international markets by way of FCCBs/ ADRs/ GDRs etc.

At the previous 20th Annual General Meeting held on August 06, 2010, the Shareholders authorized the Company to issue further shares upto ₹1,000 crores in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 ["SEBI (ICDR) Regulations, 2009"]. As per the provisions of Chapter VIII of the SEBI (ICDR) Regulations, 2009, the shareholders' resolution dated August 06, 2010, was valid for one year i.e. upto August 05, 2011.

Therefore, fresh approval of the shareholders by passing of special resolution under Section 81 (1A) of the Companies Act, 1956 has to be obtained in terms of the provisions of Chapter VIII of the SEBI (ICDR) Regulations, 2009, so as to enable the company to make further issue of equity shares and/or other securities which will include issue on QIP basis.

Pricing (as defined in Regulation 85)

As per the provisions of Regulation 85 of Chapter VIII of the SEBI (ICDR) Regulations, 2009, issue of specified securities shall be made at a price not less than the average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date.

Relevant Date

The relevant date for the purpose of aforesaid Regulation 85, means the date of meeting in which the Board or any Committee of Directors duly authorized by the Board of the Company decides to open the proposed issue. Pursuant to the provisions of Chapter VIII of the SEBI (ICDR) Regulations, 2009, the aggregate of the proposed Qualified Institutions Placements made by the Company in the same Financial Year shall not exceed 5 times the net worth of the Company as per the Audited Balance Sheet of the previous Financial Year.

For making any further issue of shares to any person/s other than existing Equity Shareholders of the Company, approval of shareholders is required to be obtained by way of passing a Special Resolution pursuant to the provisions of Section 81 (1A) of the Companies Act, 1956 ("the Act").

All the Directors may be deemed to be interested to the extent of shares which may be allotted to the Directors or their relatives and associate persons/body corporates.

The Board of Directors recommends the Special Resolution as set out in Item No. 9 of the accompanying Notice for approval of the members.

**By Order of the Board of Directors
For Era Infra Engineering Limited**

**(Rajiv Kumar)
Company Secretary**

New Delhi, August 13, 2011

Registered Office:

Era Infra Engineering Limited
370-371/2, Sahi Hospital Road, Jungpura, Bhogal,
New Delhi - 110 014. Tel: 011- 43637000.

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the 21st Annual Report together with Audited Statement of Accounts of the Company for the year ended 31st March, 2011.

FINANCIAL RESULTS:

Summarized financial results of the Company for the year under review are as below:

PARTICULARS	(₹ in lacs)	
	Year Ended 31st March, 2011	Year Ended 31st March, 2010
Total Income	387,156.47	344,048.73
Profit before depreciation & tax	44,122.84	42,109.39
Depreciation	8,401.29	7,151.27
Profit before tax	35,721.55	34,958.12
Provision for tax		
- Current	7,118.17	5,931.86
- Deferred Tax	2,778.81	6,739.81
- MAT Credit/Fringe Benefit Tax	1,071.18	(1,109.34)
- Tax adjustment for earlier years	70.01	281.22
Profit after tax	24,683.38	23,114.57
Extra Ordinary Items (Net) (Profit on Buy Back of FCCB's)	-	4,826.21
Proposed Dividend together with Tax thereon	845.30	850.79
Transfer to General Reserve	2,468.00	2,790.00
Transfer to Debenture Redemption Reserve	1,060.00	390.00
Surplus carried to Balance Sheet	78,138.50	57,828.54

FINANCIAL PERFORMANCE

The turnover of the Company for the year ended 31st March, 2011, reported an increase of 12.53 % rising to ₹ 387,156.47 lacs from ₹ 344,048.73 lacs in the previous year.

Profit before depreciation and taxation was ₹ 44,122.84 lacs and after providing ₹ 8,401.29 lacs towards depreciation and ₹ 11,038.17 lacs towards tax, the net profit amounts to ₹ 24,683.38 lacs.

BUSINESS PERFORMANCE

Era Infra Engineering Limited is an Integrated Infrastructure Development Company. The Company is primarily engaged in construction activities of power projects, roads, railways & other infrastructure projects. It has a strong presence in the construction sector with an impressive track record.

The Company has completed various projects since inception for renowned clients like NTPC, PGC, NHPC, RVNL, BHEL, IRWO, NBCC, PWD, NALCO, RVNL, AAI, DMRC, CPWD to name a few. The company has received repeat orders from reputed clients like NTPC, Gujarat Ambuja, Rajasthan Spinning, Birla Tyres, Indian Glycols, National Dairy Development Board, Bharat Heavy Electrical Limited etc. The key factor that has contributed to the company's success is in-house technical expertise and strong project management capabilities, which ensures timely execution of the projects within budgeted costs and continued emphasis on maintaining quality standards.

The Company is professionally managed with well-qualified and experienced personnel in all areas including engineering, finance and administration combined with a full-fledged Enterprise Resource Planning (ERP) and MIS system. The Company has on its roll over Three Thousand Nine Hundred and Ninety Six employees, which includes over One Thousand and Five Hundred experienced and skilled engineers.

The Order Book of Company has increased from approx ₹ 8,395 Cr. in 2010 to over ₹ 10,422 Cr. as on 31st March, 2011 across sectors, to be implemented over a period of next two to three years. All ongoing projects are monitored on a regular basis by the senior management based at Delhi and Noida offices. The company has aggressively invested in an in-house ERP system, which encompasses different areas of efficient construction management with greater efficiency, accuracy and predictability.

In tandem with the growth momentum of the earlier years, your company has strengthened its position in the market by stepping in diversified segments, in this financial year they are focusing more on the complex projects with longer duration which will truly portrays the in-built capability of your company.

A few of the projects for this financial year are as follows:

- Infrastructure: In infrastructure space we have received orders from Mumbai Rail Vikas Corporation for construction of EMU maintenance crash between Nallasopara and Virar. Also, bagged project from Airport Authority of India for construction of enclave at Jaisalmer Airport. Era bagged its biggest project from National Highways Authority of India for up gradation of Bareilly-Sitapur from KM 262 to KM 413.20 in state of Uttar Pradesh.
- Power: Bagged projects from MP Poorv Kshetra Vidyut Vitran, Hyderabad Vidyut Prasaran Nigam, and Bajaj Infra.
- Social Infra:
 - (a) Bagged project in housing segment from Parinda Buldicon, Golden Glow.
 - (b) Bagged project from prestigious Central Public Works Department for construction of office building and guest house at Lucknow and also from Department of Atomic Energy.

Presently the company has three strategic divisions which help the company in maintaining its growth momentum.

Engineering, Procurement and Construction (EPC) Division: This division is in a growth phase, the order book position has improved considerably over the years and it has bagged orders from prestigious clients like NTPC, Airport Authority of India, Delhi Metro Rail Corporation Limited, Naya Raipur Development Authority etc.

BOT Division: This division predominantly looks after the procurement and engineering designing part and has bagged orders for up gradation of Bareilly-Sitapur from KM 262 to KM 413.20 in state of Uttar Pradesh. In future we are planning to bag orders for underground Automated Car Parking, Bus Terminals, Highways, Railways, Airports etc.

Equipment Management Division (EMD): In today's infrastructure development sector the demand for construction equipments are huge. To tap this huge opportunity and making efficient use of large equipment base the company has started this division. The aim of starting this division is to make revenue by using the equipments in most efficient manner and further to provide the strength to internal execution.

Today the company is a known name in the field of Infrastructure projects contributing to the Infrastructure development of modern India. The Company has transformed from a mere construction company to a major player in the Roads, Bridges, Power sector building, to BOOT and BOT projects. Successful completion of projects in hand is a habit of the company. No major Labour disputes, no Strikes/Labour unrest is a something which speaks about the other good attributes of the company.

DIVIDEND

Your Directors are pleased to recommend a Dividend of ₹ 0.40/-per Equity Share (20 per cent) for the financial year 2010-11. If the dividend, as recommended by the Board of Directors, is approved at this Annual General Meeting, payment of such dividend will be made on or before October 19, 2011.

MATERIAL CHANGES

There are no material changes and commitments, affecting the financial position of the company between the end of financial year of your company and the date of this Report.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public or its employees during the year under review. The details of loans and advances, which are required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of the Listing Agreement with the Company, are furnished separately.

DIRECTORS

Mr. S.D. Sharma and Mr. S.D. Kapoor retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

Mr. Amit Bharana was appointed as Additional Director of the company with effect from 15.12.2010. He hold office up to the date of this Annual General Meeting.

Mr. Amit Bharana is an MBA from Central Queensland University, Australia and also holds BBA (Hons.) from Thames Valley University, United Kingdom. He also holds a Diploma in Import and Exports from Foreign Trade Development Centre, New Delhi.

The re-appointments of Mr. S.D. Sharma, Mr. S.D. Kapoor and appointment of Mr. Amit Bharana as Directors require the approval of the members at the ensuing Annual General Meeting.

AUDITORS

M/s G. C. Sharda & Co., Chartered Accountants, the Statutory Auditors, will retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Audit Committee and your Board recommends their re-appointment as Auditors of the Company. The company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limit under Section 224 (1B) of the Companies Act, 1956.

AUDIT COMMITTEE

The Audit Committee consists of four members namely Mr. A.K. Mehta, Mr. S.D. Sharma, Mr. J.L. Khushu and Mr. Arvind Pande out of which three are independent. Mr. A. K. Mehta is the Chairman of Audit Committee. All members of the Audit Committee possess sufficient knowledge and experience in the field of Finance and Accounts.

AUDITORS' REPORT

The Auditors' Report does not contain any adverse remark or qualification hence the same do not call for further information or explanation.

SUBSIDIARY COMPANIES

As per Section 212 of the Companies Act, 1956, we are required to attach the Directors Report, Balance Sheet and Profit and Loss Account of our Eighteen subsidiary companies. We believe that the Consolidated Financial Statements present a more comprehensive picture rather than the standalone financial statements.

Ministry of Corporate Affairs (MCA), Government of India (GOI), vide its General Circular No. 2/2011 dated 8th February, 2011 has granted a general exemption from the requirement of attaching the Balance Sheet and Profit & Loss Account, Schedules to Accounts and Notes forming part of the Accounts, Report of the Board of Directors, Report of the Auditors etc., of subsidiary companies with the Annual Accounts of the Company under Section 212(8) of the Companies Act, 1956 subject to compliance of conditions mentioned therein.

In terms of the aforesaid general exemption granted by MCA, the Board of Directors of the Company has given its consent for not attaching the Balance Sheet and Profit & Loss Account, Schedules to Accounts and Notes forming part of the Accounts, Report of the Board of Directors, Report of the Auditors etc., of its aforesaid eighteen subsidiaries with the Annual Accounts of the Company, in relation to the financial year ending on 31st March, 2011.

As permitted by SEBI guidelines and The Companies Act, 1956, we have included Consolidated financial statements of your company in this Annual Report. The detailed financial statements and audit reports of the subsidiaries are available for inspection at the Registered Office of the Company and upon written request from a shareholder; we will arrange to send the full balance sheet, profit and loss account and auditors' report to the said shareholder.

LISTING

The Equity shares continue to be listed on the Bombay Stock Exchange Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE). Both these Stock Exchanges have nation wide terminals and therefore, shareholders/investors are not facing any difficulty in trading the shares of the Company from any part of the Country. The Company has paid annual listing fee for 2011-12 to the Bombay Stock Exchange Ltd. and the National Stock Exchange of India Ltd. and annual custody fee to National Securities Depository Limited and Central Depository Services (India) Limited. FCCB's issued are listed at Singapore Stock Exchange, Singapore.

The GDR's issued by the Company were listed at Luxembourg Stock Exchange, Luxembourg. The same were delisted w.e.f December 10, 2010, as there were no GDR outstanding for conversion.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS

A Company holds fiduciary relationship with its stakeholders and community, here the Board of Directors of the Company act as trustee to all the stakeholders of the Company to enhance the stakeholder's value and protect their interest. Your Company is committed to benchmark itself with global standards in all areas including appropriate standards for Good Corporate Governance. Towards this end, an effective Corporate Governance System has been put in place in the Company which also ensures that the provisions of Clause 49 of the Listing Agreement are duly complied with. A report on Corporate Governance, and Management Discussion and Analysis, along with Certificate on its compliance from Mr. R.S. Bhatia, Company Secretary in Practice is enclosed with this Annual Report.

OVERSEAS JOINT VENTURE

Your Company holds minority stake in M/s SPA Group Era India Algeria, a company which is engaged in construction activity.

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

Your Company has no activity relating to conservation of energy as prescribed under the rules, however all steps are taken to conserve energy at all levels of operations wherever possible. Further your Company is not using any foreign technology.

The foreign exchange earning /outgo during the year are as under: (₹ in Lacs)

Particulars	Current Year	Previous Year
Foreign Exchange Earnings	Nil	51.65
Foreign Exchange Outgo	8788.67	7753.84

PARTICULARS OF EMPLOYEES

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time are given in Annexure A and form part of this report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, it is confirmed that:

1. The applicable accounting standards have been followed by the Company in preparation of the annual accounts for the financial year ended 31st March, 2011.

2. The Directors have selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2011 and of the profit of the Company for the financial year ending 31st March, 2011.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared accounts for the financial year ended 31st March, 2011 on a going concern basis.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their appreciation towards bankers, clients and all the business associates for their continuous support to the Company and to the shareholders for the confidence reposed in the Company's Management. The Directors also convey their appreciation to the employees at all levels for their enormous personal efforts as well as collective contribution.

Place: New Delhi
Date: August 13, 2011

For and on Behalf of the Board

(H.S. Bharana)
Chairman & Managing Director

Annexure-A

INFORMATION AS PER SECTION 217(2A) OF THE COMPANIES ACT,1956 READ WITH COMPANIES (PARTICULARS OF EMPLOYEES)RULES 1975 AS AMMENDED FROM TIME TO TIME AND FORMING PART OF THE DIRECTORS REPORT FOR THE FINANCIAL YEARENDING MARCH 31, 2011

A. Employed through out the year and in receipt of remuneration not less than ₹ 60,00,000 for the year.

S. No.	Name	AGE	Qualification	Designation	Nature of Duties	Experience (yrs.)	Date of Joining	Remuneration (in ₹)	Last Employment
1.	TULSI DAS ARORA	44	DIP.CIVIL'87 AMIE A, B.TECH, MBA,	CHIEF EXECUTIVE OFFICER	CMG	23	22-June 93	66,15,714	ALL INDIA FEDERAL CORPORATION SHIPPING MILLS
2.	JAWAHAR LAL KHUSHU	69	B.E. CIVIL + M.E. (STRUCL)	WHOLE TIME DIRECTOR	CMG	46	01-Oct. 05	73,75,945	CPWD
3.	JOY SAXENA	51	FCA, AICWA PGDBA	GROUP CHIEF FINANCIAL OFFICER	CMG	26	24-June 08	99,38,744	DLF LIMITED
4.	AJAY KUMAR MISHRA	47	PGDBA FINANCE	PRESIDENT	CMG	26	01-Dec. 08	84,19,898	ERA POWER (I) PVT. LTD.

B. Employed for part of the year and in receipt of remuneration not less than ₹ 5,00,000 per month.

S. No.	Name	AGE	Qualification	Designation	Nature of Duties	Experience (yrs.)	Date of Joining	Remuneration (in ₹)	Last Employment
1.	SUBODH KUMAR GUPTA	54	BE CIVIL	PRESIDENT	CMG	32	08-May 10	58,92,247	STERLING ENERGY LIMITED

MANAGEMENT DISCUSSION & ANALYSIS

India's rise in recent years is a most prominent development in the world economy. India has re-emerged as one of the fastest growing economies in the world. India's growth, particularly in manufacturing and services, has boosted the sentiments, both within country and abroad. With an upsurge in investment and robust macroeconomic fundamentals, the future outlook for India is distinctly upbeat. According to many commentators, India could unleash its full potentials, provided it improves the infrastructure facilities, which are at present not sufficient to meet the growing demand of the economy. Failing to improve the country's infrastructure will slow down India's growth process. Therefore, Indian government's first priority is rising to the challenge of maintaining and managing high growth through investment in infrastructure sector, among others.

As we move ahead for another promising year, let's look back to our journey in the last two decades. So far, our journey has been quite enriching. The Indian Economy has come of age and so has our company. The country has grown at a compounded annual rate of 9% for the last five years, as per the data released by Reserve Bank of India. Our company has correspondingly grown much more rapidly. It has been a because of the continuous process of learning and acclimatizing with the different challenges and needs of the hour. Today we are comfortably placed among our peers. We have grown multifold and have been able to sustain this growth because of the dedicated and committed efforts of the entire team. From a small construction company we have matured ourselves in a large and diversified infrastructure organization. We have shown stellar business and financial performance year-on-year and have forayed into different business segments of the infrastructure sector.

Performances of physical infrastructure in Indian economy in last one and half decades have been mixed and uneven. Over years, India's soft infrastructure grew much faster than the hard infrastructure. Hardware components, like railways, roadways and airways, witnessed little expansion in last one and half decades. In general, performances of these sectors (hardware) are nevertheless poor, when counted their densities in terms of country's surface area or population. Densities in terms of access or spread of rail and road length clearly indicate that road sector has been successful, compared to railways, in spreading the network as well as providing an access in the economy.

What follows is that software part of India's physical infrastructure (like telecom, air, and port services) performed well, thus not only helped the country to maintain a faster growth but also integrated the economy with the world market at a faster pace. At the same time, the hardware component of the country's physical infrastructure (e.g. road, rail, power) comparatively grew slowly, thus negated the country's development process. Therefore, in order to unleash India's full potentials; development of hardware component of India's physical infrastructure perhaps deserves utmost attention. This also indirectly indicates high investment potentials in roadways, railways, power and the associated components in India.

Economic and Industry Overview

Supported by strong fundamentals and the Central Government's proactive measures India has been the most resilient and efficient economy to come out of the economic crisis. India's GDP growth for 2010-11 is estimated at 8.0 per cent. It is expected to be 7% for 2011-12 as per RBI.

Further, investment in the infrastructure sector is expected to be around US\$ 1000 billion during the Twelfth Five Year Plan (2012-17) against US\$ 425.2 billion during the Eleventh Five Year Plan(2007-12). It is expected to touch 10% as a proportion of GDP in 12th Plan. The share of private sector in infrastructure is expected to rise up to 50% during 12th plan. This investment is likely to be fulfilled through public-private-partnership (PPP) projects that are based on long-term concessions.

NHAI has announced to award 7,994 km of highway projects in the current financial year, which lead to boost consumption of cement, steel, and bitumen of Rs 42,000 crores (US\$ 9.46 billion). NHAI has announced to award 59 projects with a total project cost of around Rs 60,000 crores (US\$ 13.51 billion).

India's construction sector is expected to grow at about 35 per cent between 2008-09 and 2012-13. The private sector is expected to contribute 44 per cent of the total projected spend of US\$ 100 billion on roads and highways over the Twelfth Five Year Plan (2012-17) period.

Roads

India has one of the largest road networks in the world, aggregating to about 3.34 million kilometers at present. The country's road network consists of National Highways, State Highways, Major District Roads, other District roads and Village Roads. The road network comprises of 70,548 km of National Highways, 1,31,899 km of State Highways, 4,67,763 km of Major District Roads and about 26,50,000 km of Other District and Rural Roads.

The Government has embarked upon a massive National Highways Development Project (NHDP) in the country to give impetus to the economic development of the country. Under the first two phases of the project i.e. NHDP Phase-I & NHDP Phase-II, about 14,279 km length of National Highways (NH) are proposed to be upgraded to 4 or 6 lane at a total estimated cost of Rs 64,639 crores (US\$ 14.56 billion). The Government of India (GoI) plans to develop 35,000 km of highways by 2014 under the NHDP.

The World Bank has approved a US\$ 975 million loan for developing the first phase of the eastern arm of the US\$ 17.21 billion worth Dedicated Freight Corridor (DFC) Project in India. Dedicated Freight Corridor Corporation of India Ltd (DFCCIL) has tied up with the Japanese Bank of Industrial Cooperation (JBIC) for Rs 4,500 crores (US\$ 14.56 billion) funding as loan for the first phase, likely to be commissioned in March 2016.

The World Bank and the Government of India (GOI) have signed a US\$ 350 million loan to accelerate the development of road network through the Second Karnataka State Highway Improvement Project (KSHIP II). The Government of Karnataka has demarcated about 25,000 km of the most important traffic corridors and designated them as the state's core road network.

Foreign direct investment (FDI) received US\$ 1,125 million in construction activities (including roads and highways) sector from April 2010 to March 2011. The cumulative inflows amounted to US\$ 9,491 million, accounting for 7 per cent of the total FDI equity inflows, according to data released by Department of Industrial Policy and Promotion (DIPP).

The Cabinet Committee on Economic Affairs (CCEA) has approved a US\$ 301.38 million worth project, ending 2016, for construction, upgradation and improvement of 433 km long road in six North-East States, assisted by Asian Development Bank (ADB).

A panel in the Ministry of Finance has approved seven projects at an estimated cost of US\$ 1.69 billion which include widening of roads in five states and will be built under public-private partnership (PPP) mode. Five projects are associated with the Ministry of Road Transport and Highways and two with the Ministry of Home Affairs (MHA).

Road projects covering 10,000 km of highways have been planning to award by the Ministry of Road Transport and Highways in 2011-12. About 80 per cent of these road projects in India would be distributed on the build-operate-transfer (BOT) basis.

Railways

The Indian Railways—one of the largest developed networks in the world—are the major catalyst to infuse socio-economic growth in the economy. The premier transport and logistics organization of the country has the largest rail network in Asia and is the world's second largest under single management.

Private Sector Participation

- The Indian Railways has tied up with Japanese bank for funding of US\$ 6.65 billion for its dedicated western freight corridor project that would connect Mumbai to Delhi. The ambitious project involves building of nine large industrial zones, high-speed freight line, three ports, six airports, a six-lane intersection-free expressway connecting Mumbai with Delhi and a 4,000 mega watt (MW) power plant
- Siemens Ltd India has been awarded contract for power supply and Overhead Equipment (OHE) from Siemens AG of Germany, which was awarded this contract from Chennai Metro Rail Ltd for US\$ 67.6 million.
- Bombardier Transportation, part of the US\$ 19 billion, Montreal-based global transportation company, Bombardier, has submitted a proposal for the Railways Dankuni locomotive project, West Bengal to set up an electric locomotive assembly and ancillary unit.

Airports

The Indian aviation sector is a major economic driver for prosperity, development and employment. Massive investments in airport infrastructure have led to world class airports which have become the symbol of India's growth story.

According to Civil Aviation Secretary, India is poised to emerge as the third largest aviation market in the world by the end of this decade. This sector will grow of 18 per cent in domestic market, is expected to generate approximately 2.6 million jobs in the next one decade.

According to the latest data released by the Directorate General of Civil Aviation (DGCA), Passengers carried by domestic airlines during January - May 2011 were 24.5 million as against 21 million during the corresponding period of previous year thereby registering a growth of 17.6 per cent.

Private carriers are anticipated to post a combined profit of US\$ 350 – 400 million for the fiscal 2011-12. Domestic capacity is also projected to grow by 12-14 per cent for the assessment period, Centre for Asia Pacific Aviation (CAPA) India reported in its 2011-12 Aviation Industry outlook.

India's largest cargo handling system contract has been awarded by Delhi Cargo Services Center (DCSC) to Siemens Ltd to set up a state-of-the-art cargo handling equipment for the integrated cargo complex at the Delhi International Airport. "The contract is worth US\$ 37 million.

According to a new Deloitte Touche Tohmatsu report, the Indian commercial aerospace market is estimated to absorb about 1,100 commercial jets worth US\$ 130 billion over the next 20 years, making it one of the most lucrative markets for the global aviation majors.

Government initiatives

The government has taken many steps in the direction of structural policy reforms and is coming out with new policies which are liberal and encourage public-private partnerships.

- Government allows 100 per cent foreign direct investment (FDI) for the green field airports, about 49 per cent FDI is allowed for investment in domestic airlines via the automatic route. Also, foreign investment up to 74 per cent is permissible through direct approvals and is allowed for non-scheduled and cargo airlines, while special permissions are required for 100 per cent investment.
- Private investors are allowed to set up general airports and captive airstrips while maintaining a distance of 150 km from the existing ones. Complete tax exemption is also granted for 10 years.

Power

As the Indian economy continues to surge ahead, its power sector has been expanding concurrently to support the growth rate. The demand for power is growing exponentially and the scope of growth of this sector is immense.

In terms of power generation, India is the sixth largest in the entire world. Over the past 30 years the demand for power in India has enhanced at 3.6 per cent per annum on the back of economic growth of India.

The Government of India has set the target 'Power for all by 2012' to meet with the energy requirement of the entire country, by adding 78,000 MW of installed generation capacity by 2012. According to the experts, the total demand for electricity will be above 950,000 MW by 2030.

According to CRISIL Research estimates, about INR 7, 50,000 crores is likely to be invested in the power sector over the next five years by 2013-14. Of this, INR 4, 80,000 crores is expected to be invested in the power generation space. Nearly half of the investments in the power generation space is likely to be made by the private sector. Along with generation this has opened up opportunities in the transmission sector as well. In order to encourage private sectors in transmission line business, Government of India issued guidelines for private sector participation.

"The scope for investments in the power sector of India stands at US\$ 300 billion," according to Union Minister, Ministry of Power.

Government Initiatives

The government has initiated several proactive steps to open the sector for the private players and realize the full potential of the country in the power sector:

- Introduction of the Electricity Act 2003 and the notification of the National Electricity Policy 2005 .
- The government has also taken up some ambitious programmes like the Ultra Mega Power Projects (UMPP), Rajiv Gandhi Grameen Vidhyutikaran Yojana (RGGVY), Accelerated Rural Electrification Programme and the goal of Power for All by 2012 among others, to rapidly increase the installed capacity .
- Providing income tax holiday for a block of 10 years in the first 15 years of operation and waiver of capital goods' import duties on mega power projects (above 1,000 MW generation capacity) .
- 100 per cent FDI is permitted under the automatic route for generation and transmission of electric energy produced in hydro-electric, coal/lignite-based thermal plants, oil-based thermal plants and gas-based thermal plants; non-conventional energy generation and distribution, distribution of electric energy to households, industrial commercial and other users; and power trading.
- Constitution of Independent State Electricity Regulatory Commissions in the states .

Urban Infrastructure

Contrary to popular concepts of a predominantly rural India, an increasingly larger percentage of Indian population lives in the Urban areas. Today, India's urban population is second largest in the world after China. Most of the commercial activity other than agriculture and village merchandise takes place in Urban areas. Therefore, to a large extent, urban India is the engine of productivity and growth in the country. The five fold explosive growth in Urban India has resulted in serious infrastructure constraints. Water, transport, housing, electricity, health & sanitation and education are some of the areas of concern. Infrastructure to meet these requirements calls for huge investments. Private sector investment for provisions of urban infrastructure cannot take place unless a proper legal and regulatory framework for such investment is created and developed which ensures a full cost plus recovery of such investment.

The Central Public Health and Environmental Engineering Organization (CPHEEO) has estimated the requirement of funds for 100 percent coverage of the urban population under safe water supply and sanitation services by the year 2021 at INR 172,905 crores (US \$ 41.16 billion). Estimates by Rail India Technical and Economic Services (RITES) indicate that the amount required for urban transport infrastructure investment in cities with population 100,000 or more during the next 20 years would be of the order of INR 207,000 crores (US \$ 49.28 billion).

Government Initiatives

The Government has announced several incentives to attract private sector participation.

These include:

- Government to bear the cost of the project feasibility study, land for the right of way and way side amenities, shifting of utilities, environment clearance, cutting of trees, etc.
- Duty free import of high capacity and modern road construction equipments.
- Declaration of the road sector as an industry.
- Easier external commercial borrowing norms .
- Right to retain Toll.
- The Government has also announced an increase in the overseas borrowing amount of infrastructure sectors, to US\$ 500 million from US\$ 100 million.
- In Budget 2010-11, the allocation for road transport has been increased by over 13 per cent from US\$ 3.8 billion to US\$ 4.3 billion.

- Full exemption from basic Customs Duty to bio-asphalt and specified machinery for application in the construction of national highways.

Private Sector Investments

- The Ministry of Road Transport and Highways' six proposals, spread across five states, have been approved by the Public Private Partnership Approval Committee (PPPAC) at an estimated cost of Rs 9,773.85 crores (US\$ 2.20 billion) through the PPP mode.
- India and the Asian Development Bank (ADB) have signed two loan agreements aggregating to US\$ 432 million for projects in Madhya Pradesh and Bihar. While a US\$ 300 million loan agreement was signed for upgrading about 1,000 km of State Highways in Madhya Pradesh, the other loan agreement for US\$ 132 million is related to strengthening the power sector in Bihar.
- The Centre has approved a total outlay of Rs 2,931 crores (US\$ 660.14 million) for widening two road stretches in Arunachal Pradesh, which would improve internal connectivity of the Western and Eastern districts of the State.
- The project for development of four-laning of 45.43 kms long Nagpur-Wainganga Bridge section on National Highway-6 in Maharashtra under NHDP Phase III on Design, Build, Finance, Operate and Transfer (DBFOT) basis in BOT (Toll) mode of delivery at an estimated cost of Rs 586.54 crores (US\$ 132.10 million) has been approved by the Cabinet Committee on Infrastructure (CCI).
- The Ministry has taken up the Special Accelerated Road Development Programme in the North Eastern Region (SARDP-NE) involving widening of 10,141 km of National Highways and other roads in three phases ensuring connectivity of 88 district headquarters in the North-Eastern Region to the National Highway. An outlay of Rs 1,600 crores (US\$ 360.36 million) has been proposed for SARDP-NE for the year 2011-12.

INFRASTRUCTURE AND INDUSTRY (Union Budget 2011-12)

- Allocation of Rs 2,14,000 crores (US\$ 46.5 billion) for infrastructure in 2011-12. This is an increase of 23.3 per cent over 2010-11. This also amounts to 48.5 per cent of total plan allocation.
- IIFCL to achieve cumulative disbursement target of Rs 20,000 crores (US\$ 4.3 billion) by March 31, 2011 and Rs 25,000 crores (US\$ 5.4 billion) by March 31, 2012.
- Under take out financing scheme, seven projects sanctioned with debt of Rs 1,500 crores (US\$ 325.6 million). Another Rs 5,000 crores (US\$ 1.1 billion) will be sanctioned during 2011-12.
- Government to come up with a comprehensive policy for further developing PPP projects.
- To boost infrastructure development, tax free bonds of Rs 30,000 crores (US\$ 6.5 billion) proposed to be issued by Government undertakings during 2011-12.

Era Infra Engineering Limited - Engineering, Procurement & Construction (EPC) Division

The surge in construction activity has led to exponential growth in infrastructure development across the country. This has naturally resulted in an increase in demand in construction activities, raising the potential bar manifold, which in turn has enabled the EPC Division of your company to foray into some of the most lucrative and growing segments of the infrastructure space. This division executes infrastructure development contracts across the spectrum for both external customers as well as for captive consumption.

EPC - Future Strategy

This Division is now looking at diversifying further by addressing projects across newer infrastructure segments such as refineries, hydroelectricity, irrigation and ports, multilevel car parking, which are considered to be among the fastest growing segments of the Indian Infrastructure Industry. The EPC Division shall continue to consolidate its presence in the existing sectors through execution of more large-sized projects and by entering into more strategic alliances to further enhance its pre-qualification strengths.

Presence Across Other Sectors: Apart from the important forays, the Division has also established a significant presence across other key vital sectors including steel, housing, highways, airport, railways etc.

- Infrastructure: In infrastructure space we are received order from Mumbai Rail Vikas Corporation for construction of EMU maintenance crashed between Nallasopara and Virar. Also, bagged project from Airport Authority of India for construction of enclave at Jaisalmer Airport. Era bagged its biggest project from National Highways Authority of India for up gradation of Bareilly-Sitapur from KM 262 to KM 413.20 in state of Uttar Pradesh.
- Power: Bagged projects from MP Poorv Kshetra Vidyut Vitran, Hyderabad Vidyut Prasaran Nigam, and Bajaj Infra.
- Social Infra: Bagged project in housing segment from Parinda Buldicon, Golden Glow. Bagged project from prestigious Central Public Works Department for construction of office building and guest house at Lucknow and also from Department of Atomic Energy.

Encouraged by the success of private participation in the infrastructure development space, the government expects a substantial increase in the share of private sector investments in infrastructure - from 19% of total in the 10th plan to around 30% of the total in the 11th plan. The government, on its part, has made an effort to facilitate the entry of private enterprising infrastructure development through changes in the legal framework and through unbundling of different segments of infrastructure, so that the public and the private sectors can take up the components most suited to their capacities.

Overview

Your company's BOT Division chose to focus on the fast-growing highways, railways, power, bus terminals, underground parking, airports and other infrastructure development projects. This Division is focused on Engineering (basic and detailed), Procurement (of man, material and machinery) & Construction (execution of works contracts).

BOT Projects - Future Strategy

To become a large and diversified infrastructure company it was felt necessary to add in our portfolio long term assets which will not only give a constant cash flow to the company but will also stabilize and balance our business dynamics. Today we have many large BOT road projects, out of which our projects at Hyderabad, Gwalior and West Haryana will be completed in the current year and others in next couple of years.

The Company has incorporated "Era Infrastructure India Limited (EIL)" as it's wholly owned subsidiary to act as Master SPV and hold equity in all SPVs. EIL will be the wholly owned subsidiary of EIEL and the principal business of the company will be to invest in the entire current and future road SPVs.

Apart from road BOT projects, we are now looking at other new areas like automated parking lots, large-scale housing projects, railway freight corridor projects, hydropower, regional airports, ports, bus terminals, among others.

In addition to the above initiatives, Era also intends to expand its presence in large value railway projects, roads and other segments, where it has already demonstrated its strengths.

Era Infra Engineering Limited - Equipment Management Division (EMD)

Equipment Management

Gauging the critical role of contemporary equipment in facilitating excellent project execution, Era Equipment Management seeks to address the ever growing demand for procurement, operations & maintenance and rentals of construction equipment. The Division caters to the demand for high-end machinery for both captive consumption and external clients through regional equipment hubs under the style and name of Era Machine Mart.

Overview

Prudently leveraging the expertise and experience of its parent company, this Division has successfully forayed into the southern, eastern & western regions of India. This year we have bagged many orders from big acclaimed names like Gammon, Larsen & Toubro, Simplex Infrastructure, HCC, IVRCL to name a few.

Future Strategy

Strong upturn in Industrial and Infrastructure capital expenditure will continue to create demand-supply gap for modern equipment & maintenance services, which will benefit the Division. To exploit this opportunity we would make further investments in this division. We plan to invest more than INR 300 Cr. in this division over the next two financial years to strengthen our equipment bank.

Design and Engineering

The Design and Engineering Division has been created with the aim to have an INDEPENDENT DESIGN CENTRE for ERA Group to shoulder the complete responsibility of basic as well as detailed engineering solutions within and outside the group globally.

Main emphasis of this independent Division has been on Design & Engineering of Pre- Engineered Buildings, Heavy steel structures, Highways & Bridges, Power Plants, Metro Projects, RCC structures & Multistoried Real Estate Projects.

Risk and Concerns

The contracting and construction markets in our country are competitive and require substantial resources and capital investment in equipment, technology and skilled personnel. We are increasingly moving towards larger projects with stringent. Pre-qualification requirements where intense competition is expected to continue and may even increase as a result of the entry of foreign construction companies into the Indian market. This is likely to lead to significant challenges to our maintaining historical growth rates and acceptable profit and margins. Our contracts are awarded after a competitive bidding processes and satisfaction of other prescribed pre-qualification criteria.

Our exposure to BOT Projects, particularly in the area of Road and Transportation wherein revenues from toll-based projects are a function of actual traffic volume, has increasingly led to additional risks associated with such projects, including traffic volume risks, availability risks and financial closure risks. Adverse deviations between actual traffic volumes from projected volumes, delays in completion of related projects components or failure to achieve a financial closure could result in significant loss of revenue.

Internal Control Systems

Company has adequate internal control procedures & systems to commensurate with the nature and size of its business. The Company's internal control system primarily covers aspects such as:

1. Company over operating parameters and various factors relating to production.
2. Efficient use and protection of resources.
3. Accuracy and Promptness of financial reporting.
4. Compliance of laws and regulations.

Company has a well-defined organizational structure, well documented policies, guidelines and clearly defined authority levels.

Risk Management

The assets of your Company are adequately secured/ covered under appropriate policies and your management reviews it from time to time.

Financial Performance (Operational Results 2010-11 vs 2009-10)

(₹ In Lacs)

Particulars	2010-11	2009-10	% Change
Total Income	387,156.47	344,048.73	12.53
Interest & Financial Charges	31,879.64	25,641.82	24.33
Expenses	311,154.00	276,297.53	12.62
Depreciation	8,401.29	7,151.27	17.48
Total Expenditure	351,434.93	309,090.61	13.70
Profit Before Tax (PBT)	35,721.55	34,958.12	2.18
Provision for Tax	11,038.17	11,843.55	-6.80
Profit After Tax (PAT)	24,683.38	23,114.57	6.79
Equity Capital	3,636.55	3,583.33	1.49
Reserve & Surplus	170,128.92	142,123.36	19.71
Earnings per Share :			
Basic	13.59	17.49	
Diluted	13.39	17.49	

Material Developments in Human Resources

To meet new challenges, we count on our dedicated competent human resource comprising engineers, management and financial professionals, the invaluable tools that have facilitated our Company's progression into fast growing and highly profitable sectors helped embark on sustained research and development and rolled out comprehensive marketing programs. The Company is proud of its creative personnel team comprising highly experienced, skilled and committed employees and it recognizes the invaluable contribution made by each of them. At present there are three thousand nine hundred ninety six (3996) employees in the company. There was no strike or labour unrest during the period under review.

We have also introduced a performance linked incentive scheme to motivate our employees, as also to increase the productivity of the people. This is a monthly scheme to drive the workforce of the company towards maximizing their contribution to the best interest of the organization. This will not only help in motivating the employees in terms of monetary benefits but will also boost their competence and capabilities towards their work performance.

Company initiated training and development programmes for new entrants and the other employees of the Company to understand the structure of the company and its systems, which will enable them to work consciously in right direction in a structured way. This training further extended to existing employees to bridge the gap between their current unstructured knowledge to required knowledge which leads them to work more efficiently, makes them capable to move one step ahead in their career path.

Cautionary Statement

Statements in the Management Discussions and Analysis describing the Company's objectives, projections, estimates, expectations are "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations includes economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax, corporate and other laws and other incidental factors.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE COMPLIANCE REPORT FOR THE YEAR 2010-2011

1. Company's Philosophy on Code of Governance

As part of Era Group, the Company's philosophy is to conduct business at highest ethical standards, transparent governance practices, highest standards of professionalism, honesty and integrity for the growth and prosperity of all the stakeholders on a sustainable basis in keeping with its corporate social responsibilities. The Company believes that large organizations have both an economic and social purpose and the principles of Corporate Governance are applied to achieve both these goals. Since shareholders are residual claimants, the value creation and sustainability of all the other stakeholders' viz. customers, creditors, employees, vendors, community and the Government (of countries in which the company operates) are of paramount significance to the Company and its shareholders. The Board would therefore have a fiduciary relationship and a corresponding duty to all its stakeholders to ensure that their rights are well protected. Through the Governance mechanism in the Company, the Board along with its Committees endeavours to strike the right balance with its various stakeholders. At the highest level, the Company continuously endeavours to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources to take the Company forward. Keeping in view the Company's size, complicity, operations and corporate tradition, the Corporate Governance framework is based on the following main principles:

- Strategic supervision by the Board of Directors;
- Ensuring timely flow of information to the Board and its Committees for meaningful and focused discussions in the meeting;
- Independent verification of the Company's financial reporting;
- A sound system of internal control to mitigate the risks;
- Timely and balanced disclosure of all material information to all the stakeholders along with safeguarding the confidentiality of all information received by virtue of their position;
- Act in compliance with all applicable laws and regulations of all the relevant regulatory and other authorities, in letter and spirit;
- Transparency and accountability; and
- Equitable and fair treatment to all its stake- holders including employees, customers, vendors, shareholders and investors.

Your Company has laid strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of professionals of eminence and integrity from within and outside the business, forming a core group of top executives, inducting competent professionals across the organization and putting in place system, process and technology.

We present hereunder our report on compliance of governance conditions specified in Clause 49 of the Listing Agreement(s).

2. Board of Directors and Board Procedure

The Company is managed and controlled through a professional Board of Directors ("BOARD") comprising of a combination of mandate executive and non-executive independent directors. The composition of the Board of the Company is in conformity with the provisions of Clause-49 of the Listing Agreement with the Stock Exchange(s).

3. Composition of the Board as on the date of this report

l) The Board presently consists of eight Directors, four of whom are Non-Executive Independent Directors as per existing

provisions of Clause-49 of the Listing Agreement. Independent Directors provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Clause 49. Mr. H.S. Bharana, Chairman of the Company is an Executive Director & Promoter of the Company.

Category of Directors	No. of Directors	Percentage to total No. of Directors
Executive Directors	2	25
Non-Executive Independent Directors	4	50
Non-Executive Directors	2	25
TOTAL	8	100

- ii) The independent directors do not have any material pecuniary relationship [other than receiving sitting fees for attending the Board Meeting(s)] or transactions with the Company, its promoters, its management or its subsidiaries, which may affect the independence or judgment of the directors.
- iii) None of the Directors on the Board is a member of more than 10 committees or chairman of more than 5 committees, across all the Companies in which he is a director. The necessary disclosures regarding committee positions have been made by the directors.

The details of attendance of each director at the Board Meeting (BM), Audit Committee Meeting (ACM), Shareholders/Investors Grievance Committee Meeting (SIGCM) and last AGM held during the financial year 2010-11 and details of number of outside directorship and committee positions held by each of the director as on the date of this report is given in Table 1 below:

Table 1

S. No.	Name of Director	Status	Attendance at Board, Committee Meetings, AGM				Other Directorship and Committee Position		
			No. of BMs	No. of ACMs	No. of SIGCMs	Last AGM	Directorship	Committee Positions	
								Chairman	Member
1.	Mr. H.S. Bharana	Executive Director	8	-	4	Yes	14	1	3
2.	Mr. J.L. Khushu	Executive Director	8	4	4	No	9	4	2
3.	Mr. A.K. Mehta	Independent and Non-Executive Director	6	4	-	No	2	1	1
4.	Mr. Arvind Pande	Independent and Non-Executive Director	3	3	-	No	2	1	-
5.	Mr. S.D. Sharma	Independent and Non-Executive Director	7	4	4	Yes	2	1	1
6.	Mr. S D Kapoor	Independent and Non -Executive Director	5	-	-	No	6	3	4
7.	Mr. Anil Razdan	Non -Executive Director	7	-	-	No	5	-	2
8.	Mr. Amit Bharana *	Non -Executive Director	1	-	-	N.A.	19	-	1

(*) Mr. Amit Bharana was appointed as an additional director of the company w.e.f 15th December, 2010.

Notes:

1. For the Purpose of calculating committee membership of the Directors, Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956 are excluded for above purposes.
2. Only Audit Committee, Shareholders/Investors Grievance Committee are considered for the purpose of Committee positions as per listing agreement.

Board Meetings:

During the year 2010-2011, the Board of Directors met eight times on:

30th April, 2010; 31st May, 2010; 28th June, 2010; 08th July, 2010; 23rd July, 2010, 31st July, 2010; 13th November, 2010, 14th February, 2011 complying with Clause 49 of the Listing Agreement, the Board has adhered to the time gap of four months between two meetings.

Board Procedures:

It has always been the Company's policy and practice that apart from matters requiring Board approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, collaborations, material investment proposals in joint venture/promoted companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations etc. are regularly placed before the Board.

The Schedule of each of the Board meeting is decided well in advance and communicated to the Directors. Board meetings are generally held at the Corporate Office of the Company at Okhla, New Delhi.

The agenda along with the explanatory notes are sent to the Directors well in advance to enable them to take informed decisions. The Group Chief Financial Officer is invited to all the Board meetings to provide necessary insights into the working of the Company and for discussing corporate strategies.

All relevant information required to be placed before the Board of Directors as per Clause 49 of the Listing Agreement, are considered and taken on record/ approved by the Board.

Appointment and Re-appointment of Directors:

Mr. S.D. Kapoor and Mr. S.D. Sharma retire by rotation at this Annual General Meeting of the Company and being eligible offer themselves for reappointment.

Mr. Amit Bharana's appointment as a regular director of the Company is recommended to be made at the ensuing Annual General Meeting.

As required under Clause 49 of the Listing Agreement, brief resume of directors being appointed/reappointed, nature of their expertise in specific functional areas and names of companies in which they hold Directorship, Committee Chairmanship and Memberships and their shareholding in the company are furnished, by way of note in the Notice calling the Annual General Meeting.

4. Audit Committee

The terms of reference stipulated by the Board to the Audit Committee are, inter-alia, as contained in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report, if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 7. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 9. Discussion with internal auditors any significant findings and follow up there on.
 10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
 14. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee:

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses.

Composition, member's names and chairperson:

- The Audit Committee comprises of four members namely Mr. A.K. Mehta, Mr. S.D. Sharma, Mr. J.L. Khushu and Mr. Arvind Pande, out of which three are independent. Mr. A. K. Mehta is the Chairman of Audit Committee. All members

of the Audit Committee possess sufficient knowledge and experience in the field of Finance and Accounts.

- During the period under review four Audit Committee meetings were held on 31st May, 2010, 31th July, 2010, 13th November, 2010 and 14th February, 2011.
- The Committee meetings are attended on invitation by the Group CFO, the representatives of Statutory Auditors and the Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee. The Internal Audit function headed by the Head Internal Auditor, reports to the Audit Committee to ensure its independence.
- The Committee relies on the expertise and knowledge of management, the internal auditors and the independent Statutory Auditor in carrying out its oversight responsibilities. It also uses external expertise, if required. Management is responsible for the preparation, presentation and integrity of the Company's financial statements including consolidated statements, accounting and financial reporting principles. Management is also responsible for internal control over financial reporting and all procedures are designed to ensure compliance with accounting standards, applicable laws and regulations as well as for objectively reviewing and evaluating the adequacy, effectiveness and quality of the Company's system of internal control.
- M/s G.C.Sharda & Co., Chartered Accountants, the Statutory Auditors, is responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

5. Remuneration Committee (non-mandatory)

The Remuneration Committee comprises of 3 Independent and Non-Executive Directors namely Mr. A.K. Mehta, Mr. Arvind Pande and Mr. S.D. Sharma. Mr. A.K. Mehta is the Chairman of the Remuneration Committee. The Committee is entrusted with the responsibility of finalizing the remuneration of executive directors. The Committee considers the remuneration after taking into consideration, inter alia, various factors such as qualification, experience, expertise of the director prevailing remuneration in the corporate world and financial positions of the company etc.

During the financial year 2010-2011, two meetings of remuneration committee were held on 28th June, 2010 and again on 14th February, 2011 for proposing increasing the remuneration of Mr. J. L. Khushu, Whole-Time Director of the company.

Executive Directors

Details of remuneration paid to the Executive Directors for the financial year, 2010-2011 is given below: (In ₹)

Particulars	Mr. H.S Bharana	Mr. J.L. Khushu
Basic Salary	1,02,85,000	26,00,688
Perquisites and Contribution to PF and Other Funds	77,15,000	47,75,257
Total	1,80,00,000	73,75,945

Non-Executive Directors

Non-Executive Directors are entitled to sitting fees for attending Board Meetings.

The Company has no stock option plans and hence such instruments do not form a part of the remuneration package payable to any executive and/or non-executive director. No severance fees is payable on termination of appointment.

6. Shareholders/Investors Grievance Committee

The Shareholders/Investors' Grievance Committee comprises of three members namely Mr. H.S. Bharana, Mr. J.L. Khushu and Mr. S.D. Sharma. Mr. S.D. Sharma is the Chairman of the Shareholders/ Investors Grievance Committee.

The committee meetings were held during the year on 31st May, 2010, 31st July, 2010, 13th November, 2010 and 14th February, 2011.

The committee empowered to oversee the redressal of shareholders investors' complaints pertaining to share/debenture transfers, non-receipt of annual reports, interest/dividend payments, dematerialization of shares, issue of duplicate certificates, transmission (with and without legal representation) of shares and debentures and other miscellaneous complaints.

During the year the company received 17 shareholders complaints and all of them were resolved to the satisfaction of the shareholders. No complaint was pending at the end of financial year, 31st March, 2011.

Mr. Rajiv Kumar, Company Secretary is the compliance officer of the company, can be contacted at rajiv.k@eragroup.in.

7.(i) General Body Meetings

Location and time of last three years General Meetings are as follows:

Year	Type	Venue	Date	Time	Special Resolutions passed
2007-08	Extra-Ordinary General Meeting	NCUI Auditorium, 3, Siri Institutional Area August Kranti Marg, New Delhi-110016	26.05.2007	05:00 p.m.	a) Issue of Equity, Shares/ warrants on preferential basis. b) Investment up to extent of ₹ 90 Crores in the capital of M/s. Gwalior Bypass Project Limited
2007-08	Annual General Meeting	NCUI Auditorium, 3, Siri Institutional Area August Kranti Marg, New Delhi-110016	29.09.2008	02:30 p.m.	a) Making Loan/and, Giving Guarantee to A.R.K. Transmission & Distribution Limited and ARK Vidhyut Urja Limited b) Making Investment upto ₹. 25 Crores in India Reality Excellence Fund c) Making Investment upto ₹ 20 Crores in Axis Infra Structure1 d) To increase the salary and perquisites of Mr. H.S. Bharana, Chairman & Managing Director of the company.
2008-09	Annual General Meeting	Executive Club, 439, Village-Shahoorpur, P.O. Fatehpur Beri, New Delhi-74	08.08.2009	03:30 p.m.	a) Issue of shares on Preferential basis under Section 81(1A) of the Companies Act, 1956. b) Increasing the FII limits to 65% of the paid up equity share capital of the company.
2009-10	Annual General Meeting	Executive Club, 439, Village-Shahoorpur, P.O. Fatehpur Beri, New Delhi-74	06.08.2010	03:30 p.m.	a) Issue of shares on Preferential basis under Section 81(1A) of the Companies Act, 1956. b) Making Investment in the shares of Bareilly Highways Project Limited and Era T&D Limited.

Note : All Special Resolutions were passed through vote by Show of Hands.

(ii) Postal Ballot

(a) During the Financial Year 2010-11, no resolution was proposed for the approval of shareholders through Postal Ballot. However, the result of Postal Ballot dated: 22nd February, 2010 was declared on 06th April, 2010 wherein the following resolutions were passed as Special Resolutions:

- Section 372A for making Investments, Loans and providing Corporate Guarantees.
- Section 293(1)(a) for mortgaging/ creating charge over the properties of the Company.
- Section 293(1)(d) raising the borrowing powers of the Company.

The resolutions were passed with requisite and overwhelming majority.

Mr. R.S. Bhatia, Company Secretary in Practice, was appointed as the scrutinizer for conducting the aforesaid Postal Ballot. Mr. H.S. Bharana, Chairman & Managing Director and Mr. Rajiv Kumar, Company Secretary of the Company was responsible for conducting the said Postal Ballot in a fair and transparent manner. The Postal Ballot was conducted as per the rules framed by Government in this regard.

8. Disclosures

i) No transaction of material nature has been entered into by the company with its promoters, directors or management or relatives etc. that may have potential conflict with the interest of the company.

ii) Related Party Transactions:

The details of transactions with related parties are placed before the audit committee on quarterly basis. The same are disclosed by way of a under the head "Note No. 15(c) (iv) of Schedule 'O' Part B under the head "Notes to Accounts" in the Financial Statements for the financial year ended 31.03.2011.

iii) Disclosure of Accounting Treatment:

The Company is following the Generally Accepted Accounting Policies of the trade which provides a true and fair view of the business of the Company.

iv) Compliance by the Company:

There were no instances of non-compliance or penalty structures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

v) Number of Shares Held by Non-Executive Directors:

None of the Non-Executive Director hold any shares of the company.

9. Compliance with other mandatory requirements

i) Management Discussion and Analysis :

Management Discussion and Analysis are given elsewhere in this Annual Report.

ii) Subsidiary Companies :

At the end of the financial year 2010-2011 the Company has fourteen direct subsidiaries, two step subsidiaries and two foreign subsidiaries.

iii) Details about Material Subsidiaries and Transactions :

There was no material subsidiary as at 31.03.2011.

Details of transactions with subsidiaries are given in "Note No. 9 of Schedule 'O' Part B under the head "Notes to Accounts" in Balance Sheet as at 31.03.2011.

iv) Risk Management :

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. The Company has framed the risk assessment and minimization procedure which is periodically reviewed by the Board.

v) CEO/ CFO Certification :

A Certificate from Chairman and Managing Director and Group CFO on the financial statements of the Company was placed before the Board.

vi) Code of Conduct :

The Board has formulated a code of Conduct for the Board members and Senior Management of the Company. It is hereby affirmed that all the Directors and Senior Management personnel have complied with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management.

10. Compliance with Non-Mandatory requirements

i) Remuneration Committee :

The board has set up a Remuneration Committee details whereof are furnished at Sr. No. 5 of this report.

ii) Whistle Blower Policy :

Though the Company does not have a Whistle Blower Policy. However it is ensured that every personnel has approach to the Audit Committee as and when he so desire.

11. Means of Communication

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end:

a) Quarterly/Half Yearly/ Annual Results: The Quarterly, Half Yearly and Annual Results of the Company are send to the Stock Exchange immediately after they are approved by the Board.

b) Publication of Quarterly/ Half Yearly/ Annual Results: The Quarterly, Half Yearly and Annual Results of the Company are published in the prescribed proforma within 48 hours of the conclusion of the Board in which they are considered, at least in one nationwide english newspaper and in one vernacular newspaper of the NCT of Delhi where the Registered Office of the Company is situated.

The unaudited quarterly results for the quarters ended 30.06.2010, 30.09.2010, 31.12.2010 and un-audited results for the quarter and year ended 31.03.2011 were published in Navbharat Times, Times of India and The Economic Times in following manner:

Quarters	Date of Board Meeting	Date of Press Release and Newspaper
April-June, 2010	31/07/2010	02nd August, 2010 'The Times of India' 02nd August, 2010 'The Economic Times' 02nd August, 2010 'Nav Bharat Times'
July-September, 2010	13/11/2010	15th November, 2010 'The Times of India' 15th November, 2010 'The Economic Times' 15th November, 2010 'Nav Bharat Times'
October-December,2010	14/02/2011	15th February, 2011 'The Economic Times' 15th February, 2011 'The Times of India' 15th February, 2010 'Nav Bharat Times'
January- March, 2011 & April 2010- March,2011 (Unaudited-FY 2010-2011)	14/05/2011	16th May, 2011 'The Economic Times' 16th May, 2011 'The Times of India' 16th May, 2011 'Nav Bharat Times'

The official press releases of Company are displayed on the website of The Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

- c) **Company's Website** : Company can be reached at website : www.eragroup.co.in. It provides the basic information about the company and is being regularly updated.

12. GENERAL SHAREHOLDER INFORMATION

- a) Annual General Meeting
Date : 19th September, 2011
Day : Monday
Time : 3:30 p.m.
Venue : Executive Club 439, Village Shahoorpur
P.O. Fatehpur Beri, New Delhi-74.
- b) **Financial Calendar:** 1st April 2011 to 31st March 2012.
Results for the quarter ending June 30, 2011 By mid of August 2011
Results for the quarter ending September 30, 2011 By mid of November 2011
Results for the quarter ending December 31, 2011 By mid of February 2012
Results for the quarter/year ending March 31, 2012 By mid/end of May 2012
Annual General Meeting for the year ending March 2012 Latest by end of Sept 2012
- c) **Book Closure Period:** 14.09.2011 to 19.09.2011 (both days inclusive).
- d) **Dividend:** A dividend @ ₹0.40 /- per share (20%) has been recommended by the Board of Directors for the financial year 2010-11 and is subject to the approval of the shareholders at the ensuing **Annual General Meeting**. Payment of Dividend, if declared at the meeting, will be made on or before 19th October, 2011.
- i) To all the beneficial owners in respect of shares held in electronic form as per the data as may be made available by National Securities Depository Limited and Central Depository Services (India) Limited as at the close of business hours on 13th September, 2011.
- ii) To all the shareholders in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 19th September, 2011.

e) Listing on Stock Exchanges

The company's Equity Shares are listed on the following Stock Exchanges in India:

- The Bombay Stock Exchange Limited
1st Floor, New Trading Ring, Rotunda Building,
PJ Towers, Dalal Street, Fort, Mumbai-400001.
- National Stock Exchange of India Limited
Exchange Plaza" Bandra-Kurla Complex,
Bandra (E), Mumbai-400051.

Further, FCCB's issued by the company are listed at:

- Singapore Stock Exchange
2 Shenton Way
19-00 SGX Centres 1
Singapore 068804.

The GDR's issued by the Company were listed at Luxembourg Stock Exchange, Luxembourg. The same were delisted w.e.f December 10, 2010, as there are no GDR outstanding for conversion.

Listing fees including for the year 2011-12 has been paid on due dates to all the Stock Exchanges in India.

f) Market Price Data

Monthly High and Low closing quotation of shares traded at Bombay Stock Exchange Limited and National Stock Exchange of India Limited are as follows:

Month	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
April, 2010	233.70	224.40	233.85	224.45
May, 2010	228.35	209.55	228.20	209.65
June, 2010	211.10	207.10	210.85	207.05
July, 2010	211.50	205.20	211.50	205.10
August, 2010	229.85	216.35	229.95	216.45
September, 2010	241.35	221.00	241.45	221.45
October, 2010	234.85	219.00	234.95	219.05
November, 2010	236.80	216.80	236.75	216.80
December, 2010	217.65	211.70	217.55	211.60
January, 2011	215.65	206.45	215.65	205.80
February, 2011	204.50	187.90	204.55	187.95
March, 2011	194.05	188.60	194.05	188.60

(Source : BSE & NSE Website)

g) Performance of the share price of the Company in comparison to the Bombay Stock Exchange Limited (Sensex) and National Stock Exchange of India Limited (NIFTY):



(Source : www.moneycontrol.com)

h) Stock Code

Stock Code/Symbol for the Equity Shares of the Company at BSE and NSE are 530323 and ERAINFRA respectively.

i) Registrar and Share Transfer Agent

M/s Beetal Financial & Computer Services Private Limited has been appointed as Registrar and Share Transfer Agent of the Company.

The shareholders are advised to approach M/s Beetal Financial & Computer Services Private Limited at the following address for any share and demat related queries and problems:

Beetal Financial & Computer Services Private Limited,
Beetal House, 3rd Floor, 99,
Madangir behind Local Shopping Centre,
New Delhi-110062.

Tel: 011-29961281, 29961282 Fax: 011-29961284

E-Mail ID: beetalrta@gmail.com, beetal@rediffmail.com

Website: www.beetalfinancial.com.

j) Share Transfer System

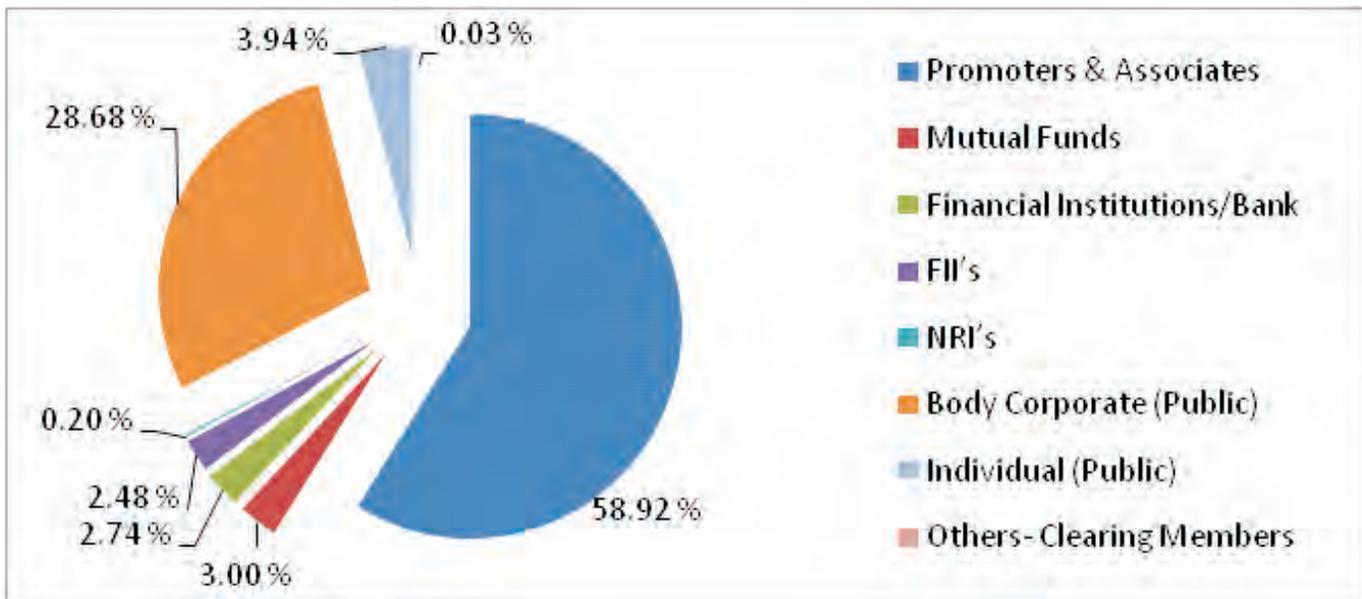
Transfers of Equity Shares (in Physical) are handled by Beetal Financial & Computer Services Private Limited. The transferee is required to furnish transfer deed duly completed in all respects together with share certificate to Beetal Financial & Computer Services Private Limited at the above address in order to enable Beetal Financial & Computer Services Private Limited to process the transfer. The share transfer committee normally attends to share transfer formalities once in a fortnight. Demat requests are normally confirmed with in 21 days from the date of receipt of request.

k) Distribution of shareholding/shareholding pattern as on 31st March, 2011

Shareholding	Shareholders		Share Amount	
	Nominal Value in ₹	Number	% to total	In ₹
Upto 5,000	13,979	97.12	8,821,200.00	2.43
5,001- 10000	188	1.31	1,389,884.00	0.38
10,001 - 20,000	61	0.42	946,906.00	0.26
20,001 – 30000	31	0.22	770,266.00	0.21
30,001 - 40000	8	0.06	265,916.00	0.07
40,001 - 50,000	3	0.02	130,252.00	0.04
50,001 - 1,00,000	18	0.12	1,433,796.00	0.39
1,00,001 and above	105	0.73	349,897,060.00	96.22
Total	14,393	100.00	363,655,280.00	100.00

Categories of Equity Shareholders as on March 31, 2011:

Category	As on 31.03.2011	
	Shareholding	% to paid up capital
Promoters & Associates	107131293	58.92
Mutual Funds	5453900	3.00
Financial Institutions/Bank	4990629	2.74
FII's & Foreign Corporate Bodies	4518241	2.49
NRI's	371380	0.20
Body Corporate (Public)	52141097	28.68
Individual (Public)	7164923	3.94
Others- Clearing Members	56177	0.03
Total	181827640	100.00



l) Dematerialization of Shares

The Company's Equity Shares are eligible for dematerialization. The Company has signed agreements with both the depositories namely National Securities Depository Limited and Central Depository Services (India) Limited. The company's ISIN No. for both the depositories is INE039E01020. As on 31st March, 2011; 18,08,87,929 Equity Shares constituting 99.48% of total equity of the Company were held in dematerialized form with NSDL & CDSL.

m) FCCBs Outstanding

The Company raised 750 Zero Coupon Foreign Currency Convertible bonds due 2012 (FCCBs) of USD 100,000 each, aggregating to USD 75 million, at par, on January 24, 2007. These bonds have maturity period of 5 years and 1 day.

The bonds are convertible into shares, as per the terms of the issue, as laid down in Letter of Offering dated 17th January 2007. The conversion price of ₹ 793/- per share of ₹10/- each was determined on 24th January, 2008. The conversion price was adjusted to ₹ 158.60/- per share owing to split of face value of shares from ₹ 10/- per share to ₹ 2/- per share w.e.f. 24th September, 2008.

The company has bought back FCCB's worth USD 21.3 million and converted 136 FCCB's worth USD 13.6 million till the date of this report. The details of FCCBs conversion are as follows:

Date of Allotment	Number of FCCB's converted (US \$ 1,00,000 each)	Number of Equity Shares Allotted	Conversion Price (in ₹)
20.02.2009	19	5,32,262	158.60
16.06.2009	5	1,40,069	158.60
21.12.2009	1	28,013	158.60
06.02.2010	10	2,80,138	158.60
25.03.2010	6	1,68,083	158.60
12.04.2010	1	28,013	158.60
03.05.2010	90	25,21,248	158.60
25.05.2010	3	84,041	158.60
28.06.2010	1	28,013	158.60
TOTAL	136	38,09,880	158.60

A total of 401 FCCB's are outstanding as on the date of this report.

n) UNCLAIMED DIVIDEND

Under the Companies Act, 1956, Dividend that are unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by Central Government.

Members who have not yet encashed their dividend warrant(s) for the financial year 2003-04 are requested to make their claims without any further delay to the Company's Registrar and Transfer Agents, M/s Beetal Financial & Computer Services Private Limited.

Members may please note that no claim will lie against IEPF or the Company with respect to Dividend declared for the financial year 2003-04, on or after 01st November, 2011.

o) Compliance Officer

Mr. Rajiv Kumar is the compliance officer of the company, can be contacted at Era Infra Engineering Ltd. 153, Okhla Industrial Area, Phase-III, New Delhi-110020, Tel. : 011-40637000, Fax : 011-40637070, Email : rajiv.k@eragroup.in

p) Plant Location

Construction Projects are executed projects at the clients locations. The company has its only manufacturing facilities in RMC division. As on 31.03.2011 the RMC manufacturing plants are situated at:

1. Greater Noida (U.P) : I-43/44, Site-V, Surajpur Industrial Area, Kasna , Gr.Noida, (U.P).
2. Sahibabad (U.P) : A-43/2, Site -IV, Sahibabad Industrial Area , Ghaziabad (U.P) .
3. Faridabad (H.R.) (Dedicated)-Era Divine court Sector-76, Near Nimika, Faridpur Faridabad (Haryana).
4. Bangaluru Plant (Dedicated) -Era Devine Court project Survey No : 13, Mysore Road Opp to Jagadale Exports,Kengeri, Bangalore-560 060.
5. Nathupur (Kundli), (Haryana)-Killa No.-16,17,18 & 19, Nera Crystal Chemical Ltd.Nathupur Industrial area Nathupur (Kundli) Sonapat (Haryana) .
6. Pusa Road Delhi (Dedicated): All India radio Prasar Bharti Campus, Pusa Road, Vill-Todapur, New Delhi.

q) Address for Correspondence:

Registered Office:

Era Infra Engineering Limited.

370-371/2, Sahi Hospital Road, Jungpura, Bhogal, New Delhi -110 014.

Tel: 011- 43637000. E-mail: rajiv.k@eragroup.in. Web site: www.eragroup.co.in.

Investor Assistance : E-mail : investorinfra@eragroup.in

r) Green Initiative for Paperless Communication:

The Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in corporate Governance” by allowing paperless compliance by Companies through electronic mode and has issued recently circulars bearing no. 17/2011 dated: April 21, 2011 and 18/2011 dated : April 29, 2011 stating that service of documents by a Company to its Members can be made through electronic mode. The move of the ministry allows public at large to contribute to the green movement.

Keeping in view the underlying theme and the circular issued by MCA, the Company has already taken an initiative by inviting the shareholders to participate in the “Go-Green” initiative by registering their e-mail addresses with the Company (in case of Physical Shareholders) and with their respective Depositories (for De-mat Shareholders).It is proposed to send various communications and documents like notice calling general meetings, audited financial statements, directors’ report, auditors report etc., henceforth, in electronic form, to the e-mail address provided by the Members to the Depositories or to the Company.

The Company’s initiative has been responded with overwhelming response from the shareholders.

To support this green initiative in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with Depositories through their concerned Depository Participant. Member’s who hold shares in physical form are requested to register their e-mail addresses with the company at investorinfra@eragroup.in or fill in the Registration Form provided in this Annual Report or register their e-mail addresses.

DISCLOSURES BY THE MANAGEMENT

During the year 2010-11, there have been no transactions of material nature entered into by the Company with the Management or their relatives that may have potential conflict with interest of the Company. None of the Non- Executive Directors have any pecuniary material relationship or transaction with the Company for the year ended March 31, 2011 and have given undertaking to that effect.

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT POLICY

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the period ended 31st March 2011.

For **Era Infra Engineering Limited**

H.S. Bharana

(Chairman & Managing Director)

Place : New Delhi

Date : August 13, 2011

CHAIRMAN AND MANAGING DIRECTOR / HEAD OF FINANCE CERTIFICATION

We, H.S. Bharana, Chairman & Managing Director and Joy Saxena, Group CFO of Era Infra Engineering Ltd., to the best of our knowledge and belief hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have disclosed based on our most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's board of directors (and persons performing the equivalent functions):
 - i. Significant change in internal controls during the year covered by this report;
 - ii. All significant changes in accounting policies during the year if any that the same have been disclosed in the notes to the financial Statements;
 - iii. Instances of significant fraud of which we are aware, that involves management or other employees who have a significant role in the company's internal controls system over Financial Reporting.

Place : New Delhi
Date : August 13, 2011

(H.S. Bharana)
Chairman & Managing Director

(Joy Saxena)
Group CFO

COMPLIANCE CERTIFICATE

COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARY REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE TO THE MEMBERS OF ERA INFRA ENGINEERING LIMITED

I have examined the compliance of conditions of corporate governance by Era Infra Engineering Limited, for the year ended on 31st March 2011, as stipulated in clause 49 of the Listing agreement of the said company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and impediments thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the company has complied with the Corporate Governance as stipulated in the above mentioned listing Agreement.

I further State that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi.
Date : August 13, 2011

R.S. Bhatia
Company Secretary in Practice
CP. No. : 2514

AUDITORS' REPORT

The Members,
Era Infra Engineering Limited
New Delhi

1. We have audited the attached Balance Sheet of Era Infra Engineering Limited as at 31st March, 2011 and also the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the annexure referred to above, we report that:
 - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii) In our opinion, proper books of account as required by law have been kept by the company, so far as appears from our examination of those books ;
 - iii) The balance sheet, profit & loss account and cash flow statement dealt with by this report are in agreement with the books of account ;
 - iv) In our opinion, the balance sheet, profit & loss account and cash flow statement dealt with this report comply with the accounting standards referred to in sub-section (3C) section 211 of the Companies Act, 1956 ;
 - v) On the basis of the written representations received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
 - vi) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereto give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
 - a) in the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2011;
 - b) in the case of Profit & Loss Account, of the profit of the company for the year ended on that date, and
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For G. C. SHARDA & CO.
Chartered Accountants
FRN : 500041N

CA. Vandna Gopal Sharda
Partner
M. No. : 091051

Place : New Delhi
Date : August 13, 2011

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF ERA INFRA ENGINEERING LIMITED

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (c) During the year, the company has not disposed off any substantial part of fixed assets.
- (ii) (a) As explained to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable in relation to the size of the company.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the books records were not material and have been properly dealt with in the books of accounts.
- (iii) (a) According to the information and explanations given to us, the company has granted unsecured loans to twelve parties covered in the register maintained under section 301 of the Companies Act, 1956. The party wise cumulative maximum amount involved during the year was ₹ 1,874.19 Lacs and the year-end balance of loans granted to such parties was ₹ 298.18 Lacs.
- (b) According to the information and explanations given to us, in our opinion, the rate of interest and other terms and conditions on which loans have been granted to companies covered in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
- (c) In our opinion and according to the information and explanations given to us, the company is receiving the principal amounts as stipulated and is receiving interest regularly.
- (d) According to the information and explanations given to us, there are no overdue amounts of loans granted to companies, listed in the register maintained under Section 301 of the Companies Act, 1956.
- (e) According to the information and explanations given to us, the company has not taken any loan, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. In view of the above, clause 4(iii) (e) to (g) of the Order are not applicable in respect of the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to execution of contracts, sale of goods and services. However, as informed to us there is a continuous procedure to strengthen the same. During the course of our audit, we have not observed any major weakness in internal controls nor have any such weaknesses been brought to our notice.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts, arrangements or transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in

pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from public to which provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of any of activities of the company.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, cess have been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and the records of the Company examined by us, dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of disputes and the forum where the dispute is pending, are as under:

NAME OF THE DUES/ NAME OF THE STATUTE	DISPUTED AMOUNT (₹ IN LACS)	PERIOD TO WHICH AMOUNT RELATES	FORUM WHERE DISPUTE IS PENDING
SALES TAX			
Uttar Pradesh Trade Tax	2.31	2005-06	The Joint Commissioner,(Appeal) Trade Tax ,Ghaziabad
West Bengal Vat Demand- Appeal Filed	90.94	2004-05	The Deputy Commissioner,(Appeal) Trade Tax ,Kolkata
Punjab Value Added Tax	1.85	2007-08	The Deputy Commissioner,(Appeal) Trade Tax , Patiala
SERVICE TAX			
Finance Act, 1944	146.22	2006-07	Appellate Tribunal , New Delhi
Finance Act, 1944	3,745.25	2006-07, 2008-09 & 2009-10	Commissioner, Of Service Tax, Division-I, New Delhi.
CUSTOM / EXCISE DUTY			
Customs Act, 1962	221.04	2006-07 & 2007-08	Commissioner Of Customs (Imports) New Custom House, Kolkota
Central Excise Act	1.90	2006-07 & 2007-08	Assistant Commissioner, Central Excise, Karampura, New Delhi
LABOUR CESS			
The Building And Other Construction Workers (Regulation Of Employment And Condition Of Service) Act	85.61	2000-2007	Hon'ble Supreme Court

- (x) The company does not have any accumulated losses as at the end of the year. The Company has not incurred any cash losses during the current and in the immediately preceding financial year.
- (xi) In our opinion and according to information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution, bank or debenture-holder during the year.
- (xii) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Society are not applicable to the company.
- (xiv) In our opinion and according to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable in respect of the company.
- (xv) The company has given guarantees for loans taken by others from banks and financial institutions. In our opinion and according to the information and explanations given to us, the terms and conditions of such guarantees to banks or financial institutions are not prejudicial to the interest of the company.
- (xvi) According to the information and explanations given to us, the term loans were applied overall for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, the company has created securities for the non-convertible debentures.
- (xx) According to the information and explanations given to us, the company had not raised any money by public issue during the year.
- (xxi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company and no material fraud on the company has been noticed or reported during the year.

For G. C. SHARDA & CO.

Chartered Accountants

FRN : 500041N

CA. Vandna Gopal Sharda

Partner

M. No. : 091051

Place : New Delhi

Date : August 13, 2011

BALANCE SHEET AS AT 31ST MARCH, 2011

(₹ in Lacs)

PARTICULARS	SCHEDULE	As at	As at
		31st March, 2011	31st March, 2010
I SOURCES OF FUNDS			
(1) Shareholders' Funds			
(a) Share Capital	A	3,636.55	3,583.33
(b) Reserves and Surplus	B	170,128.92	142,123.36
		173,765.47	145,706.69
(2) Loan Funds			
(a) Secured Loans	C	265,290.32	210,698.51
(b) Foreign Currency Convertible Bonds (Unsecured)		17,820.44	22,503.52
(c) Other Unsecured Loans	D	15,000.00	15,000.00
		298,110.76	248,202.03
(3) Deferred Tax Liabilities (net)		18,623.24	15,844.42
	Total (1+2+3)	490,499.47	409,753.14
II APPLICATION OF FUNDS			
(1) Fixed Assets			
(a) Gross Block	E	164,441.28	152,697.03
(b) Less : Accumulated Depreciation		22,950.93	14,694.37
(c) Net Block		141,490.36	138,002.66
(d) Capital Work in Progress		10,106.22	9,853.38
		151,596.58	147,856.04
(2) Investments	F	55,484.88	28,526.24
(3) Current Assets, Loans & Advances	G		
(a) Inventories		120,415.00	90,829.46
(b) Sundry Debtors		135,395.62	93,373.06
(c) Cash & Bank Balances		43,837.06	46,613.61
(d) Other Current Assets		447.42	487.84
(e) Loans & Advances		68,896.96	57,405.35
		368,992.06	288,709.32
Less : Current Liabilities & Provisions	H		
(a) Current Liabilities		81,406.09	54,110.16
(b) Provisions		4,167.96	1,285.86
		85,574.05	55,396.02
Net Current Assets		283,418.01	233,313.31
(4) Foreign Currency Monetary Item Translation Diff. A/C		-	57.55
	Total (1+2+3+4)	490,499.47	409,753.14
Significant Accounting Policies and Notes to Accounts	O		

The schedules referred to above form an integral part of the Balance Sheet.

For and on behalf of the Board

Auditors' Report

As per our report of even date attached

For G.C.SHARDA & CO.

Chartered Accountants
FRN : 500041N

CA.Vandna Gopal Sharda

Partner

M.No : 091051

Place : New Delhi.

Date : August 13, 2011

(H.S. Bharana)

Chairman & Managing Director

(Joy Saxena)

Group CFO

(J.L.Khushu)

Whole Time Director

(Rajiv Kumar)

Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(₹ in Lacs)

PARTICULARS	SCHEDULE	Year ended 31st March, 2011	Year ended 31st March, 2010
I. Income			
Turnover	I	382,890.16	341,546.82
Other Income	J	4,266.31	2,501.91
		387,156.47	344,048.73
II. Expenditure			
Direct Project Expenses	K	291,748.85	262,225.55
Personnel Expenses	L	13,260.30	10,041.36
Administrative Expenses	M	6,144.85	4,030.62
Financial Expenses	N	31,879.64	25,641.82
Depreciation	E	8,401.29	7,151.27
		351,434.92	309,090.62
Profit from ordinary Activities Before Tax		35,721.55	34,958.12
Tax Expense			
— Current Tax		7,118.17	5,931.86
— Deferred Tax		2,778.81	6,739.81
— MAT Credit		1,071.18	(1,109.34)
— Tax Adjustment for Earlier Years		70.01	281.22
Net Profit from Ordinary Activities after Tax		24,683.38	23,114.57
Extraordinary Items		-	4,826.21
Net Profit for the Year		24,683.38	27,940.78
Balance of Profit & Loss Account brought forward		57,828.54	33,918.55
Profit available for Appropriations		82,511.93	61,859.33
APPROPRIATIONS			
Proposed Dividend		727.31	727.20
Corporate Dividend Tax		117.99	123.59
Transfer to General Reserve		2,468.00	2,790.00
Dividend & Dividend Tax (Previous Year)		0.13	-
Transfer to Debenture Redemption Reserve		1,060.00	390.00
Surplus carried over to Balance Sheet		78,138.50	57,828.54
		82,511.93	61,859.33
Earnings per share (Before extraordinary Items) (₹ Per Equity share of ₹ 2/- each)			
— Basic		13.59	14.47
— Diluted		13.39	14.47
Earnings per share (After extraordinary Items) (₹ Per Equity share of ₹ 2/- each)			
— Basic		13.59	17.49
— Diluted		13.39	17.49
Significant Accounting Policies and Notes to Accounts	O		

The schedules referred to above form an integral part of the Profit & Loss Account.

For and on behalf of the Board

Auditors' Report

As per our report of even date attached

For G.C.SHARDA & CO.

Chartered Accountants
FRN : 500041N

CA.Vandna Gopal Sharda

Partner

M.No : 091051

Place : New Delhi.

Date : August 13, 2011

(H.S. Bharana)
Chairman & Managing Director

(Joy Saxena)
Group CFO

(J.L.Khushu)
Whole Time Director

(Rajiv Kumar)
Company Secretary

SCHEDULES FORMING PART OF BALANCE SHEET

(₹ in Lacs)

PARTICULARS	As at 31st March, 2011	As at 31st March, 2010
Schedule - A		
Share Capital		
Authorised		
- 300,000,000 (Previous year 300,000,000) Equity Shares of ₹ 2/- each	6,000.00	6,000.00
Issued, Subscribed & Paid up		
- 18,18,27,640 (Previous year : 17,91,66,325) Equity Shares of ₹ 2/- each fully paid up.	3,636.55	3,583.33
Total -A	3,636.55	3,583.33
 Note: Includes 157,36,400 Equity Shares of ₹ 2/- each issued as fully paid up bonus shares by capitalization of securities premium account & profit & loss account		
 Schedule - B		
Reserves and Surplus		
(a) Securities Premium Account		
As per last Balance Sheet	74,597.09	44,581.96
Addition during the year	4,167.61	30,015.13
	78,764.70	74,597.09
(b) Debenture Redemption Reserve		
As per last Balance Sheet	2,430.00	2,040.00
Transfer from Profit & Loss Account	1,060.00	390.00
	3,490.00	2,430.00
(c) General Reserve		
As per last Balance Sheet	7,267.73	4,477.73
Transfer from Profit & Loss Account	2,468.00	2,790.00
	9,735.73	7,267.73
(d) Profit & Loss Account	78,138.50	57,828.54
Total -B	170,128.92	142,123.36

SCHEDULES FORMING PART OF BALANCE SHEET

(₹ in Lacs)

PARTICULARS	As at	As at
	31st March, 2011	31st March, 2010
Schedule - C		
Secured Loans		
(a) Term Loan from Banks	84,992.60	40,250.00
(b) Borrowings From Banks	124,469.97	94,143.26
(c) Equipment Finance	14,400.83	18,349.68
(d) Mobilisation Advances from Clients	571.15	340.49
(e) Other Loans & Advances	261.78	261.78
(f) External Commercial Borrowing	4,444.00	4,537.00
(g) Non-Convertible Debentures	36,150.00	52,816.30
Total -C	265,290.32	210,698.51

NOTE :

- 1 Term Loan and External Commercial Borrowings (ECB) are secured by way of first pari passu charge on the movable and immovable fixed assets of the company and second charge on the current assets of the company, further ECB is secured by way of DSRA account. Borrowings from banks are secured by way of hypothecation of stock, book-debts and in some cases, other current assets both present and future of the company through pari-passu and/or second, subservient charge on current & fixed assets of the company. In some cases, these are further secured by way of first pari passu charge on movable and immovable fixed assets of the company and further secured by equitable mortgage of certain personal assets, investment and personal guarantees of Mr. H.S.Bharana, Chairman & Managing Director/his associates /relatives as the case may be.
- 2 Equipment Finances are secured by way of hypothecation of respective assets.
- 3 Mobilisation advance from clients are secured against bank guarantees given by the company.
- 4 Other Loans and advances are secured against pledge of key man insurance policies.
- 5 Non- convertible debentures are secured against the first pari passu charge on the fixed assets, non agricultural land situated at Distt. Mehsana, Gujarat and /or mortgage of third party immoveable assets as the case may be.

(₹ in Lacs)

PARTICULARS	As at	As at
	31st March, 2011	31st March, 2010
Schedule - D		
Other Unsecured Loans		
Loan from Banks	15,000.00	15,000.00
Total -D	15,000.00	15,000.00

SCHEDULES FORMING PART OF BALANCE SHEET

Schedule "E"

Fixed Assets as on 31st March, 2011

(₹ in Lacs)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		Cost as on 1-April-10	Additions during the year	Sold / adjustment during the year	Total as on 31-March-11	Upto 1-April-10	For the year	Adjustments	Upto 31-March-11	Written down value as on 31-March-11	Written down value as on 31-March-10
1	Land	340.90	-	4.20	336.70	-	-	-	-	336.70	340.90
2	Leasehold Land	201.33	0.93	-	202.26	8.00	2.00	-	10.00	192.26	193.33
3	Factory Building	391.07	46.81	24.05	413.83	21.86	13.45	1.72	33.59	380.24	369.21
4	Plant & Machinery	145,094.26	11,161.15	185.32	156,070.09	13,224.43	7,913.19	-	21,137.62	134,932.47	131,869.83
5	Tractor/ Trucks	190.58	32.89	-	223.47	53.96	14.42	-	68.38	155.09	136.62
6	Furniture & Fixture	221.67	155.75	-	377.42	61.82	16.84	-	78.66	298.76	159.85
7	Office Equipment	198.15	112.51	-	310.66	41.65	11.80	-	53.45	257.21	156.50
8	Vehicle	475.38	450.44	23.07	902.75	128.30	56.78	3.43	181.66	721.09	347.08
9	Data Processing Machine	593.17	165.37	144.96	613.58	296.08	109.30	139.58	265.80	347.78	297.09
10	Wind Turbine Generators	4,990.52	-	-	4,990.52	858.27	263.50	-	1,121.77	3,868.75	4,132.25
	Total	152,697.03	12,125.85	381.60	164,441.28	14,694.37	8,401.29	144.73	22,950.93	141,490.35	138,002.66
	Previous Year	117,726.90	39,060.07	4,089.94	152,697.04	7,970.63	7,151.27	427.54	14,694.37	138,002.67	109,756.27
	Capital Work in Progress									10,106.22	9,853.38
	Total									151,596.58	147,856.04

(₹ in Lacs)

PARTICULARS	Current Years Nos	Previous Year Nos	As at 31st March, 2011	As at 31st March, 2010
Schedule - F				
Investments-Long Term				
a) Government Securities				
- M.P. Finance Corp. Bond - 2012			5.76	5.76
-11.5% Govt of India -2011			14.61	14.61
Total (a)			20.37	20.37
b) Subsidiaries Company -Unquoted Trade (fully paid up)				
- Equity Shares of Victor Buildwel Pvt. Ltd.	10,000	10,000	1.00	1.00
- Equity Shares of Style & Smile Buildwell Pvt. Ltd.	10,000	10,000	1.00	1.00
- Equity Shares of Era T & D Ltd.	14,419,000	7,869,000	1,654.98	868.98
- Equity Shares of Era IT- Zone Pvt. Ltd.	10,000	10,000	1.00	1.00
- Equity Shares of Era Infrastructure (India) Ltd.	50,806,900	9,493,770	50,251.91	8,938.78
- Equity Shares of Quillet Constructions Ltd.	-	50,000	-	5.00
- Equity Shares of Kepi Constructions Ltd.	-	50,000	-	5.00
- Equity Shares of Haridwar Highways Project Limited	37,000	37,000	3.70	3.70
- Equity Shares of Dehradun Highways Project Limited	37,000	37,000	3.70	3.70
- Equity Shares of Bareilly Highways Project Limited	37,000	-	3.70	-
- Equity Shares of Paulo Realtech Private Limited	665,000	-	66.50	-
- Equity Shares of Douce Realtors Private Limited	10,000	-	1.00	-
- Equity Shares of Yarikh Realtors Private Limited	960,000	-	96.00	-
- Equity Shares of Bragi Developers Private Limited	10,000	-	1.00	-
- Equity Shares of Zedek Realtors Private Limited	760,000	-	76.00	-
- Equity Shares of Era Khandwa Power Limited	50,000	-	5.00	-
- Ordinary Shares of Boconero Ltd. (Cyprus)	1,000	1,000	0.70	0.70
- Shares of Golden Annum Holdings Limited (Dubai)	3,000	3,000	4.99	4.99
Total (b)			52,172.18	9,833.85

(₹ in Lacs)

PARTICULARS	Current Years Nos	Previous Year Nos	As at 31st March, 2011	As at 31st March, 2010
c) Quoted (Trade)				
- Equity Shares of Era E-Zone (India) Ltd	1,110,000	1,110,000	554.50	554.50
Total (c)			554.50	554.50
d) Unquoted (Trade)				
- Equity Shares of West Haryana Highways Projects Pvt.Ltd.	24,500	24,500	2.45	2.45
- Preference Shares of West Haryana Highways Projects Pvt Ltd	-	880,814	-	5,284.88
- Equity Shares of Gwalior Bypass Project Ltd.	19,500	19,500	1.95	1.95
- Preference Shares of Gwalior Bypass Project Ltd.	-	1,368,635	-	5,474.54
- Equity Shares of Hyderabad Ring Road Project Private Limited	11,720	11,720	1.17	1.17
- Preference Shares of Hyderabad Ring Road Project Private Limited	-	1,108,027	-	4,432.11
- Equity Shares of Era Buildsys Ltd.	2,407,000	2,407,000	1,203.50	1,203.50
- Shares of SPA Group Era India Algeria	35,000	35,000	68.81	68.81
- Equity Shares of Era Energy Limited	15,000	-	1.50	-
- Axis Infrastructure Fund 1			1,458.45	1,648.11
Total (d)			2,737.83	18,117.52
Total - F (a+b+c+d)			55,484.88	28,526.24

The aggregate book value and market value of quoted investments and book value of unquoted investments are as follows:

Quoted Investments

aggregate book value	554.50	554.50
aggregate market value	201.47	334.11
Aggregate book value of unquoted investments	54,910.01	27,951.37
Aggregate book value of Government Securities	20.37	20.37

Movements in investments during the year:

Addition:

- 66,50,000 Equity Shares of Era T & D Ltd. of ₹10/- each, fully paid up
- 4,13,13,130 Equity Shares of Era Infrastructure (India) Ltd. of ₹10/- each, fully paid up
- 37,000 Equity Shares of Bareilly Highways Project Limited. of ₹10/- each, fully paid up
- 6,65,000 Equity Shares of Paulo Realtech Private Limited of ₹10/- each, fully paid up
- 10,000 Equity Shares of Douce Realtors Private Limited of ₹10/- each, fully paid up
- 9,60,000 Equity Shares of Yariikh Realtors Private Limited of ₹10/- each, fully paid up
- 10,000 Equity Shares of Bragi Developers Private Limited of ₹10/- each, fully paid up
- 7,60,000 Equity Shares of Zedek Realtors Private Limited of ₹10/- each, fully paid up
- 50,000 Equity Shares of Era Khandwa Power Limited of ₹10/- each, fully paid up
- 15,000 Equity Shares of Era Energy Limited of ₹10/- each, fully paid up

Deletion :

- 880,814 Preference Shares of West Haryana Highways Proj. Pvt Ltd of ₹100/- each, fully paid up
- 1,368,635 Preference Shares of Gwalior Bypass Project Ltd.of ₹100/- each, fully paid up
- 1,108,027 Preference Shares of Hyderabad Ring Road Project Private Limited of ₹100/- each, fully paid up
- 50,000 Equity Shares of Quillet Constructions Ltd.of ₹10/-each, fully paid up
- 50 000 Equity Shares of Kepi Constructions Ltd.of ₹10/-each, fully paid up

SCHEDULES FORMING PART OF BALANCE SHEET

(₹ in Lacs)

PARTICULARS	As at 31st March, 2011	As at 31st March, 2010
Schedule - G		
Current Assets, Loans & Advances		
A. Current Assets		
a. Inventories		
(i) Materials in Hand	57,776.97	52,115.18
(ii) Stores & Spares	1,665.27	503.54
(iii) Work in Progress	60,775.38	37,488.03
(iv) Materials in Transit	197.38	722.71
Total (a)	120,415.00	90,829.46
b. Sundry Debtors		
(Unsecured, considered good)		
(i) Outstanding for a period exceeding six months	11,619.33	9,678.90
(ii) Others	123,776.29	83,694.16
Total (b)	135,395.62	93,373.06
c. Cash & Bank Balances		
(i) Cash in Hand	35.51	64.60
(ii) Cash at Sites	100.21	44.44
(iii) Foreign Currency in Hand	1.69	4.06
(iv) Balance with scheduled banks in		
- Current Accounts	5,715.54	8,252.67
- Fixed Deposit Accounts	36,976.99	38,230.60
(v) Cheques in Hand	989.82	-
(vi) Unpaid Dividend Account	17.29	17.24
Total (c)	43,837.06	46,613.61
d. Other Current Assets		
Interest Accrued	447.42	487.84
Total (d)	447.42	487.84
Total (A) (a+b+c+d)	300,095.10	231,303.96
B. Loans & Advances		
(Unsecured, considered good)		
(a) Advances recoverable in cash or in kind or for value to be received		
- To Subsidiary Companies	2,518.44	-
- To Others	66,042.17	55,246.14
(b) Loans		
- To Subsidiary Companies	298.18	983.85
(c) Prepaid Taxes (Net of Provisions)	-	66.02
(d) MAT Credit Entitlement	38.16	1,109.34
Total (B)	68,896.96	57,405.35
Total G (A+B)	368,992.06	288,709.32

SCHEDULES FORMING PART OF BALANCE SHEET

(₹ in Lacs)

PARTICULARS	As at 31st March, 2011	As at 31st March, 2010
Schedule - H		
Current Liabilities & Provisions		
A. Current Liabilities		
(a) Sundry Creditors	47,779.92	40,220.00
(b) Mobilisation & Other Advances	28,352.60	9,004.31
(c) Bank Overdrafts	362.63	1,135.63
(d) Other Current Liabilities	4,893.64	3,732.98
(e) Unpaid Dividend Payable	17.29	17.24
Total (A)	81,406.09	54,110.16
B. Provisions		
(a) Provision for Tax (Net of Prepaid Tax)	2,670.39	-
(b) Provision for Retirement Benefits	652.27	435.07
(c) Proposed Dividend	727.31	727.20
(d) Corporate Dividend Tax	117.99	123.59
Total (B)	4,167.96	1,285.86
Total -H (A+B)	85,574.05	55,396.02

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

(₹ in Lacs)

PARTICULARS	Year ended 31st March, 2011	Year ended 31st March, 2010
Schedule - I		
Turnover		
Contract	360,098.63	291,213.25
Ready Mix Concrete	2,517.35	4,043.88
Wind Energy	500.91	563.21
Equipment Hiring & Management	13,799.53	9,636.01
Sales - Trading	5,973.74	36,090.47
Total -I	382,890.16	341,546.82
Schedule - J		
Other Income		
Interest Income		
- Banks	941.94	904.98
- Subsidiaries	6.50	133.31
- Other Interest	5.40	13.24
(Tax Deducted at source ₹105.44 lacs P.Y.: ₹122.57 lacs)		
Profit on Sale of Long Term Investments	2,518.11	40.34
Profit on Sale of Fixed Assets	-	637.88
Miscellaneous Income	729.72	472.81
Foreign Exchange Fluctuation	0.49	135.64
Income From Joint Venture	64.15	112.06
Management Fee	-	51.65
Total -J	4,266.31	2,501.91
Schedule - K		
Direct Contract Expenses		
Direct Project Expenses	306,706.65	228,620.44
(Increase)/Decrease in Stock	(25,018.06)	(11,589.69)
Service Tax	2,912.74	3,699.73
Works Contract Tax	5,357.41	6,389.81
Trading Purchases	1,790.11	35,105.26
Total -K	291,748.85	262,225.55
Schedule - L		
Personnel Expenses		
Salaries, Bonus & Allowances	12,135.21	9,232.78
Directors' Remuneration	257.36	148.86
Contribution to Provident & Other Funds	647.08	502.01
Staff Welfare	220.65	157.71
Total -L	13,260.30	10,041.36

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

(₹ in Lacs)

PARTICULARS	Year ended 31st March, 2011	Year ended 31st March, 2010
Schedule - M		
Administrative Expenses		
Printing & Stationery	249.54	195.37
Rent	461.64	334.83
Travelling & Conveyance	799.09	543.89
Postage, Telegram & Telephones	257.02	204.01
Tender Fee	68.24	67.71
Legal & Professional Charges	1,444.13	836.29
Advertisement & Publicity	35.55	36.86
Business Promotion Expenses	59.07	24.05
Vehicle Maintenance	108.97	45.96
Foreign Exchange Fluctuation	725.26	-
Insurance Premium	446.04	402.22
Foreign Currency Monetary Item Trans. Diff. A/C W/Off	57.55	57.55
Rates and Taxes	136.79	86.21
Festival Expenses	80.44	133.06
Repair & Maintenance		
- Machinery	590.84	570.70
- Others	204.67	124.21
Electricity & Water	208.14	169.70
Auditors' Remuneration	14.00	12.50
Charity & Donation	7.68	13.77
Loss on Sale of Fixed Assets	0.65	-
Miscellaneous Expenses	189.54	171.73
Total -M	6,144.85	4,030.62
Schedule - N		
Financial Expenses		
Bank Charges & Commission	3,584.10	3,225.08
Interest:		
- Debentures	4,613.24	3,927.04
- Others	23,682.30	18,489.70
Total -N	31,879.64	25,641.82

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(₹ in Lacs)

PARTICULARS	As at 31st March, 2011	As at 31st March, 2010
Cash Flow from Operating Activities		
Net profit before tax	35,721.55	34,958.12
Adjustments		
Add		
Depreciation	8,401.29	7,151.27
Foreign Currency Monetary Item Trans. Diff. a/c w/off	57.55	57.55
Interest Expenses	28,295.54	22,416.74
Deduct		
Interest Income	(953.84)	(1,051.53)
Loss/(Profit) on Sale of Fixed Assets	0.65	(637.88)
Loss/(Profit) on Sale of Investments	(2,518.11)	(40.34)
Foreign Exchange Fluctuation (FCCBs)	(276.93)	-
Operating cash flow before working capital changes	68,727.70	62,853.93
Decrease(Increase) in Inventories	(29,585.54)	(23,607.53)
Decrease(Increase) in Sundry Debtors	(42,022.56)	(20,960.11)
Decrease(Increase) in Loans & Other Current Assets	(11,451.19)	(22,637.74)
(Decrease)Increase in Current Liabilities	27,295.93	115.36
(Decrease)Increase in Provisions	217.20	147.59
Cash generated from operations	13,181.54	(4,088.50)
Income Tax Paid Including Fringe Benefit Tax	(5,588.96)	(5,133.63)
Cash Flow from Operating activities(A)	7,592.58	(9,222.13)
Cash Flow from Investing activities		
Purchase of Fixed Assets	(12,125.85)	(39,060.07)
Capital Work in progress including capital advances	(252.84)	488.04
Proceeds from Sale of Fixed Assets	50.91	2,132.66
Purchase of Investments	(42,349.85)	(10,915.88)
Sale of Investments	17,909.31	43.69
Interest Income	953.84	1,051.53
Net Cash from Investing activities(B)	(35,814.49)	(46,260.04)
Cash Flow from Financing activities		
Proceeds from Share Capital	-	29,750.00
Proceeds from ECB	(93.00)	4,537.00
Repayment of FCCBS	-	(4,865.06)
FCCBs Redemption Expenses	-	(800.00)
Proceeds from Long term borrowings	41,024.40	66,254.40
Repayment of Long Term borrowings	(16,666.30)	-
Proceeds from Short term borrowings	30,326.72	12,399.87
Interest paid	(28,295.54)	(22,416.74)
Dividend paid	(727.31)	(574.76)
Dividend Distribution Tax	(123.61)	(97.68)
Net Cash Flow from Financing activities(C)	25,445.36	84,187.03
Net Increase in cash & cash equivalents(A+B+C)	(2,776.55)	28,704.86
Cash & Cash equivalents at beginning of year	46,613.61	17,908.75
Cash & Cash equivalents at end of year	43,837.06	46,613.61
(See to schedule G (c) of Financial Statements)		

Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as stated in Accounting Standard -3.

Auditors' Report

As per our report of even date attached

For G.C.SHARDA & CO.

Chartered Accountants
FRN : 500041N

CA.Vandna Gopal Sharda

Partner
M.No : 091051
Place : New Delhi.
Date : August 13, 2011

For and on behalf of the Board

(H.S. Bharana)
Chairman & Managing Director

(J.L.Khushu)
Whole Time Director

(Joy Saxena)
Group CFO

(Rajiv Kumar)
Company Secretary

BALANCE SHEET ABSTRACT

Balance Sheet abstract and Company's general business profile as required under part IV of Schedule VI to the Companies Act, 1956

(₹ in Lacs)

I	Registration details	
	Registration No.	041350
	State code	55
	Balance Sheet date	31/03/2011
II	Capital raised during the year	
	Public Issue	NIL
	Rights Issue	NIL
	Bonus Issue	NIL
	Private Placement *	4,221
	* Including Premium	
III	Position of mobilisation and deployments of funds	
	Total liabilities	490,499
	Total assets	490,499
	Source of funds	
	Paid-up capital	3,637
	Share Warrant Preferential Attotment	-
	Reserves and surplus	170,129
	Secured loans	265,290
	Unsecured loans	32,820
	Deferred tax liability	18,623
		<u>490,499</u>
	Application of funds :	
	Net fixed assets	151,596
	Investments	55,485
	Net current assets	283,418
	Misc. Expenditure	-
	Accumulated losses	-
		<u>490,499</u>
IV	Performance of the Company	
	Turnover	387,156
	Total expenditure	351,435
	Profit/loss before tax	35,722
	Profit/loss after tax	24,683
	Earning per share	13.59
	Dividend Rate	20%
V	Generic name of principal products of the Company	
	Item Code No.	
	(ITC code)	
	Product description	CONSTRUCTION, EQUIPMENT HIRING & MANAGEMENT, TRADING ETC

For G.C.SHARDA & CO.
Chartered Accountants
FRN : 500041N

(H.S. Bharana)
Chairman & Managing Director

(J.L.Khushu)
Whole Time Director

CA.Vandna Gopal Sharda
Partner
M.No : 091051
Place : New Delhi.
Date : August 13, 2011

(Joy Saxena)
Group CFO

(Rajiv Kumar)
Company Secretary

SCHEDULES – O

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards notified by the Companies Accounting Standards Rules, 2006 and the relevant requirements of the Companies Act, 1956. Significant accounting policies applied in preparing and presenting these financial statements are set out below:

1) BASIS OF ACCOUNTING

The financial statements are prepared under historical cost convention on accrual basis of accounting and on a going concern basis.

2) REVENUE RECOGNITION

2.1 Revenue from contracts is recognised on the percentage completion method based on billing Schedules agreed with the client-on a progressive completion basis. Material and resources supplied by client are included as cost of construction and as revenue at market price. Price escalation claims and additional claims including those under arbitration are recognised as revenue when they are reasonably ascertained.

2.2 Revenue from sale of goods is recognized when all significant risks and rewards of ownership are transferred to the buyer (usually at the point of dispatch to customers). Sales are net of return and exclusive of value added tax.

2.3 Income from wind energy and equipments hiring & management are recognized on accrual basis.

2.4 Other Incomes are accounted for on accrual basis except where the receipt of income is uncertain.

2.5 Accounting for Joint Venture Contracts

(a) Contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted for in accordance with the accounting policy followed by the company as that of each independent contract to the extent of work is executed by the company.

(b) In respect of contracts executed in Integrated Joint Venture under profit sharing arrangement (assessed as AOP under Income Tax laws), the services rendered to the joint venture are accounted as income on the accrual basis. The profit / loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the joint venture is reflected as investments, loans & advances or current liabilities.

3) FIXED ASSETS

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss if any.

4) DEPRECIATION

Depreciation is provided on the basis of Straight Line Method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on addition/disposals during the year is provided for on pro-rata basis.

5) IMPAIRMENT

Fixed Assets are tested for impairment if there is any indication of their possible impairment. An impairment loss is recognized where the carrying amount of a fixed asset (or cash generating unit) exceeds its recoverable amount, i.e. higher of value in use and net selling price. Impairment loss recognized in one year can get reversed fully or partly in subsequent years.

6) CAPITAL WORK IN-PROGRESS

Costs of assets not ready for use before the year-end and advances paid towards the acquisition of fixed assets are included under Capital Work-in-Progress.

7) BORROWING COST

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalized as part of cost of such assets till such time assets become ready for their intended use. All other borrowing costs are charged to Profit & Loss Account.

8) INVESTMENTS

Investments are classified into long-term investments and current investments. Long-term investments are stated at cost. Provision for diminution in the value of a long-term investment is made on individual investment basis if such diminution is other than temporary. Current investments are carried at the lower of cost and fair value and provisions are made to recognize the decline in the carrying value.

9) INVENTORIES

Materials, work in progress, finished goods and stores & spare parts are valued at the lower of cost and net realizable value. Cost of inventories is ascertained on the weighted average cost method. Trading inventories are valued at cost or market value which ever is lower.

10) FOREIGN EXCHANGE TRANSACTIONS

Transactions in foreign currency are recorded at the exchange rates prevailing at the dates of the respective transactions. In the case of foreign currency denominated monetary assets and monetary liabilities, relating to import of materials, the loss or gain arising from restatement at the balance sheet date / settlement is charged or credited to the profit & loss account, except Foreign Currency Exchange Fluctuation arising on account of FCCB's issued by Company during 2007 has been accounted for as per Notification dated March 31, 2009 pertaining to Accounting Standard (AS 11) issued by the Ministry of Corporate Affairs. Accordingly foreign currency exchange fluctuation attributable to depreciable assets has been adjusted to carrying cost of respective assets and depreciated as per said notification. Foreign Currency Exchange Fluctuation on other items has been debited / credited to "Foreign Currency Monetary Item Translation Difference Account" and has been charged to profit and loss account as per said notification.

11) EMPLOYEE BENEFITS

- i) Contribution to Provident Fund, a defined contribution plan, is accounted for on accrual basis. The Company continues to make contributions to provident fund plan administered by the Government of India.
- ii) The liability of the company for leave encashment, a defined retirement benefit plan, is determined by actuarial valuation carried out by an independent actuary as at the Balance Sheet date using projected unit credit method.
- iii) The liability of the company for gratuity, a defined retirement benefit plan, is determined by actuarial valuation carried out by an independent actuary as at the Balance Sheet date using projected unit credit method.

12) TAXES ON INCOME

Income taxes are computed using the tax effect accounting method where taxes are accrued in the same period as the related revenue and expenses to which they relate. The differences that exist between profit offered for income tax and the profit before tax as per financial statements are identified and deferred tax assets or deferred tax liabilities are recorded for timing differences, namely, differences that originate in one accounting period and are capable of reversal in future. Deferred tax assets and liabilities are measured using tax rates and tax laws enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized. If the company has unabsorbed depreciation or carried forward losses under taxation laws, a much stricter test, viz, virtual certainty of realisation is to be applied for recognition of any deferred tax assets. Deferred tax assets are reviewed for the continuing appropriateness of their recognition as assets at each balance sheet date and written down or written-up to reflect the amount that is reasonably /virtually certain (as the case may be) of realization.

B) NOTES TO ACCOUNTS

1. Contingent Liabilities not provided for :

- i) In respect of guarantees and letter of credits issued by Banks, outstanding as at 31st March, 2011 ₹ 41,366.55 Lacs net of margin (P.Y. ₹ 30,256.21 Lacs net of margin).
- ii) In respect of Sales Tax and Entry Tax ₹ 95.10 Lacs (P.Y. ₹ 71.42 Lacs). The demand is being contested before appellate authorities.
- iii) The Company has received show cause notices in respect of Royalty amounting to ₹ 314.71 Lacs (P.Y. ₹ 271.84 Lacs). Appropriate representation is being submitted to respective offices.
- iv) The Company has received show cause notices in respect of Service Tax amounting to ₹ 3,891.47 Lacs (P.Y. ₹ 3,745.25 Lacs). Appropriate representations have been submitted to respective offices.
- v) The Company has received show cause notices in respect of Custom Duty amounting to ₹ 221.04 Lacs (P.Y. ₹ 221.04 Lacs). Appropriate representations have been submitted to respective offices.
- vi) In respect of other legal cases ₹ 537.14 Lacs (P.Y. ₹ 272.50 Lacs). Appropriate representations have been filed in respect of these matters with the authorities concerned.
- vii) In respect of Labour Welfare Cess ₹ 85.61 Lacs (P.Y. ₹ 85.61 Lacs). Writ petition has been filed before Hon'ble Supreme Court.
- viii) The Company has given Corporate Guarantees amounting to ₹ 96,271.00 Lacs (P.Y. ₹ 94,346.00 Lacs) in favour of banks for loans taken by Subsidiary / Associate Companies including Corporate Guarantees amounting to ₹ 48,400.00 Lacs (P.Y. ₹ 48,400.00 Lacs) for meeting the shortfall in repayment of the loan amount in the event of termination of the Concession Agreement.

2. Maximum amount due at any time during the year from Subsidiaries /Concerns /Companies in which Directors and / or their relatives are interested.

(₹ in Lacs)

S. No.	Name	Current Year	Previous Year
A.	Subsidiaries		
1	Style and Smile Buildwell Private Limited	5.01	5.01
2	Victor Buildwel Private Limited.	619.19	619.19
3	Era T&D Ltd.	50.00	Nil
4	ARK Vidhyut Urja Ltd.	271.95	Nil
5	Boconero Ltd.	8.43	3.52
6	Golden Annum Holding Limited	5.55	3.05
7	Dehradun Highways Project Limited	66.27	9.75
8	Haridwar Highways Project Limited	31.26	15.37
9	Kepi Constructions Limited (upto 30.04.2010)	318.26	604.50
10	Quillet Constructions Limited (upto 30.04.2010)	Nil	888.00
11	Era IT- Zone Private Limited	9.70	9.70
12	Era Infrastructure (I) Limited	2,803.24	Nil
13	Bareilly Highways Project Limited	209.19	Nil
14	Era Khandwa Power Limited	0.19	Nil
15	Yarikh Realtors Private Limited	58.00	Nil
B.	Others		
1	Era Landmarks Limited (upto 05.01.2011)	3,290.47	2,949.00
2	Era Buildsys Limited	15,360.63	8,963.96
3	Gwalior Bypass Project Limited	696.56	246.44
4	Hyderabad Ring Road Project Private Limited	18.82	Nil
5	West Haryana Highways Projects Private Limited	419.79	Nil
6	Era Energy Limited	2.23	Nil
7	Angraj Trading Pvt. Limited	3,318.10	3,318.10
8	Atop Infrastructure & Infotech Pvt. Ltd.	548.03	509.14

3. Estimated amount of Contracts remaining to be executed on Capital Account (Net of Advances) ₹ 5, 947.33 Lacs (P.Y. ₹ 4,309.20 Lacs).

4. Managerial Remuneration paid/payable to the Directors:

(₹ in Lacs)

S. No.	Particulars	Current Year	Previous Year
1.	Remuneration	128.86	73.89
2.	Allowances	124.90	71.77
3.	Director sitting fee	3.60	3.20
	Total	257.36	148.86

5. Amount paid/payable to Auditors:

(₹ in Lacs)

S.No.	Particulars	Current Year	Previous Year
1.	Audit Fee	11.00	10.00
2.	Certification / Others	3.00	2.50
3.	Service Tax	1.44	1.29
	Total	15.44	13.79

6. In the opinion of Board of Directors, all the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and all the known liabilities as at the end of year have been provided for.
7. a) The company had raised 750 Nos. Zero Coupon Foreign Currency Convertible Bonds due 2012 (FCCB's) of USD 100,000/- each aggregating USD 75 million at par on January 24, 2007. These Bonds have a maturity period of 5 years 1 day. The Bonds are convertible into equity shares of ₹ 2/- each fully paid at the option of the Bondholders at any time on or after January 24, 2009 and prior to the close of business (at the place where the Bonds are deposited for conversion) on January 10, 2012. The initial conversion price of ₹158.60 per share has been decided on January 24, 2009 as per the terms of the offer circular dated 17th January 2007.

The Bonds constitute the Company's direct, unconditional, unsubordinated and unsecured obligations and at all-time rank pari passu and without any preference or priority among themselves. The Company's payment obligations under the Bonds, save for such exceptions as may be provided by mandatory provisions of applicable law, at all times rank at least equally with all of its other present and future direct, unconditional, unsubordinated and unsecured obligations. Unless previously converted, redeemed or repurchased and cancelled, the Bonds shall be redeemed on January 25, 2012 at 148.95% of their principal amount giving an annual yield of 8.125% per annum calculated on semi-annual basis.

The bonds are redeemable only if there is no conversion of the bonds prior to maturity date. The payment of premium on redemption therefore, is contingent in nature, the outcome of which is dependent on uncertain future events. Hence no provision is considered necessary nor has been made in the accounts in respect of such premium for the current year which may amount to ₹ 17.44 Crores (Previous Year ₹ 22.02 Crores) Cumulative till 31st March, 2011 is ₹ 72.95 Crores (Previous Year ₹ 70.10 Crores).

b) FOREIGN CURRENCY CONVERTIBLE BONDS RECONCILIATION AS ON 31ST MARCH, 2011

Particulars	No.* Current Year	No.* Previous Year
Foreign Currency Convertible Bonds (FCCBs) B/F	496	731
Less: Number of FCCBs Converted during the year	(95)	(22)
Less: Number of FCCBs buyback during the year	—	(213)
Balance Number of FCCBs pending for conversion	401	496
*1 No. of FCCBs = USD 100,000		

8. In respect of Derivatives Contracts, gain / loss is recognised and charged to Profit & Loss Account on settlement of transactions.

9. Disclosures required by Clause 32 of the Listing Agreement

(₹ In Lacs)

S. No.	Particulars	Year ended 31st March,2011		Year ended 31st March,2010	
		Year-end balance	Maximum amount outstanding during the year	Year-end balance	Maximum amount outstanding during the year
A.	Particulars of loans and advances in the nature of loans:				
1.	To Subsidiaries :				
	a) Victor Buildwel Pvt. Limited.	Nil	619.19	619.19	619.19
	b) Style and Smile Buildwel Private Limited	Nil	5.01	5.01	5.01
	c) Golden Annum Holding Limited	5.55	5.55	3.05	3.05
	d) Dehradun Highways Project Limited	Nil	66.27	9.75	9.75
	e) Haridwar Highways Project Limited	Nil	31.26	15.37	15.37
	f) Kepi Constructions Limited (upto 30.04.2010)	Nil	318.26	318.26	604.50
	g) Era IT- Zone Private Limited	Nil	9.70	9.70	9.70
	h) Era T&D Ltd.	Nil	50.00	Nil	Nil
	i) ARK Vidyut Urja Ltd.	Nil	271.95	Nil	Nil
	j) Boconero Ltd	8.43	8.43	3.52	3.52
	k) Quillet Constructions Limited (upto 30.04.2010)	Nil	Nil	Nil	888.00
	l) Era Infrastructure (I) Limited	284.20	284.20	Nil	Nil
	m) Bareilly Highways Project Limited	Nil	209.19	Nil	Nil
	n) Era Khandwa Power Limited	Nil	0.19	Nil	Nil
	o) Yarikh Realtors Private Limited	Nil	58.00	Nil	Nil
	Total Amount	298.18	1,937.20	983.85	2,158.09
2.	To Associates :				
	a) Hyderabad Ring Road Project Pvt. Ltd.	Nil	18.82	Nil	Nil
3.	To firms/companies in which directors are interested	Nil	Nil	Nil	Nil
4.	a) Where there is no repayment schedule or repayment schedule is beyond seven years	284.20	640.92	937.45	2,111.69
	b) No interest is stipulated or it is below bank rate:	13.98	1,296.28	46.40	46.40
B.	Investment in the shares of the company or any of its subsidiaries by any of the loanees as stated above	18,824.60	N.A.	Nil	N.A.

10. Break-up of Deferred Tax Assets and Deferred Tax Liabilities:

(₹ In Lacs)

Particulars	Current Year	Previous Year
Deferred Tax Assets		
Provision for Retirement Benefits	216.67	144.52
Others	Nil	80.92
Deferred Tax Liabilities		
Difference in Depreciation for accounting and tax purpose	18,839.91	16,069.86
Net Deferred Tax Liabilities	18,623.24	15,844.42

11. Segment Reporting :

(a) Business Segments:

Business segments have been identified in line with Accounting Standards on Segment Reporting 'AS-17'. Contracts, Energy, Ready Mix Concrete (RMC), Trading and Equipment Hiring & Management (EHM) are the primary business segments of the company.

(₹ In Lacs)

S. No	Business Segments	Contracts	RMC	EHM	Wind Energy	Trading / Others	Total
A.	Segment Revenue						
	External Revenue	360,098.63	2,517.35	13,799.53	500.91	5,973.74	382,890.16
	Inter-Segment Revenue	-	1,182.17	6,079.63	-	-	7,261.80
	Total	360,098.63	3,699.52	19,879.17	500.91	5,973.74	390,151.96
B.	Segment Results {Profit/(Loss)}	45,359.12	(11.81)	13,638.96	128.97	693.08	59,808.33
	Unallocable Corporate Expenses						57.55
	Unallocable Corporate Income						3,312.47
	Operating Profit						63,063.25
	Interest Expenses						28,295.54
	Interest Income						953.84
	Income Tax (Provision for Tax Current & Deferred)						11,038.17
	Net Profit						24,683.38
C.	Other Information						
	Segment Assets	410,435.17	1,866.86	103,266.18	4,038.96	981.47	520,588.63
	Unallocable Assets						55,484.88
	Total Assets						576,073.51
	Segment Liabilities	303,902.27	1,315.54	77,127.51	1,339.50	-	383,684.81
	Capital Expenditure	(15,021.67)	(2,048.33)	29,067.10	-	-	11,997.09
	Depreciation	4,091.37	145.07	3,899.35	265.50	-	8,401.29
	Non-cash expenses other than depreciation	-	-	-	-	-	-

(b) **Geographical Segments:** Since Company operates only in India, there are no geographical segments as defined in AS 17.

12. Disclosure relating to Employees Benefits – as per revised AS-15

(₹ In Lacs)

A)	Expenses recognized in the Statement of Profit & Loss	Gratuity (2010-11)	Gratuity (2009-10)	Leave Encashment (2010-11)	Leave Encashment (2009-10)
1)	Current Service Cost	150.92	98.65	71.99	39.17
2)	Interest Cost	27.35	18.77	8.54	4.94
3)	Expected Return on Plan Assets	-	-	-	-
4)	Actuarial (Gain)/Loss Recognized in the I.V.P.	(20.20)	(13.46)	(16.30)	(0.48)
5)	Expenses Recognized in the statement of Profit & Loss	158.06	103.96	64.23	43.63
B)	Amount to be recognized in the Balance Sheet				
1)	Present Value of Obligation at the end of the I.V.P.	484.47	331.51	167.79	103.56
2)	Fair Value of Plan Assets at the end of the I.V.P.	-	-	-	-
3)	Funded Status	(484.47)	(331.51)	(167.79)	(103.56)
4)	Unrecognized Actuarial (Gain)/Loss at the end of the I.V.P.	-	-	-	-
5)	Net Asset/Liability Recognized in the Balance Sheet	484.47	331.51	167.79	103.56
C)	Changes in the Present Value of Obligations				
1)	Present Value of Obligation at the beginning of the I.V.P.	331.51	227.55	103.56	59.93
2)	Interest Cost	27.35	18.77	8.54	4.94
3)	Current Service Cost	150.92	98.65	71.99	39.17
4)	Benefits Paid	5.10	-	-	-
5)	Actuarial (Gain)/Loss on Obligation	(20.20)	(13.46)	(16.30)	(0.48)
6)	Present Value of Obligation at the end of the I.V.P.	484.47	331.51	167.79	103.56
D)	Actuarial gain/Loss Recognized				
1)	Actuarial Gain/(Loss) on Obligations	20.20	13.46	16.30	0.48
2)	Actuarial Gain/(Loss) on Plan Assets	-	-	-	-
3)	Total (Gain)/Loss for the I.V.P.	(20.20)	(13.46)	(16.30)	(0.48)
4)	Actuarial (Gain)/Loss Recognized in the I.V.P.	(20.20)	(13.46)	(16.30)	(0.48)
5)	Unrecognized Actuarial (Gain)/Loss at the end of the I.V.P.	-	-	-	-
E)	Actuarial Assumption				
1)	Mortality Table	LIC 1994-96	LIC 1994-96	LIC 1994-96	LIC 1994-96
2)	Attrition Rate	5.00 % p.a.	5.00 % p.a.	5.00 % p.a.	5.00 % p.a.
3)	Imputed Rate of Interest	8.25 % p.a.	8.25 % p.a.	8.25 % p.a.	8.25 % p.a.
4)	Salary Rise	7.00 % p.a.	7.00 % p.a.	7.00 % p.a.	7.00 % p.a.
5)	Return on Plan Assets	N.A.	N.A.	N.A.	N.A.
6)	Remaining Working Life	21 Years	21 Years	21 Years	21 Years

13. Earnings Per Share:

Calculation of earnings per share – Basic & Diluted

Particulars	Year ended 31st March 2011		Year ended 31st March 2010	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Earnings				
Net profit attributable to equity shareholders Before extraordinary items (₹ in Lacs)	24,683.38	24,683.38	23,114.57	23,114.57
Shares				
Weighted average number of equity shares outstanding during the year	181,586,568	181,586,568	159,765,402	159,765,402
Weighted average number of equity shares resulting from assumed conversion of warrants & FCCB	Nil	2,799,765	Nil	7,336
Weighted average number of equity shares for calculation of earnings per share	181,586,568	184,386,333	159,765,402	159,772,738
Earnings per share of face value of ₹ 2/-	13.59	13.39	14.47	14.47
Net profit attributable to equity shareholders After extraordinary items (₹ in Lacs)	24,683.38	24,683.38	27,940.78	27,940.78
Earnings per share of face value of ₹ 2/-	13.59	13.39	17.49	17.49

14. Disclosure in accordance with Accounting Standard – 7 (Revised)

(₹ in Lacs)

Particulars	Current Year	Previous Year
Contract Revenue	360,098.63	291,213.25
Contract Cost incurred	314,739.51	249,370.76
Recognized Profits / losses	45,359.12	41,842.49
Advances received	25,721.86	5,897.78
Amount due from customer for contract work	134,261.15	91,980.23
Amount due to customer for contract work	28,923.75	9,344.80

15. Related Party Disclosures

A) Direct Subsidiary Companies:

Victor Buildwel Private Limited, Style & Smile Buildwell Private Limited, Era IT- Zone Private Limited, Era Infrastructure (I) Limited, Era T& D Limited, Golden Annum Holdings Limited, Boconero Limited, Bragi Developers Private Limited, Zedek Realtors Private Limited, Douce Realtors Private Limited, Paulo Realtech Private Limited, Yariikh Realtors Private Limited, Dehradun Highways Project Limited, Haridwar Highways Project Limited, Bareilly Highways Project Limited, Era Khandwa Power Limited, Kepi Constructions Limited (upto 30.04.2010), Quillet Constructions Limited (upto 30.04.2010)

B) Step Subsidiary Companies:

ARK Transmission & Distribution Limited and ARK Vidhyut Urja Limited

C) Names of related parties with whom transactions have taken place during the year:

i. Joint Ventures & Associates

Era -Patel –Advance- Kiran Joint Venture, Era -Patel –Advance Joint Venture, Induni - Era - Joint Venture, KMB – ERA Joint Venture, Rani – Era Joint Venture, Optima - Era Infra Joint Venture, Era Infra – Buildsys Joint Venture, Gwalior Bypass Project Limited, Hyderabad Ring Road Project Pvt. Ltd., West Haryana Highways Projects Pvt. Ltd., Era Energy Limited, Era Buildsys Limited.

ii. Individual owing directly or indirectly, an interest in the voting power of the reporting enterprises and relatives of any such individual:

Mr. H.S. Bharana (CMD), H.S. Bharana HUF (Karta is CMD), Mrs Rekha Bharana (Wife of CMD), Ms Rashmi Bharana (D/o CMD), Mr. Vaibhav Bharana (S/o CMD), Mr. Dheeraj Singh (Brother of CMD), Mr. Brij Singh (Brother of CMD).

iii. Key Management Personnel:

Mr. H.S. Bharana, Chairman & Managing Director and Mr. J.L. Khushu, Whole Time Director

iv Enterprises over which key Management personnel/ individual owing directly or indirectly, an interest in the voting power of the reporting enterprises that give them control or significant influence over the enterprises have significant influence:

Hi-Point Investment & Finance Pvt. Limited, Era E-Zone (India) Limited, Era Housing & Developers (India) Limited, Atop Infrastructure & Infotech Pvt. Ltd., Era Agritech (India) Pvt. Ltd., Era Logistics (India) Pvt. Limited, Era Landmarks Limited (upto 05.01.2011), Black Stone Mines & Minerals Pvt. Limited, Goglet Infotech Pvt Limited, Xema Infrastructure Pvt. Limited, Xebec Hospitality Pvt. Limited, Angraj Trading Pvt. Limited, SRC Buildwell Private Limited, Era Securitas Private Limited.

Related Party Transactions and Balances:

(₹ in Lacs)

Particulars	Subsidiary & Step Subsidiaries (Notes 15- A & B)		Joint Ventures, Associates & Enterprises (Notes 15-C (i) & (iv))		Individual Owing significant shareholding (Notes 15-C (ii))		Other Key Management Personnel (Notes 15-C (iii))		Total	
	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current	Previous
- Purchase of Assets	-	-	1,093.98	-	-	-	-	-	1,093.98	-
- Loans & Advances given	1,030.14	337.14	2,340.00	3,876.00	-	-	-	-	3,370.14	4,213.14
- Loans & Advances taken	25,914.52	-	2,108.65	-	-	-	-	-	28,023.17	-
- Investments	42,343.33	9,326.17	-	1,033.20	-	-	-	-	42,343.33	10,359.37
- Bill Raised	-	-	86,197.78	80,387.91	-	-	-	-	86,197.78	80,387.91
- Joint Venture Income	-	-	64.15	112.05	-	-	-	-	64.15	112.05
- Interest received	6.50	133.31	-	-	-	-	-	-	6.50	133.31
- Rent, Secretarial & other charges recovered	352.77	-	21.04	-	-	-	-	-	373.81	-
- Materials Supplied	-	109.69	324.46	2,556.09	-	-	-	-	324.46	2,665.78
- Sale of Investments	17,709.64	-	-	240.30	-	-	-	-	17,709.64	240.30
- Purchase of Investments	-	-	-	240.29	-	-	-	-	-	240.29
- Preferential Allotment	-	-	-	17,000.00	-	-	-	-	-	17,000.00
- Purchase of Materials	-	-	11,227.43	6,035.57	-	-	-	-	11,227.43	6,035.57
- Contract Expenses Paid	-	115.17	10,720.93	6,194.22	-	-	-	-	10,720.93	6,309.39
- Reimbursement of Exps Recd /(Paid)	14.38	-	(9.00)	0.55	-	-	-	-	5.38	0.55
- Salary paid	-	-	-	-	180.00	93.64	73.76	52.03	253.76	145.67
- Dividend Paid	-	-	375.99	281.45	51.78	51.78	-	-	427.77	333.23
-Due from (as at year-end)	2,816.62	983.85	20,441.13	10,208.95	-	-	-	-	23,257.75	11,192.80
-Due to (as at year-end)	25,942.95	96.94	6,410.08	8,365.31	-	-	3.99	3.83	32,357.03	8,466.08

16. The Company is in the process of identifying suppliers who are micro enterprises or small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. The company has not received any written confirmation from any suppliers regarding their status as Micro, Small and Medium Enterprises. Therefore, disclosures under section 22 of the said act are not necessary.

17. Fixed Deposits with scheduled banks include FDR's pledged with banks / government authorities.

18. Unclaimed dividends not yet due for deposit in Investor Education and Protection Fund. (₹ in Lacs)

S. No.	Dividend declared for Financial Year	Current Year	Previous Year
1	2003-04	1.22	1.22
2	2004-05	2.67	2.69
3	2005-06	4.72	4.72
4	2006-07	3.30	3.30
5	2007-08	2.56	2.57
6	2008-09	2.66	2.74
7	2009-10	0.16	-

19. Additional information pursuant to the provisions of paragraph 3, 4C, 4D of part II of schedule VI of the Companies Act, 1956.

A The Company is primarily engaged in the business of construction as Contractor. Such services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details and the information as required under paragraphs 3 and 4C of Part II of Schedule VI of the Companies Act, 1956, however information relating to ready mix concrete, wind energy and trading division are disclosed as under:

a) Ready Mix Concrete

i)	Licensed & Installed capacity and production	Unit of Quantity	Licensed & Installed Capacity		Production	
			2011	2010	2011	2010
	RMC Plants	Cum.	327,600	264,000	119,891	183,602
		Unit of Quantity	Quantity		Value in (₹ in Lacs)	
			2011	2010	2011	2010
ii)	Sales					
	Ready Mix Concrete	Cum.	86,905	150,350	2,517.35	4,043.88
iii)	Captive Consumption					
	a) Ready Mix Concrete	Cum.	32,986	33,252	1,130.33	1,061.54
	b) Others	-	-	-	51.84	-
iv)	Opening Stock					
	Ready Mix Concrete	Cum.	-	-	-	-

v)	Closing Stock					
	Ready Mix Concrete	Cum.	-	-	-	-
vi)	Raw Material Consumed During the Year					
	a. Cement	Bags	622,607	868,650	1,166.16	1,785.62
	b. Aggregate	CFT	135,489	5,007,494	963.04	1,268.05
	c. Sand Wash	CFT	87,823	2,994,550	570.15	687.54
	d. Admixture / Fly Ash	MT.	11,071	19,778	200.14	328.03
	e. Others		-	-	255.07	677.48
	Total				3,154.55	4,746.72
b)	Wind Energy					
	Licensed & Installed capacity and production	Unit of Quantity	Licensed & Installed Capacity		Production	
			2011	2010	2011	2010
	Wind Energy	MWH	87,600	87,600	13,540	15,686
		Unit of Quantity	Quantity		Value in (₹ in Lacs)	
			2011	2010	2011	2010
	Sales	MWH	13,540	15,686	500.91	563.21
	Opening Stock	MWH	-	-	-	-
	Closing Stock	MWH	-	-	-	-
c)	Trading	Unit of Quantity	Quantity		Value in (₹ in Lacs)	
			2011	2010	2011	2010
i)	Sales					
	a) Construction Materials	MT/K	9.951	104.702	3,596.29	35,115.07
	b) Construction Equipments	Nos.	1,024	12	2,377.45	975.40
	c) Others	MT/K	-	-	-	-
					5,973.74	36,090.47
ii)	Opening Stock					
	a) Construction Materials (Transfer from Contracts)	MT/K	9.538	-	3,181.48	-
	b) Construction Equipments	Nos.	-	-	-	-
	c) Others	MT/K	22.997	22.997	981.47	981.47
iii)	Closing Stock					
	a) Construction Materials	MT/K	-	-	-	-
	b) Construction Equipments	Nos.	-	-	-	-
	c) Others	MT/K	22.997	22.997	981.47	981.47
iv)	Purchases					
	a) Construction Materials	MT/K	0.413	104.702	175.38	34,158.27
	b) Construction Equipments	Nos.	1,024	12	1,614.73	946.99
	c) Others	MT/K	-	-	-	-
					1,790.11	35,105.26

B. Value of Import on CIF Basis

(₹ in Lacs)

S.No	Particulars	Current Year	Previous Year
a.	Material	187.83	1,653.27
b.	Capital Goods	7,796.38	5,203.52
c.	Spare Parts	25.15	68.04

C. Expenditure incurred in Foreign Currency:

(₹ in Lacs)

Particulars	Current Year	Previous Year
Travelling	21.92	10.33
Legal & Professional	496.94	583.56
Interest	235.01	230.20
Others	18.03	Nil

D. Income in Foreign Currency:

(₹ in Lacs)

Particulars	Current Year	Previous Year
Management Fee	Nil	51.65

E. Loan / Investment made in Foreign Currency in Foreign Subsidiaries ₹7.41 Lacs (P.Y. ₹ 4.92 Lacs).

20. Previous Year's figures have been regrouped and/or rearranged to conform to those of current year's figures, wherever necessary.

21. Figures are nearest rupees In Lacs.

22. Schedule "A" to "O" are integral part of Balance Sheet and Profit and Loss Account.

For and on behalf of the Board

As per our report of even date attached

For **G. C. SHARDA & CO.**
Chartered Accountants
FRN : 500041N

(H.S. Bharana)
Chairman & Managing Director

(J.L. Khushu)
Whole Time Director

CA. Vandna Gopal Sharda
Partner
M.No.091051

(Joy Saxena)
Group C.F.O.

(Rajiv Kumar)
Company Secretary

Place: New Delhi
Date: August 13, 2011

CONSOLIDATED AUDITORS' REPORT

To

The Board of Directors,
Era Infra Engineering Limited
New Delhi

1. We have audited the attached Consolidated Balance Sheet of Era Infra Engineering Limited ('the Company') and its subsidiaries (collectively referred as 'Era Group') as at March 31, 2011 and the Consolidated Profit and Loss Account and the Consolidated Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standard generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for your opinion.
3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of the Accounting Standards (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 27, Financial Reporting of interests in Joint Ventures issued by the Institute of Chartered Accountants of India.
4. We have not conducted audit of subsidiary companies, whose financial statements reflect total assets of ₹ 99,877.10 Lacs as at March 31, 2011 and the total revenues of ₹ 176.42 lacs for the year ended. These financial statements and other financial information have been audited by other auditor whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of the subsidiary is based solely on the report of the other auditor.
5. Subject to above, based on our audit and on consideration of report of other auditors on separate financial statement and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view with the accounting principles generally accepted in India.
 - (i) In the case of the Consolidated Balance Sheet, of the state of affairs of the ERA Group as at March 31, 2011;
 - (ii) In the case of Consolidated Profit and Loss Account, of the profit for the year ended on that; and
 - (iii) In the case of Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For G. C. SHARDA & CO.

Chartered Accountants
FRN : 500041N

CA. Vandna Gopal Sharda

Partner
M. No. : 091051

Place : New Delhi
Date : August 13, 2011

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011

(₹ in Lacs)

PARTICULARS	SCHEDULE	As at	As at
		31st March, 2011	31st March, 2010
I SOURCES OF FUNDS			
(1) Shareholders' Funds			
(a) Share Capital	A	3,636.55	3,583.33
(b) Reserves and Surplus	B	168,535.86	143,198.57
		172,172.41	146,781.90
(2) Minority Interest		67.57	92.45
(3) Loan Funds			
(a) Secured Loans	C	288,574.75	211,371.99
(b) Foreign Currency Convertible Bonds (Unsecured)		17,820.44	22,503.52
(c) Other Unsecured Loans	D	16,068.79	15,428.89
		322,463.98	249,304.40
(4) Deferred Tax Liabilities(net)		18,570.91	15,842.27
Total (1+2+3+4)		513,274.87	412,021.02
II APPLICATION OF FUNDS			
(1) Fixed Assets			
(a) Gross Block	E	167,970.10	152,788.65
(b) Less : Accumulated Depreciation		22,992.58	14,709.13
(c) Net Block		144,977.52	138,079.52
(d) Capital Work in Progress		13,356.68	10,444.01
		158,334.20	148,523.53
(2) Investments	F	35,019.98	28,065.75
(3) Current Assets, Loans & Advances	G		
(a) Inventories		122,037.25	92,000.50
(b) Sundry Debtors		136,008.09	93,890.83
(c) Cash & Bank Balances		50,978.53	46,906.50
(d) Other Current Assets		447.43	487.84
(e) Loans & Advances		71,812.69	57,600.76
		381,284.00	290,886.43
Less : Current Liabilities & Provisions	H		
(a) Current Liabilities		57,186.47	54,225.77
(b) Provisions		4,176.84	1,286.46
		61,363.31	55,512.24
Net Current Assets		319,920.69	235,374.19
(4) Foreign Currency Monetary Item Translation Diff. A/C		-	57.55
		-	-
Total (1+2+3+4)		513,274.87	412,021.02
Significant Accounting Policies and Notes to Accounts	O		

The schedules referred to above form an integral part of the Balance Sheet.

For and on behalf of the Board

Auditors' Report

As per our report of even date attached

For G.C.SHARDA & CO.

Chartered Accountants
FRN : 500041N

CA.Vandna Gopal Sharda

Partner

M.No : 091051

Place : New Delhi.

Date : August 13, 2011

(H.S. Bharana)

Chairman & Managing Director

(Joy Saxena)

Group CFO

(J.L.Khushu)

Whole Time Director

(Rajiv Kumar)

Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011 (₹ in Lacs)

PARTICULARS	SCHEDULE	Year ended	Year ended
		31st March, 2011	31st March, 2010
I. Income			
Turnover	I	383,047.65	344,841.24
Other Income	J	2,207.37	2,855.34
		385,255.02	347,696.59
II. Expenditure			
Direct Project Expenses	K	291,865.57	265,017.73
Personnel Expenses	L	13,307.23	10,158.12
Administrative Expenses	M	6,615.67	4,037.06
Financial Expenses	N	32,061.46	25,762.84
Depreciation	E	8,428.14	7,163.25
		352,278.07	312,139.00
Profit from ordinary Activities Before Tax		32,976.95	35,557.58
Tax Expense			
— Current Tax		7,118.19	6,007.97
— Deferred Tax		2,728.64	6,740.45
— MAT Credit/Fringe Benefit Tax		1,071.18	(1,109.34)
— Tax Adjustment for Earlier Years		70.01	280.17
Net Profit from Ordinary Activities after Tax		21,988.93	23,638.33
Add: Extraordinary Items (net)		-	4,826.21
Net Profit After Extra Ordinary Item		21,988.93	28,464.55
Less: Minority Interest		(26.17)	38.67
Net Profit After Minority Interest		22,015.10	28,425.87
Balance of Profit & Loss Account brought forward		58,903.76	34,508.66
Profit available for Appropriations		80,918.86	62,934.53
APPROPRIATIONS			
Proposed Dividend		727.31	727.20
Corporate Dividend Tax		117.99	123.59
Transfer to General Reserve		2,468.00	2,790.00
Dividend & Dividend Tax (Previous Year)		0.13	-
Transfer to Debenture Redemption Reserve		1,060.00	390.00
Surplus carried over to Balance Sheet		76,545.43	58,903.76
		80,918.86	62,934.53
Earnings per share (Before Extraordinary Items) (₹ Per Equity share of ₹ 2/- each)			
— Basic		12.11	14.80
— Diluted		11.93	14.79
Earnings per share (After Extraordinary Items) (₹ Per Equity share of ₹ 2/- each)			
— Basic		12.11	17.79
— Diluted		11.93	17.79
Significant Accounting Policies and Notes to Accounts	O		

The schedules referred to above form an integral part of the Profit & Loss Account.

For and on behalf of the Board

Auditors' Report

As per our report of even date attached

For G.C.SHARDA & CO.

Chartered Accountants
FRN : 500041N

CA.Vandna Gopal Sharda

Partner

M.No : 091051

Place : New Delhi.

Date : August 13, 2011

(H.S. Bharana)

Chairman & Managing Director

(Joy Saxena)

Group CFO

(J.L.Khushu)

Whole Time Director

(Rajiv Kumar)

Company Secretary

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(₹ in Lacs)

PARTICULARS	As at 31st March, 2011	As at 31st March, 2010
Schedule - A		
Share Capital		
Authorised		
- 30,00,00,000 (Previous year 30,00,00,000) Equity Shares of ₹ 2/- each	6,000.00	6,000.00
Issued, Subscribed & Paid up		
- 18,18,27,640 (Previous year : 17,91,66,325) Equity Shares of ₹ 2/-each fully paid up	3,636.55	3,583.33
Total (A)	3,636.55	3,583.33
 Notes:		
Includes 157,36,400 Equity Shares of ₹ 2/- each issued as fully paid up bonus shares by capitalization of securities premium account & profit & loss account		
 Schedule - B		
Reserves and Surplus		
(A) Securities Premium Account		
As per last Balance Sheet	74,597.09	44,581.96
Addition during the year	4,167.61	30,015.13
	78,764.70	74,597.09
(B) Debenture Redemption Reserve		
As per last Balance Sheet	2,430.00	2,040.00
Transfer from Profit & Loss Account	1,060.00	390.00
	3,490.00	2,430.00
(C) General Reserve		
As per last Balance Sheet	7,267.73	4,477.73
Transfer from Profit & Loss Account	2,468.00	2,790.00
	9,735.73	7,267.73
(D) Profit & Loss Account	76,545.43	58,903.75
Total (B)	168,535.86	143,198.57

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(₹ in Lacs)

PARTICULARS	As at	As at
	31st March, 2011	31st March, 2010
Schedule - C		
Secured Loans		
(a) Term Loan from Bank	107,868.20	40,452.07
(b) Borrowings From Banks	124,878.79	94,608.96
(c) Equipment Finance	14,400.83	18,355.39
(d) Mobilisation Advances from Clients	571.15	340.49
(e) Other Loans & Advances	261.78	261.78
(f) External Commercial Borrowing	4,444.00	4,537.00
(g) Non-Convertible Debentures	36,150.00	52,816.30
Total (C)	288,574.75	211,371.99

NOTE :

- 1 Term Loan and External Commercial Borrowings (ECB) are secured by way of first pari passu charge on the movable and immovable fixed assets of the company and second charge on the current assets of the company, further ECB is secured by way of DSRA account. Borrowings from banks are secured by way of hypothecation of stock, book-debts and in some cases other current assets both present and future of the company through pari-passu and/or second, subservient charge on current & fixed assets of the company. In some cases these are further secured by way of first pari passu charge on movable and immovable fixed assets of the company and further secured by equitable mortgage of certain personal assets, investment and personal guarantees of Mr. H.S.Bharana, Chairman & Managing Director/his associates /relatives as the case may be.
- 2 Equipment Finances are secured by way of hypothecation of respective assets.
- 3 Mobilisation advance from clients are secured against bank guarantees given by the company.
- 4 Other Loans and advances are secured against pledge of key man insurance policies.
- 5 Non- convertible debentures are secured against the first pari passu charge on the fixed assets, non agricultural land situated at Distt. Mehsana, Gujarat and /or mortgage of third party immoveable assets as the case may be.

Schedule - D

(₹ in Lacs)

Unsecured Loans		
Inter Corporate Deposits	639.90	-
Loans from Banks	15,000.00	15,000.00
Others	428.89	428.89
Total (D)	16,068.79	15,428.89

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

Schedule "E"

Consolidated Fixed Assets as on 31st March, 2011

(₹ in Lacs)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		Cost as on 1-April-10	Additions during the year	Sold / adjustment during the year	Total as on 31-March-11	Upto 1-April-10	For the year	Adjustments	Upto 31-March-11	Written down value as on 31-March-11	Written down value as on 31-March-10
1	Land	341.74	246.75	4.20	584.30	-	-	-	-	584.30	341.74
2	Leasehold Land	201.33	96.21	-	297.53	8.00	3.00	-	11.00	286.53	193.33
3	Factory Building	391.06	1,544.95	24.05	1,911.96	21.87	18.25	1.72	38.40	1,873.56	369.20
4	Plant & Machinery	145,088.27	12,750.01	185.32	157,652.96	13,224.49	7,920.74	-	21,145.23	136,507.73	131,863.78
5	Tractor/ Trucks	195.97	32.89	-	228.86	53.96	14.42	-	68.38	160.48	142.01
6	Furniture & Fixture	234.26	157.85	-	392.11	63.26	17.69	-	80.94	311.17	171.01
7	Office Equipment	206.45	112.77	-	319.21	42.26	12.14	-	54.39	264.82	164.19
8	Vehicle	492.32	451.99	23.07	921.24	129.86	58.39	3.43	184.83	736.41	362.45
9	Data Processing Machine	599.62	169.63	144.96	624.29	297.78	110.59	139.58	268.79	355.50	301.83
10	Wind Turbine Generators	4,990.52	-	-	4,990.52	858.27	263.50	-	1,121.77	3,868.75	4,132.25
11	Goodwill	47.10	0.01	-	47.11	9.42	9.42	-	18.84	28.27	37.68
	Less : Dep. Capitalised										
	Total	152,788.64	15,563.06	381.60	167,970.10	14,709.16	8,428.14	144.73	22,992.58	144,977.52	138,079.47
	Previous Year	57,745.12	61,068.83	1,046.00	117,767.95	3,969.33	4,596.31	592.57	7,974.00	109,793.95	53,775.80
	Capital Work In Progress									13,356.68	10,444.01
	Total									158,334.20	148,523.48

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(₹ in Lacs)

PARTICULARS	Current Years Nos	Previous Year Nos	As at 31st Mar, 2011	As at 31st Mar 2010
Schedule - F				
Investments-Long Term (Unquoted)				
a) Government Securities				
-M.P. Finance Corp. Bond - 2012			5.76	5.76
-11.5% Govt of India -2011			14.61	14.61
	TOTAL (a)		20.37	20.37
b) Quoted (Trade)				
- Equity Shares of Era E-Zone (India) Ltd	1,110,000	1,110,000	554.50	554.50
	TOTAL (b)		554.50	554.50
c) Unquoted (Trade)				
- Equity Shares of West Haryana Highways Projects Pvt.Ltd.	24,500	24,500	2.45	2.45
- Preference Shares of West Haryana Highways Projects Pvt Ltd	2,137,836	1,513,334	12,827.02	9,080.00
- Equity Shares of Gwalior Bypass Project Ltd.	19,500	19,500	1.95	1.95
- Preference Shares of Gwalior Bypass Project Ltd.	2,299,510	2,196,135	9,198.04	8,784.54
- Equity Shares of Hyderabad Ring Road Project Private Limited	11,720	11,720	1.17	1.17
- Preference Shares of Hyderabad Ring Road Project Private Limited	2,066,812	1,433,027	8,267.25	5,732.11
- Equity Shares of Era Buildsys Ltd.	2,407,000	2,407,000	2,618.46	2,171.74
- Shares of SPA Group Era India Algeria	35,000	35,000	68.81	68.81
- Equity Shares of Era Energy Ltd	15,000	-	1.50	-
- Axis Infrastructure Fund 1			1,458.45	1,648.11
	TOTAL (c)		34,445.10	27,490.88
	TOTAL (a+b+c)		35,019.98	28,065.75
The aggregate book value and market value of quoted investments and book value of unquoted investments are as follows:				
Quoted Investments				
aggregate book value			554.50	554.50
aggregate market value			201.47	334.11
Aggregate book value of unquoted investments			34,465.48	27,511.25
Aggregate book value of Government Securities			20.37	20.37

Movements in investments during the year:

Addition:

- 6,24,502 Preference Shares of West Haryana Highways Proj. Pvt Ltd of ₹ 100/- each, fully paid up
- 1,03,375 Preference Shares of Gwalior Bypass Project Ltd.of ₹100/- each, fully paid up
- 6,33,785 Preference Shares of Hyderabad Ring Road Project Private Limited of ₹100/- each, fully paid up
- 15,000 Equity Shares of Era Energy Limited of ₹10/- each, fully paid up

Deletion :

- Axis Infrastructure Fund 1

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(₹ in Lacs)

PARTICULARS	As at 31st March, 2011	As at 31st March, 2010
Schedule - G		
Current Assets, Loans & Advances		
A. Current Assets		
a. Inventories		
(i) Materials in Hand	58,989.93	52,235.76
(ii) Stores & Spares	1,701.01	503.54
(iii) Work in Progress	60,917.61	38,538.49
(iv) Materials in Transit	197.38	722.71
(v) Finished Goods & Scrap	231.32	-
Total (a)	122,037.25	92,000.50
b. Sundry Debtors (Unsecured, considered good)		
(i) Outstanding for a period exceeding six months	12,105.43	9,874.74
(ii) Others	123,902.66	84,016.09
Total (b)	136,008.09	93,890.83
c. Cash & Bank Balances		
(i) Cash in Hand	139.55	70.29
(ii) Cash at Sites	100.21	44.43
(iii) Foreign Currency in Hand	1.69	4.06
(iv) Balance with scheduled banks in		
- Current Accounts	9,669.91	8,539.88
- Fixed Deposit Accounts	41,049.88	38,230.60
(v) Unpaid Dividend Account	17.29	17.24
Total (c)	50,978.53	46,906.50
d. Other Current Assets		
Interest Accrued	447.43	487.84
Total (d)	447.43	487.84
Total (A) (a+b+c+d)	309,471.30	233,285.67
B. Loans & Advances (Unsecured, considered good)		
(a) Advances recoverable in cash or in kind or for value to be received	67,193.68	55,630.20
(b) Loans	4,571.15	785.50
(c) Prepaid Taxes (Net of Provisions)	-	66.02
(d) Share Application Money	9.70	9.70
(e) MAT Credit Entitlement	38.16	1,109.34
Total (B)	71,812.69	57,600.76
Total (A+B)	381,283.99	290,886.43

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

(₹ in Lacs)

PARTICULARS	As at 31st March, 2011	As at 31st March, 2010
Schedule - H		
Current Liabilities & Provisions		
A. Current Liabilities		
(a) Sundry Creditors		
-Outstandings of SSI/SME Undertakings	82.82	128.81
-Others	48,270.93	40,090.97
(b) Mobilisation & Other Advances	2,864.47	9,044.30
(c) Bank Overdrafts	671.31	1,140.15
(d) Other Current Liabilities	5,279.65	3,804.31
(e) Unpaid Dividend Payable	17.29	17.24
Total (A)	57,186.47	54,225.77
B. Provisions		
a) Provision for Tax (Net of Prepaid Tax)	2,670.41	0.60
b) Provision for Retirement Benefits	661.13	435.07
c) Proposed Dividend	727.31	727.20
d) Tax on Proposed Dividend	117.99	123.59
Total (B)	4,176.84	1,286.46
Total (A+B)	61,363.31	55,512.24

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT (₹ in Lacs)

PARTICULARS	Year ended 31st March, 2011	Year ended 31st March, 2010
Schedule - I		
Turnover		
Contract	360,256.12	294,507.67
Ready Mix Concrete	2,517.35	4,043.88
Wind Energy	500.91	563.21
Equipment Hiring & Management	13,799.53	9,636.01
Sales - Trading	5,973.74	36,090.47
Total (I)	383,047.65	344,841.24
Schedule - J		
Other Income		
Interest Income		
- Banks	950.61	904.98
- Other Interest	10.59	144.65
Profit on Sale of Fixed Assets	-	637.88
Miscellaneous Income	735.29	474.57
Foreign Exchange Fluctuation	-	134.82
Income From Joint Venture	64.15	112.06
Profit of Associates Company	446.72	394.73
Management Fee	-	51.65
Total (J)	2,207.37	2,855.34
Schedule - K		
Direct Contract Expenses		
Direct Project Expenses	307,080.07	231,388.06
(Increase)/Decrease in Stock	(25,277.41)	(11,605.60)
Service Tax	2,914.23	3,711.29
Works Contract Tax	5,358.57	6,418.72
Trading Purchases	1,790.11	35,105.26
Total (K)	291,865.57	265,017.73
Schedule - L		
Personnel Expenses		
Salaries, Bonus & Allowances	12,175.52	9,345.29
Director's Remuneration	257.36	150.36
Contribution to Provident & Other Funds	653.26	503.56
Staff Welfare	221.09	158.91
Total (L)	13,307.23	10,158.12

SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT & LOSS ACCOUNT (₹ in Lacs)

PARTICULARS	Year ended 31st March, 2011	Year ended 31st March, 2010
Schedule - M		
Administrative Expenses		
Printing & Stationery	250.29	197.35
Rent	466.48	339.61
Travelling & Conveyance	806.17	554.08
Postage, Telegram & Telephones	258.50	206.52
Tender Fee	68.24	67.71
Legal & Professional Charges	1,857.59	843.38
Advertisement & Publicity	35.55	36.86
Business Promotion Expenses	59.19	24.05
Vehicle Maintenance	111.24	48.22
Insurance Premium	449.38	406.16
Foreign Currency Monetary Item Trans. Diff. A/C W/Off	57.55	57.55
Foreign Exchange Fluctuation	725.13	-
Prior Period Expenses	-	0.12
Rates and Taxes	138.61	87.17
Festival Expenses	80.44	133.06
Repair & Maintenance		
- Machinery	590.89	571.15
- Others	204.90	124.62
Electricity & Water	209.24	170.72
Auditor's Remuneration	17.82	15.03
Charity & Donation	7.68	13.77
Loss on Sale of Fixed Assets	0.65	-
Miscellaneous Expenses	220.13	139.93
Total (M)	6,615.67	4,037.06
Schedule - N		
Financial Expenses		
Bank Charges & Commission	3,600.90	3,265.34
Interest:		
- Debentures	4,613.24	3,927.04
- Others	23,847.32	18,570.46
Total (N)	32,061.46	25,762.84

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011 (₹ in Lacs)

PARTICULARS	Year ended 31st March, 2011	Year ended 31st March, 2010
Cash Flow from Operating Activities		
Net profit before taxation	32,976.95	35,557.58
Adjustments		
Add		
Depreciation	8,428.14	7,163.25
Foreign Currency Monetary Item Trans. Diff. a/c w/off	57.55	57.55
Interest Expenses	28,295.66	22,497.50
Loss on sale of Long Term Investment		-
Deduct		
Interest Income	(961.20)	(1,049.63)
Loss/(Profit) on Sale of Fixed Assets	0.65	(637.88)
Foreign Exchange Fluctuation (FCCB)	(276.93)	-
Operating cash flow before working capital changes	68,520.82	63,588.37
Decrease(Increase) in Inventories	(30,036.75)	(23,555.94)
Decrease(Increase) in Sundry Debtors	(42,117.26)	(21,066.51)
Decrease(Increase) in Loans & Other Current Assets	(14,171.52)	(23,055.69)
(Decrease)Increase in Current Liabilities	2,960.70	(81.94)
(Decrease)Increase in Provisions	226.06	147.59
Cash generated from operations	(14,617.95)	(4,024.11)
Income Tax Paid Including Fringe Benefit Tax	(5,589.56)	(5,206.44)
Cash Flow from Operating activities(A)	(20,207.51)	(9,230.58)
Cash Flow from Investing activities		
Purchase of Fixed Assets	(15,563.06)	(39,117.10)
Capital Work in progress including capital advances	(2,912.67)	89.61
Proceeds from Sale of Fixed Assets	50.91	2,139.13
Purchase of Investments	(6,954.22)	(10,342.48)
Interest Income	961.20	1,049.63
Net Cash from Investing activities(B)	(24,417.85)	(46,181.22)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011 (₹ in Lacs)

PARTICULARS	Year ended 31st March, 2011	Year ended 31st March, 2010
Cash Flow from Financing activities		
Proceeds from Share Capital	-	29,750.00
Proceeds from ECB	(93.00)	4,537.00
Proceeds from Long term borrowings	67,646.79	66,459.08
Repayment of FCCBs	-	(4,865.06)
FCCBs Redemption Expenses	-	(800.00)
Repayment/ Transfer of Long Term borrowings	(20,620.87)	-
Proceeds from Short term borrowings	30,909.74	12,426.61
Increased/(Decreased) in Minority interest	1.30	2.60
Interest paid	(28,295.66)	(22,497.50)
Dividend paid	(727.31)	(574.76)
Dividend Distribution Tax	(123.61)	(97.68)
Net Cash Flow from Financing activities(C)	48,697.39	84,340.29
Net Increase in cash & cash equivalents(A+B+C)	4,072.03	28,928.52
Cash & Cash equivalents at beginning of year	46,906.50	17,977.98
Cash & Cash equivalents at end of year (see schedule G (c) of financial statements)	50,978.53	46,906.50

Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as stated in Accounting Standard -3.

Auditors' Report

As per our report of even date attached

For and on behalf of the Board

For G.C.SHARDA & CO.

Chartered Accountants
FRN : 500041N

(H.S. Bharana)

Chairman & Managing Director

(J.L.Khushu)

Whole Time Director

CA.Vandna Gopal Sharda

Partner
M.No : 091051
Place : New Delhi.
Date : August 13, 2011

(Joy Saxena)

Group CFO

(Rajiv Kumar)

Company Secretary

SCHEDULES – O

SCHEDULES FORMING PART OF CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2011

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. PRINCIPLES OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements which relates to Era Infra Engineering Limited, its various subsidiary companies and the associate companies have been prepared on the following basis:

1. The financial statements are prepared under historical cost convention on accrual basis of accounting and on a going concern basis.
2. The financial statements of the parent company and its subsidiaries have been combined on a line by line basis by adding together the book values of all items of assets, liabilities, incomes and expenses after eliminating all inter-company balances/transactions and resulting unrealized profit/loss.
3. Consolidated Financial Statements are prepared by applying accounting policies as follows by the Company and its subsidiaries; to the extent it is practicable. Significant differences in the accounting policies, if any, are appropriately disclosed by way of Notes to the Consolidated Financial Statements.
4. Interest in subsidiaries is given in Annexure-A attached.

B. SIGNIFICANT ACCOUNTING POLICIES

1) BASIS OF PREPARATION

The financial statements have been prepared to comply to all material aspect with the Notified Accounting Standards by and the relevant provisions of the Companies Act, 1956 except otherwise mentioned, the accounting policies have been consistently applied by the company and are consistent with those use in the previous year.

2) REVENUE RECOGNITION

- 2.1 Revenue from contracts is recognised on the percentage completion method based on billing schedules agreed with the client on a progressive completion basis. Material & resources supplied by client are included as cost of construction and as revenue at market price. Price escalation claims and additional claims including those under arbitration are recognised as revenue when they are reasonable ascertained.
- 2.2 Revenue from sale of goods is recognized when all significant risks and rewards of ownership are transferred to the buyer (usually at the point of dispatch to customers). Sales are net of return and exclusive of value added tax.
- 2.3 Income from wind energy and equipments hiring & management are recognized on accrual basis.
- 2.4 Revenue from real estate projects is recognized on “percentage of completion method” of accounting. Revenue is recognized on the basis of percentage of actual costs incurred thereon, including land and total estimated construction and development cost of projects under execution subject to such actual costs being 30 percent or more of the total estimated cost. The estimates of saleable area and costs are reviewed periodically by the management and any effect of changes in estimates is recognized in the period of such changes are determined. However, when the total project cost is estimated to exceed total revenues from the projects, the loss is recognized immediately.
- 2.5 Other Incomes are accounted for on accrual basis except where the receipt of income is uncertain.
- 2.6 Accounting for joint venture contracts

- (a) Contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted for in accordance with the accounting policy followed by the company as that of each independent contract to the extent of work is executed by the company.
- (b) In respect of contracts executed in Integrated Joint Venture under profit sharing arrangement (assessed as AOP under Income Tax laws), the services rendered to the joint venture are accounted as income on the accrual basis. The profit / loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the joint venture is reflected as investments, loans & advances or current liabilities.

3) USE OF ESTIMATES

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include employee retirement benefit plan, provision for income taxes and accounting for contract costs.

4) FIXED ASSETS

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation.

5) DEPRECIATION

Depreciation has been provided on the basis of Straight Line Method as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on addition/disposals during the year has been provided on pro-rata basis.

Cost of leasehold land is amortized over lease term on straight-line basis.

6) IMPAIRMENT

Fixed Assets are tested for impairment if there is any indication of their possible impairment. An impairment loss is recognized where the carrying amount of a fixed asset (or cash generating unit) exceeds its recoverable amount, i.e. higher of value in use and net selling price. Impairment loss recognized in one year can get reversed fully or partly in a subsequent year.

7) CAPITAL WORK IN-PROGRESS

Costs of assets not ready for use before the year-end and advance paid towards the acquisition of fixed assets are included under Capital Work-in-Progress.

8) BORROWING COST

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalized as part of cost of such assets till such time assets become ready for their intended use. All other borrowing costs are charged to Profit & Loss assets.

9) INVESTMENTS

Investments are classified into long-term investments and current investments. Long-term investments are stated at cost. Provision for diminution in the value of a long-term investment is made if such diminution is other than temporary. Current investments are carried at the lower of cost and fair value and provisions are made to recognize the decline in the carrying value.

10) INVENTORIES

Materials, work in progress, finished goods and stores & spare parts are valued at the lower of cost and net realizable

value. Cost of inventories is ascertained on the weighted average cost method. Real Estate and trading inventories are valued at cost or market value whichever is lower.

11) FOREIGN EXCHANGE TRANSACTIONS

Transactions in foreign currency are recorded at the exchange rates prevailing at the dates of the respective transactions. In the case of foreign currency denominated monetary assets and monetary liabilities, relating to import of materials, the loss or gain arising from restatement at the balance sheet date / settlement is charged or credited to the profit & loss account, except Foreign Currency Exchange Fluctuation arising on account of FCCB's issued by Company during 2007 has been accounted for as per Notification dated March 31, 2010 pertaining to Accounting Standard (AS 11) issued by the Ministry of Corporate Affairs. Accordingly foreign currency exchange fluctuation attributable to depreciable assets has been adjusted to carrying cost of respective assets and depreciated as per said notification. Foreign Currency Exchange Fluctuation on other items has been debited / credited to "Foreign Currency Monetary Item Translation Difference Account" and has been charged to profit and loss account as per said notification.

12) EMPLOYEE BENEFITS

- i) Contribution to Provident Fund, a defined contribution plan, is accounted for on accrual basis. The Company continues to make contributions to provident fund plan administered by the Government of India.
- ii) The liability of the company for leave encashment, a defined retirement benefit plan, is determined by actuarial valuation carried out by an independent actuary.
- iii) The liability of the company for gratuity, a defined retirement benefit plan, is determined by actuarial valuation carried out by an independent actuary.

13) TAX ON INCOME

Income taxes are computed using the tax effect accounting method where taxes are accrued in the same period as the related revenue and expenses to which they relate. The differences that exist between profit offered for income tax and the Profit Before Tax as per financial statements are identified and deferred tax assets or deferred tax liabilities are recorded for timing differences, namely, differences that originate in one accounting period and are capable of reversal in future. Deferred tax assets and liabilities are measured using tax rates and tax laws enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized. If the company has unabsorbed depreciation or carried forward losses under taxation laws, a much stricter test, viz, virtual certainty of realisation is to be applied for recognition of any deferred tax assets. Deferred tax assets are reviewed for the continuing appropriateness of their recognition as assets at each balance sheet date and written down or written-up to reflect the amount that is reasonably /virtually certain (as the case may be) of realization.

B) NOTES TO ACCOUNTS

1. Contingent Liabilities not provided for :

- i) In respect of guarantees and letter of credits issued by Banks, outstanding as at 31st March, 2011 ₹ 42, 427.27 Lacs net of margin (P.Y. ₹ 31, 036.18 Lacs net of margin).
- ii) In respect of Sales Tax and Entry Tax ₹ 95.10 Lacs (P.Y. ₹ 71.42 Lacs). The demand is being contested before appellate authorities.
- iii) The Company has received show cause notices in respect of Royalty amounting to ₹ 314.71 Lacs (P.Y. ₹ 271.84 Lacs). Appropriate representation is being submitted to respective offices.
- iv) The Company has received show cause notices in respect of Service Tax amounting to ₹. 3,891.47 Lacs (P.Y. ₹ 3,745.25 Lacs). Appropriate representations have been submitted to respective offices.

- v) The Company has received show cause notices in respect of Custom Duty amounting to ₹ 221.04 Lacs (P.Y. ₹ 221.04 Lacs). Appropriate representations have been submitted to respective offices.
- vi) In respect of other legal cases ₹ 537.14 Lacs (P.Y. ₹ 272.50 Lacs). Appropriate representations have been filed in respect of these matters with the authorities concerned.
- vii) In respect of Labour Welfare Cess ₹ 85.61 Lacs (P.Y. ₹ 85.61 Lacs). Writ petition has been filed before Hon'ble Supreme Court.
- viii) The Company has given Corporate Guarantees amounting to ₹ 96,271.00 Lacs (P.Y. ₹ 94,346.00 Lacs) in favour of banks for loans taken by Subsidiary / Associate Companies including Corporate Guarantees amounting to ₹ 48,400.00 Lacs (P.Y. ₹ 48,400.00 Lacs) for meeting the shortfall in repayment of the loan amount in the event of termination of the Concession Agreement.
- ix) The company has executed bonds aggregating to ₹ 142.72 Lacs in favour of Jurisdictional Deputy Commissioner of Customs, against Import of Capital Goods at concessional rates under EPCG scheme for which the Company has agreed to fulfil Export obligation for ₹ 856.36 Lacs within a period of six years from the date of issue of respective EPCG license. The total outstanding export obligation as on 31st March, 2011 is ₹ 856.36 Lacs and liability in respect thereof till the year ended 31st March, 2011 is NIL

2. Maximum amount due at any time during the year from Concerns /Companies in which Directors and / or their relatives are interested.

(₹ in Lacs)

S. No.	Name	Current Year	Previous Year
1.	Era Landmarks Limited (upto 05.01.2011)	3,290.47	2,949.00
2.	Era Buildsys Limited	15,519.10	9,037.99
3.	Gwalior Bypass Project Limited	696.56	246.44
4.	Hyderabad Ring Road Projects Private Limited	18.82	NIL
5.	Angraj Trading Pvt. Limited	3,318.10	3,318.10
6.	West Haryana Highways Project Pvt. Ltd.	419.79	510.00
7.	Atop Infrastructure & Infotech Pvt. Ltd.	548.03	509.14
8.	Era Energy Limited	2.23	NIL

- 3. Estimated amount of Contracts remaining to be executed on Capital Account (Net of Advances) ₹ 3,12,896.06 Lacs (P.Y. ₹ 171,237.77 Lacs).
- 4. In the opinion of Board of Directors, all the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and all the known liabilities as at the end of year have been provided for.
- 5. a) The company had raised 750 Nos. Zero Coupon Foreign Currency Convertible Bonds due 2012 (FCCB's) of USD 100,000/- each aggregating USD 75 million at par on January 24, 2007. These Bonds have a maturity period of 5 years 1 day. The Bonds are convertible into equity shares of ₹ 2/- each fully paid at the option of the Bondholders at any time on or after January 24, 2009 and prior to the close of business (at the place where the Bonds are deposited for conversion) on January 10, 2012. The initial conversion price of ₹158.60 per share has been decided on January 24, 2009 as per the terms of the offer circular dated 17th January 2007.

The Bonds constitute the Company's direct, unconditional, unsubordinated and unsecured obligations and at all-time rank pari passu and without any preference or priority among themselves. The Company's payment obligations under the Bonds, save for such exceptions as may be provided by mandatory provisions of applicable law, at all times rank at least equally with all of its other present and future direct, unconditional, unsubordinated and unsecured obligations. Unless previously converted, redeemed or repurchased and cancelled, the Bonds shall be redeemed on January 25, 2012 at 148.95% of their principal amount giving an annual yield of 8.13% per annum calculated on semi-annual basis.

The bonds are redeemable only if there is no conversion of the bonds prior to maturity date. The payment of premium on redemption therefore, is contingent in nature, the outcome of which is dependent on uncertain future events. Hence no provision is considered necessary nor has been made in the accounts in respect of such premium for the current year which may amount to ₹ 17.44 Crores (Previous Year ₹ 22.02 Crores) Cumulative till 31st March, 2011 is ₹ 72.95 Crores (Previous Year ₹ 70.10 Crores).

b) FOREIGN CURRENCY CONVERTIBLE BONDS RECONCILIATION AS ON 31ST MARCH, 2011

Particulars	No.* Current Year	No.* Previous Year
Foreign Currency Convertible Bonds (FCCBs) B/F	496	731
Less: Number of FCCBs Converted during the year	(95)	(22)
Less: Number of FCCBs buyback during the year	—	(213)
Balance Number of FCCBs pending for conversion	401	496
*1 No. of FCCBs = USD 100,000		

6. In respect of Derivative Contracts, gains / loss is recognised and charged to Profit & Loss Account on settlement of transactions.

7. Breakup of Deferred Tax Assets and Deferred Tax Liabilities:

(₹ in Lacs)

Particulars	Current Year	Previous Year
Deferred Tax Assets		
Provision for Retirement Benefits	218.26	144.52
Others	109.89	83.44
Deferred Tax Liabilities		
Difference in Depreciation for Accounting and Tax purpose	18,899.06	16,070.80
Net Deferred Tax Liabilities	18,570.91	15,842.84

8. Segment Reporting:

(a) Business Segments:

Business segments have been identified in line with Accounting Standards on Segment Reporting 'AS-17'. Contracts, Energy, Real Estate, Ready Mix Concrete, Trading and Equipment Hiring & Management are the primary business segments of the company.

(₹ In Lacs)

S. No	Business Segments	Contracts	RMC	EHM	Wind Energy	Trading / Others	Total
A.	Segment Revenue						
	External Revenue	360,256.12	2,517.35	13,799.53	500.91	5,973.74	383,047.65
	Inter-Segment Revenue	-	1,182.17	6,079.63	-	-	7,261.80
	Total	360,256.12	3,699.52	19,879.17	500.91	5,973.74	390,309.45
B.	Segment Results {Profit/(Loss)}	44,653.44	(11.81)	13,634.62	128.97	717.59	59,122.80
	Unallocable Corporate Expenses						57.55
	Unallocable Corporate Income						1,246.92
	Operating Profit						60,312.17
	Interest Expenses						28,295.66
	Interest Income						961.20
	Income Tax						
	(Provision for Tax Current & Deferred)						10,988.02
	NET PROFIT						21,989.69
C.	Other Information						
	Segment Assets	429,465.30	1,866.86	103,266.18	4,038.96	981.47	539,618.77
	Unallocable Assets						35,020.72
	Total Assets						574,639.48
	Segment Liabilities	322,683.23	1,315.54	77,127.51	1,339.50	-	402,465.77
	Capital Expenditure	(8,924.64)	(2,048.33)	29,067.10	-	-	18,094.12
	Depreciation	4,118.23	145.07	3,899.35	265.50	-	8,428.14
	Non-cash expenses other than depreciation	-	-	-	-	-	-

(b) **Geographical Segments:** Since Company primarily operates only in India, there are no geographical segments as defined in AS 17.

9. Disclosure relating to Employees Benefits – as per revised AS-15

(₹ in Lacs)

A	Expenses recognized in the Statement of Profit & Loss	Gratuity (2010-11)	Gratuity (2009-10)	Leave Encashment (2010-11)	Leave Encashment (2009-10)
1)	Current Service Cost	158.41	98.65	74.26	39.17
2)	Interest Cost	27.60	18.77	8.60	4.94
3)	Expected Return on Plan Assets			-	
4)	Actuarial (Gain)/Loss Recognized in the I.V.P.	(22.86)	(13.46)	(14.86)	(0.48)
5)	Expenses Recognized in the statement of Profit & Loss	163.16	103.96	68.00	43.63
B)	Amount to be recognized in the Balance Sheet			-	
1)	Present Value of Obligation at the end of the I.V.P	489.57	331.51	171.56	103.56
2)	Fair Value of Plan Assets at the end of the I.V.P.	-		-	-
3)	Funded Status	(489.57)	(331.51)	(171.56)	(103.56)
4)	Unrecognized Actuarial (Gain)/Loss at the end of the I.V.P	-		-	
5)	Net (Asset)/Liability Recognized in the Balance Sheet	489.57	331.51	171.56	103.56
C	Changes in the Present Value of Obligations	-		-	
1)	Present Value of Obligation at the beginning of the I.V.P	331.51	227.55	103.56	59.93
2)	Interest Cost	27.60	18.77	8.54	4.94
3)	Current Service Cost	158.41	98.65	74.26	39.17
4)	Benefits Paid	5.10	-	-	-
5)	Actuarial (Gain)/Loss on Obligation	(22.85)	(13.46)	(14.80)	(0.48)
6)	Present Value of Obligation at the end of the I.V.P	489.57	331.51	171.56	103.56
D	Actuarial gain/Loss Recognized	-		-	
1)	Actuarial Gain/(Loss) on Obligations	22.85	13.46	14.80	0.48
2)	Actuarial Gain/(Loss) on Plan Assets	-	-	-	-
3)	Total (Gain)/Loss for the I.V.P.	(22.85)	(13.46)	(14.80)	(0.48)
4)	Actuarial (Gain)/Loss Recognized in the I.V.P	(22.85)	(13.46)	(14.80)	(0.48)
5)	Unrecognized Actuarial (Gain)/Loss at the end of the I.V.P.	-		-	
E	Actuarial Assumption				
1)	Mortality Table	LIC 1994-96 Ultimate	LIC 1994-96 Ultimate	LIC 1994-96 Ultimate	LIC 1994-96 Ultimate
2)	Attrition Rate	5.00% p.a.	05.00 % p.a.	5.00% p.a.	05.00 % p.a.
3)	Imputed Rate of Interest	8.25% p.a.	08.25 % p.a.	8.25% p.a.	08.25 % p.a.
4)	Salary Rise	7.00% p.a.	07.00 % p.a.	7.00% p.a.	07.00 % p.a.
5)	Return on Plan Assets	-	N.A.	-	N.A.
6)	Remaining Working Life	21 Years	21 Years	21 Years	21 Years

10. Earnings Per Share:

Calculation of earnings per share – Basic & Diluted

Particulars	Year ended 31st March 2011		Year ended 31st March 2010	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Earnings				
Net profit attributable to equity shareholders Before extraordinary items (₹ in lacs)	21,988.93	21,988.93	23,638.33	23,638.33
Shares				
Weighted average number of equity shares outstanding during the year	181,586,568	181,586,568	159,765,402	159,765,402
Weighted average number of equity shares resulting from assumed conversion of warrants & FCCB	Nil	2,799,765	Nil	7,336
Weighted average number of equity shares for calculation of earnings per share	181,586,568	184,386,333	159,765,402	159,772,738
Earnings per share of face value of ₹ 2/-	12.11	11.93	14.80	14.79
Net profit attributable to equity shareholders After extraordinary items (₹ in lacs)	22,015.10	22,015.10	28,425.87	28,425.87
Earnings per share of face value of ₹ 2/-	12.11	11.93	17.79	17.79

11. Related Party Disclosures

A) Names of related parties with whom transactions have taken place during the year:

i. Joint Ventures & Associates

Era -Patel –Advance- Kiran Joint Venture, Era -Patel –Advance Joint Venture, Induni - Era - Joint Venture, KMB – ERA Joint Venture, Rani – Era Joint Venture, Optima - Era Infra Joint Venture, Era Infra – Buildsys Joint Venture, Gwalior Bypass Project Limited, Hyderabad Ring Road Project Pvt. Ltd., West Haryana Highways Projects Pvt. Ltd., Era Energy Limited, Era Buildsys Limited.

ii. Individual owing directly or indirectly, an interest in the voting power of these reporting enterprises and relatives of any such individual:

Mr. H.S. Bharana (CMD), H.S. Bharana HUF (Karta is CMD), Mrs. Rekha Bharana (Wife of CMD), Ms. Rashmi Bharana (D/o CMD) , Mr. Vaibhav Bharana (S/o CMD), Mr. Dheeraj Singh (Brother of CMD), Mr. Brij Singh (Brother of CMD).

iii. Other Key Management Personnel:

Mr. H.S. Bharana, Chairman & Managing Director and Mr. J.L. Khushu, Whole Time Director

iv Enterprises over which key Management personnel/ individual owing directly or indirectly, an interest in the voting power of the reporting enterprises that give them control or significant influence over the enterprises have significant influence:

Hi-Point Investment & Finance Pvt. Limited, Era E-Zone (India) Limited, Era Housing & Developers (India) Limited, Atop Infrastructure & Infotech Pvt. Ltd., Era Agritech (India) Pvt. Ltd., Era Logistics (India) Pvt. Limited, Era Landmarks Limited (upto 05.01.2011), Black Stone Mines & Minerals Pvt. Limited, Goglet Infotech Pvt Limited, Xema Infrastructure Pvt. Limited, Xebec Hospitality Pvt. Limited, Angraj Trading Pvt. Limited, SRC Buildwell Private Limited, Era Securitas Private Limited.

Related Party Transactions and Balances:

(₹ in Lacs)

Particulars	Joint Ventures, Associates & Enterprises (Notes 15-C (i) & (iv))		Individual Owing significant shareholding (Notes 15-C (ii))		Other Key Management Personnel (Notes 15-C (iii))		Total	
	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.
- Purchase of Assets	1,093.98	-	-	-	-	-	1,093.98	-
- Loans & Advances given	6,357.00	3,876.00	-	-	-	-	6,357.00	3,876.00
- Loans & Advances taken	2,108.65	-	-	-	-	-	2,108.65	-
- Investments	6,695.65	9,438.32	-	-	-	-	6,695.65	9,438.32
- Share Application Money Paid	-	9.70	-	-	-	-	-	9.70
- Capital Expenditure	739.46	246.47	-	-	-	-	739.46	246.47
- Bill Raised	86,197.78	80,387.91	-	-	-	-	86,197.78	80,387.91
- J.V. Income	64.15	112.05	-	-	-	-	64.15	112.05
- Rent, Secretarial & other charges recovered	21.04	-	-	-	-	-	21.04	-
- Materials Supplied	324.46	2,556.09	-	-	-	-	324.46	2,556.09
- Sale of Investment	-	240.30	-	-	-	-	-	240.30
- Purchase of Investment	-	240.29	-	-	-	-	-	240.29
- Preferential Allotment	-	170,000.00	-	-	-	-	-	170,000.00
- Purchase of Materials	11,227.43	6,035.57	-	-	-	-	11,227.43	6,035.57
- Contract Expenses Paid	10,720.93	6,194.22	-	-	-	-	10,720.93	6,194.22
- Reimbursement of Expenses Received	(9.00)	0.55	-	-	-	-	(9.00)	0.55
- Salary paid	-	-	180.00	93.64	73.76	52.03	253.76	145.67
- Dividend Paid	375.99	281.45	51.78	51.78	-	-	427.77	333.23
- Due from (as at year-end)	24,968.13	10,664.40	-	-	-	-	24,968.13	10,664.40
- Due to (as at year-end)	6,456.18	8,365.31	-	-	3.99	3.83	6,460.17	8,369.14

12. The Company is in the process of identifying suppliers who are micro enterprises or small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. The company has not received any written confirmation from any suppliers regarding their status as Micro, Small and Medium Enterprises. Therefore, disclosures under section 22 of the said act are not necessary.

13. Fixed Deposits with scheduled banks include FDR's pledged with banks / government authorities.

14. Unclaimed dividends not yet due for deposit in Investor Education and Protection Fund.

(₹ In Lacs)

S. No.	Dividend declare for Financial Year	Current Year	Previous Year
1	2003-04	1.22	1.22
2	2004-05	2.67	2.69
3	2005-06	4.72	4.72
4	2006-07	3.30	3.30
5	2007-08	2.56	2.57
6	2008-09	2.66	2.74
7	2009-10	0.16	-

15. Previous Year's figures have been regrouped and/or rearranged to conform to those of current year's figures, wherever necessary.
16. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the group's financial statements.
17. Figures are nearest rupees In Lacs.
18. Schedule "A" to "O" are integral part of Balance Sheet and Profit and Loss Account.

For and on behalf of the Board

As per our report of even date attached

For **G. C. SHARDA & CO.**

Chartered Accountants

FRN : 500041N

(H.S. Bharana)

Chairman & Managing Director

(J.L. Khushu)

Whole Time Director

CA. Vandna Gopal Sharda

Partner

M.No.091051

(Joy Saxena)

Group C.F.O.

(Rajiv Kumar)

Company Secretary

Place: New Delhi

Date: August 13, 2011

Annexure “A” - Interest in Subsidiaries, Joint Ventures and Associates.

S. No.	Name	Country of Incorporation	Percentage of voting power as at 31st March March, 2011	Percentage of voting power as at 31st March March, 2010
A.	Direct Subsidiary Companies:			
1.	Victor Buildwel Private Limited	India	100	100
2.	Era T&D Limited	India	100	100
3.	Style and Smile Buildwell Private Limited	India	100	100
4.	Era IT- Zone Private Limited	India	100	100
5.	Era Infrastructure (India) Limited	India	100	100
6.	Quillet Construction Limited (upto 30.04.2010)	India	100	100
7.	Kepi Construction Limited (upto 30.04.2010)	India	100	100
8.	Dehradun Highways Project Limited	India	74	74
9.	Haridwar Highways Project Limited	India	74	74
10.	Bareilly Highways Project Limited (w.e.f. 21.05.2010)	India	74	-
11.	Bragi Developers Private Limited (w.e.f. 15.12.2010)	India	100	-
12.	Zedek Realtors Private Limited (w.e.f. 15.12.2010)	India	100	-
13.	Douce Realtors Private Limited (w.e.f. 15.12.2010)	India	100	-
14.	Paulo Realtech Private Limited (w.e.f. 15.12.2010)	India	100	-
15.	Yarikh Realtors Private Limited (w.e.f. 15.12.2010)	India	100	-
16.	Era Khandwa Power Limited (w.e.f. 11.02.2011)	India	100	-
17.	Golden Annum Holding Limited	Dubai	100	100
18.	Boconero Limited	Cyprus	100	100
B.	Step Subsidiary Companies:			
1.	ARK Transmission & Distribution Limited	India	64.00	64.00
2.	ARK Vidhyut Urja Limited	India	68.89	68.89
C.	Joint Venture & Associates			
1.	Era - Patel - Advance - Kiran Joint Venture	India	35.18	35.18
2.	Era - Patel - Advance Joint Venture	India	44	44
3.	Induni Era Joint Venture	India	49	49
4.	KMB - ERA Joint Venture (3Projects, 1Project)	India	49,20	49,20
5.	Optima - Era Infra Joint Venture	India	50	50
6.	Gwalior Bypass Project Limited	India	39	39
7.	Hyderabad Ring Road Projects Pvt. Limited.	India	49	49
8.	West Haryana Highways Project Pvt. Limited.	India	49	49
9.	Era Buildsys Limited	India	29.03	29.03
10.	Era Infra – Buildsys Joint Venture	India	49	-

Pursuant to the exemption granted by the Department of Company Affairs, Government of India, the Company is publishing the standalone financial statements of Era Infra Engineering Limited and the consolidated financial statement of Era Infra Engineering Limited and its subsidiaries (including step subsidiaries). The financial statements and auditor's reports of the individual subsidiaries are available for inspection by the shareholders at the registered office. However, the information in aggregate on capital, reserves, total assets, total liabilities, details of investment (except in case of investment in subsidiaries), turnover, profit before taxation, provision for taxation, profit after taxation and proposed dividend for each subsidiary are as follows:

CONSOLIDATED FINANCIAL STATEMENTS OF ERA INFRA ENGINEERING LIMITED AND SUBSIDIARIES (₹ in Lacs)

S.No	Name of Company	Capital	Reserves	Total Assets	Total Liabilities	Detail of Investments (except in the case of subsidiaries)	Turnover	Profit before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
Direct Subsidiary Companies											
1	Victor Buildwel Pvt. Limited	1.00	(9.22)	1,046.05	1,054.28	-	-	(0.06)	(0.02)	(0.04)	-
2	Era T&D Limited	1,441.90	145.22	4,791.36	3,204.24	-	27.99	(42.51)	(12.58)	(29.92)	-
3	Style and Smile Buildwell Private Limited	1.00	(0.41)	6.14	5.54	-	0.07	0.02	0.01	0.01	-
4	Era IT- Zone Private Limited	1.00	(0.53)	10.61	10.14	-	0.09	0.02	0.01	0.01	-
5	Era Infrastructure (India) Limited	5,080.69	44,696.52	62,725.83	12,948.62	-	8.67	(466.49)	-	(466.49)	-
6	Golden Annum Holdings Limited	4.99	(11.03)	-	6.03	-	-	(2.55)	-	(2.55)	-
7	Boconero Limited	0.70	(14.02)	-	13.32	-	-	(3.99)	-	(3.99)	-
8	Dehradun Highways Projects Limited	1,069.66	4,258.64	6,990.83	1,662.53	-	-	-	-	-	-
9	Haridwar Highways Projects Limited	1,185.86	4,723.44	14,557.70	8,648.40	-	-	-	-	-	-
10	Bareilly Highways Project Limited	1,524.40	6,077.60	7,812.31	210.31	-	-	-	-	-	-
11	Bragi Developers Private Limited	1.00	0.01	1.04	0.03	-	0.12	0.02	0.00	0.01	-
12	Zedek Realtors Private Limited	76.00	-	77.45	1.45	-	-	-	-	-	-
13	Douce Realtors Private Limited	1.00	0.01	41.42	40.41	-	0.12	0.02	0.00	0.01	-
14	Paulo Realtech Private Limited	66.50	-	67.84	1.34	-	-	-	-	-	-
15	Yarikh Realtors Private Limited	96.00	-	156.40	60.40	-	-	-	-	-	-
16	Era Khandwa Power Limited	5.00	-	5.03	0.03	-	-	-	-	-	-
Step Subsidiary Companies											
1	ARK Transmission & Distribution Limited	35.00	(11.49)	129.40	105.89	-	0.00	(0.58)	(0.18)	(0.40)	-
2	ARK Vidyut Urja Limited	78.75	100.61	1,457.70	1,278.34	-	139.36	(121.06)	(37.39)	(83.67)	-

ERA INFRA ENGINEERING LIMITED

Registered Office : 370-371/2, Sahi Hospital Road, Jungpura, Bhogal, New Delhi-110 014

ATTENDANCE SLIP

L.F. No. : _____

No. of Shares(s) held _____

DP ID : _____

Client-ID _____

I/We hereby record my/our presence at the 21st Annual General Meeting of the Company at Executive Club, 439, Village Shahoorpur P.O., Fatehpuri Beri, New Delhi-110074 on Monday, 19th September, 2011 at 3.30 P.M.

Name of the Member _____
[in block letters]

Signature of Member / Proxy*

Notes :

1. A member or his duly appointed Proxy wishing to attend the meeting must complete this Admission Slip and hand it over at the entrance.
2. *Name of the Proxy in Block letters _____
(in case a Proxy attends the meeting).
3. Those who hold shares in Demat form to quote their Demat Account No. and Depository Participant (D.P.) Id. No.

----- TEAR HERE -----

PROXY FORM

L.F. No. : _____

No. of Shares(s) held _____

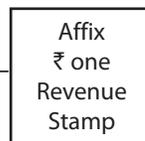
DP ID : _____

Client-ID _____

I/We _____ of _____ being a member/
members of the above named Company hereby appoint _____ of
_____ or failing him/her _____ of
_____ as my/our proxy to vote for me/us on my/our behalf at the 21st Annual General
Meeting of the Company to be held on Monday, 19th September, 2011 at 3.30 P.M. or at any adjournment thereof.

Signed this _____ day of _____ 2011

Signature _____

**Notes :**

1. This form should be signed across the stamp as per specimen signature registered with the Company.
2. The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.
3. A Proxy need not be a member of the Company.
4. Those who hold shares in Demat form to quote their Demat Account No. and Depository Participant (D.P.) Id. No.

Forward looking statement

In this annual report we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written and oral, that we periodically make contain forward looking statements that set out anticipated results based on the management's plan and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'project', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Investors should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future information or otherwise.

Era Infra Engineering Limited
370-371/2, Sahi Hospital Road, Jungpura Bhogal, New Delhi-110014.

E-Communication Registration Form

TO,
Company Secretary
Era Infra Engineering Limited
370-371/2, Sahi Hospital Road,
Jungpura, Bhogal,
New Delhi-110014

Green Initiative in Corporate Governance

I/We hereby exercise my/our option to receive all communications from the Company such as Notice of General Meeting, Explanatory Statement, Audited Financial Statements, Balance Sheet, Profit & Loss Account, Directors' Report, Auditors Report etc in electronic mode pursuant to the "Green Initiative in Corporate Governance" taken by the Ministry of Corporate Affairs vide circulars no. 17/2011 dated 21st April, 2011 and 18/2011 dated: 29th April, 2011. Please register my e-mail ID as given below, in your records for sending the communications:

Folio No./ DP ID & Client ID No.
Name of Sole/1 st Registered Holder
Name of Joint Holder(s), if any
Registered Address of the Sole/ 1 st Registered Holder
No. of Shares held
E-mail ID (to be registered)

Date:

Signatures:.....

Notes:

1. On registration, all communications will be sent to the e-mail ID registered.
2. The Form is also available on the website of the Company www.eragroup.co.in under the section "Investor Relations".
3. Shareholders are requested to keep the Company informed as and when there is any change in the e-mail address.
4. Members may register their e-mail addresses with the company at investorinfra@eragroup.in



If undelivered, please return to:

Era Infra Engineering Ltd.

370-371/2, Sahi Hospital Road, Jungpura, Bhogal, New Delhi-110014

Ph. : +91 11 43637000, Fax : +91 11 24378020

www.eragroup.co.in