

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**GMR Industries Limited**

We have examined the compliance of conditions of Corporate Governance by GMR Industries Limited, for the year ended on 31st March, 2006, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us, and based on the representations made by the directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March, 2006, no investor grievances are pending against the Company for a period exceeding one month as per the records maintained by the Company and presented to the Shareholders/Investors Grievance Committee.

We 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.

For **S.Venkatadri & Co.,**  
Chartered Accountants

Place : Hyderabad  
Date : 12.08.2006

**(K.SRINIVASA RAO)**  
PARTNER  
M.No. 201470

**ANNEXURE - I TO DIRECTORS' REPORT**
**REPORT ON CORPORATE GOVERNANCE**
**Philosophy**

It is a committed policy of the Company, to conduct its business upholding the core values like Transparency, Integrity, Honesty, Accountability and Compliance of all statutes. While committed to strong corporate governance, a comprehensive code of best practices is being designed to achieve the necessary high standards of corporate behavior. Within these boundaries, Company's working will be directed for the welfare of all stakeholders.

**Board of Directors**

The present strength of the Board consists of 11 directors, of whom, five directors are independent and eight directors are non-executive. Mr. K. Balasubramanian is non-executive chairman. The Board of Directors of the Company has an optimum combination of non-executive and independent directors as stipulated in listing agreement.

**Composition of the Board**

Name of the Director	Designation	Category
Mr. K. Balasubramanian	Chairman	Independent and Non Executive
Mr. K. Narayana Rao	Managing Director	Non-Independent and Executive
Mr. R. Ramakrishnan	Joint Managing Director	Non-Independent and Executive
Mr. T.C.S Reddy	Director (Technical)	Non-Independent and Executive
Mr. G. Kiran Kumar	Director	Non-Independent and Non Executive
Mr. A. Sankara Rao	Director	Non-Independent and Non Executive
Mr. A. Subba Rao	Director	Non-Independent and Non Executive
Mr. I. Sada Siva Gupta	Director	Independent and Non Executive
Mr. N. V. Varadarajulu	Director	Independent and Non Executive
Mr. Uday M Chitale	Director	Independent and Non Executive
Mr. Viswanath Prasad Singh	Director	Independent and Non Executive

**Details of Directors and their Attendance in the Board Meetings / last AGM in the financial year 2005-06.**

Name of the Director	No. of directorships in other Public Ltd. Companies	No. of Committee Memberships(*)	No. of Committee Chairmanships(*)	No. of Board Meetings attended during FY 2005-06	Attendance of each Director at last AGM
Mr. K. Balasubramanian	5	3	1	2	N.A.
Mr. K. Narayana Rao	2	1	-	8	Yes
Mr. G. Kiran Kumar	3	-	-	1	No
Mr. A. Sankara Rao	-	-	-	2	Yes
Mr. A. Subba Rao	1	-	-	1	No
Mr. I. Sada Siva Gupta	-	-	-	8	Yes
Mr. N. V. Varadarajulu	2	2	-	8	Yes
Mr. M. Sudhakara Rao	-	1	-	8	Yes
Mr. Viswanath Prasad Singh	2	2	1	1	N.A.
Mr. K. V. K. Seshavataram	2	2	2	6	Yes
Mr. V. K. Rao Ch	-	-	-	6	Yes
Mr. R. Ramakrishnan	-	1	-	N.A	N.A
Mr. T. C. S. Reddy	1	--	-	N.A	N.A
Mr. Uday M. Chitale	5	2	1	N.A	N.A

(\*) include Audit Committee and Shareholders / Investors Grievance Committee of the Company.

**During the year under financial year 2005-06 and up to date of this Report, the following changes have taken place in the Composition of the Board.**

- Mr. K. Balasubramanian was inducted as a Director with effect from 24th October 2005
- Mr. Viswanath Prasad Singh was inducted as a Director with effect from 24th October 2005
- Mr. K. V. K. Seshavataram ceased to be a Director with effect from 24th October 2005 due to resignation
- Mr. V. K. Rao Ch. ceased to be a Director with effect from 8th March 2005 due to his demise.
- Mr. R. Ramakrishnan was inducted as a Director with effect from 12th August 2006.
- Mr. T. C. S. Reddy was inducted as a Director with effect from 12th August 2006.
- Mr. Uday M. Chitale was inducted as a Director with effect from 12th August 2006.

**No. of Board Meetings : 8 Board Meetings were held during the year 2005-06 on the following dates:**

01-06-2005  
16-06-2005  
30-06-2005  
27-07-2005  
04-08-2005  
24-10-2005  
23-12-2005  
23-01-2006

**Code of Conduct**

Your Company as adopted the Code of Conduct for Directors and Senior Management (the Code). This Code of Conduct helps to maintain the standards of business conduct for Company and ensures compliance with legal requirements of the Company. The purpose of the Code is to deter wrongdoing and promote ethical conduct. The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

**Audit Committee**

**Terms of Reference:**

- The Audit Committee will, inter alia,
- oversee the Company's financial reporting process and disclosure of its financial information;
  - recommendation of appointment of statutory and cost auditors & fixation of their remuneration;
  - determine the scope of audit, review of internal control systems; adequacy of internal audit function, major accounting policies and practices, compliance of accounting standards and legal requirements concerning the financial statements and related party transactions, if any;
  - review of Company's financial and risk management policies;
  - review of quarterly, half-yearly and annual financial statements.

**Details of Attendance of Audit Committee Members in the financial year 2005-06**

S.No	Name of the Member	No. of Meetings Attended
1	K. Balasubramanian Chairman	–
2	N. V. Varadarajulu Member	3
3	M. Sudhakara Rao Member	3
4	K. V. K. Seshavataram Chairman	2

Mr. K. V. K. Seshavataram and Mr. M. Sudhakara Rao ceased to be Members of Audit Committee consequent upon to their resignation as Directors.

On 12th August 2006, the Audit Committee has been re-constituted and its composition is as under:

Mr. Uday M. Chitale	Chairman
Mr. K. Balasubramanian	Member
Mr. Viswanath Prasad Singh	Member
Mr. I. Sada Siva Gupta	Member

Mr. M. R. Ramachandran, Vice President (Finance) & Company Secretary is the Secretary to the Audit Committee.

#### Remuneration Committee

During the financial year 2005-06, a Remuneration Committee was constituted with the following members viz., Mr. K. Balasubramanian, Mr. I. Sada Siva Gupta and Mr. N. V. Varadarajulu.

This Committee met once in the current year on 12th August, 2006 and all the members were present.

On 12th August, 2006, the Remuneration Committee was re-constituted comprising of the following independent and non executive directors.

#### Remuneration Committee

Mr. Viswanath Prasad Singh	Chairman
Mr. K. Balasubramanian	Member
Mr. Uday M. Chitale	Member
Mr. I. Sada Siva Gupta	Member

#### Details of Remuneration to Directors

The Company pays remuneration in the form of salary and perquisites to the executive directors and sitting fees to the non executive directors at the rate of Rs.2,500/- for each meeting. The following are the details of salary, perquisites and sitting fees paid to Directors for the financial year 2005-2006:

(Amount in Rupees)

Name of the Director	Sitting Fees	Salary	Perquisites	Commission	Total
Mr. K. Balasubramanian	5,000-00	-	-	-	5,000-00
Mr. K. Narayana Rao	-	23,70,111-00	1,32,300-00	-	25,02,411-00
Mr. G. Kiran Kumar	2,500-00	-	-	-	2,500-00
Mr. A. Sankara Rao	5,000-00	-	-	-	5,000-00
Mr. A. Subba Rao	-	-	-	-	-
Mr. I. Sada Siva Gupta	20,000-00	-	-	-	20,000-00
Mr. N. V. Varadarajulu	45,000-00	-	-	-	45,000-00
Mr. M. Sudhakara Rao	45,000-00	-	-	-	45,000-00
Mr. Viswanath Prasad Singh	2,500-00	-	-	-	2,500-00
Mr. K. V. K. Seshavataram	-	-	-	-	-
Mr. V. K. Rao Ch	-	8,24,834-00	56,354-00	-	8,81,188-00

#### Shareholders' / Investors' Grievance Committee

The Shareholders' / Investors' Grievance Committee consists of Mr. K. Balasubramanian Mr. K. Narayana Rao and Mr. R. Ramakrishnan. Mr. K. Balasubramanian, Non-Executive Director, is the Chairman. Mr. M. R. Ramachandran, Vice President (Finance) & Company Secretary, is the Compliance Officer.

The functions of the committee include to specifically look in to the redressal of investors' grievances like delay transfers of shares, non receipt of balance sheet, non receipt of declared dividends / share certificates, dematerialization of shares, replacement of lost / stolen / mutilated share certificates, etc.

During the financial year 2005-06, the Committee met 4 times to review the investor grievances. The following are the details of Shareholders Grievance Redressals for the financial year 2005-06.

SNo	Details of Shareholders Complaints	Received	Resolved
1	Non receipt of Annual Report	16	16
2	Non receipt of Dividend Warrants	185	185
3	Non receipt of Electronic Credits	7	7
4	Non receipt of Securities	102	102
5	Non receipt of Securities after transfer	36	36
6	Non receipt of Stickers after Company's name change	30	30
	Total	376	376

### General Body Meetings

#### Particulars of last three Annual General Body Meetings

AGM	Date	Venue	Time	No. of Special Resolutions
17th AGM	30-12-2003	Ravivalasa Village, Tekkali Mandal Srikakulam District, Andhra Pradesh PIN - 532 212	4.00 P. M.	1
18th AGM	07-08-2004	Ravivalasa Village, Tekkali Mandal Srikakulam District, Andhra Pradesh PIN - 532 212	4.00 P. M.	4
19th AGM	20-08-2005	Auditorium, Bharatiya Vidya Bhavan 5-9-1105, King Koti, Hyderabad - 500 029 Andhra Pradesh	4.00 P. M.	2

During the financial year 2005-06, a special resolution for alteration of main objects of Memorandum of Association of the Company was passed by means of postal ballot. Mr. L. V. V. Iyer, a renowned Corporate Lawyer conducted the postal ballot. The postal ballot notice was issued on 23rd December 2005 to the shareholders. The postal ballot results were declared by the Chairman of the Company on 16th February 2006 and the same were published in newspapers on 17th February 2006. The following was the voting pattern.

Particulars	No. of Postal Ballots	No. of Shares Received	% on Total Shares Received
Assent for the Resolution	1110	25361002	99.986
Dissent for the Resolution	17	2888	0.011
Invalid Votes	7	702	0.003
Total	1134	25364592	100.000

During the current year, two special resolutions pertaining to alteration of main objects of the Memorandum of Association of the Company are proposed by means of postal ballot.

Mr. L. V. V. Iyer, Corporate Lawyer has been appointed as Scrutinizer for conducting the postal ballot.

#### Procedure :

The Postal Ballot Notice, proposed resolutions, explanatory note and postal ballot form and pre-paid envelope will be sent to the shareholders.

The shareholders are requested to cast their vote in the postal ballot form and send postal ballot form in prepaid envelope addressed to the Scrutinizer.

The Scrutinizer will scrutinize the postal ballots received from the shareholders and record the postal ballot result in the Register.

The Scrutinizer will submit his Report on Postal Ballot along with Register and other related documents to the Chairman of the Company.

The postal ballot results will be declared in the ensuing Annual General Meeting.

**Disclosures**

There are no transactions, which may have potential conflicts with the interests of the Company at large. Transactions with related parties are disclosed in Note No. 16 of Schedule to the Accounts in the Annual Report.

There has been no penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets, during last three years. The Company has availed the SEBI Regularization Scheme 2002.

Disclosure of information as per Regulation 3 (1)(e) (i) of SEBI (SAST) Regulations 1997 - List of persons, who are constituting group as defined in MRTP Act, 1969 / Competition Act.

**Group Companies**

GMR Power Corporation Private Limited  
GMR Energy Limited  
GMR Infrastructure Limited  
GMR Holdings Private Limited  
GMR Tuni - Anakapalli Expressways Private Limited  
GMR Tambaram - Tindivaram Expressways Private Limited  
GMR Operations Private Limited  
GMR Ambala - Chandigarh Expressways Private Limited  
GMR Estates & Properties Private Limited  
GMR Pochanpalli Expressways Private Limited  
GMR Jadcherla Expressways Private Limited  
GMR Ulunderpet Expressways Private Limited  
GMR Varalakshmi Foundation  
GMR Hyderabad International Airport Limited  
Delhi International Airport Private Limited  
GMR Mining & Energy Private Limited  
GMR Highways Private Limited  
GMR (Badrinath) Hydro Power Generation Private Limited  
GMR Ferro Alloys & Industries Limited  
GVL Investments Private Limited  
Vemagiri Power Generation Limited  
Sri Varalakshmi Jute Twine Mills Private Limited  
Gateways for India Airports Private Limited  
Ideaspace Solutions Limited  
Raxa Security Services Private Limited  
Bharat Sugar Mills Limited  
Saci Sports Private Limited  
Sucharitha Estates Private Limited

**Individuals**

Mr. G. Mallikarjuna Rao  
Mr. Srinivas Bommidala  
Mr. G. B. S. Raju  
Mr. G. Kiran Kumar (Promoter Director)  
Mrs. B. Rama Devi  
Mr. K Narayana Rao (Promoter Director)

**Disclosure of contingent liabilities**

The details of contingent liabilities along with the management's view and auditors comments are provided in the Notes to Accounts No.1 which shall form part of the Annual Report.

The Company has adopted the non mandatory item relating to constitution of Remuneration Committee prescribed under Clause 49 of the Listing Agreement.

**Means of Communication**

The quarterly / yearly financial results of the Company are usually published in Business Line / Economic Times; (national newspapers) and Andhra Bhoomi / Andhra Jyothi (vernacular newspapers). The Company also publishes various notices / information required under the Companies Act and the Listing Agreement in national newspaper and vernacular newspaper, whenever required.

The following information was submitted to Stock Exchanges within stipulated period.

- 1) Full version of Annual Report including the Balance Sheet, Profit and Loss Account' Directors' Report; Auditors' Report and Cash Flow Statement
- 2) Quarterly Corporate Governance Report
- 3) Quarterly and half year un-audited financial results taken on record by the Board of Directors of the Company.
- 4) Quarterly Shareholding pattern
- 5) Quarterly Secretarial Report
- 6) Disclosures as per SEBI (SAST) Regulations
- 7) Disclosures as per SEBI (Prohibition of Insider Trading) Regulations
- 8) Limited Review Report by Auditors on unaudited quarterly financial results.
- 9) Appointment, Resignation of Director and Company Secretary
- 10) Such other information or reports as may be specified by SEBI from time to time.

In terms of the requirements of Clause 51 of the Listing Agreement with the Stock Exchanges, the Company also submits the statements, information and reports on the Electronic Data Information Filing and Retrieval (EDIFAR) and they are available for information at the website : [www.sebiedifar.nic.in](http://www.sebiedifar.nic.in)

The detailed Management Discussion and Analysis Report is forming a part of the Directors' Report.

**General Shareholders Information**

Details of Directors seeking new appointment or reappointment at the forth coming Annual General Meeting of the Company.

**New Appointments**

Name of the Director	Mr. K. Balasubramanian	Mr. Viswanath Prasad Singh	Mr. Uday M. Chitale	Mr. R. Ramakrishnan	Mr. T. C. S. Reddy
Date of Birth	3rd December 1942	25th January 1944	20th October 1949	20th September 1951	22nd February 1951
Date of Appointment	24th October 2005	24th October 2005	12th August 2006	12th August 2006	12th August 2006
Qualifications	B. Com. Advanced Management Programme of Harvard Business School	PG. in Commerce, Laws and Banking	Chartered Accountant	B.E. (Mechanical), M.B.A.	B.E. (Mechanical)
Expertise in specific functional areas	Banking & Finance	Advisory Services	Banking, Finance and Advisory Services	Management and Business Development	Management and Business Development
List of Other Indian Public Ltd, Companies in which Directorship held.	1. GMR Infrastructure Limited 2. GMR Hyderabad International Airport Limited 3. Vemagiri Power Generation Limited 4. Grow Talent Company Limited 5. GMR Ferro Alloys & Industries Limited	1. Goldstone Technologies Ltd 2. Oil and Natural Gas Commission Limited	1. GMR Infrastructure Ltd 2. Vemagiri Power Generation Limited 3. ICICI Securities Ltd 4. JSW Steel Limited 5. ICICI Brokerage Services Limited	–	1. Bharat Sugar Mills Limited

**Re-appointments**

Name of the Director	Mr. G. Kiran Kumar	Mr. A. Subba Rao	Mr. N. V. Varadarajulu
Date of Birth	13th September 1975	11th April 1960	7th July 1937
Date of appointment	26th May 2004	26th May 2004	30th January 2000
Qualifications	B. Com., M.B.A.	ACA, MDP (IIM-A)	B.E (Mechanical) PG Diploma in Sugar Engg
Expertise in specific functional areas	Industrialist	Finance & Accounts	Sugar Technocrat
List of other public Ltd Companies in which directorship held.	1. GMR Hyderabad International Airport Limited 2. GMR Infrastructure Limited 3. Ideaspac Solutions Limited	Ideaspac Solutions Limited	1. Shree Vaani Sugars & Industries Limited 2. GMR Ferro Alloys & Industries Limited

**Annual General Meeting**

Date : 28th September 2006  
 Time : 10.00 A.M.  
 Venue : "K.L.N. Prasad Auditorium"

The Federation of Andhra Pradesh Chambers of Commerce and Industry  
 Federation House, 11-6-841, Red Hills, P. B. No.14, Hyderabad - 500 004

**Calendar of events for the financial year 2006-2007 (1st April 2006 - 31st March 2007)**

**Declaration of financial results**

Unaudited financial results for the 1st Qtr	Reported in July, 2006
Unaudited financial results for the 2nd Qtr	Will be reported in October, 2006
Unaudited financial results for the 3rd Qtr	Will be reported in January, 2007
Annual Audited financial results for the 4th Qtr	Will be reported by June, 2007

**Date of Book Closure:** 21st September 2006 to 28th September 2006 (both days inclusive) on account of AGM

**Record Date :** 28th September 2006 on account of declaration of dividend

**Dividend Payment Date :** On or before 27th October 2006

**The equity shares of the Company are listed on :**

The Hyderabad Stock Exchange Limited  
3-6-654, Adjacent to Erramanjil Bus Stop  
Somajjiguda  
HYDERABAD - 500 082

Bombay Stock Exchange Ltd  
Phiroze Jeejeebhoy Towers  
Dalal Street  
MUMBAI - 400 001

National Stock Exchange of India Ltd.  
Exchange Plaza, Plot No. C/1, G Block  
Bandra-Kurla Complex, Bandra (E)  
MUMBAI - 400 051

The annual listing fees for the financial year 2006-2007 has been paid to each of these Stock Exchanges.

<b>Stock Code:</b>	Hyderabad Stock Exchange	:	GMRVAS#
	Bombay Stock Exchange	:	500162
	National Stock Exchange	:	GMRINDSTRS

**ISIN for the Equity Shares** : INE353B01013

**Registrar & Share Transfer Agents**

M/s. Karvy Computershare Private Limited  
Karvy House, 46, Avenue 4, Street No.1  
Banjara Hills  
HYDERABAD - 500 034

**Share Transfer System**

The transfers of shares received in physical form are processed and registered at M/s. Karvy Computershare Private Limited. The Share Certificates lodged for transfer are normally processed within 30 days from the date of lodgement, if the documents are clear in all respects. Share Transfers approved are placed at the Board Meeting from time to time. During the period under review, 104905 equity shares were transferred.

**Equity Shareholding Pattern as on 31st March 2006**

Distribution of holding			No. of shareholders	% of shareholders	Amount (Rs.)	% of Amount
From	to					
1	-	5000	17141	94.15	25553460.00	7.94
5001	-	10000	650	3.57	5540520.00	1.72
10001	-	20000	214	1.18	3419760.00	1.06
20001	-	30000	82	0.45	2085910.00	0.65
30001	-	40000	24	0.13	883690.00	0.27
40001	-	50000	31	0.17	1467900.00	0.46
50001	-	100000	39	0.21	2834970.00	0.88
100001	and	Above	25	0.14	280176810.00	87.02
			18206	100.00	321963020.00	100.00

**Market Price:** High / Low during each month in Financial Year 2005-2006 in BSE and performance comparison to BSE Sensex are furnished below:

Month	GMR Industries Stock Performance		BSE Index Performance	
	High (Rs.)	Low (Rs.)	High	Low
April 2005	115.80	80.00	6649.42	6118.42
May 2005	106.00	89.80	6772.74	6140.97
June 2005	105.00	73.55	7228.21	6647.36
July 2005	108.00	75.30	7708.59	7123.11
August 2005	155.20	96.00	7921.39	7537.50
September 2005	192.00	137.10	8722.17	7818.90
October 2005	170.00	118.00	8821.84	7656.15
November 2005	144.00	125.10	9033.99	7891.23
December 2005	174.50	134.60	9442.98	8769.56
January 2006	192.80	154.10	9945.19	9158.44
February 2006	202.45	157.00	10422.65	9713.51
March 2006	175.00	140.05	11356.95	10344.26

**Mode of Equity Shares held**

The Company is registered with NSDL and CDSL. The ISIN pertaining to Equity Shares is INE353B01013. As on 31st March 2006, the equity shares are held on following modes.

Mode	No. of Shareholders	% of Shareholders	No. of Shares	% of total Equity Share Capital
NSDL	5810	31.91	29741475	92.38
CDSL	1505	8.27	444146	1.38
Physical	10891	59.82	2010681	6.24
Total	18206	100.00	32196302	100.00

The Company has not issued any GDRs or ADRs or Warrants or Convertible Instruments. GMR Industries Stock Performance BSE Index Performance

**Plant Locations**

Metallurgical Unit

Ravivalasa Village  
Tekkali Mandal  
Srikakulam District - 532 212 (A. P.)

Sugar, Co-generation Power, Distillery &  
Bio-fertilizers Units

Sankili Village  
Regidi Amadalavalasa Mandal  
Srikakulam District - 532 440 (A.P.)

**Address for correspondence**

(A) Company:  
The Shares Department  
GMR Industries Limited  
6-3-866/1/G2, Greenlands  
Begumpet, HYDERABAD - 500 016

(B) Registrars & Share Transfer Agents :  
The Manager - RIS (A)  
Karvy Computershare Private Limited  
"Karvy House", 46, Avenue 4 , Street No.1  
Banjara Hills, HYDERABAD - 500 034

**MD / CFO Certification**

We, the Managing Director and the Vice President (Finance) & Company Secretary of GMR Industries Limited, as required under Clause 49 of the Listing Agreement with Stock Exchanges as to Corporate Governance, certify that:

We have reviewed the Balance Sheet and Profit and Loss Account and all its schedules and notes on accounts, as well as the Cash Flow Statement for the year ended 31st March, 2006 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.

We further state that to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

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.

We have indicated to the auditors and the Audit Committee.

- (i) significant changes in internal control over financial reporting during the year;
- (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**K. Narayana Rao**  
Managing Director

**M. R. Ramachandran**  
Vice President (Finance) &  
Company Secretary

Place: Hyderabad  
Date : 26th April 2006