

## **Auditors' Report**

**To**  
**The Members of Hyderabad Menzies Air Cargo Private Limited**

1. We have audited the attached Balance Sheet of Hyderabad Menzies Air Cargo Private Limited ('the Company') as at March 31, 2011 and also the Profit and 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 the 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 purposes 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 and 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 and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - v. On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 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 give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2011;
  - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
  - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

**For S.V. GHATALIA & ASSOCIATES**

Firm registration number: 103162W

Chartered Accountants

Sd/

**per Jayanta Mukhopadhyay**

Partner

Membership No.:055757

Place: Hyderabad

Date:

**Annexure referred to in paragraph [ 3 ] of our report of even date<sup>1</sup>**

Re: Hyderabad Menzies Aircargo Private Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification. The frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) Due to the nature of its business, the Company has no inventory. Accordingly, the provisions of clause 4(ii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company management has conducted physical verification of inventory at reasonable intervals during the year.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clauses 4(iii) (b), 4(iii) (c) and 4(iii)(d) of the Companies (Auditor's Report) Order, 2003(as amended) are not applicable to the Company.
- (e) The Company had taken loan from one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 14,000,000 and the year-end balance of loans taken from such parties was Rs. 13,000,000. The loan taken is interest free.
- (f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest of the Company.
- (g) In respect of loans taken, repayment of the principal amount is as stipulated.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. The Company does not have purchase of inventory and sale of goods, accordingly the provision of clause 4(iv) to this extent is not applicable to the Company. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.

- (v) (a) According to the information and explanations given to us, we are of the opinion that there were no transactions that need to be entered into the register maintained Under section 301 of the Companies Act, 1956. Accordingly the provisions of clauses 4(v) (b) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities 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 and other material statutory dues applicable to it. Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- (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, wealth-tax, service tax, sales-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 explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, Company has not taken any loans from any financial institution, bank or debenture holders. Therefore, the provision of clause(xi) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

- (xii) According to the information and explanations given to us and based on the documents and records produced 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 Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) Company has not raised any money by way of public issue during the year.

- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For S.V. GHATALIA & ASSOCIATES**

Firm registration number: 103162W

Chartered Accountants

Sd/

**per Jayanta Mukhopadhyay**

Partner

Membership No.:055757

Place: Hyderabad

Date:

HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED  
Balance Sheet as at March 31, 2011  
(All figures are denominated in Indian Rupees unless otherwise stated)

	Sch. Ref.	As at March 31, 2011	As at March 31, 2010
<b>I. SOURCES OF FUNDS</b>			
<b>1. Shareholders' funds</b>			
a) Capital	A	190,387,350	190,387,350
b) Reserves and surplus	B	146,211,254	81,970,855
<b>2. Loan funds</b>			
Unsecured loans	C	17,067,797	17,668,786
<b>3. Deferred tax liability</b> (Refer Note.8 of Schedule - P)		5,053,914	4,384,849
<b>Total</b>		<b>358,720,315</b>	<b>294,411,840</b>
<b>II. APPLICATION OF FUNDS</b>			
<b>1. Fixed assets</b>	D		
(a) Gross block		247,454,233	199,831,917
(b) Less: Accumulated depreciation/amortisation		65,704,351	43,849,609
(c) Net block		<b>181,749,882</b>	<b>155,982,308</b>
(d) Capital work-in-progress (including Capital Advances)		121,466	169,500
		<b>181,871,348</b>	<b>156,151,808</b>
<b>2. Current assets, loans and advances</b>			
(a) Sundry debtors	E	27,866,535	19,923,705
(b) Cash and bank balances	F	298,120,083	196,190,856
(d) Other current assets	G	8,340,504	6,414,958
(c) Loans and advances	H	31,937,131	25,764,520
		<b>366,264,253</b>	<b>248,294,039</b>
<b>Less: Current liabilities and provisions</b>			
(a) Current liabilities	I	156,280,515	88,374,962
(b) Provisions	J	33,134,772	21,659,045
		<b>189,415,287</b>	<b>110,034,007</b>
<b>Net current assets</b>		<b>176,848,966</b>	<b>138,260,032</b>
<b>Total</b>		<b>358,720,314</b>	<b>294,411,840</b>
<b>Notes to Accounts</b>	P		

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.  
As per our report of the even date

For S.V.GHATALIA & ASSOCIATES  
Firm registration number: 103162W  
Chartered Accountants

For and on behalf of the Board of Directors  
Hyderabad Menzies Air Cargo Private Limited

Sd/-  
per Jayanta Mukhopadhyay  
Partner  
Membership No. 055757

Sd/-  
G Radha Krishna Babu  
Director

Sd/-  
Kamesh Peri  
Director

Place: Hyderabad  
Date:

Sd/-  
Rajesh Kumar Bhansali  
Company Secretary

**HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED**

**Profit and Loss Account for the period ended March 31, 2011**  
**(All figures are denominated in Indian Rupees unless otherwise stated)**

	Sch Ref.	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010
<b>I. Income</b>			
Income from cargo operations		537,247,890	403,550,713
Other income	K	28,155,427	24,441,951
<b>Total</b>		<b>565,403,317</b>	<b>427,992,665</b>
<b>II. Expenditure</b>			
Personnel cost	L	57,191,814	51,523,138
Operating expenses	M	289,693,978	223,394,683
Administrative expenses	N	22,679,769	25,198,127
Finance expenses	O	1,571,654	1,233,347
Depreciation/amortisation	D	22,468,216	20,874,763
<b>Total</b>		<b>393,605,431</b>	<b>322,224,058</b>
Profit before taxation		<b>171,797,886</b>	<b>105,768,607</b>
<b>Provision for taxation</b>			
- Current tax [Net off the income tax written back for earlier year Rs.Nil (2009-10:Rs.13,842,931) (Refer Note.10 of Schedule P)]		34,240,178	4,149,439
- Deferred tax [Including deferred tax charge for the earlier year Rs.Nil (2009-10:Rs.1,668,606)]		669,065	1,498,037
- Fringe benefit tax [Net off the fringe benefit tax written back for earlier year Rs.Nil (2009-10:Rs.91,902)]		-	(91,902)
<b>Profit after Taxation</b>		<b>136,888,643</b>	<b>100,213,033</b>
<b>Appropriations</b>			
Dividend on equity shares		40,800,000	20,400,000
Dividend on preference shares		21,568,424	26,960,531
Dividend distribution tax		10,279,821	8,048,924
Transfer to general reserve		13,688,864	10,021,303
Profit/(Loss) carried forward from previous year		<b>63,953,579</b>	<b>29,171,304</b>
<b>Balance carried over to Balance Sheet</b>		<b>114,505,113</b>	<b>63,953,579</b>
<b>Earnings per share</b>			
Basic and Diluted [(Nominal value of shares - Rs.10 (2009-10: Rs.10)] [Refer Note.7 of Schedule P]		<b>109.53</b>	<b>73.51</b>
<b>Notes to accounts</b>	P		

The schedules referred to above and notes to accounts form an integral part of the profit and loss account.  
As per our report of even date

**For S.V.GHATALIA & ASSOCIATES**  
**Firm registration number: 103162W**  
**Chartered Accountants**

**Sd/-**  
**per Jayanta Mukhopadhyay**  
**Partner**  
Membership No. :055757

**Place: Hyderabad**  
**Date:**

**For and on behalf of the Board of Directors**  
**Hyderabad Menzies Air Cargo Private Limited**

**Sd/-**  
**G Radha Krishna Babu**  
Director

**Sd/-**  
**Kamesh Peri**  
Director

**Sd/-**  
**Rajesh Kumar Bhansali**  
Company Secretary

**HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED**  
**(All figures are denominated in Indian Rupees unless otherwise stated)**  
**Cash flow statement for the year ended March 31, 2011**

	Particulars	For the Year ended 31-Mar-11	For the Year ended 31-Mar-10
<b>A.</b>	<b>Cash flow from operating activities</b>		
	Net profit before tax	171,797,887	105,768,606
	<b>Adjustment for :</b>		
	Loss on foreign exchange fluctuation	26,562	346,666
	Provision for doubtful debts	-	187,281
	Provision no longer required written back	(735,002)	(4,276,092)
	Depreciation / amortisation	22,468,216	20,874,763
	Interest income	(16,253,108)	(10,961,311)
	<b>Operating profit before working capital changes</b>	<b>177,304,555</b>	<b>111,939,913</b>
	<b>Adjustment for working capital changes</b>		
	(Increase) / decrease in loans and advances	(2,974,939)	1,415,604
	(Increase) / decrease in sundry debtors	(7,942,830)	739,002
	Increase / (decrease) in current liabilities and provisions	68,355,475	37,375,554
	<b>Cash generated from operations</b>	<b>234,742,260</b>	<b>151,470,073</b>
	Taxes paid	(37,437,849)	(14,259,539)
	<b>Net cash flow generated from operating activities</b>	<b>197,304,410</b>	<b>137,210,534</b>
<b>B.</b>	<b>Cash flow from investing activities</b>		
	Purchase of fixed assets and change in capital work in progress	(48,187,755)	(23,241,894)
	Interest received	14,327,562	6,659,759
	Investment in fixed deposits (Net)	(74,487,887)	(52,038,817)
	<b>Net cash used in investing activities</b>	<b>(108,348,081)</b>	<b>(68,620,952)</b>
<b>C.</b>	<b>Cash flow from financing activities</b>		
	Refund / transfer of share application money	-	(25,020,070)
	Payment of preference dividend	(21,568,424)	(37,744,745)
	Payment of equity dividend	(30,600,000)	(30,600,000)
	Payment of dividend distribution tax	(8,745,575)	(5,399,045)
	Deposits from concessionaires	399,011	218,496
	Repayment of unsecured loan	(1,000,000)	(1,000,000)
	<b>Net cash used in financing activities</b>	<b>(61,514,988)</b>	<b>(99,545,364)</b>
	<b>Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>27,441,341</b>	<b>(30,955,782)</b>
	Cash and cash equivalents at the beginning of the period	22,000,548	52,956,330
	<b>Cash and cash equivalents at the end of the period</b>	<b>49,441,889</b>	<b>22,000,548</b>
<b>Notes :</b>			
<b>1</b>	<b>Cash and cash equivalents include</b>		
	Cash on hand	216,347	148,993
	Balance with banks in current accounts	36,725,541	19,340,213
	Fixed deposits with banks	261,178,195	176,701,650
	<b>Cash and cash equivalents as per balance sheet</b>	<b>298,120,083</b>	<b>196,190,856</b>
	Less: Fixed deposits considered as investments	248,678,195	174,190,308
		<b>49,441,888</b>	<b>22,000,548</b>
<b>2</b>	The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard AS-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.		
<b>3</b>	Previous year's figures have been regrouped, recast and reclassified to confirm to current year's presentation.		

For S.V.GHATALIA & ASSOCIATES  
Firm registration number: 103162W  
Chartered Accountants

For and on behalf of the Board of Directors  
Hyderabad Menzies Air Cargo Private Limited

Sd/-  
per Jayanta Mukhopadhyay  
Partner  
Membership No.:055757

Sd/-  
G Radha Krishna Babu  
Director

Sd/-  
Kamesh Peri  
Director

Place: Hyderabad  
Date:

Sd/-  
Rajesh Kumar Bhansali  
Company Secretary

**HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED**  
**Schedules forming part of the Balance Sheet**  
**(All figures are denominated in Indian Rupees unless otherwise stated)**

<b>SCHEDULE - A</b>	<b>As at March 31, 2011</b>	<b>As at March 31, 2010</b>
<b>Capital</b>		
<b>Authorised</b>		
2,500,000 equity shares of Rs 10/- each	25,000,000	25,000,000
18,450 compulsory convertible cumulative preference shares of Rs 10,000/- each	184,500,000	184,500,000
50,000 compulsory convertible cumulative preference shares of Rs 10/- each	500,000	500,000
<b>Issued, subscribed and paid-up</b>		
1,020,000 equity Shares of Rs.10/- each fully paid up (Out of above 520,200 (Mar'10: 520,200) equity shares are held by the Holding Company, GMR Hyderabad International Airport Limited)	10,200,000	10,200,000
18,000 - 11.97 % compulsory convertible cumulative preference shares of Rs.10,000/- each	180,000,000	180,000,000
18,735 - 11.97 % compulsory convertible cumulative preference shares of Rs.10/- each (The above 18,735 (Mar'10: 18,735) preference shares are held by the Holding Company, GMR Hyderabad International Airport Limited)	187,350	187,350
	<b>190,387,350</b>	<b>190,387,350</b>

<b>SCHEDULE - B</b>	<b>As at March 31, 2011</b>	<b>As at March 31, 2010</b>
<b>Reserves and surplus</b>		
General reserve	18,017,277	7,995,974
Transferred from profit and loss account	13,688,864	10,021,303
	31,706,141	18,017,277
Profit and loss account	114,505,113	63,953,579
	<b>146,211,254</b>	<b>81,970,856</b>

<b>SCHEDULE - C</b>	<b>As at March 31, 2011</b>	<b>As at March 31, 2010</b>
<b>Unsecured loans</b>		
<b>Other than short term</b>		
Inter-corporate deposits (from a body corporate) [(Repayable within one year Rs.1,000,000 (Mar'10:Rs.1,000,000))]	13,000,000	14,000,000
Deposits from licensees (Leashold deposits)	4,067,797	3,668,786
	<b>17,067,797</b>	<b>17,668,786</b>

HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED  
Schedules forming part of the Balance Sheet  
(All figures are denominated in Indian Rupees unless otherwise stated)

Schedule-D: Fixed assets

PARTICULARS	Gross Block				Depreciation				Net Block	
	As at April 1, 2010	Additions	Adjustments/Deletions	As at March 31, 2011	As at March 31, 2010	For the Year	On Deletions	As at March 31, 2011	As at March 31, 2011	As at March 31, 2010
<b>Tangible Assets</b>										
Leasehold Improvements	1,187,349	1,791,095	-	2,978,444	143,631	120,509	-	264,140	2,714,304	1,043,718
Plant and Machinery	135,023,826	40,823,675	-	175,847,501	18,171,842	9,763,997	-	27,935,839	147,911,662	116,851,984
Furniture & Fixtures	5,669,462	1,946,046	658,879	6,956,629	3,367,119	1,659,191	613,474	4,412,836	2,543,793	2,302,343
Office Equipment (Including networking equipment)	16,670,133	330,214	-	17,000,347	4,647,659	2,348,528	-	6,996,187	10,004,160	12,022,473
Computers	6,135,053	887,425	-	7,022,478	4,219,996	1,963,150	-	6,183,146	839,332	1,915,057
Vehicles (Including Forklifts)	19,322,262	2,502,740	-	21,825,002	7,816,802	3,975,008	-	11,791,810	10,033,192	11,505,460
<b>Intangible Assets</b>										
Software	15,823,832	-	-	15,823,832	5,482,560	2,637,833	-	8,120,393	7,703,439	10,341,273
<b>Total</b>	<b>199,831,917</b>	<b>48,281,195</b>	<b>658,879</b>	<b>247,454,233</b>	<b>43,849,609</b>	<b>22,468,216</b>	<b>613,474</b>	<b>65,704,351</b>	<b>181,749,882</b>	<b>155,982,308</b>
Previous Year	196,181,653	3,650,264	-	199,831,917	22,974,846	20,874,763	-	43,849,609	155,982,308	-

<b>SCHEDULE - E</b>	<b>As at March 31, 2011</b>	<b>As at March 31, 2010</b>
<b>Sundry debtors</b>		
Debts outstanding for a period exceeding six months		
Considered good	26,928	-
Considered doubtful	643,081	734,527
Other debts		
Considered good	27,839,607	19,923,705
Considered doubtful	-	-
	28,509,616	20,658,232
Less : Provision for doubtful debts	643,081	734,527
	<b>27,866,535</b>	<b>19,923,705</b>

<b>SCHEDULE - F</b>	<b>As at March 31, 2011</b>	<b>As at March 31, 2010</b>
<b>Cash and bank balances</b>		
Cash on hand	216,347	148,993
Balances with scheduled banks		
- On current accounts	36,725,541	19,340,213
- On deposit accounts	261,178,195	176,701,650
	<b>298,120,083</b>	<b>196,190,856</b>

<b>SCHEDULE - G</b>	<b>As at March 31, 2011</b>	<b>As at March 31, 2010</b>
<b>Other current assets</b>		
Interest accrued on deposits	8,340,504	6,414,958
	<b>8,340,504</b>	<b>6,414,958</b>

<b>SCHEDULE - H</b>	<b>As at March 31, 2011</b>	<b>As at March 31, 2010</b>
<b>Loans and advances</b>		
<b><i>Unsecured, considered good</i></b>		
Advances recoverable in cash or in kind or for value to be received	2,203,962	2,277,943
Service tax receivable	5,066,704	1,017,783
Advance income tax (net of provisions)	11,187,853	7,990,182
Advance fringe benefit tax	23,612	23,612
Other deposits	13,455,000	14,455,000
[[Includes deposits with holding company Rs.13,000,000 (Mar'10: Rs.14,000,000)]]		
	<b>31,937,131</b>	<b>25,764,520</b>

<b>SCHEDULE - I</b>	<b>As at March 31, 2011</b>	<b>As at March 31, 2010</b>
<b>Current liabilities</b>		
Sundry creditors		
Dues to micro enterprises and small enterprises (Refer to Note No. 9 of schedule - P)	-	-
Dues to other than micro enterprises and small enterprises	141,530,036	78,447,871
Advance from customers	10,000,527	7,678,921
Other liabilities	4,749,952	2,248,170
	<b>156,280,515</b>	<b>88,374,962</b>

<b>SCHEDULE - J</b>	<b>As at March 31, 2011</b>	<b>As at March 31, 2010</b>
<b>Provisions</b>		
Provision for equity dividend	20,400,000	10,200,000
Provision for preference dividend	5,392,106	5,392,106
Provision for dividend distribution tax	4,184,125	2,649,879
Provision for gratuity(Refer Note No.4 of Schedule- P)	1,481,421	1,183,715
Provision for leave encashment	1,677,120	2,233,345
	<b>33,134,772</b>	<b>21,659,045</b>

**HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED**

**Schedules annexed to and forming part of Profit and Loss Account**

**(All figures are denominated in Indian Rupees unless otherwise stated)**

<b>SCHEDULE - K</b>	<b>For the Year ended March 31, 2011</b>	<b>For the Year ended March 31, 2010</b>
<b>Other income</b>		
Interest on deposits - (Gross)	16,253,108	10,961,311
[(Tax deducted at source Rs.3,233,628 (2009-10: Rs.1,322,508)]		
Rental income	7,946,041	7,367,172
Documentation handling fees	1,856,299	1,101,995
Provision no longer required written back	735,002	4,276,092
Miscellaneous income	1,364,977	735,381
	<b>28,155,427</b>	<b>24,441,951</b>

<b>SCHEDULE - L</b>	<b>For the Year ended March 31, 2011</b>	<b>For the Year ended March 31, 2010</b>
<b>Personnel cost</b>		
Salaries and allowances	52,008,780	45,805,078
Contribution to provident fund and other funds	3,751,648	3,176,294
Retirement benefits	834,080	1,479,871
Staff welfare expenses	597,306	1,061,895
	<b>57,191,814</b>	<b>51,523,138</b>

<b>SCHEDULE - M</b>	<b>For the Year ended March 31, 2011</b>	<b>For the Year ended March 31, 2010</b>
<b>Operating expenses</b>		
Concessionaire fee	101,640,431	63,557,458
Concessionaire rent	57,939,807	57,763,992
Technical fee	45,173,509	21,185,818
Cargo handling charges	13,361,949	11,335,600
Customs staff cost recovery (Refer Note.11 of Schedule- P)	35,657,832	43,711,115
Security charges	6,774,590	6,535,294
Repairs and maintenance		
- Buildings	1,101,998	1,445,585
- Plant & machinery	12,337,426	7,156,669
- Others	574,168	800,624
Insurance	5,432,521	4,301,582
Power and water	7,236,331	4,094,336
Other operating expenses	2,463,416	1,506,610
	<b>289,693,978</b>	<b>223,394,684</b>

<b>SCHEDULE - N</b>	<b>For the Year ended March 31, 2011</b>	<b>For the Year ended March 31, 2010</b>
<b>Administrative expenses</b>		
Power and water	3,101,285	1,822,435
Traveling and conveyance	8,598,855	7,601,929
Professional and consultancy charges	977,903	1,580,197
Printing and stationery	1,091,514	944,243
Communication expenses	3,010,149	3,071,249
Auditors' remuneration		
- Statutory audit fee	400,000	400,000
- Tax audit fee	75,000	75,000
Provision for doubtful debts	-	187,281
Sales and business promotion	2,899,612	370,008
Exchange fluctuation loss (Net)	26,562	346,666
Service tax input credit reversal	1,818,869	6,317,190
Compounding fee	-	1,500,000
Miscellaneous expenses	680,020	981,929
	<b>22,679,769</b>	<b>25,198,127</b>

<b>SCHEDULE - O</b>	<b>For the Year ended March 31, 2011</b>	<b>For the Year ended March 31, 2010</b>
<b>Finance expenses</b>		
Bank charges	1,571,654	1,233,347
	<b>1,571,654</b>	<b>1,233,347</b>

## HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED

Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011

(All figures are denominated in Indian Rupees unless otherwise stated)

### **Background**

GMR Hyderabad International Airport Limited (GHIAL) and Menzies Aviation Plc, UK entered into a Joint Venture in the ratio of 51:49 for Cargo Handling at the Rajiv Gandhi International Airport at Shamshabad, Hyderabad, Rangareddy District. The Company was incorporated on February 22, 2006 as a Special Purpose Vehicle for implementing the Cargo Handling Project. The Company has commenced its operations on March 23, 2008.

### **1. Significant Accounting Policies**

#### **(i) Basis of preparation**

The financial statements have been prepared to comply in all material respects with respect to the Notified accounting standard by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied with those used in the previous year.

#### **(ii) Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year end. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

#### **(iii) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### **➤ Income from Cargo Operations**

Revenue from Outbound cargo is recognized at the time of acceptance of cargo with respect to Non-Airline Customers and at the time of departure of Aircraft with respect to Airline Customers.

Revenue from Inbound cargo is recognized at the time of arrival of aircraft in case of Airline Customers and at the point of delivery of cargo in case of Non-Airline Customers.

##### **➤ Interest Income**

Interest income is recognized on a time proportion basis taking into account the amount of deposit outstanding and the rate applicable.

## HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED

Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011

(All figures are denominated in Indian Rupees unless otherwise stated)

### (iv) Fixed Assets and Depreciation / Amortization

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is provided pro rata to the period of use on the straight line method at the rates specified in Schedule XIV of the Companies Act, 1956 or based on the estimated economic useful lives of assets, whichever is higher, as follows:

Description of the Asset	Depreciation Rate Applied	Depreciation rate as per Schedule-XIV
Plant and Machinery (Cargo handling equipment)	6.67%	4.75%
Vehicles	20.00%	9.50%
Office Equipment	10.00%	4.75%
Computers	33.33%	16.21%
Furniture and fixtures	25.00%	6.33%

- Fixed assets having an original cost of Rs. 5,000 or less individually are fully depreciated in the year of purchase.
- Leasehold Improvements are depreciated over estimated useful life or period of lease, whichever is shorter.
- Intangibles in the nature of software is amortized using the straight line method over a period of 6 years.

### (v) Impairment

- The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED

Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011

(All figures are denominated in Indian Rupees unless otherwise stated)

### (vi) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense and operating lease receipts are recognized as income in the Profit and Loss account on a straight-line basis over the lease term.

### (vii) Foreign Currency Transactions

#### ➤ Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### ➤ Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

#### ➤ Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

### (viii) Retirement and other employee Benefits

➤ Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

➤ Gratuity liability are defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

➤ Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

➤ Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

## HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED

**Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011**

**(All figures are denominated in Indian Rupees unless otherwise stated)**

**(ix) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**(x) Income Taxes**

Tax expense comprises current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year which are not capable of being reversed during the tax holiday period as the Company has availed the benefit of Sec.80IA of Income Tax Act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

## HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED

Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011

(All figures are denominated in Indian Rupees unless otherwise stated)

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

### (xi) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are to be reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### (xii) Cash and Bank balances

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2. The Company is engaged in the business of Cargo Handling Operations which in the context of the Accounting Standard 17 "Segment Reporting" notified under section 211(3C) of the Companies Act, 1956, is considered as a single business segment.

### 3. Contingent Liabilities and Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for during the year Rs. NIL (March 31, 2010- Rs.169,605)

### 4. Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is not funded.

The following tables summarise the components of net benefit expense recognised in the profit and loss account and the amounts recognised in the balance sheet.

**HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED**

**Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011**

**(All figures are denominated in Indian Rupees unless otherwise stated)**

**Profit and Loss account:**

Particulars	Gratuity Plan	
	2010-11	2009-10
Current service cost	709,105	610,788
Interest cost	94,697	52,920
Unrecognized past service cost-non vested benefit	(3,355)	-
Actuarial loss/(gain)	(502,741)	(294,154)
	<b>297,706</b>	<b>369,554</b>

**Balance Sheet:**

Particulars	Gratuity Plan	
	31-Mar-11	31-Mar-10
Defined benefit obligation at the end of the year	1,481,421	1,183,715
Less: Unrecognized past service cost	-	-
Net Liability to be recognized in the Balance sheet	<b>1,481,421</b>	<b>1,183,715</b>

**Changes in the present value of the defined benefit obligation are as follows:**

Particulars	Gratuity Plan	
	2010-11	2009-10
Defined benefit obligation at the beginning of the year	1,183,715	814,161
Current service cost	709,105	610,788
Interest cost	94,697	52,920
Actuarial loss / (gain) on obligation	(502,741)	(294,154)
Unrecognized past service cost-non vested benefit	(3,355)	-
<b>Defined benefit obligation at the end of the year</b>	<b>1,481,421</b>	<b>1,183,715</b>

**Experience Adjustments:**

	2010-11	2009-10	2008-09	2007-08
(Gain)/Loss on obligation due to change in assumption	-	(208,255)	-	-
Experience (Gain)/Loss on obligation	(502,741)	(135,889)	(206,400)	-
Actuarial Gain/(Loss) on plan assets	-	-	-	-

## HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED

Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011

(All figures are denominated in Indian Rupees unless otherwise stated)

### Principal assumptions used in determining gratuity obligation:

Particulars	Gratuity Plan	
	2010-11	2009-10
Discount rate	8.00%	8.00%
Expected rate of salary increases	7.50%	7.50%

#### ➤ Defined contribution plans

In respect of the defined contribution plan (Provident Fund), an amount of Rs. 2,766,906 (2009-10: Rs. 2,527,012) has been recognized in the Profit and Loss Account during the year.

### 5. Related Party Transactions

- Names of related parties where control exists irrespective of whether transactions have occurred or not:

Ultimate Holding Company	GMR Holdings Private Limited(GHPL)
Holding Company's Holding Company	GMR Infrastructure Limited
Holding Company	GMR Hyderabad International Airport Limited
Ventures having Significant Influence	Menzies Aviation cargo (Hyderabad) Limited - Mauritius Menzies Aviation Plc (UK), Menzies Aviation India Private Limited Menzies Aviation Bobba (Bangalore) Private Limited Menzies Bobba Ground Handling Services Private Limited Menzies Aviation Cargo (Bangalore) Limited Menzies Aviation Hyderabad (Passenger) Limited – Mauritius

- Details of related party transactions entered into by the Company:

Particulars	2010-11	2009-10
<b>Share Application Money Refunded</b>		
- Holding Company	-	5,802,650
- Ventures having Significant Influence		
Menzies Aviation cargo (Hyderabad) Limited (Mauritius)	-	19,217,420
<b>Equity Dividend Declared</b>		
- Holding Company	20,808,000	10,404,000
- Ventures having Significant Influence		
Menzies Aviation cargo (Hyderabad) Limited (Mauritius)	19,992,000	9,996,000

**HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED**

**Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011**

**(All figures are denominated in Indian Rupees unless otherwise stated)**

<b>Particulars</b>	<b>2010-11</b>	<b>2009-10</b>
<b>Preference Dividend Declared</b>		
- Holding Company	22,424	28,031
- Ventures having Significant Influence		
Menzies Aviation cargo (Hyderabad) Limited (Mauritius)	21,546,000	26,932,500
<b>Equity Dividend Paid</b>		
- Holding Company	15,606,000	15,606,000
- Ventures having Significant Influence		
Menzies Aviation cargo (Hyderabad) Limited (Mauritius)	14,994,000	14,994,000
<b>Preference Dividend Paid</b>		
- Holding Company	22,424	39,245
- Ventures having Significant Influence		
Menzies Aviation cargo (Hyderabad) Limited (Mauritius)	21,546,000	37,705,500
<b>Concessionaire Rent</b>		
- Holding Company	57,939,807	57,763,992
<b>Concessionaire Fee</b>		
- Holding Company	101,640,431	63,557,458
<b>Management Fee</b>		
- Ventures having Significant Influence.		
Menzies Aviation PLC	45,173,509	21,185,818
<b>Unsecured Loans repaid</b>		
- Ventures having Significant Influence		
Menzies Aviation India Private Limited	1,000,000	1,000,000
<b>Purchase of Fixed Assets</b>		
- Ventures having Significant Influence		
Menzies Bobba Ground Handling Services Private Limited	98,800	60,382
<b>Deposits received back</b>		
-Holding Company	1,000,000	1,000,000

➤ Balances outstanding in related party accounts are as follows:

<b>Particulars</b>	<b>31-Mar-11</b>	<b>31-Mar-10</b>
<b>- Payables</b>		
Holding Company	33,717,760	14,032,375

## HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED

Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011

(All figures are denominated in Indian Rupees unless otherwise stated)

Particulars	31-Mar-11	31-Mar-10
Menzies Aviation Plc	20,528,147	5,958,238
<b>- Unsecured Loan</b>		
Menzies Aviation India Private Limited	13,000,000	14,000,000
<b>- Receivables</b>		
Menzies Bobba Ground Handling Services Private Limited	-	170,184
<b>- Security Deposit</b>		
Holding Company	13,000,000	14,000,000

Transactions and outstanding balances in the nature of reimbursement of expenses incurred by one company on behalf of the other have not been considered above.

### 6. Operating Leases

#### ➤ Lease obligation as Lessee (Lease Payments)

Lease payments made under cancellable operating leases amounting to Rs. 57,939,807 (2009-10: Rs. 57,763,992) have been recognised as an expense in the Profit and Loss account.

#### ➤ Lease obligations as Lessor (Lease Receipts)

Lease receipts under cancellable operating leases amounting to Rs. 7,946,041 (2009-10: Rs. 7,367,172) have been recognized as rental income in the Profit and Loss Account.

### 7. Earning Per Share (EPS)

Particulars	2010-11	2009-10
Profit after taxes for the year (Rs.)	136,888,643	100,213,032
Less: Preference Dividend	21,568,424	21,568,425
Less: Taxes on Preference Dividend	3,603,072	3,665,554
Profits available for Equity Shareholders	111,717,147	74,979,053
Weighted average number of shares	1,020,000	1,020,000
Earnings per Share (Rs. per Equity Share of Rs. 10 each) - Basic and Diluted	109.53	73.51

### 8. Deferred tax Liability

Particulars	31-Mar-11	31-Mar-10
Differences in depreciation / amortization in block of fixed assets as per financial books and as per tax books	5,053,914	4,384,849

## HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED

### Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011

(All figures are denominated in Indian Rupees unless otherwise stated)

Deferred tax liability on depreciation / amortization has been provided during the year as the timing difference that originate as at the Balance sheet date will not be reversing during the tax holiday period of the Company under the provisions of Section 80 IA of the Income tax Act.

9. The information regarding micro, small and medium enterprises has been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

Based on the information available with the Company, there are no micro, small and medium enterprises to whom the company has paid interest or any interest payable on outstandings (under the provisions of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006) during the year ended March 31, 2011.

10. The Company had obtained legal opinion based on which the Management is of the view that the Company can avail deduction u/s 80IA of Income tax Act, 1961 (Deduction in respect of profits and gains from industrial undertakings or enterprises engaged in infrastructure development etc.). Accordingly, the Company is eligible for 100% deduction of the profits and gains from such business for a period of ten consecutive assessment years within a period of fifteen assessment years beginning the assessment year in which an assessee begins operating and maintaining infrastructural facility.

Till March 31, 2009, the Company had provided current tax at normal rate of 33.99% as per provision of Indian Income Tax Act, 1961. However, at the time of filing of Income Tax return for assessment year 2009-10, the Company has revisited and decided to avail the benefit of deduction under section 80IA of Income Tax Act, 1961 beginning from the assessment year 2009-10. As a result, in the FY 2009-10 there has been a write back of income tax provision made in earlier years amounting to Rs. 13,842,931 and in the Current year the company has calculated the Income tax provision by considering 80IA of Income Tax Act, 1961.

11. During the year, the Company had accrued customs cost amounting to Rs. 35,657,832 on the basis of actual number of employees deployed at the cargo terminal building at rates applicable for the previous year plus a nominal increment of 8%. Management is confident that there would be no additional liability other than the amount accrued in the books of account.

#### 12. Transfer pricing

The Company has undertaken necessary steps to comply with the Transfer Pricing regulations. The Management is of the opinion that the international transactions are at arm's length and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

#### 13. Auditors' Remuneration

Particulars	2010-11	2009-10
Statutory Audit Fee	400,000	400,000
Tax Audit Fee	75,000	75,000
	<b>475,000</b>	<b>475,000</b>

**HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED**

Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011

(All figures are denominated in Indian Rupees unless otherwise stated)

**14. Expenditure on Foreign Currency – Accrual basis**

Particulars	2009-10	2008-09
Technical Fees	45,173,509	21,185,818
Repairs and Maintenance	5,323,187	7,426,048
	<b>50,496,696</b>	<b>28,611,866</b>

**15. CIF Value of Imports**

Particulars	2010-11	2009-10
Capital goods	9,548,878	-

**16. Derivative Instruments**

There are no outstanding derivative instruments as at the balance sheet date. The un-hedged foreign currency exposures outstanding at the balance sheet date:

Particulars	31-Mar-11		31-Mar-10	
	Foreign currency	Rs.	Foreign currency	Rs.
Payables	GBP 46,164.77	3,300,042	GBP 59,327.68	4,034,405
Payables	USD 6,975.46	311,454	-	-

17. The Company is engaged in the cargo handling operations. The nature of such services cannot be expressed in generic units. Therefore it is not possible to give quantitative details as required under paragraphs 3 and 4C of Part II Schedule VI of the Companies Act, 1956. Information pursuant to paragraphs 4, 4A, 4B, and 4D of Part II to Schedule VI of the Companies Act, 1956 to the extent, either nil or not applicable has not been furnished.

18. Figures for the previous year have been regrouped and reclassified to conform to current year's presentation.

**For S.V. GHATALIA & ASSOCIATES**  
Firm registration number: 103162W  
Chartered Accountants

**Sd/-**  
**per Jayanta Mukhopadhyay**  
**Partner**  
Membership No. 055757

Place: Hyderabad  
Date:

For and on behalf of the Board of Directors of  
**Hyderabad Menzies Air Cargo Private Limited**

**Sd/-**  
**G Radha Krishna Babu**  
Director

**Sd/-**  
**Kamesh Peri**  
Director

**Sd/-**  
**Rajesh Kumar Bhansali**  
Company Secretary

**HYDERABAD MENZIES AIR CARGO PRIVATE LIMITED**

**Schedule P: Notes annexed to and forming part of the accounts as at and for the year ended March 31, 2011**

**(All figures are denominated in Indian Rupees unless otherwise stated)**