Regulatory Story

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Noida Toll Bridge Co. Ltd. - NTBC Half Yearly Report
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Noida Toll Bridge Co. Ltd.
23 December 2014

Noida Toll Bridge Company Limited

("NTBCL" or the "Company")

Interim Results for the half year ended 30 September 2014

Regd. Office: Toll Plaza, DND Flyway, Noida 201 301, Uttar Pradesh, India

The Board of Directors of Noida Toll Bridge Company Limited ("NTBCL") approved the Company's results for the half year ended 30 September 2014, today.

The interim results released today have been prepared under IFRS. In terms of the Listing Agreement signed with the Indian Stock Exchanges, results under Indian GAAP were released to the market on 6 November 2014 on AIM, BSE and NSE simultaneously.

For further details please contact:

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Sandy Jamieson

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER, 2014

	Note	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 March, 2014 US ($)
Assets				
Non Current Assets				
Property, Plant and Equipment	2	842,104	887,309	867,856
Capital Work in Progress	3	-	-	-
Intangible Asset	4	84,765,990	84,004,799	87,345,774
Loans and Advances	5	48,379	43,920	52,550
		85,656,473	**84,936,028**	**88,266,180**
Current Assets				
Inventories	6	97,225	39,051	60,873
Trade Receivables	7	350,039	293,261	214,790
Loans and Advances	5	953,399	740,508	954,935
Prepayments		108,121	109,794	68,458
Available-for-Sale Investments	8	2,629,333	7,128,683	1,007,460
Cash and Cash Equivalents	9	3,684,383	3,334,644	1,798,750
		7,822,500	**11,645,941**	**4,105,266**
Total Assets		**93,478,973**	**96,581,969**	**92,371,446**
Equity and Liabilities				
Issued Capital	10	42,419,007	42,419,007	42,419,007
Securities Premium	11	23,575,453	23,136,089	24,167,781
Debenture Redemption Reserve	11	798,126	634,453	736,159
Net Unrealised Gains Reserve	11	4,085	4,486	4,237
General Reserve	11	896,878	8,011	919,411
Effect of Currency Translation		(17,044,414)	(17,906,529)	(15,884,142)
Retained earnings		20,864,953	19,987,595	18,610,017
Total		**71,514,088**	**68,283,112**	**70,972,470**
Non Controlling Interest		(129,590)	(55,696)	**(90,720)**
Total Equity		**71,384,498**	**68,227,416**	**70,881,750**
Non Current Liabilities				
Interest-bearing Loans and Borrowings	12	3,332,257	4,151,641	3,681,335
Provisions	13	373,599	195,615	227,291
Trade and other payables	15	534,375	514,621	546,892
Deferred Tax Liability	14	8,893,292	8,664,180	9,678,612
Current Liabilities				
Interest-bearing Loans and Borrowings	12	1,245,972	5,200,417	1,316,556
Trade and Other Payables	15	5,604,965	5,314,974	2,161,510
Provisions	13	1,890,858	4,236,153	3,787,315
Provision for Taxes		219,157	76,952	90,185
Total Liabilities		**22,094,475**	**28,354,553**	**21,489,696**
Total Equity and Liabilities		**93,478,973**	**96,581,969**	**92,371,446**

In terms of our report of even date
For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N

On Behalf of the Board of Directors

Amit Luthra
Partner
(M. No 85847)

Director

Executive Director & CEO

Place: Noida
Date:

CFO

Company Secretary

NOIDA TOLL BRIDGE COMPANY LIMITEDAND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 SEPTEMBER 2014

	Note	Half Year ended 30 Sept, 2014 US ($)	Half Year ended 30 Sept, 2013 US ($)	Year ended 31 Mar, 2014 US ($)
Toll Revenue		8,398,214	8,255,424	16,422,890
License Fee		1,621,563	1,564,532	3,363,216
Miscellaneous Income		39,602	48,890	142,668
Total Income		**10,059,379**	**9,868,846**	**19,928,774**
Operating and Administrative Expenses				
- Operating Expenses	16	759,613	1,113,666	1,789,849
- Administrative Expenses	16	1,938,755	1,928,645	3,574,993
- Depreciation	2	49,376	85,229	155,184
- Amortisation	4	449,382	414,043	806,849
Total Operating and Administrative Expenses		**3,197,126**	**3,541,583**	**6,326,875**
Group Operating Profit from Continuing Operations		**6,862,253**	**6,327,263**	**13,601,899**
Profit on Sale of Investments		157,486	371,001	689,850
Finance Charges	17	(239,163)	(681,853)	(1,113,927)
		(81,677)	**(310,852)**	**(424,077)**
Profit from Continuing Operations before taxation		**6,780,576**	**6,016,411**	**13,177,822**
Income Taxes:				

- Current Taxes		(1,429,544)	(1,275,714)	(2,906,122)
- Deferred Tax	14	561,038	(834,356)	(1,439,110)
Profit/(Loss) after tax for the period		**5,912,070**	**3,906,341**	**8,832,590**
Other Comprehensive Income				
Gain on fair valuation of available for sale investments		(152)	(50,553)	(50,802)
Debenture Redemption Reserve		(80,009)	(70,666)	(147,232)
Effect of Currency translation		(1,793,176)	(10,541,316)	(7,461,739)
				(7,659,773)
Total Other Comprehensive Income		(1,873,337)	**(10,662,535)**	
Total Comprehensive Income		**4,038,733**	**(6,756,194)**	**1,172,817**
Profit Attributable to				
Equity Shareholders		5,954,132	3,943,265	8,900,991
Non Controlling Interest		(42,062)	(36,924)	(68,401)
		5,912,070	**3,906,341**	**8,832,590**
Comprehensive Income attributable to				
Equity Shareholders		4,080,795	(6,719,270)	1,104,416
Non Controlling Interest		(42,062)	(36,924)	(68,401)
		4,038,733	**(6,756,194)**	**1,172,817**
Profit per share				
- basic and diluted for the period	18	0.032	0.021	0.048

In terms of our report of even date
For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N

On Behalf of the Board of Directors

Amit Luthra
Partner
(M. No 85847)

Director

Executive Director & CEO

Place: Noida
Date:

CFO

Company Secretary

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE HALF YEAR ENDED 30 SEPTEMBER, 2014

	Half Year ended 30 Sept, 2014 US ($)	Half Year ended 30 Sept, 2013 US ($)	Year ended 31 Mar, 2014 US ($)
A. Cash Flow from Operating Activities			
Receipts from Customers	9,953,973	9,889,147	20,030,284
Payment to Suppliers and Employees	(3,842,827)	(2,105,682)	(5,420,819)
Deposits, Advances and Staff Loan	3,576	(2,051)	(9,292)
Purchase of Inventories	(73,815)	(3,623)	(60,882)
Income Tax Paid	(1,381,651)	(1,195,954)	(2,887,215)
Net Cash from/(used in) Operating Activities (A)	**4,659,256**	**6,581,837**	**11,652,076**
B. Cash Flow from Investment Activities			
Purchase of Fixed Assets	(45,365)	(34,569)	(48,389)
Proceeds from 'Available for Sale' Investments	10,953,848	46,417,994	71,107,964
Purchase of 'Available for Sale' Investments	(12,481,822)	(44,820,933)	(62,824,134)
Proceeds from Sale of fixed assets	3,509	3,516	3,617
Net Cash from/ (used in) Investment Activities (B)	**(1,569,830)**	**1,566,008**	**8,239,058**
C. Cash flow from Financing Activities			
Dividend & Dividend Tax Paid	(3,619,187)	(3,685,313)	(9,001,713)
Repayment of Term Loan to Banks, Financial Institutions and Others	-	(4,045,252)	(8,867,306)
Interest and Finance Charges Paid	(491,280)	(875,473)	(1,233,828)
Net Cash from/ (used in) Financing Activities (C)	**(4,110,467)**	**(8,606,038)**	**(19,102,847)**
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	**(1,021,041)**	**(4,58,193)**	**788,287**
Net Foreign Exchange Difference	(14,926)	(87,754)	(76,183)
Cash and Cash Equivalents (Opening Balance) - Refer Note - 9	1,569,169	857,065	857,065
Cash and Cash Equivalents (Closing Balance) - Refer Note - 9	**533,202**	**311,118**	**1,569,169**

In terms of our report of even date
For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N

On Behalf of the Board of Directors

Amit Luthra
Partner
(M. No 85847)

Director

Executive Director & CEO

Place: Noida
Date:

CFO

Company Secretary

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 SEPTEMBER, 2014

(in US$)

	Issued capital	Securities Premium	Effect of Currency translation Reserve	General Reserve	Retained earning	Unrealized Gains Reserve	Debenture Redemption Reserve	Equity	Non Controlling Interest	Total Equity
As at April 1, 2013	**42,419,007**	**26,704,976**	**(11,022,304)**	**9,247**	**19,769,014**	**55,039**	**650,755**	**78,585,734**	**(24,160)**	**78,561,574**
Comprehensive Income				-	3,943,265			3,943,265	(36,924)	3,906,341
Fair value change on available for sale investment	-	-	-	-	-	(50,553)	-	(50,553)	-	(50,553)
Creation of Debenture Redemption Reserve	-	-	-	-	(70,666)	-	70,666	-	-	-
Proposed Dividend	-	-	-	-	(3,149,975)	-	-	(3,149,975)	-	(3,149,975)
Dividend Tax	-	-	-	-	(504,043)			(504,043)	-	(504,043)
Difference for currency translation	-	(3,568,887)	(6,884,225)	(1,236)	-	-	(86,968)	(10,541,316)	5,388	(10,535,928)
At Sept 30, 2013	**42,419,007**	**23,136,089**	**(17,906,529)**	**8,011**	**19,987,595**	**4,486**	**634,453**	**68,283,112**	**(55,696)**	**68,227,416**

As at April 1, 2014	**42,419,007**	**24,167,781**	**(15,884,142)**	**919,411**	**18,610,017**	**4,237**	**736,159**	**70,972,470**	**(90,720)**	**70,881,750**
Comprehensive Income	-	-	-	-	5,954,132	-	-	5,954,132	(42,062)	5,912,070
Fair value change on available for sale investment	-	-	-	-	-	(152)	-	(152)	-	(152)
Creation of Debenture Redemption Reserve	-	-	-	-	(80,009)	-	80,009	-	-	
Proposed Dividend	-	-	-	-	(3,093,454)	-	-	(3,093,454)	-	(3,093,454)
Dividend Tax	-	-	-	-	(525,733)	-	-	(525,733)	-	(525,733)
Difference for currency translation		(592,328)	(1,160,272)	(22,534)	-	-	(18,042)	(1,793,176)	3,192	(1,789,984)
At Sept 30, 2014	**42,419,007**	**23,575,453**	**(17,044,414)**	**896,878**	**20,864,953**	**4,085**	**798,126**	**71,514,088**	**(129,590)**	**71,384,498**

	Half Year ended 30 Sept, 2014 Rs.	Half Year ended 30 Sept, 2013 Rs.
Final Dividend For 2012-13 @ USD 0.02 per Share	- -	3,149,975
Final Dividend For 2013-14 @ USD 0.02 per Share	3,093,454	-

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Corporate Information

Noida Toll Bridge Company Limited (NTBCL) is a public limited company incorporated and domiciled in India on 8th April 1996 with its registered office at Toll Plaza, DND Flyway, Noida - 201301, Uttar Pradesh, India. The equity shares of NTBCL are publicly traded in India on the National Stock Exchange and Bombay Stock Exchange. NTBCL launched the issue of global depository receipts (GDRs) represented by equity shares in March 2006 which are traded on Alternate Investment Market (AIM) of the London Stock Exchange.

The NTBCL has been set up to develop, establish, construct, operate and maintain a project relating to the construction of the Delhi Noida Toll Bridge under the "Build-Own-Operate-Transfer" (BOOT) basis. The Delhi Noida Toll Bridge comprises the Delhi Noida Toll Bridge, adjoining roads and other related facilities, the Ashram flyover which has been constructed at the landfall of the Delhi Noida Toll Bridge and the Mayur Vihar Link and it operates under a single business and geographical segment (Refer Note 28).

(b) Service Concession Arrangement entered into between IL&FS, NTBCL and NOIDA

A 'Concession Agreement' entered into between the NTBCL, Infrastructure Leasing and Financial Services Limited (IL&FS, the promoter company) and the New Okhla Industrial Development Authority, Government of Uttar Pradesh, conferred the right to the Company to implement the project and recover the project cost, throu--gh the levy of fees/ toll revenue, with a designated rate of return over the 30 years concession period commencing from 30 December 1998 i.e. the date of Certificate of Commencement, or till such time the designated return is recovered, whichever is earlier. The Concession Agreement further provides that in the event the project cost together with the designated return is not recovered at the end of 30 years, the concession period shall be extended by 2 years at a time until the project cost and the return thereon is recovered. The rate of return is computed with reference to the project costs, cost of major repairs and the shortfall in the recovery of the designated returns in earlier years. As per the certification by the independent auditors, the total recoverable amount comprises project cost and 20% designated return. NTBCL shall transfer the Project Assets to the New Okhla Industrial Development Authority in accordance with the Concession Agreement upon the full recovery of the total cost of project and the returns thereon.

New Okhla Industrial Development Authority had initiated preliminary discussion with the Company to consider modification of some the terms and conditions of the Concession Agreement. Pending Final outcome of such discussions, the accounts have been prepared based on extant Concession Agreement. Further details of concession agreement are given in Note 29.

(c) Basis of preparation

The consolidated financial statements of Noida Toll Bridge Company Limited and its subsidiary ('the Group') have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations as laid down by the International Financial Reporting Interpretations Committee (IFRIC)

These consolidated financial statements have been drawn up in accordance with the going-concern principle and on a historical cost basis, except for available-for sale investments and Intangible Asset that have been measured at fair value. The presentation and grouping of individual items in the Statement of financial position, the statement of comprehensive income and the statement of cash flow, as well as the changes in equity, are based on the principle of materiality.

(d) Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates, Judgements and assumptions. Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Recognition of Concession Agreement as an Intangible Asset

(i) Basis of accounting for the service concession

The Group has determined that IFRIC 12 *Service Concession Arrangements* is applicable to the Concession Agreement and hence has applied it in accounting for the concession. The directors have determined that the intangible asset model in IFRIC 12 *Service Concession Arrangement* is applicable to the concession. In particular, they note that users pay tolls directly so the grantor does not have the primary responsibility to pay the operator.
In order to facilitate the recovery of the project cost and 20% designated returns through collection of toll and development rights, the grantor has guaranteed extensions to the terms of the Concession, initially set at 30 years. The Group has received an "in-principle" approval for development rights from the grantor. However the Group has not yet entered into any agreement with the grantor which would constitute an assurance from the grantor to facilitate the recovery of shortfalls. Management recognizes that the development right agreement when executed will give rise to intangible assets in their own right.

Disclosures for Service Concession Arrangement as prescribed under SIC 29 *Service Concession Arrangements - Disclosure* have been incorporated into the financial statements.

(ii) Significant assumptions in accounting for the intangible asset

On completion of construction of the Delhi Noida Toll Bridge (6 February 2001), the rights under the Concession Agreement have been recognized as an intangible asset, received in exchange for the construction services provided. Construction costs include besides others, expenditure incurred and provisions for outstanding capital commitments on the Ashram Flyover, which was significantly completed on the date of recognition of the intangible asset. This section of the bridge was commissioned on 30th October 2001. The intangible asset received has been measured at fair value of the construction services as of US$ 112,391,294 as on the date of commissioning. The Group has recognized a profit of US$ 32,591,491, which is the difference between the cost of construction services rendered (the cost of the project asset of US$ 79,799,802) and the fair value of the construction services.

The Directors have concluded that as operators of the bridge, they have provided construction services to NOIDA, the grantor, in exchange for an intangible asset, i.e. the right to collect toll from road-users during the Concession period.

Accordingly, the Group has measured the intangible asset at cost, i.e. the fair value of the construction services as at 6 February 2001, the date of completion of construction and commissioning of the asset.

The key assumptions used in establishing the cost of the intangible asset are as follows:

Ø Construction of the DND Flyway commenced in 1998 and was completed on 6 February 2001. The exchange of construction services for an intangible asset is regarded as a transaction that generates revenue and costs, which have been recognized by reference to the stage of completion of the construction. Contract revenue has been measured at the fair value of the consideration receivable. Hence in each of the years of construction, construction revenue has been calculated at cost plus 17.5% and the corresponding construction profit has been recognized through retained earnings.

Ø Management has capitalised qualifying finance expenses until the completion of construction.

Ø The intangible asset is assumed to be received only upon completion of construction. Until then, management has recognised a receivable for its construction services. The fair value of construction services have been estimated to be equal to the construction costs plus margin of 17.5% and the effective interest rate of 13.5% for lending by the grantor. The construction industry margins range between 15-20% and management has determined that a margin of 17.5% is both conservative and appropriate. The effective interest rate used on the receivable during construction is the normal interest rate which grantor would have paid on delayed payments**.**

Ø The intangible asset has been recognised on the completion of construction, i.e. 6th February 2001.

Ø The management considers that they will not be able to earn the designated return under the Concession Agreement over 30 years. The company has an assured extension of the concession as required to achieve project cost and designated returns (see Note 1(b) above). The company has estimated the life of the bridge to be of 100 years. Intangible asset is being amortised over the same useful life under unit of usage method.

Ø Development rights will be accounted for as and when exercised.

Construction of the Mayur Vihar Link commenced in 2006-07. NTBCL has obtained land from Noida for the construction of the Mayur Vihar Link vide Supplement to Noida Land Lease Deed executed between them. As per the terms of said lease deed Mayur Vihar Link Road will form part of Noida Bridge Project and the expenditure incurred by NTBCL on it shall be included in the cost of Noida Bridge with respect to the concession agreement. As the Mayur Vihar Link fall under the jurisdiction of Delhi Government, Municipal Corporation of Delhi vide confirmation agreement dated 9th January 2005 agreed not to declare the Mayur Vihar Link as public street and to recognize the right of NTBCL to operate and maintain the Mayur Vihar Link as a private street and charge user the fees in respect thereof. This right has been recognized as an intangible asset, received in exchange for the construction services provided to the grantor of the concession agreement. The intangible asset received has been measured at fair value of construction services as of US $ 15,961,837. The Group has recognized a profit of US $ 3,662,423 which is the difference between the cost of construction services rendered (the cost of project asset of US$ 12,299,414) and the fair value of the construction services.

The key assumptions used in establishing the cost of the intangible asset (i.e. right to collect toll on Mayur Vihar Link) are as follows:

Ø Construction commenced in June 2006 and was completed on January 19, 2008. The exchange of construction services for an intangible asset is regarded as a transaction that generates revenue and costs, which have been recognized by reference to the stage of completion of the construction. Contract revenue has been measured at the fair value of the consideration receivable. Hence in each of the years of construction, construction revenue has been calculated at cost plus 17.5% and the corresponding construction profit has been recognized through construction revenue.

Ø Management has capitalised qualifying finance expenses until the completion of construction.

Ø The intangible asset is assumed to be received upon the completion of the construction and during the construction phase, management has recognised it as additions to the Intangible assets. The fair value of construction services have been estimated to be equal to the construction costs plus margin of 17.5% and the effective interest rate of 12.5% for lending by the grantor. The construction industry margins range between 15-20% and management has determined that a margin of 17.5% is both conservative and appropriate. The effective interest rate used on the receivable during construction is the normal interest rate which grantor would have paid on borrowing obtained.

Ø The management considers that they will not be able to earn the designated return under the Concession Agreement over 30 years. The company has an assured extension of the concession as required to achieve project cost and designated returns (see Note 1(b) above). As the lease period for the land is coterminous with the concession agreement and the estimated remaining useful life of the bridge, this intangible asset was being amortised over the remaining life of the Delhi Noida Toll Bridge from the date of commissioning of the Mayur Vihar Link Road. Intangible asset is being amortised over the same useful life under unit of usage method.

(e) Basis of Consolidation

The consolidated financial statements comprise the financial statements of Noida Toll Bridge Company Limited and its subsidiary ITNL Toll Management Services Limited. The financial statements of the subsidiary are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full.

Subsidiary is fully consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

(f) Foreign Currency Translation

The functional currency of Noida Toll Bridge Company Limited and ITNL Toll Management Services Limited is Indian Rupees. Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

The presentation currency is US$. For the purpose of translation from functional currency to presentation currency, assets and liabilities for each balance sheet presented is translated at the closing rate at the date of that balance sheet. Income and expense for each income statement and cash flow statement presented is translated using a weighted average rate and all resulting exchange difference is recognised as a separate component of equity.

(g) Intangible Assets

Construction on the Delhi Noida Toll Bridge was completed and made operational on 6th February 2001. The Ashram Flyover's construction, which was significantly complete on that date, was commissioned on 30th October 2001. Collectively referred to as the "Bridge", the completed construction has been recognised as an intangible asset on 6th February 2001, in accordance with the guidelines given for recognition and measurement for service concession agreements on adoption of *IFRIC 12, Service Concession Arrangement*.

Construction on Mayur Vihar Link Road which has been completed and made fully operational on January 19, 2008 has been recognised as intangible asset, in accordance with the guidelines given for recognition and measurement for service concession agreements in IFRIC 12, *Service Concession Arrangement.*

The value of the intangible asset was measured on the date of completion of construction at the fair value of the construction services provided which has been recognised as the intangible asset's cost. The amortisation expense is recognised in the income statement as part of operating and administrative expenses. The carrying value is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Management reviews the estimated useful life of the rights and number of the vehicles expected to use the facility at periodical intervals.

Specific policies that apply to the intangible assets are as follows:

Ø **Construction services**

Construction services exchanged for the intangible asset included all costs that related directly to the construction of the Delhi Noida Toll Bridge / Mayur Vihar Link including valuation of all work done by subcontractors, whether certified or not, and all overheads other than those relating to the general administration of the

Group.

Ø **Construction profit**

Construction profit is the difference between the fair value of the consideration receivable and the construction services provided in building the Bridge.

Ø **Borrowing costs**

Project specific borrowing costs were capitalised until the completion of construction services. Where funds are temporarily invested pending their expenditures on the qualifying asset, any investment income, earned on such fund is deducted from the borrowing cost incurred.

Ø **Maintenance obligations**

Contractual obligations to maintain, replace or restore the infrastructure (principally resurfacing costs and major repairs and unscheduled maintenance which are required to maintain the Bridge in operational condition except for any enhancement element) are recognised and measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provision is discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(h) Property, Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of such plant and equipment when that cost is incurred if the recognition criteria are met.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognised.

The asset's residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Building	62 years
Data Processing Equipment	3 years
Office Equipment	5 years
Vehicles	5 years
Furniture & Fixtures	7 years
Advertisement Structure	5 years

(j) Investments and other financial assets

Financial assets (non derivative) are classified as either loans and receivables or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in income when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Investments (Available-for-sale financial assets)
All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

After initial recognition available-for sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement.

(k) Inventories

Inventories of Electronic Cards (prepaid cards), "On Board Units" and consumables are valued at the lower of cost or net realisable value. Cost is recognised on First In First Out basis.

(l) Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprises of cash at bank and in hand.

(m) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any transaction costs, and any discount or premium on settlement.

(n) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as other finance expense

(o) Employee costs, Pensions and other post-employment benefits

Wages, salaries, bonuses, social security contributions, paid annual leave and sick leave are accrued in the year in which the associated services are rendered by employees of the Group.

The Group has three funded retirement benefit plans in operation viz. Gratuity, Provident Fund and Superannuation. The Superannuation Fund and Provident Fund are defined contribution schemes whereby the Group has to deposit a fixed amount to the fund every year / month respectively.

The Gratuity plan for the Group is a defined benefit scheme. The cost of providing benefits under gratuity is determined using the projected unit credit actuarial valuation method. Actuarial gains and losses are recognised in full in the period in which they occur and directly in equity through the income statement.

(p) Leases

Finance leases which transfer substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on the straight line basis over the lease term.

(q) Impairment

Where an indication of impairment exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

(r) Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- Ø the rights to receive cash flows from the asset have expired;
- Ø the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- Ø the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

(s) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue comprises:

Toll Revenue

Toll Revenue is recognised in respect of toll collected at the Delhi Noida Toll Bridge and the attributed share revenue from prepaid cards.

License Fee

License fee income from advertisement hoardings & office premises is recognised on an accruals basis in accordance with contractual obligations.

Service Charges

Service charges are recognised on accrual basis in respect of revenue recovered for the various business auxiliary services provided to the parties.

Interest income

Revenue is recognised as interest accrues (using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Investment income

The profit or loss on sale of investments is the difference between the net sale consideration and the carrying amount. Related fair value movements are derecognised from net unrealised gains reserve and transferred to the income statement at the time of sale.

Other Income

Other income comprises service fee and miscellaneous income which are recognised on receipt basis.

(t) Income tax

Current tax represents the amount that would be payable based on computation of tax as per prevailing taxation laws under the Indian Income Tax Act, 1961.

Deferred income tax is provided using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses (where such right has not been forgone), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax assets and unused tax losses can be utilised, except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

(u) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Where funds are temporarily invested pending their expenditures on the qualifying asset, any such investment income, earned on such fund is deducted from the borrowing cost incurred.

All other borrowing costs are recognised as interest expense in the income statement in the period in which they are incurred.

(v) Share based payment transactions

Equity-settled, share option plan are valued at fair value at the date of the grant and are expensed over the vesting period, based on the Group's estimate of shares that will eventually vest. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. The share awards are valued using the Black-Scholes option valuation method.

The Group recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(w) Securities Premium

Securities premium represent the amount being difference between the issue price and the face value of the securities issued by the company. Securities premium have been recognized as separate component of the equity. Under the Indian Companies Act 1956, securities premium have restricted usage. Securities premium has been adjusted to the extent utilized for the purposes allowed under the Indian Companies Act, 1956 and disclosed in the statement of equity.

(x) Debenture Redemption Reserve

Debenture redemption reserve (DRR) represents the reserve created for the redemption of the Deep Discount Bond (DDBs). Under the Indian Companies Act 1956, DRR is to be created out of the profits for the year in financial statement prepared under Indian GAAP. The group recognized the DRR for an amount equal to the issue price of the DDBs by apportioning from the profit of the year under Indian GAAP a sum calculated under sum of digit method. DRR has been recognized as separate component of equity. On redemption of the DDBs, DRR is to be transferred to general reserve.

(y) Fair Value Measurement

The company measures financial instruments, such as, available for sale investment and non-financial assets such as intangible assets, at fair value at each balance sheet date.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair Value Measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the company. The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing the asset or liability assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participants ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured and disclosed financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (Unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis the company determines whether transfers have occurred levels in hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(z) Dividend

Final dividends on shares are recorded as liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Boards of Directors.

(za) New Accounting standards:

The group has adopted the following new standards and amendments to standards, including any consequential amendments to other standards:

IAS 32 Disclosures - Offsetting Financial Assets and Financial Liabilities

The amendments to IAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'. The amendments to IAS 32 are effective for annual periods beginning on or after January 1, 2014, with retrospective application.

New Standards to be applicable at later date

In November 2009, IASB has issued IFRS 9 "Financial Instruments on the classification and measurement of financial assets". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the many different rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. IFRS 9 was further amended in October 2010 and such amendment introduced requirement on accounting for financial liabilities. This amendment addresses the issue of volatility in the profit or loss due to changes in the fair value of an entity's own debt. IFRS 9 is effective for fiscal years beginning on or after January 1, 2015. Earlier application is permitted.
In May 2014, the International Accounting Standards Board issued IFRS15, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cashflows arising from the entity's contracts with customers. The standard permits the use of either the retrospective or cumulative effect transition method. The effective date for adoption of IFRS-15 is annual periods beginning on or after January 1, 2017, though early adoption is permitted.

As per management evaluation, application of above IFRSs would not have significant impact on the consolidated financial statements of the group on its application.

NOTES TO CONSOLIDATED BALANCE SHEET

2. Property, Plant and Equipment

30 September 2014	Advertisement Structures US ($)	Building US ($)	Office and Data Processing Equipment US ($)	Furniture and Fixtures US ($)	Vehicles US ($)	Total US ($)
At 1 April 2014 (net of accumulated depreciation)	-	697,525	106,839	6,196	57,295	867,855
Exchange difference on Conversion	-	(16,868)	(3,064)	(111)	(1,120)	(21,163)
Additions	-	-	44,989	376	-	45,365
Disposals	-	-	(577)	-	-	(577)
Depreciation charge for the half year	-	(9,896)	(25,048)	(2,159)	(12,273)	(49,376)
At 30th September,2014 (net of accumulated depreciation)	**-**	**670,761**	**123,139**	**4,302**	**43,902**	**842,104**
At 1 April 2014						
Cost	766,015	802,266	519,781	193,329	230,793	2,512,184
Accumulated depreciation	(766,015)	(104,741)	(412,942)	(187,133)	(173,498)	(1,644,329)
Net carrying amount	**-**	**697,525**	**106,839**	**6,196**	**57,295**	**867,855**
At 30 September, 2014						
Cost	747,242	782,603	540,399	188,779	206,373	2,465,396
Accumulated depreciation	(747,242)	(111842)	(417,260)	(184,477)	(162,471)	(1,623,292)
Net carrying amount	**-**	**670,761**	**123,139**	**4,302**	**43,902**	**842,104**

30 September 2013	Advertisement Structures US ($)	Building US ($)	Office and Data Processing Equipment US ($)	Furniture and Fixtures US ($)	Vehicles US ($)	Total US ($)
At 1 April 2013 (net of accumulated depreciation)	48,592	792,177	111,049	26,873	91,816	1,070,507
Exchange difference on Conversion	(5,072)	(105,289)	(15,898)	(2,893)	(11,420)	(140,571)
Additions	-	-	42,029	574	-	42,603
Disposals						
Depreciation charge for the half year	(24,335)	(9,884)	(23,957)	(12,511)	(14,542)	(85,229)
At 30th September,2013 (net of accumulated depreciation)	**19,185**	**677,004**	**113,223**	**12,043**	**65,854**	**887,309**
At 1 April 2013						
Cost	846,434	886,490	525,402	213,180	295,977	2,767,483
Accumulated depreciation	(797,843)	(94,313)	(414,353)	(186,307)	(204,161)	(1,696,977)
Net carrying amount	**48,591**	**792,177**	**111,049**	**26,873**	**91,816**	**1,070,506**
At 30 September, 2013						
Cost	733,316	768,019	487,618	185,232	220,940	2,395,125
Accumulated depreciation	(714,131)	(91,015)	(374,395)	(173,189)	(155,086)	(1,507,816)
Net carrying amount	**19,185**	**677,004**	**113,223**	**12,043**	**65,854**	**887,309**

31 March 2014	Advertisement Structures US ($)	Building US ($)	Office and Data Processing Equipment US ($)	Furniture and Fixtures US ($)	Vehicles US ($)	Total US ($)
At 1 April 2013 (net of accumulated depreciation)	48,592	792,177	111,049	26,873	91,816	1,070,507
Exchange difference on Conversion	(4,907)	(75,392)	(10,508)	(2,673)	(8,893)	(102,374)
Additions	-	-	55,157	1,082	-	56,239
Disposals	-	-	(1,121)	(211)	-	(1,332)
Depreciation charge for the year	(43,685)	(19,260)	(47,738)	(18,875)	(25,628)	(155,186)
At 31st March, 2014 (net of accumulated depreciation)	**-**	**697,525**	**106,839**	**6,196**	**57,295**	**867,856**
At 1 April 2013						
Cost	846,434	886,490	525,402	213,180	295,977	2,767,483
Accumulated depreciation	(797,842)	(94,313)	(414,353)	(186,307)	(204,161)	(1,696,976)
Net carrying amount	**48,592**	**792,177**	**111,049**	**26,873**	**91,816**	**1,070,507**
At 31 March, 2014						
Cost	766,015	802,266	519,781	193,329	230,793	2,512,184
Accumulated depreciation	(766,015)	(104,741)	(412,942)	(187,133)	(173,498)	(1,644,330)
Net carrying amount	**-**	**697,525**	**106,839**	**6,196**	**57,295**	**867,856**

3. Capital Work In Progress

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 March, 2014 US ($)

Opening Balance	-	8,731	8,731
Exchange difference on translation	-	(1,166)	(829)
Additions	-	-	
Capitalised during the year	-	(7,565)	(7,902)
Closing Balance (net of accumulated amortization)	**-**	**-**	**-**

4. Intangible Assets

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Opening Balance (net of accumulated amortization)	87,345,774	97,413,042	97,413,042
Exchange difference on translation	(2,130,402)	(12,994,200)	(9,260,419)
Additions	-	-	-
Amortization charge for the period	(449,382)	(414,043)	(806,849)
Closing Balance (net of accumulated amortization)	**84,765,990**	**84,004,799**	**87,345,774**

Opening Balance	**1 April, 2014 US ($)**	**1 April, 2013 US ($)**	**1 April, 2013 US ($)**
Cost	100,056,781	110,560,995	110,560,995
Accumulated amortization	(12,711,007)	(13,147,953)	(13,147,953)
Net carrying amount	**87,345,774**	**97,413,042**	**97,413,042**

Closing Balance	**30 Sept, 2014 US ($)**	**30 Sept, 2013 US ($)**	**31 Mar,2014 US ($)**
Cost	97,604,488	95,785,481	100,056,781
Accumulated amortization	(12,838,498)	(11,780,682)	(12,711,007)
Net carrying amount	**84,765,990**	**84,004,799**	**87,345,774**

5. Loans & Advances

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Non Current - Loans and Advances			
Loans to staff	6,841	8,247	9,993
Sundry deposit	41,538	35,673	42,557
	48,379	**43,920**	**52,550**
Current - Loans and Advances			
Advance recoverable in cash or kind or for value to be received	215,953	164,605	287,446
Loans to staff	2,560	2,474	3,250
Advance tax including Tax Deducted at Source	725,233	562,637	656,940
Related Parties -			
- Advance recoverable in cash or kind or for value to be received	9,653	10,792	7,299
			954,935
	953,399	**740,508**	

The carrying values of loans and advances are representative of their fair values at respective balance sheet dates. The loans and advances having a maturity period of more than a year are classified as noncurrent assets and those that have an original maturity period of 1 year or less are classified as current assets.

6. Inventories

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Electronic Cards and 'On Board Units'	71,722	12,761	31,942
Consumables	25,503	26,290	28,931
	97,225	**39,051**	**60,873**

Electronic cards are prepaid smart cards with an inbuilt sensor which record passages through toll road. On Board Units (machines) are installations in customer cars which facilitate an uninterrupted drive through the toll plaza. Consumables are the item which facilitates uninterrupted running of toll plaza.

7. Trade Receivables

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Non Current	-	-	-
Current	350,039	293,261	214,790
	350,039	**293,261**	**214,790**

Trade receivable pertains to advertising and other revenues. Trade Receivables having maturity period more than one year has been classified as Non Current receivables and are interest bearing.

Current receivables are non-interest bearing and are generally on 30-60 day's terms. The carrying values of these receivables are representative of their fair values at respective balance sheet dates.

8. Available-for-Sale Investments

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Reliance Dynamic Bond Fund-Growth Plan	-	734,897	-
SBI Premier Liquid Fund- Regular Plan-Growth	-	988,987	-
UTI Treasury Advantage Fund-Institutional Plan (Growth Option)	2,286,764	5,404,799	-
SBI -Short Term Fund-Institutional Plan-Growth	-	-	668,389
LIC NOMURA MF Liquid Fund- Growth Plan	342,569	-	
			339,071
	2,629,333	**7,128,683**	**1,007,460**

Available-for-sale investments are being carried at fair values at respective balance sheet dates.

9. Cash and cash equivalents

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Cash in Hand	81,694	155,438	117,742
Cash at Bank (Current Accounts)	451,508	155,680	286,702
Cash at Bank (Deposit)	-	-	1,164,725
	533,202	**311,118**	**1,569,169**
Other Bank Balances			
Unclaimed dividend	129,026	57,693	229,581
Unpaid dividend	3,022,155	2,965,833	-
	3,151,181	**3,023,526**	229,581
	3,684,383	**3,334,644**	**1,798,750**

The carrying value of cash and current account balances in banks are representative of fair values at respective balance sheet dates

10. Issued Capital

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Authorised			
Ordinary Shares of INR 10 each	46,476,127	46,476,127	46,476,127
	46,476,127	**46,476,127**	**46,476,127**

Issued and fully paid

	30 Sept, 2014	30 Sept, 2013	31 Mar,2014
Number	186,195,002	186,195,002	186,195,002
Value US($)	42,419,007	42,419,007	42,419,007

*Includes 45,075 equity shares represented by 9,015 GDRs (30 September 2013: 45,075 equity shares represented by 9,015 GDRs & 31 March 2014: 45,075 equity shares represented by 9,015 GDRs) (Each GDR representing 5 ordinary shares of Rs. 10 each)

Share Option Scheme

NTBCL has two Employee Stock Option Plans (ESOP 2004, E3SOP 2005). Under ESOP 2004 options to subscribe for the Company's shares have been granted to directors, senior executive and general employees. All Stock Options granted in the past have been exercised, allotted or have lapsed. Under ESOP 2005 no options have been granted upto the date of financial statement.

11. Reserves

Nature and purpose of other reserves

Securities Premium Account

The Securities Premium Account is used to record the value difference between issue price of GDRs and the face value of the inherent equity shares and the value of the stock option upon exercise by the employee. Transfers are made from the Stock Option Account. Under the Indian Companies Act, 1956 such reserve has restricted usage.

Debenture Redemption Reserve

Debenture Redemption Reserve (DRR) has been created for redemption of Deep Discount Bonds (DDBs) by transferring an amount equal to the amount apportioned from the profit for the year computed under Indian GAAP. Under the Indian Companies Act, 1956 such reserve has restricted usage.

General Reserve

The General Reserve is used to account for the value of stock options that lapse after the vesting period.

Effect of Currency Translation Reserve

The currency translation reserve is used to record exchange differences arising from the translation of the financial statements from the functional currency Indian Rupees to the presentation currency of US$ for reporting purposes.

Net Unrealised Gains Reserve

This reserve records fair value changes on available-for-sale investments.

12. Interest-bearing Loans and Borrowings

	Effective Interest Rate %	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Non Current				
Deep Discount Bonds (Net of transaction cost)	*	3,332,257	3,013,968	3,276,354
Related Party -				
- Term Loan	**	-	1,137,673	404,981
		3,332,257	**4,151,641**	**3,681,335**
Current				
Term Loan From Financial Institutions	***	-	1,489,957	-
Related Party			-	
- Term Loan	**	1,245,972	3,710,460	1,316,556
		1,245,972	**5,200,417**	**1,316,556**

* Refer Note on Deep Discount Bonds

** Refer Note on Term Loan from Related Party

*** Refer to Note on Term Loan from Financial Institutions & Others.

Debt Restructuring

During the initial years of commencing operations, actual cash inflows were significantly lower than anticipated as toll traffic/ revenue did not meet the levels anticipated in the projections, resulting in the Group's inability to comply with certain financial covenants stipulated in the original borrowing agreements with its lenders. The cash flow situation also impacted the Group's ability to complete the links to augment traffic and to continue servicing its then repayment schedule for debt obligation. The Group, decided to rationalise its debt structure and commenced negotiations with lenders to restructure the debt, in particular, the interest rate, in order to align its debt servicing requirements more closely to its available cash flows.

At a meeting of the Senior Lenders of NTBCL on 26 March 2002, the Lenders approved the formation of a Debt Restructuring Committee, as per the Reserve Bank of India Guidelines comprising of the Industrial Development Bank of India (IDBI), State Bank of India (SBI) and the IL&FS for finalization of the restructuring proposal within 30 days of the meeting.

An application was filed on 23 July 2002 for the restructuring of the debts of the company under the Corporate Debt Restructuring (CDR) mechanism. On 6 January 2003, the Company received communication from the CDR Cell approving the proposed restructuring programme at the CDR Empowered Group Meeting on 29th October 2002. On approval, the CDR scheme became effective from 1 April 2002.

The above restructuring covered the term loans from financial institutions, banks and others.

For Deep Discount Bond Holders, who were not within the above restructuring arrangement, the Group, with the consent of the requisite majority of the secured creditors applied for and filed a petition in the Allahabad High Court for approval of a restructuring proposal. The restructuring arrangement was sanctioned by the Court on 24 October 2005.

Deep Discount Bonds

NTBCL issued Deep Discount Bonds (DDBs) of US $ 11,504,832 (100,000 DDB of US $ 115.05 each) on 3rd November 1999 with redemption value US $ 1035.43 at the end of 16th year with an average annualised yield of 14.67%. Nominal Value and Issue Amount were at par.

In accordance with the terms of restructuring scheme of Deep Discount Bonds, the outstanding 10,815 DDBs (Net of repayments made) would mature on 3rd November 2015 and maturity value of the bond as per the revised terms would be US $ 336.22 each. However, NTBCL would have the right to call/ purchase DDBs from the holders at any time after effective date of 24th November 2005 as defined in the scheme with interest calculated @ 13.70% per annum till 31 March 2002 and at 8.5% per annum thereafter up to the date of the payment.

Term Loan from Financial Institutions and Others

As per the restructuring of term loans, fifty percent of the outstanding loan i.e. US$ 10,817,895 has been retained as term loan carrying interest of 12.5% per annum and the same is repayable by 2010 - 2014. The effective rate of interest, considering the overall repayment schedule, work out to 8.5% per annum. The company has prepaid term loan of US$ 6,444,754 to the financial institutions and others out of the proceeds of GDR issue and currently serving the balances as per terms of agreement.

Infrastructure Development Finance Company Limited (IDFC) has converted US$ 12,701,026 being the value of DDBs purchased by them under the scheme of restructuring of DDBs into the term loan. The term loan is repayable during 2010-14. The loan carries interest at the rate of 8.5% per annum payable quarterly on 31 March, 30 June, 30 September and 31 December every year. The Company had prepaid term loan of US$ 7,905,077 to IDFC out of proceeds of the GDR issue and balance has since been repaid.

Term Loan from IL&FS

NTBCL on 29th March 2005, took financial assistance of US$ 8,000,000 from IL&FS to repay certain amounts to the existing lenders, which had fallen due on 31 March 2005. Interest on the loan is stepping up in certain years and there is terminal interest to be paid. The loan alongwith terminal interest was repayable by 31 March 2017 as per the agreed payment schedule. By virtue of an amendment in the agreement the repayment of the principal amount and the terminal interest has been changed and entire sum is to be repaid by July, 2015. However the effective rate of interest remains to be 12.48% per annum.
The carrying values of all interest bearing loans and borrowings are representative of their fair values at respective balance sheet dates. The interest bearing loans & borrowings having a maturity period of more than a year are classified as non current liabilities and those that have an original maturity period of 1 year or less are classified as current liabilities.

All interest bearing loans and borrowings are secured by a charge on all tangible and intangible assets of the Group. However the Group has recognised the right to receive toll income as an intangible asset at fair value of construction services rendered to the grantor in compliance with IFRIC 12 *Service Concession Arrangement*. The charge on Delhi Noida Toll Bridge (Project Assets) created in favor of lenders for interest bearing loans and borrowings continue to remain against project assets now classified as intangible asset.

13. Provisions

Provision for Resurfacing Expenses (Non Current)

(Non Current)	**30 Sept, 2014 US ($)**	**30Sept,2013 US ($)**	**31 Mar,2014 US ($)**
Opening Balance	132,157	52,843	52,843
Accretion During the period (Note 15)	125,340	56,288	83,777
Exchange difference on Translation	(6,128)	(10,352)	(4,463)
Closing Balance	**251,369**	**98,779**	**132,157**

(Current)	**30 Sept, 2014 US ($)**	**30 Sept, 2013 US ($)**	**31 Mar,2014 US ($)**
Opening Balance	2,342,833	2,776,039	2,776,039
Adjustment	-	-	-
Utilised During the period	(2,054,782)	(73,650)	(1,071,425)
Accretion During the period (Note 15)	160,877	666,586	903,086
Exchange difference on Translation	(13,770)	(405,655)	(264,867)
Closing Balance	**435,158**	**2,963,320**	**2,342,833**

Provision for Resurfacing: The Group has a contractual obligation to maintain, replace or restore infrastructure, except for any enhancement element. Cost of such obligation is measured at best estimate of expenditure required to settle the obligation at balance sheet date and recognized over the period at end of which the overlay is estimated to carried out. Major outlay activities have been completed and next major overlay is expected to be carried out in F.Y. 2017-18 and 2018-19. Further expenses on account of Road Safety are expected to be incurred in current year.

Provision for Holiday Pay

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Opening Balance	91,777	87,487	87,487
Utilised during the period	(6,615)	(5,879)	(6,535)
Provided during the period	25,438	21,869	19,054
Exchange difference on Translation	(2,683)	(12,627)	(8,229)
Closing Balance	**107,917**	**90,850**	**91,777**

Provision for Holiday Pay: The Group has computed the provision for holiday pay based on outstanding leave balance as at the year end.

Provision for performance Related Pay

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Opening Balance	120,589	136,319	136,319
Utilised during the period	(111,399)	(74,681)	(113,087)
Written Back during the year	(9,010)	(9,687)	(9,465)
Provided during the period	76,739	72,729	119,792
Exchange difference on Translation	(1,948)	(17,538)	(12,970)
Closing Balance	**74,971**	**107,142**	**120,589**

Provision for Employees Benefit

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Opening Balance	4,163	5,374	5,374
Utilised during the period	(4,157)	(4,945)	(4,832)
Provided during the period	(6,484)	4,045	4,135
Exchange difference on translation	145	(665)	(514)
Closing Balance	**(6,333)**	**3,809**	**4,163**

Provision for Litigation

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Opening Balance	1,319,730	1,238,428	1,238,427
Provided during the period	102,030	94,484	197,648
Exchange difference on translation	(34,698)	(171,030)	(116,345)
Closing Balance	**1,387,062**	**1,161,882**	**1,319,730**

Note:

1. The group has acquired the land on Delhi side for the construction of Bridge from the Government of Delhi and DDA and the amount paid has been considered as a part of the project cost. However pending final settlement of the dues the company had estimated the cost of US$ 0.47 million and provided for. The actual settlement may result in possible but not probable obligation to the extent of additional US$ 0.47 million based on management estimates.

2. The Company had applied for and was granted renewal of permission from Municipal Corporation of Delhi (MCD) to display advertisements for a period of five years w.e.f 1.8.2009 subject to payment of monthly license fee @ US$ 1.83 per sq.ft. of the total display area or 25% of the gross revenue generated out of display whichever was higher. The Company has been sharing 25% of the revenue with MCD since inception. The Company contested the aforesaid imposition @ US$ 1.83 on the ground that same was not permitted by the 2008 Outdoor Advertisement policy. The MCD, however cancelled the permission vide Order dated 10.05.2010 for nonpayment @ US$ 1.83. The Company filed a Writ Petition before the Hon'ble Delhi High Court for quashing of the aforesaid Order.
After hearing the submissions of the Company, the Hon'ble Court vide order dated 25.05.2010 stayed the operation of the impungned order subject to NTBCL depositing 50% of the arrears of License fee to be calculated @ US$ 1.83 per sqft of the display and continuing to deposit license fee at the said rate every month till the final disposal of the Writ Petition.

Though the matter is sub judice, company as an abundant caution, has decided to provide for license fee as demanded by MCD in full. Necessary adjustment, if any, would be made on disposal of writ petition.

14. Deferred Income Tax

Balance Sheet

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Deferred Income Tax Liabilities			
Property, Plant & Equipment & Intangible Asset	(11,307,453)	(10,840,418)	(11,476,712)
Fair Value Change on Recognition of Intangible Asset	(7,485,551)	(7,346,046)	(7,673,624)
Deferred Income Tax Assets			
MAT Credit	9,564,291	6,419,115	8,372,906
Losses available for offset against future taxable income	-	1,795,020	-
Borrowing Cost	147,658	273,675	302,372
Operation & Maintenance Expense	187,767	1,034,474	796,448
Net Deferred Tax Liability	**8,893,292**	**8,664,180**	**9,678,612**

Income Statement

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Deferred Income Tax Liabilities			
Property, Plant & Equipment and Intangible Asset	(114,666)	(144,821)	(293,378)
Deferred Income Tax Assets			
MAT Credit	1,429,544	1,275,714	2,902,925

Difference in amortisation of Preliminary Expenses	-	-	-
Losses available for offset against future taxable income	-	(1,569,693)	(3,396,297)
Operation & Maintenance Expense	(603,062)	(250,053)	(526,585)
Borrowing Cost	(150,778)	(145,503)	(125,776)
Deferred Tax Expense/Income during the period	**561,038**	**(834,356)**	**(1,439,110)**

Reconciliation of Tax Expense:

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Accounting Profit before tax	6,780,578	6,016,411	13,177,822
Enacted Tax rates in India	33.99%	33.99%	33.99%
Computed enacted tax expenses	**2,304,718**	**2,044,978**	**4,479,142**
Effect of non taxable income	(1,445,238)	(19,625)	(38,833)
Effect of non-deductible expenses	96	173	237
Tax reversals	8,927	84,544	(95,313)
Total Tax Expenses	**868,503**	**2,110,070**	**4,345,233**

Reconciliation of Deferred Tax Liability	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Opening Balance	9,678,611	9,093,921	9,093,922
Deferred Tax Expense/Income during the period	(561,038)	834,356	1,439,110
Exchange difference on Translation	(224,283)	(1,264,099)	(854,421)
Closing Balance	**8,893,290**	**8,664,178**	**(9,678,611)**

15. Trade and Other Payables

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Non- Current			
Deposit from Customers	534,375	514,621	546,892
	534,375	**514,621**	**546,892**
Current			
Trade Payables	99,903	47,950	84,285
Interest accrued but not due	-	2,393	-
Dividend Payable	2,225,288	2,183,816	-
Other Liabilities*	2,413,585	2,174,810	2,077,225
Related Parties			
- Interest accrued but not due	50,861	99,827	-
- Dividend Payable	796,868	782,017	-
- trade Payable	18,460	24,161	-
	5,604,965	**5,314,974**	**2,161,510**

The carrying values of all trade creditors and other payable are representative of their fair values at respective balance sheet dates. All the trade creditors and other payables have an original maturity period of 1 year or less are classified as current liabilities.

Trade Creditors are non-interest bearing and are normally settled on 60 day terms.

* Other Liabilities primarily include amount payable to creditors for capital items, accruals for general day to day expenses, advance payments from customers. All other liabilities are non-interest bearing and are normally settled on 60 day terms.

16. Operating and Administrative Expenses

Operating Expenses

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Consumption of Prepaid Cards and On Board Units	35,079	36,499	73,055
Repairs and Maintenance	278,241	206,335	433,771
Provision for Resurfacing(Note 13)	286,217	722,875	986,863
Electricity Charges	160,076	147,957	296,160
	759,613	**1,113,666**	**1,789,849**

Administrative Expenses

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Employee Benefit Expense (Note 18(a))	755,617	706,767	1,339,316
Rates and taxes	535,526	707,940	1,241,623
Insurance	48,490	50,396	97,337
Loss on sale of fixed asset	112	-	857
Professional Charges	169,550	210,118	406,428
Audit Fees	28,485	29,005	49,140
Directors Sitting Fees & Commission	84,482	53,460	118,347
Travelling and Conveyance	43,699	42,770	82,111
Other Administrative Expenses	272,794	128,189	239,834
	1,938,755	**1,928,645**	**3,574,993**

17. Finance Charges

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)

Interest on Deep Discount Bonds	139,418	130,843	254,976
Interest on Term Loans	92,350	542,484	833,526
Other Finance Charges	7,395	8,526	25,425
	239,163	**681,853**	**1,113,927**

18. Earning Per Share

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.
Diluted earnings per share are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earning per share computations:

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Net Profit/(Loss) attributable to equity share holders	5,954,132	3,943,265	8,900,991
	30 Sept, 2014	**30 Sept, 2013**	**31 Mar,2014**
Weighted average number of ordinary shares for basic / diluted earning per share	186,195,002	186,195,002	186,195,002

Share Options

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

19. Employee Benefits

(a) Emloyee Benefits Expenses

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Salaries and Allowances	694,160	638,830	1,229,724
Pension Cost	6,277	6,222	12,185
Post-employment benefits other than pensions			
- Provident Fund	40,086	38,687	73,711
- Gratuity	15,094	23,028	23,696
	755,617	**706,767**	**1,339,316**

(b) Pension and other post-employment benefit plans

The Group has three post employment funded benefit plans, namely gratuity, superannuation and provident fund.

In case of NTBCL gratuity is computed as 30 days salary, for every completed year of service or part there of in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employee completing 3 years of service. The Gratuity plan for the NTBCL is a defined benefit scheme where annual contributions as demanded by the insurer are deposited to a Gratuity Trust Fund established to provide gratuity benefits. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Group makes provision of such gratuity asset/ liability in the books of accounts on the basis of actuarial valuation.

In case of ITMSL gratuity is computed as 15 days salary, for every completed year of service or part there of in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employee completing 5 years of service. The Gratuity plan for the ITMSL is a defined benefit scheme. The company makes provision of such gratuity assets / liabilities in the books of account on the basis of actuarial valuation.

The Superannuation (pension) plan for the NTBCL is a defined contribution scheme where annual contribution as determined by the management (Maximum limit being 15% of salary) is paid to a Superannuation Trust Fund established to provide pension benefits. The benefits vests on employee completing 5 years of service. The management has the authority to waive or reduce this vesting condition. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. These contributions will accumulate at the rate to be determined by the insurer as at the close of each financial year. At the time of exit of employee, accumulated contribution will be utilised to buy pension annuity from an insurance company. ITMSL do not provide Superannuation benefits to its employees.

The Provident Fund is a defined contribution scheme whereby the Group deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment.

The following table summarises the components of net expense recognised in the income statement and amounts recognised in the balance sheet for gratuity.

Net Benefit expense	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Current service cost	10,945	9,793	19,428
Interest cost on benefit obligation	6,463	5,402	10,556
Expected return on plan assets	(6,098)	(4,880)	(11,620)
Net actuarial(gain)/loss recognized in year	3,784	12,713	5,332
Expenses for the period	**15,094**	**23,028**	**23,696**

Benefit asset	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Defined benefit obligation	(169,784)	(142,288)	(156,914)
Fair value of plan assets	186,173	167,026	187,911
Benefit asset	**16,389**	**24,738**	**30,997**

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

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Opening defined benefit obligation	156,914	142,328	142,328
Interest cost	6,463	5,402	10,556

Exchange difference on translation	(4,239)	(20,199)	(13,336)
Current service cost	10,945	9,793	19,428
Benefits paid	(7,480)	(4,785)	(7,688)
Actuarial (gains)/losses on obligation	7,181	9,749	5,626
Closing defined benefit obligation	**169,784**	**142,288**	**156,914**

Changes in the fair value of plan assets are as follows:

	30 Sept, 2014 US ($)	30 Sept, 2013 US ($)	31 Mar,2014 US ($)
Opening fair value of plan assets	187,911	172,323	172,323
Expected return	6,098	4,879	11,620
Exchange difference on translation	(4,672)	(24,130)	(16,161)
Contributions	-	16,918	19,835
Benefits paid	(6,561)	-	-
Actuarial gains/(losses) on fund	3,397	(2,964)	294
Closing fair value of plan assets	**186,173**	**167,026**	**187,911**

The plan asset consists of a scheme of insurance taken by the Trust, which is a qualifying insurance policy. Break down of individual investments that comprise the total plan assets is not supplied by the Insurer.

The principal assumptions used in determining pension and post-employment benefit obligations for the Group's plans are shown below:

	30 Sept, 2014	30 Sept, 2013	31 Mar,2014
Discount rate	8.25	8.25	8.25
Future salary increases	6.50	6.00	6.00
Rate of interest	6.50	5.00	5.00

The estimates of future salary increases considered in the actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market

20. Translation to Presentation Currency

The Group has converted Indian Rupees balances to US$ equivalent balances on the following basis:

For conversion of all assets and liabilities, other than equity, as at the reporting dates, the exchange rates prevailing as at the reporting date have been used, which are as follows:

As at 30 September 2014 :	US$ 1 =Rs.61.61
As at 30 September 2013	US$1 = Rs.62.78
As at 31 March 2014:	US$ 1 = Rs.60.10

For conversion of all expenses and income for the respective periods, Periodic average exchange rates have been used, which are as follows:

For the half year ended 30 September 2014:	US$ 1 = Rs. 60.19
For the half year ended 30 September 2013:	US$ 1 = Rs. 59.11
For the year ended 31 March 2014:	US$ 1 = Rs. 60.50

For conversion of issued share capital, historical exchange rates prevailing on the respective dates of issue of shares have been taken into consideration.

For conversion of authorised share capital, historical exchange rates prevailing on the respective dates of authorisation of such share capital have been taken into consideration.

For cash flow purpose, opening and closing cash and cash equivalents have been converted into presentation currency using year end conversion rates for the respective years.

21. Contingent Liabilities:

a) Based on environment and social assessment, compensation for rehabilitation and resettlement of project effected person has been estimated and considered as part of the project cost and provided for based on estimates made by the Company.

b) A public Interest litigation has been filed in Allahabad High Court to make the project toll free to general public.

22.**Capital commitment**

	30 Sept, 2014 US ($)./million	30 Sept, 2013 US ($)./million	31 March, 2014 US ($)./million
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil	Nil

23. Pending execution of contract with SMS AAMW Tollways Private Limited, service charges @3% (as per MCD directives) of MCD toll has been recognized for collecting MCD toll tax on their behalf by ITMSL. Necessary adjustment, if any, will be recognized on finalization of contract.

24. Related Party Disclosure

The consolidated financial statements include the financial statements of Noida Toll Bridge Company Limited and the subsidiary listed in the following table.

Name	Country of incorporation	% equity interest 30 Sept, 2014	30 Sept, 2013	31 Mar, 2014
ITNL Toll Management Services Limited	India	51%	51%	51%

The Group has following related parties with whom Group made transaction during the relevant period:

(a) Shareholder having significant influence

The following shareholder, which are also the Promoter of the Group has had a significant influence in the periods under review:
- Infrastructure Leasing & Financial Services Limited
- IL&FS Transportation Network Limited

(b) Associate entities of shareholders having significant influence

-IL&FS Education & Technology Services Limited

-IL&FS Environment Infrastructure & Services Limited
-IL&FS Trust Company Limited
-IL&FS Security Services Limited
-IL&FS Financial Services Limited
-Badarpur Tollway Operations Management Limited

Key Managerial Personnel

30 Sept, 2014	30 Sept, 2013	31 Mar, 2014
Executive Director	**Executive Director**	**Executive Director**
Mr. Harish Mathur	Mr. Harish Mathur	Mr. Harish Mathur
Non Executive Directors	**Non Executive Directors**	**Non Executive Directors**
Mr Arun K Saha	Mr Arun K Saha	Mr Arun K Saha
Mr Deepak Prem Narayan	Mr Deepak Prem Narayan	Mr Deepak Prem Narayan
Mr K Ramchand	Mr K Ramchand	Mr K Ramchand
Mr Piyush G Mankand	Mr Piyush G Mankand	Mr Piyush G Mankand
Mr R K Bhargava	Mr R K Bhargava	Mr R K Bhargava
Mr. Sanat Kaul	Mr. Sanat Kaul	Mr. Sanat Kaul
(d) Chief Executive Officer and Key Managers		
Mr Harish Mathur (CEO)	Mr Harish Mathur (CEO)	Mr Harish Mathur (CEO)

(e)Other related Parties

The following employee benefit funds have been related parties in all periods under review
- Noida Toll Bridge Company Limited Employees Group Gratuity Fund.
- Noida Toll Bridge Company Limited Employees Superannuation Fund.

(i)The following table provides the total amount of transactions which have been entered into with related parties for the relevant financial year:

(a) Shareholders having significant influence

Transaction/outstanding balances	**30 Sept, 2014 US ($)**	**30 Sept, 2013 US ($)**	**31 Mar,2014 US ($)**
Reimbursement of expenses (including reimbursement on account of deputation of key managerial personnel*)	52,786	51,235	101,796
Dividend	815,667	830,570	2,028,719
Interest expenses	92,350	403,866	642,529
Amount owed to	1,315,293	4,872,294	1,721,537
Amount receivable	9,653	12,492	7,299

(b) Associate entities of shareholders having significant influence

Transaction/outstanding balances	**30 Sept, 2014 US ($)**	**30 Sept, 2013 US ($)**	**31 Mar,2014 US ($)**
Rent Income	198,571	224,531	380,826
Service Income	-	13,412	15,381
Professional Services	2,778	8,022	10,743
Miscellaneous Income	2,513	5350	15,682
Amount receivable	2,455	124,435	9,154
Amount Payable	1,246	154	-
Assets Transferred	167	-	-

(c) Key management Persons-Directors

Transaction/outstanding balances	**30 Sept, 2014 US ($)**	**30 Sept, 2013 US ($)**	**31 Mar,2014 US ($)**
Sitting fees paid	37,881	19,625	43,967
Directors Commission	46,602	33,835	74,380

(d) Other Related Parties.

Transaction/outstanding balances	**30 Sept, 2014 US ($)**	**30 Sept, 2013 US ($)**	**31 Mar,2014 US ($)**
Contribution to employees post employment benefit fund	21,371	29,250	35,881

(ii) Compensation to key management personnel of the Group:

	30 Sept, 2014 US ($)	**30 Sept, 2013 US ($)**	**31 Mar,2014 US ($)**
Sitting fees	7,642	3,384	8,678

Other Compensation*	-	-	-
Total compensation	**7,642**	**3,384**	**8,678**

* Deputation expenses reimbursed (refer note a above)

Terms and conditions of transactions with related parties:

The transactions with Infrastructure Leasing and Financial services Limited are made at normal market prices. Amount owed to on account of loan are secured and settlement occurs in cash.

There were few transactions during the year between the company and its subsidiary undertakings, which are eliminated on consolidation and therefore not disclosed.

25. Financial Risk Management Objectives and Policies

The Group's financial risk management objectives and policies are aimed at procuring funding for the construction of the bridge and additional links and to provide working capital to operate the bridge. The Group manages its financial risk by securing cost effective funding for the Group's operations and minimizing the adverse effects of fluctuations in the financial markets on the value of the Group's financial assets and liabilities, on reported profitability and on the cash flows of the Group. The principal financial instruments comprise deep discount bonds, term loans from banks and other financial institutions, current accounts with banks and cash and short-term investments. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risk arising from the Group's financial instruments are cash flow interest rate risk, liquidity risk and credit risk. The board reviews and agrees policies for managing these risks as summarised below.

Cash flow interest rate risk

The Group's exposure to the risk for changes in market interest rates relates primarily to the Group's long term debt obligations. The Group's policy is to manage its interest cost using only fixed rate debts or step up rates with fixed period for related party debts.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of term loans with banks and other financial institutions, and other loan instruments. The Group has in the past undertaken necessary restructuring of its loans and obligations to ensure its ability to service interest and debt repayments effectively.

Credit risk

The Group trades only with recognised creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents, loans and advances and available-for-sale financial assets, the Group's exposure to credit risk arises from default of the counterparty, with maximum exposure equal to the carrying amount of these instruments.

Since the Group trades only with recognised third parties, there is no requirement for collateral. However wherever management feels adequate, obtain collateral in the form of bank guarantees or security deposits from the third parties.

26. Financial Instruments

Fair Values

The carrying value of all financial assets and liabilities are representatives of their fair values at respective balance sheet date. The carrying value of the fixed rate debts of the Group are considered to be equal to their fair value following debt restructuring, which resulted in a reduction of the effective interest rate of all debt (Note 12).

Interest Rate Risk

The following table set out the carrying amount, by maturity, of the Group's financial instruments that are exposed to interest rate risk:

As at 30th September, 2014: (in US($))	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Total
Assets						
Loans to staff	2,560	2,624	2,518	1,356	343	9,401
Borrowings						
Deep Discount Bonds	-	3,332,257	-	-	-	3,332,257
Term Loan from Others	1,245,972	-	-	-	-	1,245,972

As at 30th September, 2013: (in US($))	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Total
Assets						
Loans to staff	2,474	2,537	2,601	2,440	669	10,721
Borrowings						
Deep Discount Bonds	-	-	3,013,968	-	-	3,013,968
Term Loan from Financial Institutions	1,489,957	-	-	-	-	1,489,957
Term Loan from Others	3,710,460	1,137,673	-	-	-	4,848,133

As at 31st March, 2014: (in US($))	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Total

Assets						
Loans to staff	3,250	3,332	3,416	2,194	1,051	**13,243**
Borrowings						
Deep Discount Bonds	-	3,276,354	-	-	-	**3,276,354**
Term Loan from Others	1,316,556	404,981	-	-	-	**1,721,537**

Interest on financial instruments classified as fixed rate is fixed until the maturity of the instrument. The other financial instruments of the Group that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk. There are no instruments at floating rates of interest.

Credit risk

There are no significant concentrations of credit risk within the Group

27. Fair Value Measurement

The following table provides the fair value measurement hierarchy of the company's asset as of September 30, 2014

			Fair Value Measurement using		
Asset measured at fair value	Date of valuation	Total	Quoted Price in active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Intangible Asset	September 30, 2014	84,765,990	-	-	84,765,990
Available for sale Investment	September 30, 2014	2,629,333	2,629,333	-	-

There have been no transfers between Level 1 and Level 2 during the period.

Management determined that the intangible assets constitute one class of asset under IFRIC 12, based on the nature, characteristics and risk of the asset.

28. Segment Reporting

The Concession Agreement with NOIDA confers certain economic rights to the Group. These include rights to charge toll and earn advertisement revenue, development income and other economic rights. The income stream of the Group comprises of toll income and advertising income for the period for which IFRS compliant financial statements of the Group have been prepared.

Both these rights are directly or indirectly linked to traffic on the Delhi Noida Toll Bridge and are broadly subject to similar risks. Toll revenue is fully variable while license fee from advertisement is fixed to a certain extent. The operating risk in both the cases is similar and the expenses cannot be segregated as the Company does not have separate departments for the management of each activity. The Management Information System also does not capture both activities separately. As both emanate from the same Concession Agreement and together form a part of the Return as specified in the Concession Agreement, the Group does not have different business reporting segments.

Similarly, the Group operates under a single geographical segment.

29. Salient aspects of Service Concession Arrangement

NOIDA has irrevocably granted to NTBCL the exclusive right and authority during the concession period to develop, establish, finance, design, construct, operate, and maintain the Delhi Noida Toll Bridge as an infrastructure facility.

NOIDA has further granted the exclusive right and authority during the concession period in accordance with the terms and conditions of the agreement to:

Enjoy complete and uninterrupted possession and control of the lands identified constituting the Delhi Noida Toll Bridge site.

Own all or any part of the project assets.

Determine, demand, collect, retain and appropriate a Fee from users of the Delhi Noida Toll Bridge and apply the same in order to recover the Total Cost of Project and the Returns thereon.

Restrict the use of the Delhi Noida Toll Bridge by pedestrians, cycle Rickshaws etc from the Delhi Noida Toll Bridge.

Develop, establish, finance, design, construct, operate, maintain and use any facilities to generate development income arising out of the Development Rights that may be granted in accordance with the provisions of the Concession agreement.

Appoint subcontractors or agents on Company's behalf to assist it in fulfilling its obligations under the agreement.

SIGNIFICANT TERMS OF THE ARRANGEMENT THAT MAY AFFECT THE AMOUNT, TIMING AND CERTAINTY OF FUTURE CASH FLOW

Concession Period

The Concession Period shall commence on 30 December 1998 (the Effective Date) and shall extend until the earlier of:
A period of 30 years from the Effective Date;
The date on which the Concessionaire shall recover the total cost of the project and the returns as determined by the independent auditor and the independent engineer through the demand and collection of fee, the receipt, retention and appropriation of development income and any other method as determined by the parties.
In the event of NTBCL not recovering the total project cost and the returns thereon within the specified time the Concession Period shall be extended by NOIDA for a period of 2 years at a time until the total project cost and the returns thereon have not been recovered by the Concessionaire.

Return

Return means the designated return on the Total Cost of the project recoverable by the concessionaire from the effective date at the rate of 20 % per annum.

Independent Auditor

An Independent Auditor shall be appointed for the entire term of the Concession Agreement. The Independent Auditor shall approve the format for the maintenance of accounts, the accounting standards and the method of cost accounting to be followed by the Concessionaire. The Independent Auditor shall audit, on a quarterly basis the Concessionaire's accounts.

The Independent Auditor shall also certify the Total Cost of Project outstanding and compute the returns thereon from time to time on a per annum basis.

Fees

The Concession Agreement had determined the Base Fee Rates which have been determined and set according to 1996 figures and shall be revised to determine the initial fee to be applied to the users of the project on the Project Commissioning Date (the "Initial Fee Rate"). The following are the Base Fee Rates:

Vehicle Type	One Way Fee in INR
Earth moving / construction vehicle	30
For each additional axle beyond 2 axle	10
Truck - 2 axles	20
Bus - 2 axles	30
Light Commercial Vehicle	20
Cars and other four wheelers	10
Three wheelers	10
Two wheelers	5
Non-motorised vehicles	-

The Initial Fee Rate shall be determined strictly in accordance with the increase in the CPI, based upon the Base Fee Rates as determined in the Concession Agreement and shall be revised in accordance with the following formula:

IFR = CPI (I)*Base Fee Rate/CPI (B)

Where

IFR = Initial Fee Rate

CPI (I) = Consumer Price Index for the month previous to the month of setting the Initial Fee Rate

CPI (B) = Consumer Price Index of the month in which this Agreement is entered into

The Fee Rates are to be revised annually by the Fee Review Committee. Fee rates are revised as per the following formula:

RFR = CPI (R) * IFR / CPI (I)

where

RFR = Revised Fee Rate

CPI (R) = Consumer Price Index for the month previous to the month in which the revision is taking place

CPI (I) = Consumer Price Index for the month previous to the month of setting the initial fee rate

IFR = Initial Fee Rate

Fee Review Committee

A Fee Review Committee was established which comprised of one representative each of NOIDA, the Concessionaire and a duly qualified person appointed by the representatives of NOIDA and Concessionaire who shall also be the Chairman of the Committee. The Fee Review Committee shall

review the need for a revision to existing rates of Fee upon occurrence of unexpected circumstances;
review the formula for revision of fees

Cost of Project and calculations of return

The total project cost shall be the aggregate of:
Project Cost
Major Maintenance Expenses
Shortfalls in recovery of Returns in a specific financial year

The Project Cost had to be determined on the Project Commissioning date by the Independent Auditor with the assistance of the Independent Engineer.

The amounts available for appropriation by NTBCL for the purpose of recovering the total project cost and the returns thereon shall be calculated at annual intervals from the Effective Date in the following manner:

Gross revenues from Fee collections, income from advertising and development income
Less: O&M expenses
Less: Taxes (excluding any customs or import duties)

Major Maintenance Expenses

'Major Maintenance Expenses' refer to all expenses incurred by NTBCL for any overhaul of, or major maintenance procedure for, the Delhi Noida Toll Bridge or any portion thereof that require significant disassembly or shutdown the Delhi Noida Toll Bridge including those teardowns overhauls, capital improvements and replacements to major component thereof), which are (i) to be conducted upon the passage of the number of million standard axels or (ii) not regularly schedule. The Independent Engineer shall determine the necessity, of conducting the major maintenance and certify that the work has been executed in accordance with specifications.

TRANSFER OF THE PROJECT UPON TERMINATION OF CONCESSION PERIOD

On the transfer date, NTBCL shall transfer and assign the project assets to NOIDA or its nominated agency and shall also deliver to NOIDA on such dates such operating manuals, plans, design drawings and other information as may reasonably be required by NOIDA to enable it to continue the operation of the bridge.

On the transfer date, the bridge shall be in fair condition subject to normal wear and tear having regard for the nature of asset, construction and life of the bridge as determined by the Independent Engineer. NTBCL shall ensure that on the transfer date, the bridge is in the condition so as to operate at the full rated capacity and the surface riding quality of the bridge will have a minimum performance level of 3000 - 3500 mm per Km when measured by bump integrator.

The asset shall be transferred to NOIDA for a sum Rs. 1/-. NOIDA shall be responsible for the cost and expenses in connection with the transfer of the asset.

OTHER OBLIGATIONS DURING THE CONTRACT TERM

Major Repairs and Unscheduled Maintenance

NTBCL shall inform the Independent Engineer when the work is necessary and use materials that allow for rapid return to normal service and organise work cruise to minimise disruptions. The Independent Engineer to approve work prior to commencement and after repairs are completed Independent Engineer shall confirm that maintenance/ repairs confirm to the required standards.

Overlay

Based on traffic projections and overlay and design Million Standard Axel (MSA), NTBCL shall indicate, in annual report vis-à-vis the MSA projections, the point of time at which the pavement shall require an 'overlay'.

Overlay is defined as a strengthening layer which is require over the entire extent of pavement of the main carriageway and cycle track without in any way effecting the safety of structures. This 'Overlay' shall be carried out by NTBCL upon receipt of Independent Engineer approval. The Independent Engineer can also decide an overlay on particular sections based on pavement specifications.

Liability to Third Parties

NTBCL shall during the Concession period use reasonable endeavors to mitigate any liabilities to third parties as is foreseeable arising out of loss or damage to the bridge or the project site.

30. Figures of the previous period have been regrouped/ rearranged wherever considered necessary.

In terms of our report of even date

On Behalf of the Board of Directors

For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N

Amit Luthra Partner (M. No 85847)	Director	Executive Director & CEO
Place: Noida Date:	CFO	Company Secretary

This information is provided by RNS
The company news service from the London Stock Exchange

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