

NOIDA TOLL BRIDGE COMPANY LIMITED

ANNUAL REPORT

~~(2002 - 2003)~~

2001 - 2002

BOARD OF DIRECTORS

Gopi K Arora
Chairman

R K Bhargava
Dharmendra Deo
Dharmendra
R S Sandhu
Shardul Shroff
Ravi Parthasarathy
Hari Sankaran
K Ramchand
Graham Jang
Shahzaad Dalal
Santosh Senapati
Tim Woodhead

Pradeep Puri
President & CEO

Monisha Macedo
Company Secretary

Audit Committee

Gopi K Arora
Chairman

R K Bhargava
R S Sandhu
Santosh Senapati
Dharmendra

Monisha Macedo
Company Secretary

HRD Committee

Gopi K Arora
Chairman

Ravi Parthasarathy
Hari Sankaran

Investor Grievance Committee

R K Bhargava
Chairman

Gopi K Arora



**Noida
Toll Bridge Co. Ltd.**

NOTICE

Board of Directors

Mr. Gopi Arora
Mr. RK Bhargava
Mr. Dharmendra Deo
Mr. Dharmendra
Mr. Ravi Parthasarathy
Mr. Hari Sankaran
Mr. K Ramchand
Mr. Graham Jang
Mr. Shahzaad Dalal
Mr. Santosh Senapati
Mr. Shardul Shroff
Mr. R S Sandhu
Mr. Timothy James Woodhead

Chairman

Mr. Pradeep Puri

President and CEO

Ms Monisha Macedo

Company Secretary

Auditors

S.B. Billimoria & Co.
Chartered Accountants
14th Floor, Dr Gopaldas Bhavan
28 Barakhamba Road
New Delhi 110 001

NOTICE is hereby given that the Sixth Annual General Meeting of Noida Toll Bridge Company Ltd. will be held on Friday the 21st of June, 2002 at 2:00 pm at the Registered Office of the Company at the Toll Plaza, DND Flyway, Opposite Sector 15A, Noida 201 301, Uttar Pradesh, to transact the following business:

Ordinary Business:

1. To receive and adopt the audited Balance Sheet as at March 31, 2002 and the Profit and Loss Account for the year ended as on that date and the Report of the Directors and Auditors thereon
2. To appoint a Director in place of Mr. Dharmendra who retires by rotation under Article 136 of the Articles of Association of the Company and is eligible for reappointment.
3. To appoint a Director in place of Mr. Shardul Shroff who retires by rotation under Article 136 of the Articles of Association of the Company and is eligible for reappointment.



4. To appoint a Director in place of Mr. Shahzaad Dalal who retires by rotation under Article 136 of the Articles of Association of the Company and is eligible for reappointment.
5. To appoint a Director in place of Mr. Santosh Senapati who retires by rotation under Article 136 of the Articles of Association of the Company and is eligible for reappointment.
6. To appoint a Director in place of Mr. Timothy James Woodhead who retires by rotation under Article 136 of the Articles of Association of the Company and is eligible for reappointment.
7. To appoint the Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration

Special Business:

8. To consider and if thought fit, to pass the following resolution, with or without modification(s) as a Special Resolution:

“RESOLVED THAT pursuant to Section 31 and other applicable provisions of the Companies Act, 1956 the Articles of Association of the Company be amended to remove certain anomalies with the Companies Act, 1956 and incorporate changes made by the Companies (Amendment) Act, 2000.

(a) Share Certificates

Article 16 be amended to remove the anomalies between the Articles and The Companies (Issue of Share Certificate) Rules 1960, to read as follow: .

The Certificate of title to shares shall be issued under the Seal of the Company and shall bear the signature of ~~any person or persons~~ authorised by the Board in that behalf. The Company shall within three months after the allotment of shares, complete and ~~have ready for delivery~~ deliver the certificates of shares allotted, unless the conditions of issue of shares otherwise provide. The Director may sign a share certificate by affixing his signature thereon by means of any machine equipment or other mechanical means such as engraving in metal or lithography. Provided always that notwithstanding anything contained in this Article, the certificates of title to shares may be executed and issued in accordance with such other provisions of the Act or the Rules made there under, as may be in force for the time being and from time to time. Every member shall be entitled, without payment to one or more certificates in marketable lots. for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon



paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the company shall complete and ~~have ready for delivery~~ deliver such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub- division, consolidation or renewal of any of its shares as the case maybe. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid- up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder

(b) When Office of Director to be vacated

Article 130 be modified to include 130 (m) pursuant to the amendment to Section 274 of the Companies (Amendment) Act, 2000, by insertion of Section 274 (1)(g) to read as follows:

The new insertion to Article 130, i.e. Article 130 (1)(m) is reproduced below

(m) such person is already a director of a public company which,-

- (A) has not filed the annual accounts and annual returns for any continuous three financial years commencing on and after the first day of April, 1999; or
- (B) has failed to repay its deposit or interest thereon on due date or redeem its debentures on due date or pay dividend and such failure continues for one year or more;

Provided that such person shall not be eligible to be appointed as a Director of any other public company for a period of five years from the date on which such public company in which he is a director failed to file annual accounts and annual returns under sub-clause (A) or has failed to repay its deposit or interest or redeem its debentures on due date or pay dividend referred to in clause (B).]

Any exceptions provided under the Companies Act, 1956 or by way of Government Notifications or Amendments to the Act, from time to time, will be applicable here.

(c) Quorum

Article 145 be amended in consonance with Section 287 of the Companies Act, 1956



**Noida
Toll Bridge Co. Ltd.**

Subject to Section 287 of the Act, the Parties hereby agree that quorum for a meeting of the Board shall be one third of its total strength excluding Directors, if any, whose places may be vacant at the time (any fraction contained in that one third being rounded off as one) or two Directors, whichever is higher (a "Quorum"); provided, however, that there shall be no Quorum unless at least one Director nominated and appointed by each of NOIDA, the Promoter, Intertoll, AIMCF and IL&FSTC are present at the meeting.

If however, due Notice has been given for the Meeting (7 days notice or shorter notice if consent has been taken from each of the Directors) and the representatives of NOIDA, the Promoter, Intertoll, AIMCF or IL&FSTC fail to attend the Meeting, then the quorum for such meeting would exclude such Director except in the case of AIMCF and IL&FS Trust Company where the Company must receive a written communication to state that they will not be attending the meeting

In case of failure to hold a meeting on account of an insufficient Quorum, the meeting shall stand adjourned until the same day at the same time in the following week or some other later date and notice thereof shall be given to all of the Directors. ~~If at such adjourned meeting, a Quorum is not present within one half an hour of the time appointed for the meeting, then the Directors present shall constitute a Quorum~~

(d) Affirmative Voting.

Article 146 (ii) as given below to be deleted pursuant to the anomaly in the Articles and the Companies Act, 1956

~~With respect to matters in which a party nominating a Director is interested, such nominated Director will have a right to be heard with regard to such matter, but shall not vote on a resolution pertaining to such matters.~~

(e) Dividend to be paid within forty- two days and Unclaimed Dividend.

Article 183 and 184 be amended as a result of amendment to Section 207 of the Companies Act, 1956, for dividend payment within 30 days, to read as follows:

Article 183

The Company shall pay the dividend or send warrants in respect thereof to the shareholder entitled to that payment of the dividend, within ~~forty two~~ thirty days from the date of the declaration of the dividend unless:

- (i) Where the dividend could not be paid by reason of the operation of any law.
- (ii) Where a shareholder has given directions regarding the payment of dividend and those directions cannot be complied with
- (iii) Where there is a dispute regarding the right to receive the dividend.
- (iv) Where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholders

OR

- (v) Where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.

Article 184

- (i) If the Company has declared a dividend but which has not been paid within 42 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 42 30 days, open a special account in that behalf in any Scheduled Bank called "the unpaid dividend account of " Noida Toll Bridge Company Limited", and deposit the amount of such unclaimed dividend in the said account.
- (ii) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of three years from the date of such transfer, shall be transferred by the Company to the general revenue account of the Central Government. A claim to any money so transferred to the Central Government by the Shareholders to whom the money is due. No unclaimed dividend shall be forfeited till the claim thereto becomes barred by law.

9. To consider and if thought fit, to pass the following resolution, with or without modification(s) as an Ordinary Resolution

"RESOLVED THAT pursuant to and in terms of Section 269 and other applicable provisions if any, of the Companies Act, 1956 read with Schedule XIII thereto, consent of the members be and is hereby accorded to the appointment of Ms. Monisha Macedo Vice President & Company Secretary, as Manager of the Company for a period of 3 years with effect from the date of appointment i.e. May 18, 2002 on the terms and conditions and remuneration set out hereunder:

- (a) Consolidated Salary: Rs 32,000/- per month with annual increments as may be approved by the HRD Committee of Directors from April 1, 2003 onwards



- (b) Performance Related Pay : The Manager will be entitled to an annual performance related pay as may be approved by the HRD Committee of Directors
- (c) Compensation/ Perquisites : In addition to Salary and Performance Related Pay, the Manager will be entitled to compensation/perquisites like special allowance, compensatory allowance, house rent allowance, furnished accommodation, utility allowance, house maintenance allowance, medical reimbursement, leave travel allowance, club fees, personal accident insurance, medical insurance, etc in accordance with his designation and the rules of the Company as contained in the Company's Employee Handbook and amended by the HRD Committee of Directors from time to time.

Provisions for use of Company car for official duties and telephones and other communication facilities at residence (including payment for local calls and long distance official calls) shall not be included in computation of perquisites for the purpose of calculating the ceiling on income.

Company's contribution to Provident Fund and Superannuation Fund shall not be included in computation of limits for perquisites as defined under Schedule XIII of the Companies Act, 1956

The total remuneration paid to the Manager excluding items specifically exempted under Schedule XIII of the Companies Act, 1956, shall not at any time during the tenure of the contract, exceed the limits prescribed under Schedule XIII.

- (d) General Conditions: The Manager will be entitled to such other privileges, facilities and amenities in accordance with the Company rules and regulations, as amended from time to time by the HRD Committee of Director, as may be applicable to other employees of the Company, within the overall limits prescribed under Schedule XIII and other relevant sections of the Companies Act, 1956"

"RESOLVED FURTHER THAT, Mr. Pradeep Puri, President & CEO, be and is hereby authorised to issue a revised letter of appointment to Ms. Monisha Macedo, if required and file the requisite forms with the Registrar Of Companies."

10. To consider and if thought fit, to pass the following resolution, with or without modification(s) as a Special Resolution:

"RESOLVED THAT subject to the approval of the Central Government, pursuant to Section 314 of the Companies Act, 1956, the appointment of Mr. TK Banerjee, a relative of Mr. Arun Saha, a Director of the Company, as Financial Controller with effect from September 11, 2000 to March 20, 2002 in the grade of Assistant Vice President be and is hereby approved and ratified."

"RESOLVED FURTHER THAT the salary paid to Mr. TK Banerjee from the date of his appointment i.e. September 11, 2000 to March 20, 2002 along with other allowances and benefits as is payable to other Employees in the grade of Assistant Vice President and as provided in the Employee Handbook, be and is hereby ratified and approved and the return of the aforesaid salary under the provisions of Section 314 be waived, subject to Central Government permission being obtained."

By order of the Board
For NOIDA TOLL BRIDGE COMPANY LTD

Mr. Hari Sankaran
Director

New Delhi
Date: May 17, 2002

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company.
2. Proxies in order to be effective must be received at the Registered Office of the Company at any time but not less than 48 hours before the time of the meeting. A proxy form is enclosed
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is annexed hereto and forms part of the Notice

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

Item No. 2

Mr. Dharmendra has been nominated on the Board by the Ministry of Urban Development and was appointed in the casual vacancy caused by the resignation of Dr. Nivedita Haran. Mr. Dharmendra is due to retire by rotation and being eligible, offers himself for re-election.

Mr. Dharmendra is a Deputy Secretary, Ministry of Urban Development & Poverty Alleviation. He has completed a Bachelor of Technology (Civil Engineering) from the Indian Institute of Technology and is an Indian Administration Service (IAS) officer of the 1989 batch. His past postings include Joint Secretary (Planning) in Government of NCT of Delhi and Deputy Commissioner (North West Delhi and New Delhi Districts)

Mr. Dharmendra is not on the Board of Directors of any other Company. He is a member of the Audit Committee of Directors of Noida Toll Bridge Company Limited.

The resolution is proposed for your approval. Mr. Dharmendra may be deemed to be concerned or interested in the passing of the resolution appointing himself. None of the other Directors are to be deemed to be concerned or interested in the passing of the resolution.

Item No. 3

Mr. Shardul Shroff is due to retire by rotation and being eligible offers himself for re-appointment.

Mr. Shardul Shroff is Managing Partner of Amarchand Mangaldas, one of the leading law firms in India. Mr. Shroff has vast experience in project finance, insurance, telecom, joint ventures, mergers, disinvestments. He has been very closely involved with infrastructure project finance deals and has played a pivotal role as an advisor in structuring transactions in the areas of power, water, roads, ports, airports, oil & gas and telecom projects. He has worked very closely on important economic legislations as members of several high powered committees appointed by the Government of India.

Mr. Shardul Shroff is on the Board of Directors of UTI Bank Limited, Infrastructure Development Finance Co. Ltd., Apollo Tyres Limited, Schoolnet India Limited, IRCON International Limited, GE Capital Transportation Financial Services Limited, NIIT Limited, Ballarpur Industries Limited, Gujarat Positra Port Infrastructure Limited, Bharat Aluminium Company Limited and CMC Limited.

In addition to the above, Mr. Shroff is a member of the Audit Committee of Directors of Infrastructure Development Finance Company Limited, IRCON International Limited and NIIT Limited. He is a member of the Share Grievance Committee of Directors of Apollo Tyres Limited and NIIT Limited and a member of the Share Transfer Cum Shareholders Grievance Committee of Directors of CMC Limited.

The resolution is proposed for your approval. Mr. Shardul Shroff may be deemed to be concerned or interested in the passing of the resolution appointing himself. None of the other Directors are deemed to be concerned or interested in the passing of the resolution.

Item No. 4

Mr. Shahzaad Dalal is due to retire by rotation and being eligible offers himself for re-appointment.

Mr. Shahzaad Dalal is the Executive Vice Chairman of IL&FS Venture Corporation Limited. He has been in charge of all IL&FS group initiatives in the area of Asset Management including IL&FS Asset Management Company, the AIG Indian Sectoral Equity Fund and IL&FS Venture Corporation – with aggregate assets equivalent to US\$ 200-250 mn under management. He has performed this role for the past three years, earlier as the Chief Executive Officer of IL&FS' Asset Management Strategic Business Unit. Prior to this, Mr Dalal was responsible for the overall planning and raising of resources for IL&FS and other group companies and project finance for IL&FS sponsored infrastructure projects. Prior to joining IL&FS, Mr Dalal was responsible for structured leasing and hire purchase products, marketing and credit evaluation with Industrial Credit and Investment Corporation of India Limited (ICICI). Mr. Dalal is a Management Graduate with over 17 years experience in investment banking.

Mr. Shahzaad Dalal is on the Board of Directors of SARA Fund Trustee Company Limited, IL&FS Venture Corporation Limited, IL&FS Asset Management Company Limited, RPG Cellular Services Limited, Ethypharm LL Private Limited, Bharat Serums & Vaccines Limited, Indraprastha Gas Limited, Zip Telecom Limited, Shoppers Stop Limited, Orix Auto Finance (India) Limited, AIG Indian Equity Sectoral Fund LLC, Mauritius and AIG Indian Equity Advisor LLC, Mauritius.

Mr. Dalal is a member of the Compensation Committee of Directors of IL&FS Venture Corporation Limited, IL&FS Asset Management Company Limited and RPG Cellular Services Limited, Share Transfer Committee of Directors of IL&FS Venture Corporation Limited, Committee of Directors and Investment Committee of Directors of IL&FS Asset Company Management Limited. He is a member of the Sub-Committee of Directors for Business Plan & Budget and a member of the Allotment Committee of Directors of Noida Toll Bridge Company Limited.



The resolution is proposed for your approval. Mr. Shahzaad Dalal may be deemed to be concerned or interested in the passing of the resolution appointing himself. None of the other Directors are deemed to be concerned or interested in the passing of the resolution.

Item No. 5

Mr. Santosh Senapati is due to retire by rotation and being eligible offers himself for re-appointment.

Mr. Santosh Senapati joined AIG, India in August 1997, where he is leading a team of professionals in AIG's private equity business franchise in India. Prior to this he was with Jardine Fleming India Securities Ltd. for about 2 years where he was responsible for project finance and cross border advisory services. Prior to Flemings, Mr. Senapati spent four years with ABN Amro Bank and was responsible for the corporate and structured finance activities of the Bank in India. In addition Mr Senapati has worked for five years in the Projects Group of Oil India Ltd., an oil exploration and development company.

Mr. Senapati has a Bachelor's Degree in Mining Machinery from the Indian School of Mines, Dhanbad, and an MBA Degree from the Indian Institute of Management, Ahmedabad.

Mr. Santosh Senapati is on the Board of Directors of Ambuja Cement Eastern Limited, Owens Corning India Limited and Gujarat Toll Road Investment Company Limited. He is an Alternate Director of Ambuja Cement India Limited.

Mr. Santosh Senapati is a member of the Restructuring Committee of Directors of Owens Corning India Limited and a member of the Audit Committee of Directors of Noida Toll Bridge Company Limited.

The resolution is proposed for your approval. Mr. Santosh Senapati may be deemed to be concerned or interested in the passing of the resolution appointing himself. None of the other Directors are to be deemed to be concerned or interested in the passing of the resolution.

Item No. 6

Mr. Timothy James Woodhead is due to retire by rotation and being eligible offers himself for re-appointment.

Mr. Timothy James Woodhead is presently Managing Director of Intertoll Management Services, BV, as well as 3 other Group Companies. The group's activities include Construction Materials, Infrastructure Development and Toll Roads. His educational qualifications include a BSc in Civil Engineering from the University of Witwatersrand (1981) and an MBA from the University of Cape Town in 1988. Mr. Woodhead has been with the Group Five Limited, group of Companies for the past 7 years and prior to that was with Ready Mix Materials (1989-92) and Watermeyer Legge Piesold & Uhlmann (1982-88).



Mr. Timothy James Woodhead is the Chairman of the Board of Directors of Intertoll Africa (Pty) Ltd. and Magyar Intertoll. Mr. Timothy James Woodhead is a Managing Director of Intertoll Holdings (Pty) Ltd. (South Africa), Intertoll (Pty) Ltd. (South Africa), Toll Management Services BVI Ltd. and Intertoll Management Services BV (Netherlands). He is Director of Intertoll Africa (Pty) Ltd. (South Africa), Intertoll USA (USA) and Intertoll ICS India (India). He is a Director on the Supervisory Board of Magyar Intertoll (Hungary) and Gdansk Transport Company (Poland).

Mr. Woodhead is the Chairman of Intertoll Group Executive Committee.

The resolution is proposed for your approval. Mr. Timothy James Woodhead may be deemed to be concerned or interested in the passing of the resolution appointing himself. None of the other Directors are to be deemed to be concerned or interested in the passing of the resolution.

Item No. 8

Changes in Articles of Association to remove contradictions with the Companies Act, 1956 and Rules thereunder and to incorporate amendments made to the Companies Act via the Companies (Amendment) Act, 2000

As per Article 16 of the Articles of Association any person authorised by the Board can sign and issue a Share Certificate. This authority to a single person is contradictory to the provisions of The Companies (Issue of Share Certificate) Rules 1960, which make it mandatory for each Share Certificate to bear the signatures of three persons, i.e. two Directors and either the Secretary or any other authorised person. Hence, this anomaly is proposed to be removed with this amendment.

Further, Article 16 currently provides that the Company shall, within 3 months after the allotment of shares, complete and have 'ready for delivery' the Certificates of Shares allotted. This violates Section 113 (1) of the Companies Act, 1956, which stipulates that every Company shall 'deliver' the Share Certificates within 3 months after the allotment of shares and not just have them ready for delivery. Therefore, in order to remove the anomaly between the Articles and the Act, the change is recommended for the consideration of the members.

Article 130 specifies conditions in which the office of a Director is to be vacated. Subsequently the Companies Act was amended by the Companies (Amendment) Act, 2000, wherein an additional disqualification was added under clause (g) of subsection (1) of Section 274. It is therefore being proposed that Article 130 be amended to incorporate the provisions of this new clause Section 274(1)(g) of the Companies Act, 1956.

Article 145 provides that in case of failure to hold a Board Meeting for want of quorum, the meeting shall stand adjourned until the same day at the same time in the following week or some other later date and notice thereof shall be given to all the Directors. The Article further provides that if at such adjourned meeting a quorum is not present within half an hour of the time appointed for the meeting, then the Directors present shall constitute a quorum. This is contrary to the provisions of Section 287(2) of the Companies Act, 1956, which states that the quorum for a meeting of the Board of Directors of a Company shall be one- third of its total strength (any fraction contained in that one- third being rounded off as one), or any two Directors, whichever is



higher. Therefore, in order to remove the inconsistency between the Articles and the Companies Act, 1956, it is proposed to modify the Article 145.

Article 146(ii) provides that an interested Director will have the right to be heard. This is tantamount to the interested Director participating in the discussions and is violative of the provisions of Section 300 of the Companies Act. Therefore, in order to remove the anomaly between the Articles and the Companies Act, it is proposed to delete this provision of Article 146.

Currently, Article 183 provides that the Dividend should be paid within forty-two days. Article 184 contains provisions with respect to Unclaimed Dividends. These Articles were in conformity with Section 207 of the Companies Act, 1956. Subsequently Section 207 was amended by the Companies (Amendment) Act, 2000, wherein this limit of 42 days has been replaced by 30 days. Accordingly, it is recommended to modify the provisions of Article 183 and Article 184, to remove inconsistency between the Articles and the Companies Act.

The aforesaid amendments are recommended for the consideration of the Members.

None of the Directors are interested in the passing of the aforesaid resolution.

Item No. 9

Mr. G Viswanathan, Manager in terms of Section 269 of the Companies Act 1956, is moving to another group Company.

In terms of Section 269 of the Companies Act, 1956, (the Act) since the Company is a public company with a paid up share capital exceeding Rs 5 crores, it is compulsory to appoint either a Managing Director or whole time Director or a Manager. It is hence being proposed that Ms. Monisha Macedo who is currently Vice President & Company Secretary of the Company, be appointed as Manager within the terms and conditions as prescribed under Schedule XIII of the Act for a period of 3 years.

Ms. Monisha Macedo has never been imprisoned or fined under any of the Acts specified in Part I of Schedule XIII to the Act, nor has she ever been detained for any period under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974. She is 37 years old and is neither a Managing Director nor a Whole-time Director nor a Manager in any other company nor a managing partner of any firm. She is also not in whole-time employment elsewhere. She is a citizen of India and is also resident in India. Ms. Monisha Macedo is, therefore, entitled to be appointed by a resolution to be passed by you and without approval of the Central Government. The Board feels that the proposed appointment is in the interest of the Company and recommend the same for approval.

None of the Directors are concerned or interested in the passing of this resolution.

In terms of the Department of Company Affairs Notification dated January 16, 2002 the following information is being provided :



(a) General Information on the Company

Nature of Industry/ commencement of operations/ Audited accounts

Noida Toll Bridge Company is a special purpose vehicle (SPV) which was set up as an Infrastructure Company for the Noida Toll Bridge Project. The SPV was set up to handle the project on a Build Own Operate and Transfer (BOOT) basis. The Toll Bridge connects Noida Sector 15A to South Delhi.

The Company was incorporated on April 8, 1996 and received its certificate of commencement of business on January 21, 1997. The bridge was, however, opened to traffic on February 7, 2001.

Audited accounts for the year ended March 31, 2002 are a part of the Annual Report

(b) Information about the Appointee

Background details/ Remuneration past and proposed/ Job Profile/Suitability

Monisha is an Associate Company Secretary and a graduate in Economics. She has complemented her company law background with substantial work in project finance, issue management and private placement of debt and has 11 years of experience.

Monisha has worked with the Merchant Banking Division of Infrastructure Leasing & Financial Services Ltd. from June 1993 to October 1997 where she handled Merchant Banking assignments (assessment of new projects and Public Issues) as well as Company Law – Incorporation & Statutory functions of a JV with the Central Government. Prior to joining Noida Toll Bridge Co. Ltd. (NTBCL), Monisha was a practising Company Secretary. She has been with NTBCL since December 1998 and has handled the Public Issue and now handles the secretarial functions and is a compliance officer for the Stock Exchanges and the Company's Investors.

Ms. Macedo is currently being paid a Consolidated Pay of Rs. 32, 000/- and allowances, perquisites and benefits in accordance with her designation and as contained in the Company's Employee Hand Book.

Given her qualification as Company Secretary, she is considered the most suitable for the position of Manager.

Comparable Remuneration

The remuneration currently being paid to her is comparable to others with the same experience handling responsibilities of a listed Company with a paid up capital in excess of Rs. 100 crores. There is, however, not much comparison available in the Market in terms of the industry. This project is the first of its kind in terms of a non government Infrastructure Company which is listed and has public investors and hence there are no comparative figures available.

Other than the salary being paid to her, as mentioned hereinabove, the candidate does not have any other contractual relationship directly or indirectly with the Company, or relationship with the managerial personnel.

(c) Reasons for loss/inadequate profits and steps taken for improvement

The Company is an Infrastructure Company with a long gestation period. In addition, the actual traffic on the facility has been considerably lower than the projections, resulting in a shortfall in the revenue.

The Company has taken several steps and has launched new schemes to increase the usage of the DND Flyway.

Anticipating a revenue shortfall, the Company has invoked the Development Rights under the Concession Agreement for implementing the development projects that would provide liquidity in the initial years. The Company is in possession of about 34 acres of land on the Noida side. The New Okhla Industrial Development Authority (NOIDA) has "in-principle" agreed to grant development rights.

Based on a fresh traffic study conducted, network improvements in the influence area have been identified, which would improve the accessibility of the Delhi – Noida Bridge, enhance time and distance savings and improve traffic

It may be noted that in terms of the DCA Notification this appointment of a Manager should be approved by the Remuneration Committee of Directors which should consist of 3 independent Directors. Since the Company's Remuneration Committee (termed as HRD Committee of Directors) consists of one Independent Chairman and 2 Promoter Directors, it may not fulfill the criteria and hence the full Board of Directors has approved the appointment prior to approaching the shareholders for their permission.

This Notice specifying the terms of the contract for the appointment of a Manager should also be construed as a Notice under Section 302(2) of the Companies Act, 1956

Item No. 10

Mr. TK Banerjee was appointed Financial Controller at the level of an Assistant Vice President on September 11, 2000 to take over the duties of Mr. JP Agarwal who had informed the Company of his impending move abroad. Due to an oversight, the fact that Mr. TK Banerjee qualifies as a 'relative' of Mr. Arun K Saha, a Director of the Company, as defined under the Companies Act, 1956, was not disclosed to the Company. In terms of the provisions of Section 314 of the Companies Act, 1956, such an appointment qualifies as an 'office or place of profit' and requires Shareholder approval by special resolution as well as Central Government permission prior to appointment of the individual or within 3 months of his appointment

Mr. TK Banerjee is a qualified Chartered Accountant with 23 years relevant experience (at the time of joining) and was hence appropriately qualified for the job. In addition, he is being paid a salary considered reasonable for his qualifications and experience and within the limits set by the Company's Rules for a person at his grade.

It may be noted that Mr. Arun K. Saha resigned from the Board of Directors with effect from March 20, 2002 and hence the provisions of Section 314 are no longer attracted. An application will, however, be made to the Central Government for waiver of refund of remuneration for the period of non-compliance.

Mr. Banerjee was paid a Consolidated Pay of Rs.18, 000/- on the date of joining which was increased on April 1, 2001 to Rs. 19,350/- and subsequently to Rs. 22,252/- from September 1, 2001. In addition Mr. Banerjee was paid allowances, benefits and perquisites as payable to an employee in the grade of Assistant Vice President.

None of the Directors are concerned or interested in the passing of this resolution.

By order of the Board
For NOIDA TOLL BRIDGE COMPANY LTD

Mr. Hari Sankaran
Director

New Delhi
Date: May 17, 2002

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Sixth Annual Report together with the Audited Accounts for the year ended March 31, 2002

FINANCIAL HIGHLIGHTS

| (Rs in Million) | | |
|--|----------------------|---|
| Particulars | Year ended 31.3.2002 | Year ended 31.3.2001 (53 days operation) |
| Toll Revenue | 97.16 | 11.60 |
| Other Income | 20.93 | 1.38 |
| Operating & Administration Expenses | 64.85 | 8.18 |
| Miscellaneous Expenditure written off | 15.17 | 2.20 |
| Profit before Interest & Depreciation | 38.07 | 2.60 |
| Interest & Finance charges | 426.00 | 49.66 |
| Depreciation | 68.31 | 2.29 |
| Net Loss carried to Balance Sheet | 456.24 | 49.35 |

There were only 53 days of operation in the last financial year, as against 12 months during this financial year and to that extent the figures are not strictly comparable.

As per Concession Agreement which your Company has entered into with New Okhla Industrial Development Authority (NOIDA) and Infrastructure Leasing & Financial Services Limited (IL&FS), your Company would be entitled to a designated rate of return on the Project Cost during the Concession Period. The Independent Auditor namely M/s. A F Ferguson & Company, Chartered Accountants have determined accrued return as designated under the Concession Agreement and due to the Company till March 31, 2001. As per the Independent Auditors the total amount to be recovered upto March 31, 2001 under the Concession Agreement including 20% return on the project cost aggregates to Rs. 4193.17 million.

The Company has changed its method of providing depreciation from the Sinking Fund Method to Straight Line Method. Had the Company followed the sinking fund method, profit for the year would have been higher by Rs. 44,277,372.00



The Company is also engaged in restructuring its debt such that the annual debt service obligation is consistent with current revenue. The senior lenders at a meeting held on March 26, 2002, approved the formation of a Committee comprising of IL&FS, State Bank of India (SBI) and Industrial Development Bank of India (IDBI) to finalise a debt restructuring proposal for submission to the Corporate Debt Restructuring Cell of IDBI.

DIVIDENDS

Since the Company has not begun making profits, the Directors do not recommend any dividend for the year.

OPERATIONS

(A) Traffic Growth

Commercial operations on DND Flyway commenced on February 7, 2001 sans the Ashram Flyover. Due to huge bottlenecks at the Ashram Chowk the initial traffic was far lower than the projections. The average daily traffic during the months of February to October 2001 (prior to completion of Ashram) is presented in the Table below:

Average Daily Traffic on DND Flyway (February 2001-October 2001)

| Month | Trucks/ Buses | 2-Wheelers | Cars | Total | %age change over the previous month |
|-----------|------------------|------------|-------|-------|---|
| February | 250 | 4379 | 12511 | 17140 | |
| March | 298 | 5156 | 11722 | 17176 | 0.2% |
| April | 285 | 5108 | 11457 | 16850 | -1.9% |
| May | 346 | 5151 | 11227 | 16724 | -0.7% |
| June | 439 | 5635 | 11516 | 17590 | 5.2% |
| July | 390 | 5531 | 11927 | 17848 | 1.5% |
| August | 650 | 6192 | 12527 | 19369 | 8.5% |
| September | 845 | 6676 | 12898 | 20419 | 5.4% |
| October | 873 | 6749 | 13575 | 21197 | 3.8% |
| Average | 494 | 5659 | 12141 | 18294 | 2.42% |

The average daily traffic (ADT) in the month of February 2001 was about 17,000 vehicles with average daily toll collection of Rs. 0.225 mn. The ADT increased to about 21,200 vehicles by October 2001 prior to the opening of Ashram Flyover.

The Ashram Flyover was commissioned on October 30, 2001, which resulted in an increase in traffic on the Flyway by around 30%. The average daily traffic for the months of November 2001 to March 2002 is presented in the Table below:



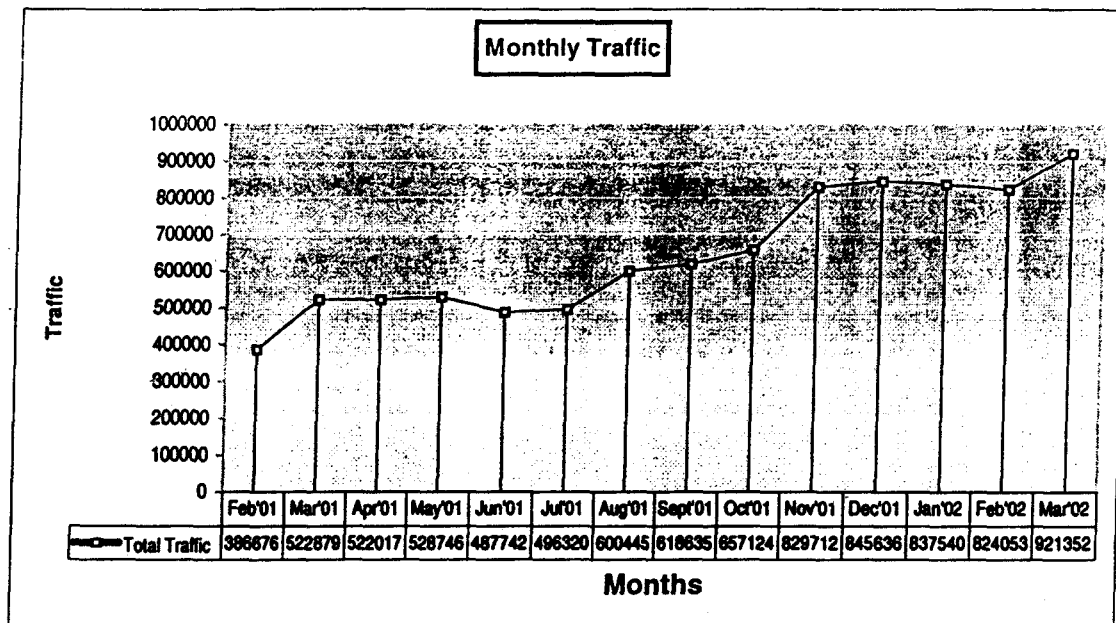
Noida
Toll Bridge Co. Ltd.

Average Daily Traffic on DND Flyway post commissioning of Ashram Flyover

| Month | Trucks/ Buses | 2-Wheelers | Cars | Total | %age change over the previous month |
|----------|------------------|------------|-------|-------|---|
| November | 992 | 7757 | 18908 | 27657 | 30.5% |
| December | 821 | 7726 | 19641 | 28188 | 1.9% |
| January | 594 | 7252 | 19171 | 27017 | -4.2% |
| February | 680 | 7955 | 20792 | 29427 | 8.9% |
| March | 678 | 8543 | 20499 | 29720 | 1.0% |
| Average | 753 | 7847 | 19802 | 28390 | 1.90% |

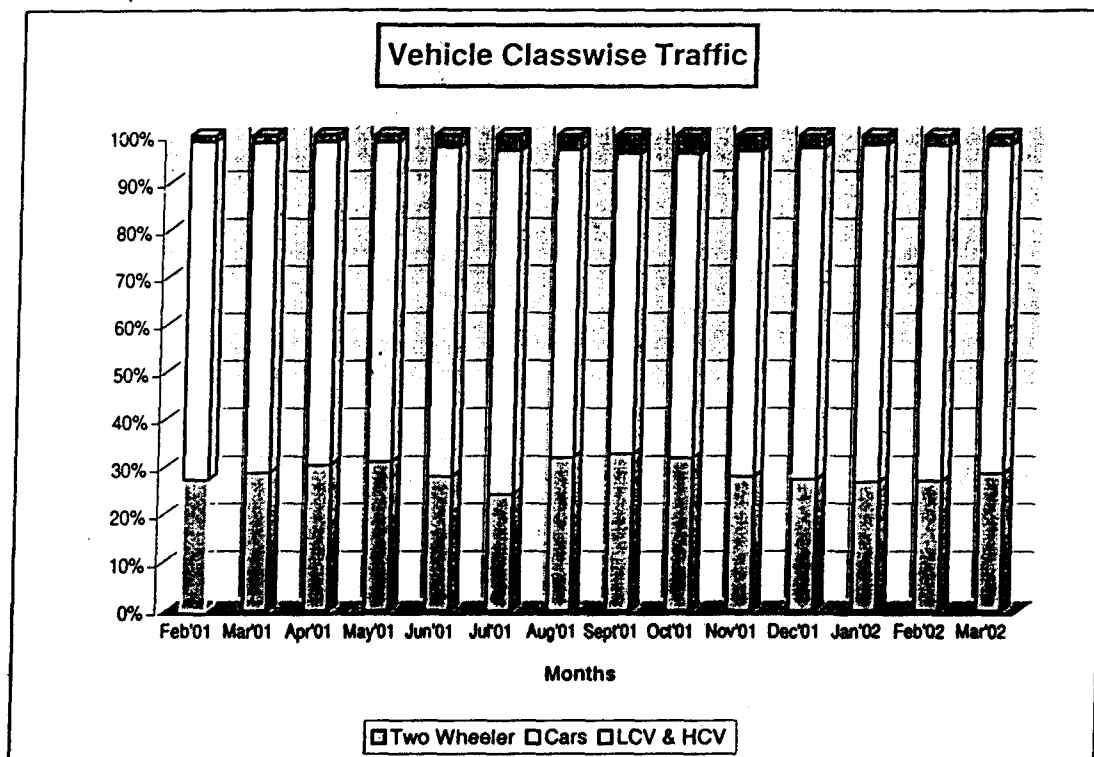
Despite the sharp increase in traffic after the completion of Ashram Flyover, the traffic still remains lower than the required break-even traffic level. The monthly traffic growth is depicted in Chart 1.

Chart 1



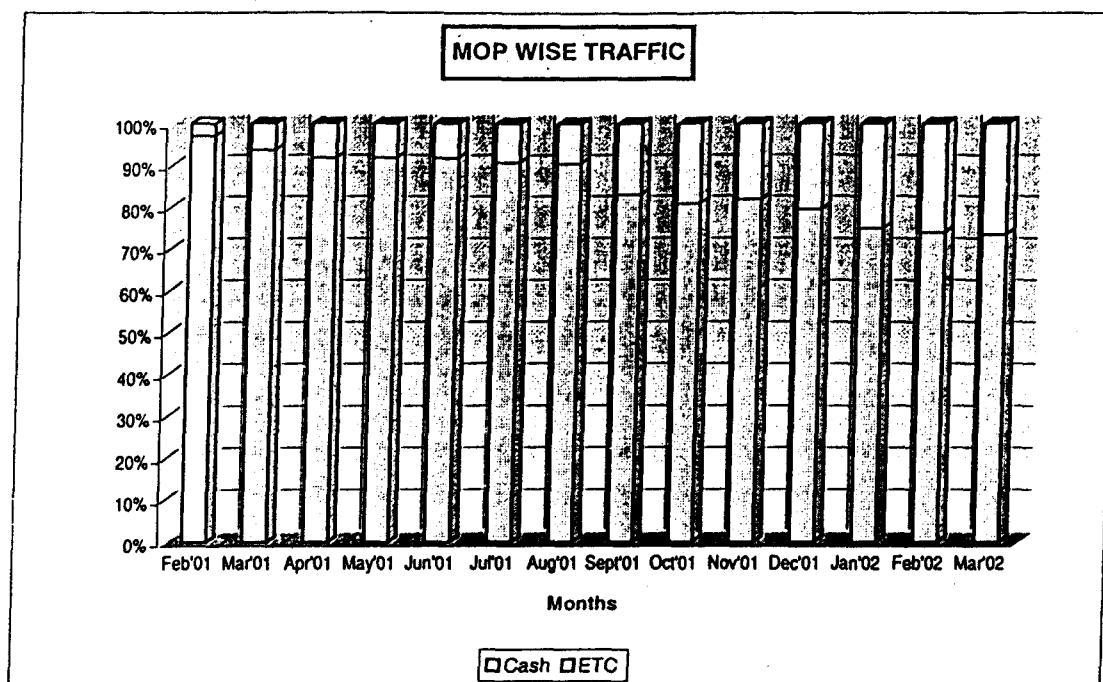
The maximum shortfall has been in the commercial traffic segment followed by the 2-wheeler segment. The vehicle class-wise distribution of traffic is shown below in Chart 2.

Chart 2



Within one year of operation, the Company has achieved 26% ETC penetration as compared to the international norm of 10% in the first year and 25-30% by the end of the third year. The distribution of traffic in terms of Method of Payment (MoP) is shown in Chart 3.

Chart 3



(B) Remedial Measures

(1) Marketing

- (a) Considering, the low level of traffic as compared to the estimates, the Company has taken several steps and has launched new customer incentive schemes to increase the usage of the DND Flyway.
- (b) Based on the findings by a market research company, Taylor Nelson Sofres Mode, the schemes launched in Feb-01 and Mar-01 were completely revamped and a new scheme was launched in August 2001. The new scheme has resulted in large-scale conversions of occasional cash users to regular card users which has translated into increase in traffic to the extent of 19% in the 3- month period following the launch of the scheme as compared to a growth of 6% in the preceding 3 months.
- (c) The Company has also tied up with M/s IFFKO Tokyo General Insurance Company for providing an add on benefit of personal accident cover to the pre-paid card-holders up to Rs. 2 lacs.
- (d) Another study was commissioned through M/s TNS Mode to study the perceptions of DND Flyway, motivators/deterrents to use, barriers to travel etc. of the commercial segment based on which a focused direct marketing plan was drawn up to increase usage by this segment.



- (c) The Company also established merchant tie-ups to provide value addition to the users in terms of discounts and rebates on products and services.

(2) Savings in Establishment Expenses

- (a) The Company is exercising extreme cost control measures in order to contain the cash deficit. The operational insurance cost for the year 2002-03 has been reduced by about 50% as compared to that for the previous year by re-packaging/rationalisation of the insurance policy without compromising on the cover required.
- (b) The Operation and Maintenance expense as per the original projections were Rs. 106 million in the first year. The Company has been able to contain the total O&M expenses during the year 2001-02 to Rs. 63.6 million.

(3) Concurrent Steps to Augment Revenue

(a) Development Rights

Anticipating a revenue shortfall, the Company has invoked the Development Rights under the Concession Agreement for implementing the development projects that would provide liquidity in the initial years. The Company is in possession of about 34 acres of land on the Noida side. NOIDA has "in-principle" agreed to grant development rights. It is anticipated that in the first instance, this will include 4 acres of prime land adjacent to the Apeejay School. The grant of Development Rights for the 4 acres of land and the revenue generated will meet the immediate cash requirements of the Company.

In the event that Development Rights accrue to the Company in their totality, the revenue will be utilised to de-leverage the Company.

(b) New Links

Due to the sharp variation between the projected and actual traffic in the first 6-8 months of operations, the Company appointed M/s Wilbur Smith Associates (WSA) to assess the total candidate traffic potential for the DND Flyway without reference to the Kampsax model. Based on fresh traffic counts, roadside interviews and sophisticated modelling techniques etc., WSA has concluded that the total candidate traffic for the project is 69,000 vehicles per day.

However, WSA has identified the following network improvements in the influence area, which would improve the accessibility of the Delhi – Noida Bridge, enhance time and distance savings and hence increase traffic



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- (i) Constructing a Flyover at the Chilla Regulator Junction and providing a 1 km link road between the junction and the Toll Road. This will provide improved access to residents of Mayur Vihar, Vasundhara Enclave and people travelling between North Noida and South Delhi.
- (ii) Providing a 2 km link from the Toll Road to the proposed NH2 (Kalindi) bypass, which is under implementation by PWD/Government of Delhi. This will considerably shorten the distance between Noida/Mayur Vihar and southernmost parts of South Delhi.

A detailed analysis of the competition, threats, opportunities and outlook for the project has been provided in the Management Discussion and Analysis Report attached to this report

(C) Government Support

The Company continues to receive active support from the Uttar Pradesh Government, Government of the National Capital Territory of Delhi as well as New Okhla Industrial Development Authority.

CREDIT RATING:

CARE has for the third consecutive year retained the rating of CARE AAA (SO) (Triple A – Structured Obligation) for both the Secured Deep Discount Bonds (DDB) as well as the Secured 14% Fully Convertible Debentures (FCD) issued by the Company vide the Public Issue. The rating for the DDB is based on the credit enhancement in the form of an irrevocable ‘Take Out’ (Put Option) available to the DDB holders for selling the DDBs to Infrastructure Development Finance Company Ltd. and Infrastructure Leasing & Financial Services Ltd. (IL&FS), in the 5th and 9th years. The rating for the FCDs is based on the interest being guaranteed by IL&FS.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Management Discussion & Analysis Report is attached to this report

SHARE CAPITAL:

During the year under review, the Company has not allotted any further Equity. The Paid up Equity Capital of the Company continues to be Rs 1016.2 million. The Company's Fully Convertible Debentures are due for conversion on November 3, 2002, pursuant to which the Company's Equity Share Capital will be Rs 1224 million.

DIRECTORS:

Mr. Sanjiv Nair, Additional CEO, New Okhla Industrial Development Authority, (ACEO, NOIDA) was appointed as Nominee Director representing New Okhla Industrial Development Authority (NOIDA) at the Meeting of the Board of Directors of the Company held on November 29, 2001. Due to a change in his portfolio of Mr Sanjiv Nair has resigned from the Board of Directors of the Company.

Mr. Anoop Mishra, Secretary, Department of Industrial Development, Government of Uttar Pradesh had been nominated by the Government of Uttar Pradesh and was appointed as an Additional Director at the Meeting of the Board of Directors of the Company held on January 30, 2002.

Mr V.K. Malhotra, CEO, New Okhla Industrial Development Authority, was appointed in his ex-officio capacity as Director in the casual vacancy caused by the resignation of Mr R N Trivedi on April 26, 2001. Consequent to a change in his portfolio his resignation was taken on record at the Board Meeting held on May 17, 2002

Dr. Nivedita Haran, Director, Ministry of Urban Development has been transferred from her position and the Ministry nominated Mr. Dharmendra, Deputy Secretary, (UC&D), Ministry of Urban Development in her place, with effect from November 29, 2001.

Ms. Pratibha Karan, Director representing Public Works Department (PWD) has consequent to her transfer from the position of Principal Secretary, PWD, resigned from the Board of Directors with effect from September 27, 2001.

Mr. Pradeep Puri resigned from the Board of Directors of the Company, as a part of an internal restructuring process, with effect from July 24, 2001.

Mr. Arun Saha, Director representing Infrastructure Leasing & Financial Services Limited (IL&FS) resigned from the Board of Directors with effect from March 20, 2002 as a result of an internal restructuring process within the IL&FS Group.

Mr. Alok Bhargava and Dr. Archana Hingorani attended Board Meetings held on January 30, 2002 and March 20, 2002 respectively, as Alternate Directors to Mr. Shahzaad Dalal, representing AIG Indian Sectoral Equity Fund.

In accordance with the requirements of the Companies Act, 1956 one third of the Directors are liable to retire by rotation. Mr. Dharmendra, Mr. Shardul Shroff, Mr. Shahzaad Dalal, Mr. Santosh Senapati and Mr. Timothy Woodhead, Directors, are hence due to retire by rotation at this sixth Annual General Meeting. They are eligible for re-appointment.

FIXED DEPOSITS:

The Company has not accepted any Fixed Deposits during the year under review.

PROJECTED VERSUS ACTUAL PROFITABILITY:

A statement showing the utilisation of the entire Public Issue proceeds was provided in the last Directors' Report.

The projected profitability for the first year of operation, as mentioned in the prospectus was for a period of 10 months with effect from May 29, 2001. As the actual profitability relates to a full year of operation with effect from April 1, 2001, the projected figure has been annualised for the purpose of comparison. In addition, the projected profitability has been recalculated taking depreciation under the Straight Line Method (SLM) which is being adopted by the Company as against the sinking fund method.



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Accordingly, the comparative figures for Profit after Tax (PAT) for the first year of operation are as under:

| | |
|---------------|-----------------|
| Projected PAT | (32 million) |
| Actual PAT | (456.2 million) |

LISTING:

The Company's 14% Secured Fully Convertible Debentures aggregating to Rs. 207.8 million and secured Deep Discount Bonds aggregating to Rs. 500 million are listed on the following three Stock Exchanges:

The U P Stock Exchange Assn. Ltd.
Padam Towers
14/113 Civil Lines
Kanpur

The Stock Exchange, Mumbai
1st Floor, New Trading Ring
Rotunda Building
P J Towers
Dalal Street, Fort
Mumbai - 400 001

The National Stock Exchange of India
Trade World
Senapati Bapat Marg
Lower Parel
Mumbai - 400 013

The Annual Listing Fees for Financial Year 2002-2003 have been paid to all three Stock Exchanges on which the Company's securities are listed.

PARTICULARS OF EMPLOYEES:

The Company has 15 employees as of March 31, 2002. 5 Employees throughout/part of the year were in receipt of remuneration of Rs. 12,00,000/- or more per annum or Rs. 1,00,000/- or more per month, as the case may be.

In accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 names and other particulars of employees are set out in the annexure to this report.



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

The Company does not own any manufacturing facilities hence particulars with regard to energy conservation and technology absorption are not applicable.

The Company had the following foreign exchange outgoes

| | <u>As at March 31, 2002 (Rs.)</u> | <u>Previous Year (Rs)</u> |
|-------------------------|-----------------------------------|---------------------------|
| Travel | 1,594,514 | 961,277 |
| Payments to Contractors | 3,959,791 | 77,185,282 |
| Consultancy | Nil | 3,396,058 |

The Company does not have any foreign exchange earnings.

CORPORATE GOVERNANCE:

A report on the status of adoption of Corporate Governance norms in terms of Clause 49 of the Listing Agreement is annexed to this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of your Company hereby confirm that:

1. In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.
2. The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.

STATUTORY AUDITORS:

M/s SB Billimoria & Co., the Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and have expressed their willingness to continue as Auditors, if re-appointed.



ACKNOWLEDGEMENTS:

The Board of Directors place on record the continued support extended to them by the various Government authorities, Banks, Financial Institutions and Shareholders of the Company.

The Directors would also like to place on record their appreciation for the hard work and dedication of the employees of the Company at all levels.

By order of the Board
For NOIDA TOLL BRIDGE COMPANY LIMITED

Mr. Hari Sankaran
Director

Mr. K Ramchand
Director

Ms. Monisha Macedo
Company Secretary

New Delhi
Date : May 17, 2002

Draft of the Report

Management Discussion and Analysis Report

Industry Structure and Development

Noida Toll Bridge Co. Ltd. is a special purpose vehicle set up to implement the Delhi-Noida Bridge Project on a BOOT basis. The Delhi-Noida Bridge is a tolled facility connecting Noida to Maharani Bagh in South Delhi across the river Yamuna. The other bridges in the influence area are the Nizamuddin Bridge approximately 3 km upstream of the Delhi-Noida Bridge and the Okhla Barrage, which is about 1 km downstream. The Nizamuddin Bridge and Okhla Barrage cater to about 135,000 and 85,000 Passenger Car Units (PCUs) per day, respectively. The Delhi Noida Bridge, which has been named DND Flyway, is the only tolled facility.

Opportunities

The Trans Yamuna belt comprising of Vasundhara Enclave, Mayur Vihar Phases I, II and III, IP Extension, Patparganj etc. has seen explosive growth in the last decade. The mushrooming of reasonably priced residential accommodation in these areas has resulted in a quantum jump in the population of the areas. Most of the residents travel to Central or South Delhi for work. Improvement in the road transport network in these areas has, however, not kept pace with the burgeoning transport needs. This has manifested in reduced traffic efficiency in the existing corridors.

The Company sees opportunities for augmenting traffic by network improvements in the influence area, primarily designed to improve the accessibility of the Delhi-Noida Bridge and accentuate time and distance savings.

The Company commissioned Wilbur Smith Associates Inc. (WSA) to conduct a fresh traffic study to revalidate traffic on the facility and to test the impact on traffic demand due to proposed network improvements for the project. WSA is a leading international transportation consultant and are the pioneers in Transport Planning and Modelling studies. Their past experience includes a Comprehensive Transportation Plan for Mumbai (1963), the Calcutta Metropolitan Traffic Study (1970) and various traffic studies for MUTP (1995-2002).

The trip patterns studied by WSA indicated that the principal origin-destination of travel was between South Delhi and Noida / Mayur Vihar. The study explored various alternative network improvements. Two specific opportunities in this regard are:

- (1) Providing a Flyover at Chilla Regulator near Sector 14A junction and build a 1 km link to the Toll Road. This will provide improved access to residents of Mayur Vihar, Vasundhara Enclave and people travelling between North Noida and South Delhi.
- (2) Providing a 2 km link from the Toll Road to the proposed NH2 (Kalindi) bypass, which is under implementation by PWD/Government of Delhi. This will considerably shorten the distance between Noida/Mayur Vihar and southernmost parts of South Delhi.

The impacts of these two options have been illustrated hereunder.

I Sector 14 A Link with Fllover

| | |
|----------------------------|----------------|
| Additional Traffic per day | 9, 691 |
| Estimated Project Cost | Rs 140 million |
| Incremental Revenue | Rs 44 million |
| Incremental Traffic (%) | 25% |

II South Link

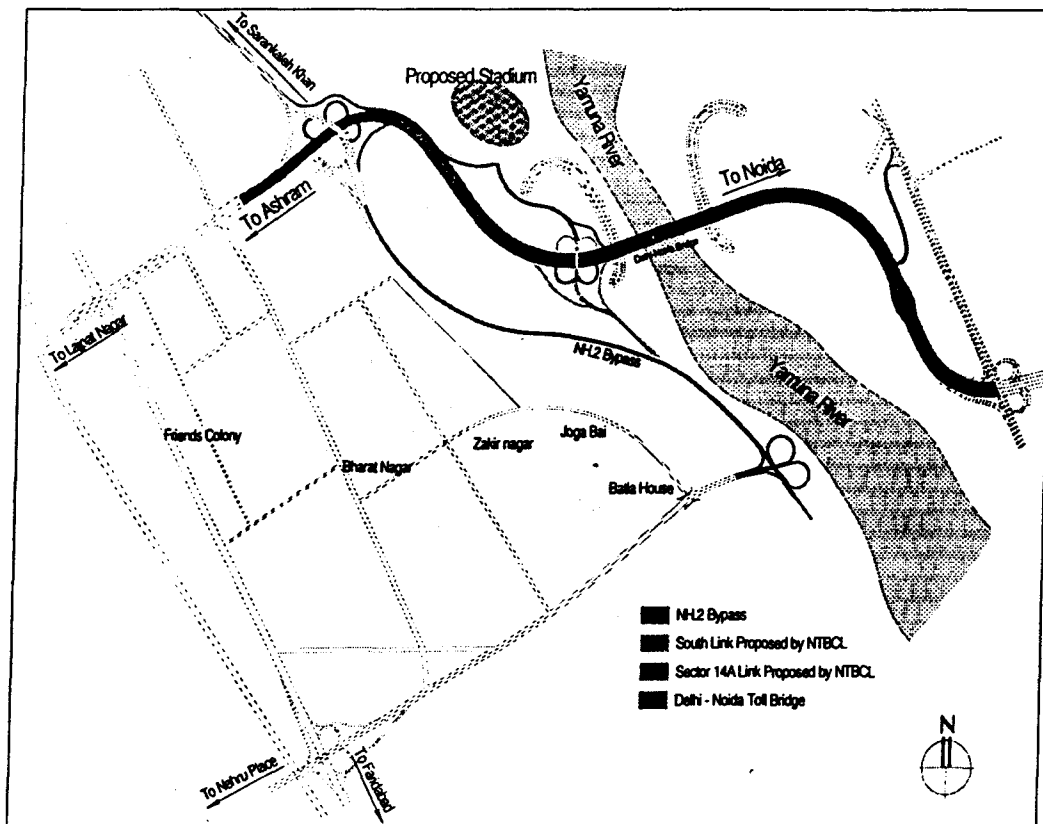
One Way

| | |
|----------------------------|---------------|
| Additional Traffic per day | 15, 174 |
| Estimated Project Cost | Rs 20 million |
| Incremental Revenue | Rs 69 million |
| Incremental Traffic (%) | 39% |

Two Way

| | |
|----------------------------|----------------|
| Additional Traffic per day | 21,919 |
| Estimated Project Cost | Rs 110 million |
| Incremental Revenue | Rs 93 million |
| Incremental Traffic (%) | 57% |

The above options are illustrated below:



In the event of both the links being implemented the Company can expect an additional traffic of 18,660 vehicles per day (if only a one- way south link is implemented) or 28,181 (if a two-way south link is implemented). With the commissioning of the Greater Noida – Noida Expressway the traffic is expected to increase further.

Competition/ Threats / Outlook

The major competition to the Company is from the parallel bridges viz: Nizamuddin Bridge and Okhla Barrage, primarily because these are free to use. Network improvements and improving connectivity are necessary for augmenting traffic on the bridge in the long run, for which Government support is crucial to the Company.

The Concession Agreement provides for traffic risk mitigation measures by allowing for NOIDA to grant Development Rights for lands in the immediate vicinity of the Delhi-Noida Bridge Project. The Company has in their possession 37 acres of land in Noida, which will be developed in phases, subject to grant of Development Rights by NOIDA/Govt. of UP. The grant of Development Rights is an interim measure, which will provide the Company with the necessary breather until the traffic picks up to projected levels due to network improvements. The denial of Development Rights by NOIDA or conditional grant of the same will also pose a financial threat to the Company.

The Company is also awaiting approval of a debt-restructuring plan by the Lenders.

Segment-wise and Product-wise Performance

| <i>Class</i> | <i>2 Wheelers</i> | <i>Cars</i> | <i>Trucks/Buses</i> | <i>Total</i> |
|---|-------------------|--------------|---------------------|--------------|
| Projected* | 33616 | 21479 | 20782 | 75877 |
| Actual | | | | |
| <i>Pre Ashram (April - December)</i> | <i>5620</i> | <i>12151</i> | <i>486</i> | <i>18257</i> |
| <i>Post Ashram (January - December)</i> | <i>7834</i> | <i>19823</i> | <i>747</i> | <i>28404</i> |
| March 2008 | 8543 | 20499 | 678 | 29720 |
| Percentage Utilization | 25% | 96% | 3% | 39% |

* Projected figures for first year of operation

The Company is confident that with the planned measures, as outlined above, it will be able to meet its commitments to the lenders and other stakeholders in the medium and long term.

Internal Control System and their Adequacy

The Company has a well-defined Internal Control System for all areas of operation which have been defined by the HRD Committee, Audit Committee, Finance Committee and Marketing Committee of Directors.

The Toll Collection and Management System has inbuilt self audit capabilities. The Company has independently conducted both system and financial audits on the toll operations.

The Company has introduced internal control systems to monitor business and operational performance, which are aimed at ensuring business integrity and promoting operational efficiency. The Company has appointed M/s. Patel & Deodhar, Chartered Accountants as Internal Auditors to ensure that the Company's systems and practices are designed with adequate internal controls to match the size and nature of operations of the Company.

The Internal Auditors conduct a periodic audit and review covering all operations, based on an audit programme. The reports of the auditors alongwith the management response are placed before the Committee for discussion and further action. The Committee also reviews the Annual Accounts of the Company before they are submitted to the Board for their approval and adoption.

Financial and Operational Performance

| | | |
|------------------|---|----------------|
| Projected Income | : | Rs. 397 mn. |
| Actual Income | : | Rs. 118.09 mn. |
| Achievement | : | 29.75 % |

As per the traffic projections, it was expected to get an average daily traffic (ADT) of 75,877 vehicles in the first year of operations. The actual ADT achieved in the month of March 2002 was 29,720 comprising 8,543 Two-Wheelers, 20,499 cars and only 678 buses/trucks :-

The following are the reasons for the lower than projected traffic:

- i) Collection of entry tax from commercial vehicles entering Delhi
- ii) Shifting of growth impetus from Noida to Gurgaon during the latter part of the last decade
- iii) General economic slowdown affecting the commercial traffic
- iv) Nearly 50% of the candidate cross – Yamuna traffic is not using the Delhi – Noida Bridge currently.

The following reasons are attributed to the lower achievement of revenue as compared to the projections :-

- i) Lower traffic
- ii) Significantly, lower percentage of commercial traffic resulting in drastic reduction in average realisation per vehicle
- iii) Delay in completion of the Ashram Flyover resulted in loss of traffic during the first 7 months of the financial year

Human Resources

The Company has a lean organisation with a total staff strength of 15. Qualified personnel reporting to the President & CEO, head the key functions such as Finance, Secretarial, Marketing and Operations.



**Noida
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Cautionary Statement

Certain statements in the Management Discussion and Analysis Report describing the Company's objectives, estimates and expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors, which could make a difference to the Company's operations, include traffic, government concessions, network improvements, changes in government regulations and other incidental factors.

REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance

Corporate Governance calls for the affairs of a Company to be controlled and regulated in a manner that is transparent, ethical and accountable. In this pursuit, your Company is committed to transparency in all its dealings and places uncompromising emphasis on integrity and regulatory compliances. The basic philosophy of Corporate Governance in your Company has been to achieve business excellence, to enhance shareholders value, keeping in view the needs and the interest of all its stakeholders.

Your Company continues to follow procedures and practices in conformity with the code of Corporate Governance as enunciated in the Listing Agreement.

The Company believes that emphasis on corporate governance is an important instrument of investor protection besides being indispensable for healthy business growth and resilient and vibrant capital markets. Good corporate governance provides an appropriate framework for the Board and the Management to carry out the objectives that are in the interests of the Company, its shareholders and investors.

2. Board of Directors

(a) Composition of the Board

The Board of Directors comprises of fifteen members. As on date all the Directors on the Board are non- executive. The Board comprises of an independent Chairman and eleven independent Directors (including eight nominee Directors, representing the Company's lenders and institutional and other shareholders) who bring a wide range of skills and experience to the Board. There are 3 Promoter Directors on the Board.

The composition of the Board of Directors as on April 30, 2002 is as given below:

| | Name | Executive/Non-Executive | Independent/others | Representing /Nominee |
|----|-----------------------------|--------------------------------|---------------------------|--|
| 1. | Mr. Gopi Arora, Chairman | Non- Executive | Independent | - |
| 2. | Mr RK Bhargava | Non- Executive | Independent | - |
| 3. | Mr Dharmendra | Non- Executive | Nominee/ Independent | Ministry of Urban Affairs & Poverty Alleviation |
| 4. | Mr. Anoop Mishra | Non- Executive | Nominee/ Independent | Government of Uttar Pradesh |



| | | | | |
|-----|---------------------------|----------------|----------------------------------|---|
| 5. | Mr. V K Malhotra | Non- Executive | Nominee/ Independent | New Okhla Industrial Development Authority |
| 6. | Mr. Shardul S. Shroff | Non- Executive | Independent | - |
| 7. | Mr Sanjiv Nair | Non- Executive | Nominee/ Independent | New Okhla Industrial Development Authority |
| 8. | Mr RS Sandhu | Non- Executive | Nominee/ Independent | Monitoring Agent /Lenders |
| 9. | Mr. Ravi Parthasarathy | Non- Executive | Nominee/ Promoter Director | Infrastructure Leasing & Financial Services (IL&FS) |
| 10. | Mr. Hari Sankaran | Non- Executive | Nominee/ Promoter Director | IL&FS |
| 11. | Mr. K. Ramchand | Non- Executive | Nominee/ Promoter Director | IL&FS |
| 12. | Mr Graham Jang | Non- Executive | Nominee / Independent | Asian Infrastructure Mezzanine Capital Fund |
| 13. | Timothy James Woodhead | Non- Executive | Nominee Director | O&M Operator / Shareholder – Intertoll Management Services, BV |
| 14. | Mr Shahzaad Dalal | Non- Executive | Nominee / Independent | AIG Indian Sectoral Equity Fund |
| 15. | Mr Santosh Senapati | Non- Executive | Nominee / Independent | AIG Indian Sectoral Equity Fund |

Note: During the course of the year Dr. Nivedita Haran, Ms. Pratibha Karan, Mr. Arun K Saha and Mr. Pradeep Puri resigned from the Board of Directors.

The composition of the Board is in conformity with the Listing Agreement.



(b) Directorships / Committee Memberships / Chairmanships

Details of the Directorships/ Memberships on Committees of public companies (including Noida Toll Bridge Company Limited) held by all the Directors on the Board during the course of the financial year, are as provided below:

| Sl. No. | Board Of Directors | No. of Directorships | No. of Memberships | No. of Chairmanships of Committees |
|---------|---|----------------------|--------------------|------------------------------------|
| 1. | Mr. Gopi Arora (Chairman) | 10 | 5 | 3 |
| 2. | Mr. R K Bhargava | 10 | 5 | 1 |
| 3. | Dr. Nivedita Haran * | 1 | 1 | Nil |
| 4. | Ms. Pratibha Karan* | 1 | 1 | Nil |
| 5. | Mr. Dharmendra | 1 | 1 | Nil |
| 8. | Mr. Sanjiv Nair | 1 | Nil | Nil |
| 9. | Mr. R S Sandhu | 2 | 1 | Nil |
| 10. | Mr. Shardul Shroff | 12 | 6 | Nil |
| 11. | Mr. Ravi Parthasarathy | 15 | 6 | Nil |
| 12. | Mr. Hari Sankaran | 12 | 3 | Nil |
| 13. | Mr. Arun K Saha * | 15 | 9 | Nil |
| 14. | Mr. K Ramchand | 5 | 1 | Nil |
| 15. | Mr. Graham Jang | 1 | Nil | Nil |
| 16. | Mr. Shahzaad Dalal | 10 | 4 | Nil |
| 17. | Mr. Santosh Senapati | 4 | 1 | - |
| 18. | Mr. Timothy James Woodhead | 2 | Nil | - |
| 19. | Mr. Pradeep Puri *(Managing Director) | 2 | 1 | - |

Note :

- (i) For the purpose of considering the total number of Directorships, all public limited companies, whether listed or not, have been considered. private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956, however, have not been included. Further only the Audit Committee, the Shareholders'/Investor Grievance Committee and the Remuneration Committee have been considered for calculating the total number of Committee memberships held by a Director.
- (ii) Directorships do not include the Alternate Directorships
- (iii)* Ms. Pratibha Karan (September 27, 2001), Dr. Nivedita Haran (November 29, 2001), Mr. Pradeep Puri (July 24, 2001) and Mr. Arun K Saha (March 20, 2002) have resigned from the Board during the course of the year. Resignation dates in brackets.
- (iv) Disclosures on other Directorships have not been received from Mr. V K Malhotra or Mr. Anoop Mishra. Mr. VK Malhotra, who had been nominated on the Board in his ex-officio capacity has had a change in his portfolio. His resignation will be taken up at the Board Meeting being held on May 17, 2002. Mr. Anoop Mishra's appointment lapses at this Annual General Meeting scheduled to be held on June 21, 2002.

(c) Meetings Held

Five meetings of the Board of Directors were held in the financial year 2001-2002 on the following dates:

1. April 26, 2001
2. July 25, 2001
3. November 29, 2001*
4. January 30, 2002
5. March 20, 2002

* As per the Corporate Governance Guidelines under the Listing Agreement the meetings should not be more than 4 months apart. This Meeting was delayed by 4 days for the convenience of Directors who wished to attend.

(d) Attendance

Attendance of each Director at the Board of Director meetings and the last Annual General Meeting (AGM)



| Sl. No. | Board Of Directors | Nc. of Meetings held during the tenure | No. of Board Meetings attended | Attendance at the last AGM held on April 26, 2001 |
|---------|---|--|--------------------------------|---|
| 1. | Mr. Gopi Arora (Chairman) | 5 | 4 | Yes |
| 2. | Mr. R K Bhargava | 5 | 5 | No |
| 3. | Dr. Nivedita Haran* | 2 | Nil | No |
| 4. | Ms. Pratibha Karan* | 2 | 2 | No |
| 5. | Mr. Dharmendra** | 3 | 2 | No |
| 6. | Mr. V K Malhotra | 5 | Nil | No |
| 7. | Mr. Anoop Mishra** | 2 | Nil | No |
| 8. | Mr. Sanjiv Nair** | 3 | 1 | No |
| 9. | Mr. R S Sandhu | 5 | 3 | Yes |
| 10. | Mr. Shardul Shroff | 5 | Nil | No |
| 11. | Mr. Ravi Parthasarathy | 5 | 3 | Yes |
| 12. | Mr. Hari Sankaran | 5 | 3 | Yes |
| 13. | Mr. Arun K Saha* | 5 | 3 | Yes |
| 14. | Mr. K Ramchand | 5 | 1 | No |
| 15. | Mr. Graham Jang | 5 | 4 | Yes |
| 16. | Mr. Shahzaad Dalal Mr. Alok Bhargava (Alternate to Shahzaad Dalal) Dr Archana Hingorani (Alternate to Shahzaad Dalal) | 5 | 2 2 1 | No Yes |
| 17. | Mr. Santosh Senapati | 5 | 2 | No |
| 18. | Mr. Timothy James Woodhead Mr. Ross Ronald George (Alternate to Timothy James Woodhead) | 5 - | 2 - | No No |
| 19 | Mr. Pradeep Puri* | 1 | 1 | Yes |

- * Resignations during the course of the year
- ** Appointments during the course of the year.

(e) Disclosure of pecuniary transactions of Executive and Non-Executive Directors with the Company

During the course of the financial year, Mr. Pradeep Puri was the Managing Director of the Company till July 24, 2001. Salary details have been provided elsewhere in this Report.

The Company avails of legal services from M/s Amarchand & Mangaldas & Suresh A Shroff & Co., M/s Amarchand & Mangaldas & Hiralal Shroff and Co., Suresh A Shroff & Co. and Anand Amarchand & Mangaldas whose partner, Mr Shardul Shroff, is on the Board of Directors of the Company. There is, however, no written contract or arrangement between these firms and the Company. As and when services of these firms are needed, their standard professional fees are paid. No payment was made to the firm in the financial year 2001- 2002.

3. Audit Committee

(a) Terms of Reference / Composition

The members of the Audit Committee are Mr Gopi Arora (Non-Executive Chairman), Mr. R K Bhargava, Mr RS Sandhu, Mr Santosh Senapati and Mr. Dharmendra. The Audit Committee has been constituted in accordance with the provisions of the Listing Agreement. All the members of the Committee are independent and non- executive. Mr. R. S. Sandhu and Mr Santosh Senapati have financial and accounting knowledge. The Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Audit Committee include approving and implementing the audit procedures and techniques, reviewing the financial reporting systems, internal control systems and control procedures. This Committee also, oversees appointment of auditors, reviews the Company's annual financial statements and internal Audit Reports. The Committee met three times during the year under review. The Audit Committee will meet prior to the finalisation of the Accounts for the year ended March 31, 2002.

The Committee reviews the reports of the Internal Auditors and Statutory Auditors along with the comments and action taken reports of the management. The Audit Committee also invites senior executives, as it considers appropriate, to be present at the meetings of the Committee.

(b) Meetings held

Three meetings of the Audit Committee were held in the financial year 2001-2002 on the following dates:

1. April 26, 2001
2. October 3, 2001
3. March 20, 2002

(c) Attendance

| S. No. | Director | No. of Meetings Held during tenure | No. of Meetings Attended |
|--------|----------------------|---------------------------------------|-----------------------------|
| 1. | Mr. Gopi K Arora | 3 | 3 |
| 3. | Mr. R K Bhargava | 3 | 2 |
| 4. | Mr. R S Sandhu | 3 | 3 |
| 5. | Mr. Santosh Senapati | 3 | 2 |
| 6. | Dr. Nivedita Haran* | 2 | - |
| 7. | Ms. Pratibha Karan* | 1 | 1 |
| 8. | Mr. Dharmendra** | 1 | 1 |

* Resignation during the course of the year

**Appointments during the course of the year

4. Remuneration Committee- Termed HRD Committee of Directors

(a) Composition / Terms of Reference

The HRD Committee comprises of an Independent Chairman, Mr. Gopi Arora and two Promoter Directors, Mr Ravi Parthasarathy and Mr Hari Sankaran. Currently all the members of this Committee are non- executive Directors. (Mr. Pradeep Puri resigned with effect from July 24, 2001) The Committee is constituted in accordance with the provisions of the Listing Agreement.

The Committee's scope of work includes formulation of an HRD policy, formulation of an appropriate compensation policy relating to salary, performance related pay, increments, allowances, perquisites, loan facilities and other compensation for the employees of the Company including the Wholetime Directors. The Committee has laid out employee rules and regulations which are contained in an Employee Hand Book.

The Committee met three times during the year.

(b) Meetings held

1. April 26, 2001
2. July 25, 2001
3. October 15, 2001

(c) Attendance

| S. No. | Director | No. of Meetings held during tenure | No. of Meetings Attended |
|--------|------------------------|------------------------------------|--------------------------|
| 1. | Mr. Gopi Arora | 3 | 3 |
| 2. | Mr. Ravi Parthasarathy | 3 | 3 |
| 3. | Mr. Hari Sankaran | 3 | 2 |
| 4. | Mr. Pradeep Puri* | 1 | 1 |

* Resigned during the course of the year

(d) Remuneration paid to Non-Executive Directors

The Non- Executive Directors are only paid Sitting Fees @ Rs 2000/- per meeting and in some cases, travel/lodging expenses to attend Board Meetings have also been reimbursed to the Directors.

| S.No. | Director | Sitting Fees paid to Directors for attending Board and Committee Meetings for the period April 1, 2001 to March 31, 2002 Rupees |
|-------|----------------------------|--|
| 1. | Mr. G K Arora | 32,000 |
| 2. | Mr. R K Bhargava | 26,000 |
| 3. | Dr. Nivedita Haran* | Nil |
| 4. | Mr. Dharmendra** | 6,000 |
| 5. | Mr. Sanjiv Nair** | 2,000 |
| 6. | Mr. V. K. Malhotra | Nil |
| 7. | Ms. Pratibha Karan* | 6,000 |
| 8. | IFCI Ltd. | 12,000 |
| 9. | Mr. Shardul Shroff | Nil |
| 10. | Mr. Ravi Parthasarathy | 12,000 |
| 11. | Mr. Arun K Saha* | 8,000 |
| 12. | Mr Hari Sankaran | 10,000 |
| 13. | Mr. K Ramchand | 2,000 |
| 14. | Mr. Timothy James Woodhead | 4,000 |
| 15. | Mr. Shahzaad Dalal | 6,000 |
| 16. | Mr. Alok Bhargava*** | 4,000 |
| 17. | Mr. Graham Jang | 8,000 |
| 18. | Dr. Archana Hingorani*** | 2,000 |
| 19. | Mr. Santosh Senapati | Nil |

* Resignations during the years

** Appointments during the year

*** Appointed as Alternate Directors during the year



(c) Chairman's Office

During the year, the Company has provided its non- executive Chairman with an office. The Company incurred Rs. 6,15,304/- towards setting up the office and Rs. 5,61,161.11 towards revenue expenses for the period May 1, 2001 to March 31, 2002.

(f) Remuneration paid to Executive Directors

The Company had a Managing Director for a part of the year. As a part of the internal restructuring process, the Managing Director resigned from the Board on July 24, 2001. Compensation paid to the Managing Director for the period April 1, 2001 to July 24, 2002 was as follows.

| | Rupees |
|---|-------------------|
| Salaries (including Bonus) | 8,93,367.50 |
| Performance related Pay- as decided by the Remuneration/ HRD Committee of Directors | 13,28,120.00 |
| Contribution to Provident Fund & Other Funds (excluding Gratuity) | 75,190.00 |
| Monetary Value of Perquisite | 1,60,798.12 |
| Children Education Allowance | 6,793.55 |
| | |
| Total | 2542000.17 |

There have been no other Executive Directors on the Board.

5. Investor Grievance Committee

(a) Composition / Terms of Reference / Status of Complaints

The Company's shares are currently closely held and not listed and hence no Shareholders Grievance Committee has been constituted.

During the month of March, however the Company constituted the Investors' Grievance Committee. The Members of the Committee are Mr R K Bhargava (Non- Executive Director, Chairman of the Committee) and Mr Gopi Arora. Both the Members of the Committee are Independent and Non-Executive. The Committee has been constituted in accordance with the provisions of the Listing Agreement. The Committee looks into redressal of Debentureholders complaints and suggests measures to improve investor relations. Due to very low level of Investor Complaints, the Committee met once during the year.

In order to expedite the process of debenture transfers, the Board has delegated the authority to approve debenture transfers and transmissions to Mr Pradeep Puri, President & CEO, Ms Monisha Macedo, Company Secretary and Mr T K Banerjee, Financial Controller. The Debenture transfer/ transmission formalities are processed as and when they are received and transfers are never retained for more than a fortnight.

Ms Monisha Macedo, Vice President & Company Secretary, has been designated the Compliance Officer for both the Stock Exchanges as well as Investor queries/complaints.

During the year the Company received complaints/requests (mainly for address and bank mandate changes) from 145 debenture holders (upto February 15, 2002) of which all were resolved within a reasonable time period. The Company has not received any complaint from SEBI so far. There are no pending debenture transfers.

6. General Body Meetings

(a) Annual General Meetings: Date, time and Venue

| Year | Location | Date and Time |
|--|---|----------------------------|
| Extraordinary General Meeting | Registered Office of the Company, at Toll Plaza, DND Flyway, opposite Sector 15 A, Near Apeejay School, Noida 201 301 | July 25, 2001 at 4 pm |
| AGM held for the financial year April 2000-March 31, 2001 | Registered Office of the Company, at Toll Plaza, DND Flyway, opposite Sector 15 A, Near Apeejay School, Noida 201 301 | April 26, 2001 at 2:00 pm |
| AGM held for the financial year April 1999-March 31, 2000 | Registered Office of the Company, at Sector 15 A, Near Apeejay School, Noida 201 301, Uttar Pradesh | April 29, 2000 at 10:30 am |
| AGM held for the financial year April 1998- March 31, 1999 | The Mulaquat Hall, The Taj Mahal Hotel, Vipin Khand, Gomti Nagar, Lucknow 226 010 | June 25, 1999 at 10:30 am |

(b) Special Resolutions

Four special resolutions were passed at the last three Annual General Meetings. No resolutions have been passed by postal ballot.

7. Disclosures

(a) Related party transactions

There were no materially significant related party transactions with the Promoters, Directors, the management, subsidiaries or relatives that have a potential conflict with the interest of the Company at large.



**Noida
Toll Bridge Co. Ltd.**

(b) Non Compliances

The Company has complied with all the statutory requirements and hence has not paid any penalties nor have any, strictures been imposed by the Stock Exchanges or SEBI or any other statutory authority, for non-compliance on any matter related to Capital Markets, since the Company was incorporated.

8. Means of Communication

Currently, only the Fully Convertible Debentures and the Deep Discount Bonds of the Company are listed on the Stock Exchanges. The Equity Shares of the Company are closely held and unlisted.

Unaudited quarterly results and audited half yearly results are being published in 1 English and 1 Hindi daily, usually Jansatta (Hindi) and Financial Express (English)

The Company's website address is www.dndflyway.org. Quarterly results and the shareholding pattern of the Company is available on the website.

A Management Discussion and Analysis report is annexed to the Director's Report

9. General Shareholder information

| | | | |
|-----|--|---|---|
| (a) | Registered Office & Location of Facility | : | Toll Plaza, DND Flyway, Opposite Sector 15 A, Near Apeejay School, Noida - 201 301 |
| (b) | Corporate Office Address | : | C/o IL&FS, India Habitat Centre, East Court, Zone VI, 4 th Floor, Lodhi Road, New Delhi 110 003 |
| (c) | Dates of Book Closure | : | The Record date and Book Closure dates were declared for the purpose of payment of semi annual Interest on FCDs, due on March 31 and September 30 Book Closure: September 6, 2001 to September 7, 2001 (both days inclusive) Record date: March 7, 2002 |
| (d) | Date, Time and Venue of the Annual General Meeting | : | AGM 5: April 26, 2001 at 2:00 p.m. at Toll Plaza, DND Flyway, Opposite Sector 15A, Noida 201 301, Uttar Pradesh AGM 4: April 29, 2000 at 10:30 a.m. at Sector 15A, Near Apeejay School, Noida 201 301 |

Regd. Office: Toll Plaza, DND Flyway, Opposite Sector 15 A, Noida 201 301



**Noida
Toll Bridge Co. Ltd.**

| | | | |
|-----|--|---|---|
| | | | AGM 3: June 25, 1999 at 10:30 a.m. at Mulaquat Hall, The Taj Mahal Hotel, Vipin Khand, Gomti Nagar, Lucknow 226 010 |
| (e) | Financial Calendar | : | April 01 to March 31 |
| (f) | Dividend Payment Date | : | No Dividend has been declared so far |
| (g) | The Deep Discount Bonds and Fully Convertible Debentures are listed at | : | <p>The Uttar Pradesh Stock Exchange Assn. Ltd. Padam Towers, 14/113 Civil Lines, Kanpur Tel : 0512 – 553 115 / 293 174 Fax : 0512 – 0512 – 293 175 No Stock Code has been provided by the Uttar Pradesh Stock Exchange</p> <p>The Stock Exchange, Mumbai 1st Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai – 400 001 Tel : 022- 272 1233 / 272 1234 Fax : 022- 272 1552 112454 and 112453</p> <p>The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai – 400051 Tel : 022 – 659 8100 Fax : 022 – 659 8237 / 38 D1 and N1</p> |
| (h) | Depository ISIN No. | | INE 781B07012 and INE 781B11014 |
| (i) | Listing Fees | : | Paid for all the above stock exchanges for 2001-2002 and 2002-2003 |
| (j) | Stock Market Data | : | The Debentures Issued by the Company have not been traded so far |
| (k) | Investor Correspondence Address | : | <p>Ms. Monisha Macedo, Company Secretary Noida Toll Bridge Company Limited, C/o. IL&FS Limited, India Habitat Centre, East Court, Zone VI, 4th Floor, Lodhi Road, New Delhi – 110 003 Phone : 91-11-4359020 Fax : 91-11-4356627 E-mail : ntbcl@ntbcl.com Website : www.dndflyway.org</p> |



**Noida
Toll Bridge Co. Ltd.**

| | | | |
|-----|---|------------|--|
| | | | Or to the Registrars at the address given below, mentioning: Unit: Noida Toll Bridge Company Limited |
| (l) | Address of the Company's Depository as well as Physical Registrar | : | Karvy Consultants Limited, "Karvy House", 46, Avenue 4, Street #1, Banjara Hills, Hyderabad 500 034 Tel : 040-332 0751 / 332 0752 / 332 0753 Fax : 040 – 331 1968 |
| (m) | Auditors of the Company | | S B Billimoria & Co. Chartered Accountants 14 th Floor, Dr. Gopal Das Bhawan 28, Barakhamba Road New Delhi 110 001 |
| (n) | Bankers of the Company | | Canara Bank <u>Head Office Address:</u> Canara Bank Building 2 nd and 3 rd Floor Adi Marzban Path Ballard Estate Mumbai 400 038 <u>Branch Office Address:</u> Canara Bank C 3, Sector 1 Noida 201 301 <u>Uttar Pradesh</u> |
| (o) | Share/Debenture System | Transfer : | The Company is currently a closely held Company and the Equity Shares are not listed. The transfers of the listed debt instruments are handled by the Registrar and Transfer Agents – Karvy Consultants Limited and processed within the stipulated time. The authority for approving transfers/transmissions of debt securities was earlier with a transfer Committee of Directors and has since been delegated to individual officers of the Company |



**Noida
Toll Bridge Co. Ltd.**

Debentures dematerialized upto March 31, 2002:

| Type of Security | No of Debentures | % of Debentures | No of Debenture holders | % of Debenture holders |
|------------------|------------------|-----------------|-------------------------|------------------------|
| FCDs | 149610 | 72.00% | 218 | 3.55% |
| DDBs | 51512 | 51.51% | 116 | 3.44% |

The Company signed an agreement with NSDL and the Debt as well as Equity are eligible for Dematerialisation. The Company is in the process of finalising the arrangement for connectivity with CDSL.

Shareholding Pattern as on: March 31, 2001 & March 31, 2002:

The shareholding pattern has not altered during the last financial year. There has however been a transfer from PAII (Mauritius) Company Limited to PruAsia Investors (India) Ltd. due to an internal restructuring process in the group where the parent Company has remained the same.

| | Category | No. of Shares held | Percentage of shareholding |
|-----------|--|--------------------|----------------------------|
| A. | Promoter's holding | | |
| 1. | Promoters | | |
| | - Indian Promoters | | |
| | - Infrastructure Leasing & Financial Services Limited | 3,60,00,002 | 35.43% |
| | - Foreign Promoters | - | - |
| 2. | Persons acting in concert | | |
| | Sub- Total | 3,60,00,002 | 35.43% |
| B. | Non- Promoters Holding | | |
| 3. | Institutional Investors | - | - |
| a. | Mutual Funds and UTI | - | - |
| b. | Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non-government Institutions) | | |
| | IFCI Ltd | 50,00,000 | 04.92% |
| c. | FII's | - | - |
| | Sub- Total | 50,00,000 | 04.92% |
| 4. | Others | | |
| a. | Private Corporate Bodies | - | - |
| b. | Indian Public – Subscriber shares | 5 | - |
| c. | NRI's/ OCBs | | |
| d. | Any other | | |
| | Government Authorities | | |
| | - New Okhla Industrial Development Authority | 1,00,00,000 | 09.84% |

| | | | |
|--|---|------------------------|------------------|
| | <u>Indian Contributory Trust</u> - IL&FS Trust Company Limited | 2,00,00,000 | 19.68% |
| | <u>Foreign Infrastructure Investor</u> - PAI (Mauritius) Company Limited/ PruAsia Investors (India) Limited | 2,00,00,000 | 19.68% |
| | <u>O & M Operator</u> - Intertoll Management Services BV - Intertoll India Consultants Private Limited | 14,77,060 91,42,940 | 01.45% 09.00% |
| | Sub total | 6,56,20,000 | 64.57% |
| | <u>GRAND TOTAL</u> | 10,16,20,007 | 100% |

Note: Foreign Shareholding:

| | | |
|---------------------------------------|--------------------|--------|
| (a) PruAsia Investors (India) Limited | 2,00,00,000 shares | 19.68% |
| (b) Intertoll Management Services BV | 14,77,060 shares | 01.45% |

10. **Chairman of the Board**

The Company has provided it's non- executive Chairman with an office whose expenses are borne by the Company – details provided elsewhere in the Report.

The Non- Mandatory requirements being followed by the Company are maintenance of a Chairman's office and constitution of a Remuneration (HRD) Committee.

The details on Directors are for the period starting from the last AGM (April 26, 2001) to April 30, 2002

Date: April 30, 2002

PRELIMINARY DRAFT FOR DISCUSSION

CERTIFICATE

**TO THE MEMBERS OF
NOIDA TOLL BRIDGE COMPANY LIMITED**

We have examined the compliance of conditions of Corporate Governance by Noida Toll Bridge Company Limited, for the year ended on 31 March, 2002, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned listing agreement.

As required by the Guidance Note issued by The Institute of Chartered Accountants of India, we state that:

- A meeting of the board of directors was delayed by four days.
- Representation on directorships held in other Companies along with membership/ Chairmanship of various committees of directors, has not been received from two directors

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

**For S. B. BILLIMORIA & CO.
Chartered Accountants**

New Delhi
May, 2002

Partner

PRELIMINARY DRAFT FOR DISCUSSION

AUDITOR'S REPORT

**TO THE MEMBERS OF
NOIDA TOLL BRIDGE COMPANY LIMITED**

We have audited the attached Balance Sheet of NOIDA TOLL BRIDGE COMPANY LIMITED, as at 31 March, 2002 and the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - c. the Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

PRELIMINARY DRAFT FOR DISCUSSION

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2002; and
 - ii. in the case of the Profit and Loss Account, of the loss for the year ended on that date.
3. On the basis of written representations received from the directors, as on 31 March, 2002 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March 2002 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S. B. BILLIMORIA & CO.
Chartered Accountants

New Delhi
May, 2002

Partner

PRELIMINARY DRAFT FOR DISCUSSION

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date)

1. The Company has generally maintained proper records showing full particulars including quantitative details for fixed assets. We are informed that the fixed assets were physically verified by the Management during the year and no material discrepancies were noted on such verification. In our opinion, the frequency of such verification is reasonable.
2. None of the fixed assets has been revalued during the year.
3. Stocks of 'Unembossed plastic cards' and 'On Board Units' have been physically verified during the year by the Management. No discrepancies were noted on such verification. There were no stocks of raw materials and spare parts with the Company. In our opinion, the frequency of verification is reasonable and adequate in relation to the size of the Company and the nature of its business.
4. In our opinion and on the basis of our examination of the stock and other related records, the valuation of stocks is fair and proper and in accordance with the normally accepted accounting principles.
5. The Company has not taken or granted any loans, secured or unsecured, from/to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, or from companies under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956 where the rate of interest and other terms and conditions are prima facie prejudicial to the interest of the Company.
6. In respect of loans and advances in the nature of loans, recovery of principal amounts and interest, where stipulated, has been regular.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of, plant & machinery and other assets. The Company's operations do not require the purchase of any raw materials or the sale of goods.
8. There are no transactions of purchase of goods and materials made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000 or more in respect of each party.
9. The Company has not accepted any deposits from the public.
10. The Company has an internal audit system commensurate with its size and nature of its business.
11. The Company has been regular in depositing provident fund dues with the designated trust maintained by the employees. According to the information

PRELIMINARY DRAFT FOR DISCUSSION

and explanations provided to us, the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company for the year ended 31 March, 2002.

12. According to the information and explanations given to us, there were no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty outstanding as at 31 March, 2002 for a period of more than six months from the date they became payable.
13. According to the information and explanations given to us, and the records of the Company examined by us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
14. The Company is not a sick industrial company within the meaning of clause (o) sub clause (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

For S. B. BILLIMORIA & CO.
Chartered Accountants

New Delhi
May, 2002

Partner

NOIDA TOLL BRIDGE COMPANY LIMITED
BALANCE SHEET AS AT 31 MARCH, 2002

| | <u>Schedule Reference</u> | <u>As At 31.03.2002 Rupees</u> | <u>As At 31.03.2001 Rupees</u> |
|---|-------------------------------|--|--|
| <u>SOURCES OF FUNDS</u> | | | |
| SHAREHOLDERS'S FUNDS | | | |
| Equity Share Capital | 1 | 1,016,200,070 | 1,016,200,070 |
| LOAN FUNDS | | | |
| Secured Loans | 2 | 3,168,447,559 | 2,490,929,698 |
| | | <u>4,184,647,629</u> | <u>3,507,129,768</u> |
| <u>APPLICATION OF FUNDS</u> | | | |
| FIXED ASSETS | | | |
| Gross Block | 3 | 3,798,523,156 | 3,740,748,824 |
| Less: Depreciation | | <u>70,567,944</u> | <u>2,362,611</u> |
| Net Block | | 3,727,955,212 | 3,738,386,213 |
| CAPITAL WORK IN PROGRESS | | | |
| | | 5,143,236 | 75,871,867 |
| INVESTMENTS | | | |
| | 4 | 6,620,676 | 101,704,377 |
| CURRENT ASSETS, LOANS & ADVANCES | | | |
| Inventories | 5 | 3,344,371 | - |
| Sundry Debtors | 6 | 894,061 | - |
| Cash and Bank balances | 7 | 17,877,768 | 29,626,124 |
| Loans & Advances | 8 | <u>37,775,109</u> | <u>41,973,926</u> |
| | | 59,891,309 | 71,600,050 |
| LESS: CURRENT LIABILITIES & PROVISIONS | | | |
| | 9 | <u>179,037,241</u> | <u>603,435,138</u> |
| NET CURRENT ASSETS | | | |
| | | (119,145,932) | (531,835,088) |
| MISCELLANEOUS EXPENDITURE | | | |
| (To the extent not written off or adjusted) | 10 | 58,479,323 | 73,649,866 |
| PROFIT AND LOSS ACCOUNT (Debit balance) | | | |
| | | <u>505,595,114</u> | <u>49,352,533</u> |
| | | <u>4,184,647,629</u> | <u>3,507,129,768</u> |

For Notes forming part of the accounts, refer to Schedule 14

The schedules referred to above form an integral part of the accounts

As per our report of even date attached.

For S. B. BILLIMORIA & CO.
Chartered Accountants

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Jitendra Agarwal
Partner

Hari Sankaran K Ramchand
Director Director

Pradeep Puri
President & CEO

New Delhi,
May 17, 2002

T. K. Banerjee
Financial Controller

Monisha Macedo
Company Secretary

New Delhi,
May 17, 2002

NOIDA TOLL BRIDGE COMPANY LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2002

| | <u>Schedule Reference</u> | <u>Year ended 31.03.2002 Rupees</u> | <u>Period ended 31.03.2001 Rupees</u> |
|---|-------------------------------|---|---|
| INCOME | | | |
| Toll Revenue | | 97,151,760 | 11,600,938 |
| Other Income | 11 | 20,927,841 | 1,375,543 |
| | | <u>118,079,601</u> | <u>12,976,481</u> |
| EXPENDITURE | | | |
| Operating and Administration Expenses | 12 | 64,846,882 | 8,180,470 |
| Finance Charges | 13 | 425,996,345 | 49,659,497 |
| Depreciation | | 68,308,412 | 2,286,201 |
| Miscellaneous Expenditure Written Off | | 15,170,543 | 2,202,846 |
| | | <u>574,322,182</u> | <u>62,329,014</u> |
| PROFIT / (LOSS) FOR THE PERIOD | | (456,242,581) | (49,352,533) |
| Balance Brought Forward for the Previous Year | | (49,352,533) | - |
| Loss Carried to Balance Sheet | | <u>(505,595,114)</u> | <u>(49,352,533)</u> |
| Basic Loss per Equity Share (in Rs.) | | (4.49) | (0.49) |
| Diluted Loss per Equity Share (in Rs.) | | (3.49) | (0.37) |

For Notes forming part of the accounts, refer to Schedule 14

The schedules referred to above form an integral part of the accounts

As per our report of even date attached.

For S. B. BILLIMORIA & CO.
Chartered Accountants

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

| | | | |
|--|---|---|--|
| <p>Partner</p> <p>New Delhi, May 17, 2002</p> | <p>Hari Sankaran Director</p> <p>T. K. Banerjee Financial Controller</p> <p>New Delhi, May 17, 2002</p> | <p>K Ramchand Director</p> <p>Monisha Macedo Company Secretary</p> | <p>Pradeep Puri President & CEO</p> |
|--|---|---|--|

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

| | As At 31.03.2002 Rupees | As At 31.03.2001 Rupees |
|--|-------------------------------|-------------------------------|
| <u>SCHEDULE 1</u> | | |
| SHARE CAPITAL | | |
| Authorised 125,000,000 (Previous Year 125,000,000) Equity Shares of Rs.10 each | <u>1,250,000,000</u> | <u>1,250,000,000</u> |
| Issued, Subscribed and Paid up 101,620,007 (Previous Year 101,620,007) Equity Shares of Rs.10 each Fully Paid up | <u>1,016,200,070</u> | <u>1,016,200,070</u> |
| <u>SCHEDULE 2</u> | | |
| LOAN FUNDS | | |
| Secured Loans | | |
| a. Debentures and Bonds | | |
| 207,800, 14% Fully Convertible Debentures of Rs. 1,000 each. (See Note 6 a) | 207,800,000 | 207,800,000 |
| 100,000, Deep Discount Bonds of face value of Rs. 45,000 each. (See Note 6 b) | 4,500,000,000 | 4,500,000,000 |
| Less: Unexpired Discount | <u>3,802,791,345</u> | <u>3,892,027,000</u> |
| | 697,208,655 | 607,973,000 |
| b. Term Loans (See Note 6 c) | | |
| Banks | 1,330,000,000 | 955,000,000 |
| Financial Institutions | 333,438,904 | 120,000,000 |
| Others | <u>600,000,000</u> | <u>600,000,000</u> |
| | 2,263,438,904 | 1,675,000,000 |
| c. Interest Accrued & due on term loans | | |
| | - | 156,698 |
| | <u>3,168,447,559</u> | <u>2,490,929,698</u> |

Notes:

1. Fully Convertible Debenture of Rs.1,000 each are compulsorily convertible in 100 equity shares of Rs.10 each at par after 36 months from the date of issue i.e 3 November, 1999.
2. Deep Discount Bonds issued at Rs.5000 each would be redeemed at Rs.45,000 each at the end of the 16th year from the date of allotment i.e 3 November, 1999.

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 3

FIXED ASSETS

(All Amounts in Rupees)

| PARTICULARS | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|--|--------------------|----------------------|---------------------------|----------------------|--------------------|-----------------|---------------------------|----------------------|---------------------|---------------------|
| | As At 1.04.2001 | Additions | Deletions / Adjustment | As At 31.03.2002 | As At 1.04.2001 | For the Year | Deletions / Adjustment | As At 31.03.2002 | As At 31.03.2002 | As At 31.03.2001 |
| Delhi Noida Link Bridge (See note 2b) | 3,733,402,670 | 57,087,949 | | 3,790,490,619 | 2,004,155 | 66,496,395 | | 68,500,550 | 3,721,990,069 | 3,731,398,515 |
| Plant & Machinery | | | | | | | | | | |
| - Data Processing Equipment | 1,368,303 | 75,050 | 33,512 | 1,409,841 | 88,583 | 536,187 | 33,512 | 591,258 | 818,583 | 1,279,720 |
| - Office Equipment | 1,895,239 | 591,394 | 124,354 | 2,362,279 | 62,250 | 321,406 | 24,328 | 359,328 | 2,002,951 | 1,832,989 |
| Vehicles | 2,952,346 | - | 99,117 | 2,853,229 | 152,743 | 721,354 | 84,173 | 789,924 | 2,063,305 | 2,799,603 |
| Furniture & Fixtures | 1,130,266 | 276,922 | | 1,407,188 | 54,880 | 272,004 | - | 326,884 | 1,080,304 | 1,075,386 |
| | 3,740,748,824 | 58,031,315 | 256,983 | 3,798,523,156 | 2,362,611 | 68,347,346 | 142,013 | 70,567,944 | 3,727,955,212 | 3,738,386,213 |
| Previous Year | 6,518,378 | 3,734,230,446 | - | 3,740,748,824 | 2,362,611 | - | 2,362,611 | 3,738,386,213 | 5,643,696 | |

Note: Depreciation amounting Rs. 38,934 has been capitalised as preoperative expenditure for the Ashram Flyover project.

Noida Toll Bridge Company Limited
SCHEDULES FORMING PART OF THE ACCOUNTS

| | <u>As At</u> <u>31.03.2002</u> Rupees | <u>As At</u> <u>31.03.2001</u> Rupees |
|---|---|---|
| <u>SCHEDULE 4</u> | | |
| INVESTMENTS (At Cost) | | |
| a. Current, Quoted, other than Trade Investments | | |
| Prudential ICICI Liquid Plan - 484,611.81 (previous year NIL) units of face value of Rs.10 each | 6,620,676 | NIL |
| b. Long Term, Unquoted, other than Trade Investments | | |
| NIL (previous year - 9739) Unsecured Bonds of face value Rs.100,000 each purchased from ICICI Ltd at an Issue price of Rs.10,443 each | NIL | 101,704,377 |
| | <u>6,620,676</u> | <u>101,704,377</u> |

Note: 1. The Net Asset Value of quoted investments as at the year end - Rs. 6,756,312 (Previous Year Rs. NIL)

SCHEDULE 5

INVENTORIES (At Cost)

| | | |
|---------------------------------------|------------------|------------|
| Electronic Cards and 'On Board Units' | <u>3,344,371</u> | <u>NIL</u> |
|---------------------------------------|------------------|------------|

SCHEDULE 6

SUNDRY DEBTORS (Unsecured, Considered Good)

| | | |
|--|----------------|------------|
| Debts Outstanding for less than six months | <u>894,061</u> | <u>NIL</u> |
|--|----------------|------------|

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

| | <u>As At 31.03.2002 Rupees</u> | <u>As At 31.03.2001 Rupees</u> |
|--|--|--|
| <u>SCHEDULE 7</u> | | |
| CASH AND BANK BALANCES | | |
| Cash in Hand | 12,352 | 91,994 |
| Balances with the Scheduled Banks | | |
| - In Current Accounts | 17,865,416 | 17,034,225 |
| - In Deposit Accounts | - | 12,499,905 |
| | <u>17,877,768</u> | <u>29,626,124</u> |
| <u>SCHEDULE 8</u> | | |
| LOANS AND ADVANCES | | |
| a. Advances Recoverable in Cash or Kind for Value to be Received | 29,415,290 | 23,886,930 |
| b. Advance Payment against Taxes | 2,949,367 | 2,897,387 |
| c. Deposits | 5,410,452 | 13,923,350 |
| d. Interest Accrued and Not Due on Investments | NIL | 1,266,259 |
| | <u>37,775,109</u> | <u>41,973,926</u> |
| Of the above, amounts; | | |
| Secured, Considered good | NIL | 11,600,000 |
| Unsecured, Considered good | <u>37,775,109</u> | <u>30,373,926</u> |
| | <u>37,775,109</u> | <u>41,973,926</u> |
| Amounts due from Directors | NIL | 250,443 |
| Maximum amount due from Directors during the year | 250,443 | 416,854 |

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

| | | As At 31.03.2002 Rupees | As At 31.03.2001 Rupees |
|---|------------------|-------------------------------|-------------------------------|
| <u>SCHEDULE 9</u> | | | |
| CURRENT LIABILITIES AND PROVISIONS | | | |
| a. Current Liabilities | | | |
| Sundry Creditors | 163,011,608 | | 578,565,727 |
| Advance Payments and Unexpired Discounts | 4,864,105 | | 994,511 |
| Other Liabilities | 5,759,313 | | 15,210,211 |
| Interest Accrued but not Due on Secured Loans | <u>1,719,268</u> | | <u>5,289,605</u> |
| | | 175,354,294 | 600,060,054 |
| b. Provisions | | | |
| Provision for Taxes | 2,794,190 | | 2,796,140 |
| Provision for Retirement Benefits (Refer note 2f) | <u>888,757</u> | | 578,944 |
| | | <u>3,682,947</u> | |
| | | <u>175,037,241</u> | <u>603,435,138</u> |

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

| | <u>As At</u> <u>31.03.2002</u> Rupees | <u>As At</u> <u>31.03.2001</u> Rupees |
|---|---|---|
| <u>SCHEDULE 10</u> | | |
| MISCELLANEOUS EXPENDITURE | | |
| (To the extent not written off or adjusted) | | |
| a. Preliminary Expenses | | |
| Balance brought forward | 3,679,114 | 3,789,155 |
| Amount charged to Profit & Loss account | <u>757,831</u> | <u>110,041</u> |
| | 2,921,283 | 3,679,114 |
| b. Expenses Incurred on Public Issue of Fully Convertible Debentures and Deep Discount Bonds | | |
| Balance brought forward | 39,853,494 | 41,045,500 |
| Amount charged to Profit & Loss account | <u>8,209,100</u> | <u>1,192,006</u> |
| | 31,644,394 | 39,853,494 |
| c. Deferred Revenue Expenses (See note 13) | | |
| Balance brought forward | 30,117,258 | - |
| Transferred from preoperative expenses | - | 31,018,057 |
| Amount charged to Profit & Loss account | <u>6,203,612</u> | <u>900,799</u> |
| | 23,913,646 | 30,117,258 |
| | <u>58,479,323</u> | <u>73,649,866</u> |

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

| | <u>As At</u> <u>31.03.2002</u> Rupees | <u>As At</u> <u>31.03.2001</u> Rupees |
|--|---|---|
| <u>SCHEDULE 11</u> | | |
| OTHER INCOME | | |
| Interest on Sinking Fund Investments | 8,638,364 | 1,266,259 |
| Advertisement Revenue | 5,971,784 | - |
| Profit on Sale of Units of Mutual Fund | 5,365,431 | - |
| Service Fee | 591,186 | 30,140 |
| Miscellaneous and Other Income | <u>361,076</u> | <u>79,144</u> |
| | <u>20,927,841</u> | <u>1,375,543</u> |

Noida Toll Bridge Company Limited
SCHEDULES FORMING PART OF THE ACCOUNTS

| | Year ended 31.03.2002 | Period ended 31.03.2001 |
|---|--------------------------|----------------------------|
| | Rupees | Rupees |
| <u>SCHEDULE 12</u> | | |
| OPERATING AND ADMINISTRATION EXPENSES | | |
| Salaries, Wages and Bonus | 11,570,883 | 1,824,396 |
| Contribution to Provident and Other Funds | 1,202,166 | 220,875 |
| Staff Welfare Expenses | 721,470 | 141,080 |
| Fees Paid to O & M Contractor | 10,855,096 | 1,294,085 |
| Consumption of Cards and OBU's | 1,993,966 | - |
| Legal & Professional Charges | 9,716,878 | 1,157,072 |
| Agency Fees | 3,553,759 | 572,527 |
| Insurance Expenses | 7,410,784 | 981,932 |
| Travelling and Conveyance | 5,094,215 | 655,679 |
| Advertisement and Business Promotion Expenses | 3,795,413 | 52,537 |
| Rent | 3,675,159 | 534,359 |
| Repair & Maintenance - Building | 1,106,963 | 121,685 |
| - Others | 1,198,256 | 176,867 |
| Telephone, Fax and Postage | 1,193,068 | 124,690 |
| Electricity Expenses | 586,403 | 103,886 |
| Rates and Taxes | 215,297 | 27,589 |
| Director's Sitting Fees | 140,000 | 8,000 |
| Loss on Sale of Fixed Assets | 13,363 | - |
| Other Expenses | 1,690,839 | 183,211 |
| | 65,733,978 | 8,180,470 |
| Less : Amounts Capitalised during the year | (887,096) | - |
| | <u>64,846,882</u> | <u>8,180,470</u> |

SCHEDULE 13

FINANCE CHARGES

| | | |
|--|---------------------------|--------------------------|
| Interest on Fully Convertible Debentures | 29,091,997 | 4,224,472 |
| Interest on Deep Discount Bonds | 89,235,655 | 11,299,019 |
| Interest on Term Loan | 301,538,544 | 32,576,211 |
| Other Finance Charges | 11,418,021 | 1,559,795 |
| | 431,284,217 | 49,659,497 |
| Less : Amounts Capitalised during the year | (5,287,872) | - |
| | <u>425,996,345</u> | <u>49,659,497</u> |

NOIDA TOLL BRIDGE COMPANY LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 14 : NOTES FORMING PART OF THE ACCOUNTS

1. Background

Noida Toll Bridge Company Limited (the Company) has been set up to develop, establish, construct, operate and maintain a project relating to the construction of the Delhi Noida Link Bridge under the "Build-Own-Operate-Transfer" (BOOT) basis. The Delhi Noida Link Bridge comprises the Delhi Noida Link Bridge, adjoining roads and other related facilities and the Ashram flyover which has been constructed at the landfall of the Delhi Noida Link Bridge.

A 'Concession Agreement' entered into between the Company, Infrastructure Leasing and Financial Services Limited 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 (through the levy of fees/ toll revenue) with a designated rate of return over the 30 year concession period commencing 30 December, 1998, 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 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 assured returns in the previous year(s).

The Ashram Flyover was opened to the public for traffic on 30 October, 2001 for which a separate agreement has been entered into with the Government of the NCT of Delhi which is co-terminus with the Concession Agreement.

The independent auditors of the Project appointed in terms of the Concession Agreement have ascertained the cost of the Delhi Noida Link Bridge incurred till 31 March, 2001 on provisional basis pending certain payments, which would be affected after completion of the 12 months defect liability period. The independent auditors have also determined the accrued return as designated under the Concession Agreement and due to the company till 31 March, 2001. As per the independent auditors the total amount to be recovered upto 31 March, 2001 under the Concession Agreement including 20% return on project cost aggregates to Rs. 4,193.17 million.

2. Significant Accounting Policies

a. Basis of accounting

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting. The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The Accounting policies have been consistently applied by the Company and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

The profit and loss account has been prepared for the year ended 31 March, 2002. The previous period comparatives are for the period 7 February, 2001 (the date of commencement of the operations of the Delhi Noida Link Bridge) to 31 March, 2001.

b. Fixed assets

Fixed assets include the Delhi Noida Link Bridge which is stated at original cost of acquisition including incidental expenses relating to the acquisition and installation of the assets.

Expenses incurred on the Delhi Noida Link Bridge include direct and indirect expenses incurred for procurement/construction of land and buildings, roads, bridges, culverts, plant and machinery including toll plazas and other equipment and other related expenses. (See also Note 3 below)

c. Depreciation

Depreciation on fixed assets (other than the Delhi Noida Link Bridge) is provided on the written down value method using rates prescribed under Schedule XIV to the Companies Act, 1956.

Depreciation on the Delhi Noida Link Bridge is provided on the Straight Line Method using rates prescribed under schedule XIV to the Companies Act, 1956. The useful life of the Delhi Noida Link Bridge is estimated to be in excess of specified period under section 205(5)(a) of the Companies Act, 1956. A review of the estimated useful life/the concession period as per the Concession Agreement of the Delhi Noida Link Bridge would be undertaken by the Management at periodic intervals to assess the additional charge for depreciation, if any. (See also Note 5)

d. Revenue Recognition

The Company's revenue comprises toll revenues collected at the Delhi Noida Link Bridge and advertisement revenue, which are recognised, on the accrual basis.

e. Inventories

Inventories have been valued at cost.

f. Retirement benefits

The provision for gratuity as at the year end has been made based on an actuarial valuation and is funded by the Life Insurance Corporation of India.

The money value of unutilised leave due to the employees in terms of the service conditions is included under retirement benefits on the basis of leave due to an employee at the year-end.

g. Investments

Investments are valued at cost.

h. Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions. Monetary items denominated in foreign currency and outstanding at the balance sheet date are translated at the exchange rate ruling on that date. In case of forward contracts for foreign exchange, the difference between the forward rate and the exchange rate at the date of the transaction are recognised over the life of the contract.

l. Miscellaneous expenditure

Miscellaneous expenditure is amortised over a period of five years from the date of commencement of commercial operations.

j Borrowing costs

Borrowing costs related to the acquisition / construction of the qualifying fixed assets for the period upto the completion of their acquisition / construction are included in the book value of the assets. All other borrowing costs are recognised as an expense and are charged to revenue in the year in which these are incurred.

k. Deferred taxation

The Company has carried out its tax computation in accordance with AS 22 – Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India. In accordance with the same no deferred tax asset / liability was required at the year end.

3. Capitalisation of the Delhi Noida Link Bridge

Pending receipt of the final bill from the contractor for expenses incurred on the project, the Company had in the previous year, based on an estimate of work as certified by the Project Engineer, capitalized the same at an estimated cost of Rs 251.64 million. As the final bill is yet to be submitted by the contractor as per the terms of the EPC contract, the Project Engineer has reviewed the balance estimated cost in the current year and, after taking into account the payment made out of the last year's estimated cost, has certified the balance of amounts payable to the contractor at Rs. 37.12 million. The difference in the value of the estimated cost has been adjusted in the current year from the cost of the project. Both parties have referred some of the disputes to arbitration. Any change in the cost of the project on receipt of the contractor's final bill and on settlement of arbitration proceedings will be revised in subsequent year(s). The extent of such adjustments, if any can not be determined at this stage. (See also Note 7d)

4. Consequent to opening of Ashram Flyover for traffic on 30 October, 2001, all indirect expenditure incurred upto that date have been allocated to the cost of the flyover and capitalised. These include:

- Interest aggregating to Rs. 5,287,872 capitalised during the year towards construction of Ashram Flyover.
- Other expenditure directly attributable to the project aggregating to Rs. 887,096.

5. Depreciation of the Delhi Noida Link Bridge

During the year the Company has changed the method of providing depreciation in respect of Delhi Noida Link Bridge from the Sinking Fund Method to Straight Line Method in accordance with the Companies Act, 1956. Upto the previous year, the Company had charged depreciation on the Delhi Noida Link Bridge using the Sinking Fund Method for which the Company had obtained the approval of the Department of Company Affairs, Government of India vide their letter 6/18/98 – CL.V dated 11 August, 1998. Accordingly, depreciation has been recalculated in accordance with the new method from the date of the asset coming into use.

As a result of this change, the cumulative short amount of depreciation of Rs. 6,483,325 provided upto 31 March, 2001 has been charged to the Profit & Loss account. Had the

Company followed earlier method of charging depreciation, the loss for the year would have been lower by Rs. 44,277,372.

6. Secured Loans

- a. Fully Convertible Debentures (FCDs) are secured by second charge in favour of the trustees on all the project assets of the Company which include the Delhi Noida Link Bridge and all tangible and intangible assets including, but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds. Further, Infrastructure Leasing & Financial Services Limited has provided an unconditional and irrevocable guarantee for the payment of interest on FCDs.
- b. Deep Discount Bonds are secured by a pari passu first charge in favour of the trustees along with the other senior lenders of the Company on all the project assets which include the Delhi Noida Link Bridge and all tangible and intangible assets including but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds etc.
- c. Term loans from banks, financial institutions and others are secured by a charge on:
 - Immovable properties of the Company situated in the States of Delhi and Uttar Pradesh.
 - The whole of the movable properties of the Company, both present and future.
 - All the Company's book debts, receivables, revenues of whatsoever nature and wheresoever arising, both present and future.
 - All the rights, titles, interest, benefits, claims and demands whatsoever of the Company under any agreements entered into by the Company in relation to the project including consents, agreements or any other documents entered into or to be entered into by the Company pertaining to the project, as amended, varied or supplemented from time to time.
 - All the rights, titles, interest of the Company in and relation to the Trust & Retention account proceeds, being the bank account established by the Company for crediting all the revenues from the project including but not limited to toll collections from the project.
 - All the rights, titles, interest benefits, claims and demands whatsoever of the Company in the Government permits, authorisations, approvals, no objections, licenses pertaining to the project and to any claims or proceeds arising in relation to or under the insurance policies taken out by the company pertaining to the assets of the projects of the Company.

7. Contingent Liabilities

Contingent liabilities in respect of:

| | As at 31.03.2002 Rs./Million | As at 31.03.2001 Rs./Million |
|--|------------------------------------|------------------------------------|
| a. Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances paid against such contracts Rs. 2,231.20 million (Previous year Rs. 2,279.01 million) | 7.86 | 175.29 |
| b. Income Tax matters in dispute | 48.50 | NIL |
| c. Based on an environment and social assessment, compensation for rehabilitation and resettlement of project-affected persons has been estimated and considered as part of the project cost and provided for based on estimates made by the Company. | | |
| d. Claims made by the contractor aggregating to Rs. 270.88 million (Previous year Rs 218.99 million) have not been accepted by the Company and both parties have taken necessary steps to refer the matter to arbitration in accordance with the contractual arrangements. | | |

8. Expenditure in Foreign Currency

| | Year ended 31.03.2002 Rupees | Year ended 31.03.2001 Rupees |
|----------------------------|------------------------------------|------------------------------------|
| a. Travel | 1,594,514 | 961,277 |
| b. Payments to Contractors | 2,789,234 | 177,610,194 |
| c. Consultancy | NIL | 3,396,058 |

Amounts disclosed above have been computed on the cash basis.

9. Managerial Remuneration

Remuneration paid / payable to Managing Director / Manager.

| | Year ended 31.03.2002 Rupees | Year ended 31.03.2001 Rupees |
|---|------------------------------------|------------------------------------|
| a. Salaries | 3,170,228 | 2,880,744 |
| b. Contribution to Provident and other funds (excluding gratuity) | 125,137 | 430,306 |
| c. Monetary value of perquisites | 411,131 | 836,131 |
| TOTAL | 3,706,496 | 4,147,181 |

The remuneration paid to the Managing Director is for the period 1 April to 24 July, 2001 (the date upto which he was employed as a Managing Director) and is in accordance with the approval of the Central Government dated 17.05.1999 and 01.11.2000. Remuneration paid to the Manager is for the period 25 July, 2001 to 31 March, 2002.

10. Auditors' Remuneration

Legal and Professional charges includes Auditors' remuneration as follows:

| | | Year Ended 31.03.2002 Rupees | Year Ended 31.03.2001 Rupees |
|----|---|------------------------------------|------------------------------------|
| a. | As Auditors | 150,000 | 100,000 |
| b. | Limited review of half yearly accounts | 50,000 | Nil |
| c. | For taxation matters | 50,000 | Nil |
| d. | For Other Services | 82,000 | 60,010 |
| e. | Reimbursement of out of pocket expenses | 8,560 | 7,455 |
| f. | Service Tax | 16,600 | 13,000 |
| | | 357,160 | 180,465 |

11. Deep Discount Bonds

The Company has issued Deep Discount bonds for Rs. 5,000 each at a face value of Rs. 45,000 to be redeemed at the expiry of 16 years from the date of allotment. The interest on these bonds compounded @ 14.67% p.a. results in the redemption value of Rs. 45,000 over the period of the bond. Necessary provision has been made in the Profit and Loss Account towards interest accrued during the Year.

12. Investments in Mutual Funds

During the year, the Company acquired and sold units of Mutual Funds on various dates as under:

| | Purchases | | Sales | |
|---|-----------|------------------|-----------|------------------|
| | Units | Amount Rupees | Units | Amount Rupees |
| Kothari Pioneer – Treasury Management Account | 55,374 | 74,700,000 | 55,374 | 75,125,355 |
| Kothari Pioneer – Income | 1,667,593 | 30,000,000 | 1,667,593 | 31,500,834 |
| Prudential ICICI Liquid Plan* | 2,739,986 | 37,100,000 | 2,255,374 | 30,759,325 |
| Prudential ICICI Income Plan | 648,508 | 10,000,000 | 648,508 | 10,466,926 |
| Prudential ICICI Short Term | 982,695 | 10,000,000 | 982,695 | 10,202,632 |
| IL&FS Liquid Account | 7,243,291 | 74,500,000 | 7,243,291 | 75,037,243 |
| IL&FS Bond Fund | 3,109,638 | 41,600,000 | 3,109,638 | 43,513,159 |
| IL&FS Bond Fund – Short Term Plan – Growth | 329,740 | 3,300,000 | 329,740 | 3,339,281 |

* 484,612 units remained unsold as on 31 March, 2002 and have been shown under investment (See Schedule 4)

Profit from sale of the above units of Rs. 5,365,431 (previous year Rs. 1,620,508) and dividend of Rs. Nil (previous year Rs. 7,800,978) is included in other income.

13. Outstanding balance with small scale industrial unit

There are no amounts outstanding as payable to any small scale industrial units as on 31 March, 2002.

14. Miscellaneous Expenditure

Deferred revenue expenses includes expenses not relating to the construction of the bridge during the preoperative period and include marketing expenses, expenses on secretarial matters, etc.

15. Effect of change in Foreign Exchange Rates

Net foreign exchange loss of Rs. 1,918,610 has been adjusted against capitalisation of Fixed Assets during the year.

16. Related Party Disclosures

a. List of related parties

i. Company holding substantial interest in voting power of the Company

Infrastructure Leasing & Financial Services Ltd.

ii. Associates with whom transactions have taken place during the year or have balances at the year end

- Consolidated Toll Network India Pvt Ltd.
- Investsmart India Ltd
- IL&FS Asset Management Company Ltd.
- IL&FS Trust Company Ltd.
- Kampsax India Pvt Ltd.
- Orix Auto Finance (India) Ltd.
- Schoolnet India Ltd

iii. Key Management Personnel

- Pradeep Puri (Managing Director upto 24 July, 2001 and thereafter President & CEO)
- Mr. G Viswanathan (Manager w.e.f. 25 July, 2001)

b. Transactions/balances outstanding with Related Parties

| Transactions/ Outstanding balances | Company holding substantial Interest | (All amounts in Rupees) | |
|--|---|-------------------------|--------------------------------|
| | | Associates | Key Management Personnel |
| Services & Other Income | 803,930 | 99,968 | - |
| Expenditure on Technical & Consultancy services | - | 11,651,196 | - |
| Expenditure on other service | 747,911 | - | - |
| Lease Rentals | - | 336,940 | - |

| Transactions/ Outstanding balances | Company holding substantial interest | Associates | Key Management Personnel |
|------------------------------------|--------------------------------------|-------------|--------------------------|
| Agency Fees | 4,171,252 | - | - |
| Interest on Term Loan | 96,000,000 | - | - |
| Managerial Remuneration | | | 3,706,496 |
| Purchase of units of Mutual Fund | - | 119,400,000 | - |
| Sale of units of Mutual Fund | - | 121,889,683 | - |
| Debtors as at the year end | - | 1,426,060 | - |
| Equity as at the year end | 360,000,020 | 200,000,000 | - |
| Term Loan as at the year end | 600,000,000 | - | - |
| Vehicle Loan as at the year end | - | - | 214,235 |

17. Earning/ (Loss) per share

| | Year ended 31.03.2002 Rupees | Period ended 31.03.2001 Rupees |
|---|------------------------------------|--------------------------------------|
| I. BASIC LOSS PER SHARE | | |
| i. Number of Equity shares of Rs. 10 each fully paid up at the year beginning and year end | 101,620,007 | 101,620,007 |
| ii. Net Loss for the Period | (456,242,581) | (49,352,533) |
| Basic Loss per Share | (4.49) | (0.49) |
| II. DILUTED LOSS PER SHARE | | |
| i. Weighted Average of Equity Shares of Rs. 10 each fully paid up outstanding during the period | 101,620,007 | 101,620,007 |
| ii. Number of FCD of Rs. 1,000 each convertible into 100 Equity shares of Rs. 10 each | 207,800 | 207,800 |
| iii. Number of potential Equity Shares of Rs. 10 each fully paid up after conversion of FCD's | 20,780,000 | 20,780,000 |
| iv. Total number of potential Equity Shares (ii+iii) | 122,400,007 | 122,400,007 |
| v. FCD Interest savings on account of dilution | 29,091,997 | 4,224,472 |
| vi. Diluted Loss | (427,150,584) | (45,128,061) |
| Diluted Loss per Share | (3.49) | (0.37) |
| Nominal value of Equity Share | 10.00 | 10.00 |

18. Previous Year's Comparatives

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

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Hari Sankaran
Director

K Ramchand
Director

Pradeep Puri
President & CEO

T. K. Banerjee
Financial Controller

Monisha Macedo
Company Secretary

New Delhi
Date: May 17, 2002

NOIDA TOLL BRIDGE COMPANY LIMITED
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
(In terms of amendment to Schedule VI Part IV)

I Registration Details

| | | | | | |
|--------------------|---|----------------|------------|---|----|
| Registration No. | : | 20-19759 | State Code | : | 20 |
| Balance Sheet Date | : | 31 March, 2002 | | | |

II Capital Raised during the Year (Amount in Rs. Thousands)

| | | | | | |
|--------------|---|-----|-------------------|---|-----|
| Public Issue | : | NIL | Right Issue | : | NIL |
| Bonus Issue | : | NIL | Private Placement | : | NIL |

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

| | | | | | |
|-------------------|---|---------|--------------|---|---------|
| Total Liabilities | : | 4184648 | Total Assets | : | 4184648 |
|-------------------|---|---------|--------------|---|---------|

Source of Funds

| | | | | | |
|-----------------|---|---------|---------------------|---|-----|
| Paid-up Capital | : | 1016200 | Reserve and Surplus | : | NIL |
| Secured Loans | : | 3168448 | Unsecured Loans | : | NIL |

Application of Funds

| | | | | | |
|--|---|----------|-------------------|---|-------|
| Net Fixed Assets (including Capital Work-in-progress) | : | 3733099 | Investments | : | 6621 |
| Net Current Assets | : | (119146) | Misc. Expenditure | : | 58479 |
| Accumulated Losses | : | 505595 | | | |

IV Performance of the Company (Amount in Rs. Thousands)

| | | | | | |
|--------------------------|---|--------|-----------------------|---|--------|
| Turnover & Other Income | : | 118080 | Total Expenditure | : | 574323 |
| Profit/Loss before Tax | : | 456243 | Profit/Loss after Tax | : | 456243 |
| Earning per Share in Rs. | : | -4.49 | Dividend rate % | : | N/A |

V Generic Names of three Principal Products/Services of the Company (as per monetary terms)

Item Code No. (ITC Code) NIL

Product Description The Company has been set up for the purpose of construction & operation of Delhi Noida Link Bridge Project on Build, Operate, Own & Transfer (BOOT) system.

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Hari Sankaran
Director

K Ramchand
Director

Pradeep Puri
President & CEO

T. K. Banerjee
Financial Controller

Monisha Macedo
Company Secretary

New Delhi,
May 17, 2002

NOIDA TOLL BRIDGE COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2002

| | Year ended 31 March, 2002 Rupees | Period ended 31 March, 2001 Rupees |
|--|--|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Loss for the year | (456,242,581) | (49,352,533) |
| Adjustments For : | | |
| Depreciation | 68,308,412 | 2,286,201 |
| Miscellaneous Expenditure Written off | 14,412,712 | 2,092,805 |
| Preliminary Expenses Written off | 757,831 | 110,041 |
| Finance Charges | 425,996,345 | 49,659,497 |
| Loss on Sale of Assets | 13,363 | - |
| Interest on Sinking Fund Investments | (8,638,364) | (1,266,259) |
| Other Income | (5,405,932) | (79,144) |
| | 39,201,786 | 3,450,608 |
| Adjustments for Movement in Working Capital: | | |
| Decrease / (Increase) in Sundry Debtors | (894,061) | - |
| Decrease / (Increase) in Inventories | (3,344,371) | - |
| Decrease / (Increase) in Loans and Advances | 2,932,558 | (10,482,953) |
| Increase / (Decrease) in Current Liabilities | (157,339,011) | 208,690,726 |
| Cash From/(Used In) Operating activities | <u>(119,443,099)</u> | <u>201,658,381</u> |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase / Addition to Fixed Assets | (245,464,428) | (1,094,681,841) |
| Proceeds from Sale of Fixed Assets | 101,607 | 105,715 |
| Sale/(Purchase) of Sinking fund Investments | 101,704,377 | (101,704,377) |
| Sale/(Purchase) of Other Investments | - | 191,210,962 |
| Interest received on Sinking Fund Investment | 9,904,623 | - |
| Interest received on Other Investments | 40,502 | 2,867,411 |
| Gain/(Loss) on Sale of Units of Mutual Funds | 5,365,431 | 9,421,486 |
| Cash From/(Used In) Investing Activities | <u>(128,347,888)</u> | <u>(992,780,644)</u> |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Share Capital | - | 400,000,000 |
| Term Loans from Banks and Financial Institutions | 588,438,904 | 585,000,000 |
| Interest and Finance Charges Paid | (345,775,597) | (218,283,972) |
| Public Issue Expenses | - | 47,435 |
| Cash From/(Used In) Financing Activities | <u>242,663,307</u> | <u>766,763,463</u> |
| Net Increase /Decrease in Cash and Cash Equivalents | (5,127,680) | (24,358,800) |
| Cash and Cash Equivalents as at 1 April, 2001 | 29,626,124 | 53,984,924 |
| Cash and Cash Equivalents as at 31 March, 2002 | <u>24,498,444</u> | <u>29,626,124</u> |
| Components of Cash and Cash Equivalents as at: | 31 March, 2002 | 31 March, 2001 |
| Cash in hand | 12,352 | 91,994 |
| Balances with the scheduled banks: | | |
| - In Current accounts | 17,865,416 | 17,034,225 |
| - In Deposit accounts | - | 12,499,905 |
| Short Term Investments (Maturity less than 3 months) | 6,620,676 | - |
| | <u>24,498,444</u> | <u>29,626,124</u> |

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Harl Sankaran
Director

K Ramchand
Director

Pradeep Puri
President & CEO

T. K. Banerjee
Financial Controller

Monisha Macedo
Company Secretary

New Delhi,
May 17, 2002

AUDITORS' CERTIFICATE

We have verified the above cash flow statement of Noida Toll Bridge Company Limited derived from the audited financial statements of the Company for the year ended 31 March, 2002 and found the statement to be in accordance therewith and also with the requirements of clause 32 of the listing agreement with the Stock exchanges.

For **S. B. BILLIMORIA & CO.**
Chartered Accountants

New Delhi
May 17, 2002

Jitendra Agarwal
Partner



PROXY FORM

I/Weresident of
being a member/members of the above named Company, hereby appoint
.....resident ofas
my/our proxy to vote for me/us on my/our behalf at the SIXTH ANNUAL GENERAL MEETING of
the Company to be held on Friday, June 21st at 2:00 pm. and at any adjournment thereof.

Signed

Note : The Proxy form must be deposited at the Company's Registered Office not less than 48 hours
before the meeting. The proxy need not be a member of the Company.