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BOARD OF DIRECTORS

Gopi K. Arora
Chairman

R. K. Bhargava

Piyush Mankad

Sanat Kaul

Mohinder Singh

Deepak Premnarayan

Arun K. Saha

K. Ramchand

SENIOR MANAGEMENT

Pradeep Puri
President & CEO

Monisha Macedo
SVP, Legal & Corporate Affairs
(Company Secretary upto July 25, 2008)

Tarun Kumar Banerjee
Chief Financial Officer

COMPANY SECRETARY

Pooja Agarwal
(Appointed with effect from July 26, 2008)

DIRECTORS' REPORT

Your Directors take pleasure in presenting the Twelfth Annual Report together with the Audited Accounts for the year ended March 31, 2008

FINANCIAL HIGHLIGHTS

(Rs in Million)

	Year ended 31.3.2008	Year ended 31.3.2007
Income from Operations	663.92	471.11
Other Income	54.89	20.02
Operating & Administration Expenses	166.61	108.62
Miscellaneous Expenditure written off	-	12.43
Profit before Interest & Depreciation	552.20	370.08
Interest & Finance charges	148.66	180.66
Depreciation	86.31	78.01
Provision for Tax/ FBT	37.47	0.80
Net Profit/(Loss) carried to Balance Sheet	279.76	110.61

During the year the Company posted a substantially improved financial result.

The income from operations increased by 41% from Rs 471.11 Mn to Rs 663.92 Mn. The profit before interest and depreciation has increased by more than 49% over the previous year, largely due to an increase in the average daily traffic and average toll realisation per vehicle by 23% and 13%, respectively.

The Mayur Vihar Link Road Project, has been completed in two phases. The first and the second phase were completed and opened to traffic on June 15, 2007 and January 19, 2008, respectively. Expenses directly attributable to the project have been capitalised in the books.

There has been a substantial reduction in interest and finance charges during the year, which is a consequence of prepayment of debt from the proceeds of the Global Depository Receipts (GDR) issue.

Pursuant to the provisions of Sections 391/ 394 and other relevant provisions of the Companies Act, 1956, the Company had filed a Scheme of Arrangement which included an amalgamation with the Company's wholly owned subsidiary, DND Flyway Ltd., in the Honourable High Courts of Allahabad and Delhi. The Scheme became effective on June 21, 2007 with effect from the Appointed Date, July 1, 2006. As per the approved terms of the Scheme, the Company has adjusted accumulated losses and made provisions for some financing expenses out of Reserves and Surplus and has recognised a Toll Equalisation Receivable Account by crediting the General Reserve.

During the year under review, the Company appointed ITNL Toll Management Services Ltd (ITMSL) to take over the Operation and Maintenance of the DND Flyway from Intertoll India Consultants (P) Ltd. ITMSL has been promoted jointly by the Company and IL&FS Transportation Networks Ltd. with a shareholding of 51% and 49% respectively.

As per the Concession Agreement which the Company has entered into with New Okhla Industrial Development Authority (NOIDA) and Infrastructure Leasing & Financial Services Limited (IL&FS), the Company is entitled to a designated rate of return of 20% on the Project Cost during the Concession period. The Independent Auditor has determined accrued return as designated under the Concession Agreement and due to the Company till March 31, 2008. The total amount to be recovered up to March 31, 2008 aggregates to Rs 12,841.30 million.

REPAYMENT OF DEBT

As per the terms of the debt restructuring approved by the Corporate Debt Restructuring Empowered Group of Banks and Financial Institutions (CDR), the Company had issued Zero Coupon Bonds (Series B) of Rs 55.54 crores to the Banks, Financial Institutions and others, repayable no later than March 31, 2014, towards the Net Present Value of the sacrifice made by them. While 5% of the aforesaid debt was redeemed in the financial year 2003-04, 10% has been redeemed during the year under review.

DIVIDEND

The Directors do not recommend any dividend for the year.

The Company has not declared any dividends since incorporation. Dividends when declared, will be subject to approval of the shareholders at a General Meeting of the Company and based on the recommendation of the Board of Directors of the Company. The Board may also declare interim dividends.

The Directors intend to recommend the commencement of payment of dividends when the profitability of the Company is established. The Directors intend that the Company should target the payment of a dividend for the year ending March 31, 2009, subject to the Company operating satisfactorily and so long as the Company is under the debt restructuring scheme approved by the CDR Empowered Group of Banks and Financial Institutions (CDR), with the prior consent of the CDR.

Generally, the factors which may be considered by the Board before making any recommendations for dividend may include, but are not limited to, future capital expenditure plans, profits earned during the financial year, cost of raising funds from alternate sources, cash flow position and applicable taxes including tax on dividend. The Directors anticipate that on commencement of payment of dividends a relatively low level of dividend payment, relative to profits, will be appropriate initially, but keeping in mind the foregoing, they would pursue a policy of aiming to progressively increase the proportion of profits distributed to shareholders by way of dividend.

OPERATIONS

The traffic on the DND Flyway has shown a positive growth rate of around 23% p.a. during financial year 2007-08, over the previous year. The Average Daily Traffic (ADT) during the year was 84,261 vehicles on DND Flyway as against 68,652 vehicles in the previous year. The highest growth rate in traffic during the last 3 years was achieved in April 2008 when the ADT was 95,237 as against 76,281 during April 2007, registering a growth of 24.85%.

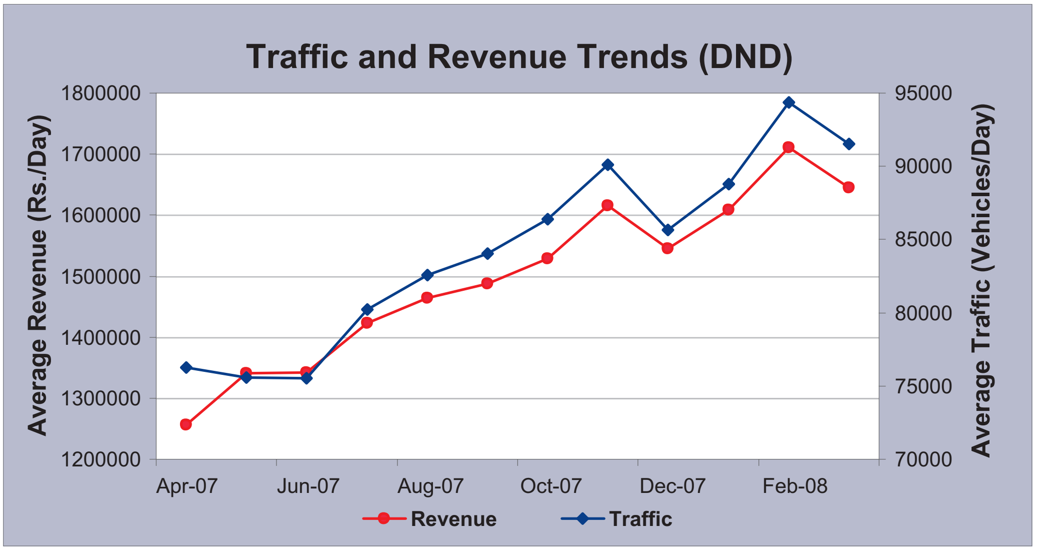
The Average Toll Revenue/Day has increased from Rs.1.08 million in FY 2006-07 to Rs. 1.49 million in FY 2007-08, showing an increase of 39%.

The month-wise Average Daily Traffic and Average Toll Revenue per day is presented in the Table below:

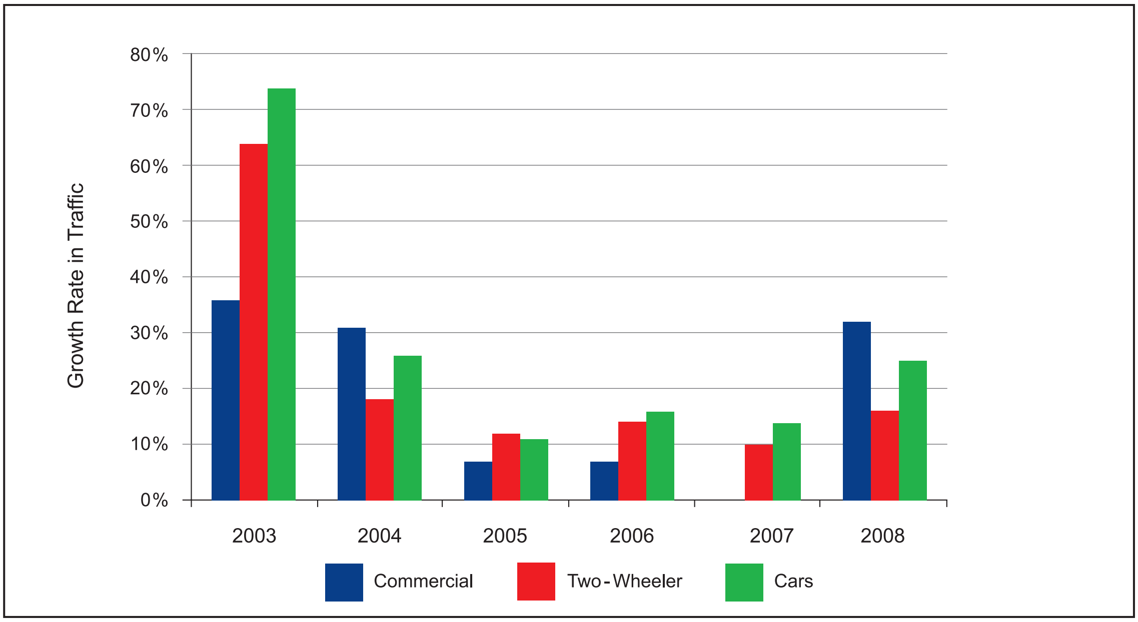
Month	Buses/ Trucks (vehicles/day)	Two-Wheelers (vehicles/day)	Cars (vehicles/day)	Total	Traffic Growth*	Revenue (Rs./day)	Revenue Growth*
Apr-07	1,432	19,746	55,104	**76,281**	22%	1,256,145	28%
May-07	1,433	19,862	54,299	**75,594**	19%	1,340,728	34%
Jun-07	1,516	19,933	54,089	**75,538**	19%	1,341,681	35%
Jul-07	1,559	21,369	57,312	**80,241**	23%	1,422,538	38%
Aug-07	1,608	22,031	58,948	**82,587**	21%	1,463,660	38%
Sep-07	1,731	22,931	59,365	**84,027**	19%	1,487,407	35%
Oct-07	1,805	22,706	61,885	**86,395**	24%	1,528,622	40%
Nov-07	1,816	22,378	65,907	**90,101**	25%	1,616,136	44%
Dec-07	1,863	20,788	63,008	**85,659**	23%	1,544,875	41%
Jan-08	1,837	20,477	66,468	**88,781**	27%	1,609,027	44%
Feb-08	2,044	21,953	70,387	**94,384**	27%	1,710,208	45%
Mar-08	1,958	22,747	66,841	**91,546**	21%	1,644,505	38%
Average	**1,717**	**21,410**	**61,134**	**84,261**	**23%**	**1,497,128**	**39%**

*over the corresponding period in the previous year.

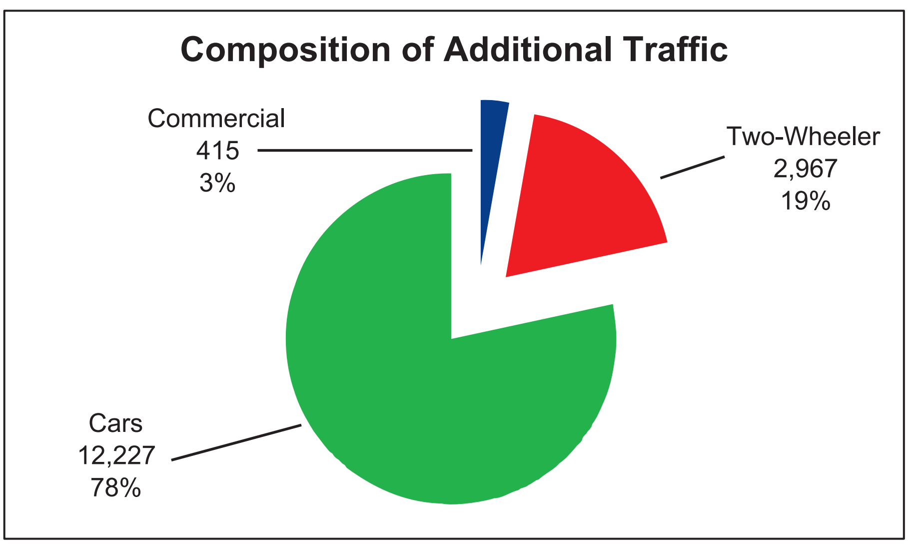
The traffic and revenue growth is depicted below:



As in the previous years, the traffic mainly comprised of cars (73%) and two wheelers (25%). The growth in car traffic was 25% as compared to 16% in the two wheeler category. Although commercial vehicles only comprise around 2% of total traffic, the increase in average daily commercial traffic was 32% during the year under review. The Chart below shows the categorywise annual growth in traffic since operations began.



The Annual Average Daily Traffic (AADT) has increased by 15,609 vehicles (23%) between FY 2007 and FY 2008. The composition of this increase is shown below:



Mayur Vihar Link

The Company began the implementation of the Mayur Vihar Link Road project in June 2006, after receiving all approvals including allotment of land. While the first phase was completed and opened to traffic on June 15, 2007, the second phase was opened on January 19, 2008. The link connects the DND Flyway to Mayur Vihar (a part of Delhi located across the River Yamuna, which has mainly residential apartments) and substantially reduces distance and time taken by Mayur Vihar residents to various destination points in South Delhi.

The Average Daily Traffic (ADT) on phase I of the Mayur Vihar Link for the period June to December 2007, was 2,588 vehicles/day. The ADT on the Link was 7,322 vehicles / day for the January – March 2008 quarter.

OPERATION & MAINTENANCE (O&M) OF THE PROJECT

On June 22, 2007, ITNL Toll Management Services Ltd. (ITMSL) was incorporated as a joint venture company with IL&FS Transportation Networks Ltd., who have significant experience in operations and maintenance of toll road projects. The company was set up to carry out O&M services for Noida Toll Bridge and other similar ventures on a pan-India basis. The O&M services of the bridge have been taken over by ITMSL since August 1, 2007.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Management Discussion & Analysis Report is attached to this Report.

SHARE CAPITAL

The Issued and Subscribed Equity Share Capital of the Company on March 31, 2007, was Rs. 1,861,950,020/- . There were no allotments of share capital during the year and hence the share capital on March 31, 2008 remains the same.

SUBSIDIARIES

The Company has one subsidiary, ITNL Toll Management Services Ltd. The audited accounts of the subsidiary, as well as the Consolidated Financial Statements of the Company along with its subsidiary are attached. It may be noted that the subsidiary was incorporated on June 22, 2007 and hence the accounts of the subsidiary company pertain to the period June 22, 2007 to March 31, 2008.

The Company has not made any loans and advances in the nature of loans, to its subsidiary, or companies in which its Directors are interested.

DIRECTORS

Mr. Mohinder Singh, Chief Executive Officer, New Okhla Industrial Development Authority, was appointed Additional Director of the Company, in his ex-officio capacity with effect from February 20, 2008.

Dr. Sanat Kaul, was appointed Additional Director of the Company at the meeting of the Board of Directors held on April 21, 2008.

In accordance with the provisions of the Companies Act, 1956, Mr. Gopi Arora and Mr. K. Ramchand, Directors, are due to retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 274 of the Companies Act, 1956.

FIXED DEPOSITS

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

EMPLOYEE STOCK OPTION PLANS

The Company has two employee stock option plans viz. ESOP-2004 and ESOP-2005. During the year, the Company has not granted any stock options. All stock options granted in the past have been exercised, allotted or have lapsed.

No options have been granted under ESOP 2005 so far and 2,05,000 options remain to be granted under ESOP 2004. Options under ESOP 2004 were granted as per the pricing formula approved by the shareholders.

LISTING

The Company's Equity Shares of Rs. 10/- each, aggregating to Rs.1,861,950,020/- are listed on the Bombay Stock Exchange Ltd. and the National Stock Exchange of India Ltd.

10,815 Secured Deep Discount Bonds are listed on the Bombay Stock Exchange Ltd., the National Stock Exchange of India Ltd. and the Uttar Pradesh Stock Exchange Association Ltd.

The Company's Global Depository Receipts (GDR), are listed on the Alternative Investment Market (AIM) segment of the London Stock Exchange.

INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS)

Pursuant to listing on the Alternative Investment Market (AIM) segment of the London Stock Exchange, the Company is required to prepare and submit annual and semi annual financial statements under IFRS, to AIM.

A reconciliation of Equity and Income statements under Indian GAAP and IFRS as on March 31, 2007 and March 31, 2008, have been included in this Annual Report. The IFRS results as well as annual audited financials prepared under Indian GAAP will be made available on the Company's web site i.e. www.ntbcl.com.

PARTICULARS OF EMPLOYEES

Three employees employed throughout the year were in receipt of remuneration of Rs. 24 lacs or more per annum and three employees employed for a part of the year were in receipt of remuneration of Rs. 2 lacs or more per month. In accordance with the provisions of Section 217 of the Companies Act, 1956 and the rules framed there under, the names and other particulars of the employees is set out in the annexure to the Directors' Report. In terms of the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Directors' Report is being sent to all the shareholders of the Company excluding the annexure. Any shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION

The Company does not own any manufacturing facilities.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has not earned any foreign exchange during the year.

The Company had the following foreign exchange outgo:-

	As on March 31, 2008 (Rs)	As on March 31, 2007 (Rs)
Travel	894,853	1,014,314
Inventories at CIF Value	1,841,460	1,252,346
Consultancy/Legal Fee	7,543,779	5,629,859
Advances for Equipment	17,289,488	10,328,662

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Indian Stock Exchanges, a Report on Corporate Governance along with an Auditors' certificate on compliance with the provisions of Corporate Governance is annexed to this Report.

All Board members and senior management personnel have affirmed compliance with the Code of Business Conduct and Ethics for the financial year 2007-08. A declaration to this effect, signed by the President & CEO of the Company, is annexed to the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Section 217 (2AA) of the Companies Act, 1956, requires the Board of Directors to provide a statement to the members of the Company in connection with maintenance of books, records and preparation of annual accounts in conformity with accepted Accounting Standards and past practices followed by the Company. Pursuant to the foregoing, and on the basis of representations received from the operating management, and after due enquiry, it is confirmed that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith 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 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 the Companies Act, 1956, 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

Luthra & Luthra, Chartered Accountants, the Statutory 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 their appreciation for the continued support extended to them by 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. Gopi Arora
Chairman

Noida
Uttar Pradesh
Date: July 25, 2008

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development / Competition and Threats

India has one of the largest highway and road networks in the world, second only to the road network of the United States. Of this road network of over 3 million kilometers the National Highways constitute only 2%. The National Highways, however, carry about 40% of the country's road traffic. In addition only half of these National Highways are double lane.

Recognising the critical role road infrastructure plays in the economic growth of the country, the Government of India has launched the National Highways Development Program (NHDP) in its 10th National Plan. The NHDP, covering around 50,000 kilometers of highways, comprises seven phases and is expected to be completed by 2015. While the projects in the first two phases were funded through budgetary support from the Government of India or on BOT-Annuity basis, most of the projects in the subsequent phases are proposed to be implemented on BOT-Toll basis. Whereas, the Government of India, through National Highway Authority of India, is focusing on the National Highways, many State Governments have launched their own ambitious programmes for development of the road networks, including greenfield projects, with private sector participation.

The Noida Toll Bridge is one of the first toll road/bridge projects implemented on a BOOT basis in the country and has acquired an international reputation for high quality of services and deployment of state-of-art technology.

The DND Flyway, the name given to the Noida Toll Bridge facility, continues to compete with the two free bridges which cross the Yamuna River in the same influence area as the Delhi Noida Toll Bridge, namely Nizamuddin Bridge and Okhla Bridge. Both these bridges, however, are close to saturation point, particularly, during peak hours. The maximum capacity of the Delhi Noida Bridge is 220,000 vehicles per day.

Additionally, as a consequence of the commissioning of the Mayur Vihar Link, the catchment area of DND Flyway has been extended to cover the East Delhi colonies of Mayur Vihar, Vasundhra Enclave, Patparganj etc.

The Delhi Metro Rail Corporation is in the process of extending the Connaught Place to Anand Vihar ISBT line to Noida. The line is scheduled to open in 2009 and will largely, cater to commuters travelling between Noida and Central Delhi. The extension of the metro line to Noida is unlikely to significantly impact the traffic on DND Flyway. It is anticipated that the introduction of the Metro line will see a shift of commuters using other forms of public transport such as buses, to the Metro, and it is unlikely to induce a shift from personal vehicles to the Metro. Additionally the origin – destination of the commuters on DND Flyway is essentially on the Noida/Mayur Vihar -South Delhi axis, whereas the Metro will cater to commuters with an origin-destination on Noida Central Delhi axis.

Risks and Concerns

The Concession Agreement provides for traffic risk mitigation measures by allowing for New Okhla Industrial Development Authority (NOIDA) to grant Development Rights. The Company has in their possession, land around the DND Flyway both in Noida and Delhi, which will be developed in phases, subject to grant of Development Rights by NOIDA/Government of UP/ Government of Delhi, which are under process. The denial of Development Rights or conditional grant of the same may pose a financial threat to the Company.

Segment-wise and Product-wise Performance

The Company had carried out a revalidation traffic study through Halcrow Consulting India Ltd. in March 2006. A comparison of Average Daily Traffic (ADT) for the period April 1, 2007 to March 31, 2008, on the DND Flyway is given on the following page:

Class	Two Wheelers	Cars	Commercial Vehicles	Total
Projected	22,611	56,571	1,746	80,928
Actual	21,410	61,134	1,717	84,261
Achievement	95 %	108 %	98 %	104 %

As is evident from the table above, the facility has more than met the traffic projections for the year under review, despite a delay in commissioning of the Mayur Vihar Link.

Outlook

There has been an extensive growth of population in Noida during the last two decades and the population is estimated to be about half a million. A large segment of the population commutes to Delhi for work. The outlook for continued growth in traffic on the Delhi Noida Bridge is hence positive. Traffic levels on the Delhi Noida Bridge are expected to increase as Noida and Greater Noida experience development and population growth and with the onset of the Commonwealth Games in 2010.

Noida itself has become a hub for multinational firms outsourcing IT services. Many large software and BPO companies have their offices in the city. Noida is also fast emerging as a hub for the automobile/ automobile ancillary units with companies like Daewoo, New Holland, Escorts, Honda, Delphi, Subros and Motherson setting up factories here. Noida also has a number of prominent shopping malls which have become visitor attractions.

The average daily traffic on the bridge has grown from approximately 17,000 vehicles per day in 2000- 2001 to more than 84,000 vehicles per day in 2007- 2008. The trend in traffic growth is encouraging and is likely to continue with the rapid development of recreational, commercial and residential spaces in the catchment area. Over the past 12 months two major residential townships have been announced in Noida covering approximately 800 acres and another integrated township covering 95 acres is on the anvil. All these townships are within 7-10 km of the Noida end of DND Flyway.

All these factors put together, give an extremely positive outlook on traffic on the DND Flyway. In their review in March 2006, Halcrow Consulting India Limited estimate that by 2021 the daily vehicle trips on the Delhi Noida Bridge will increase to 200,504 vehicles per day. In December 2004, Fairwood Consultants Ltd. was commissioned to conduct a study of the planned real estate activities along the Noida-Greater Noida Expressway. The study concluded that by 2009 end, over 71,000 new households would be residing in new developments along the expressway. An update on this study has been recently commissioned.

Internal Control Systems and their Adequacy

The Toll Collection and Management System has inbuilt self audit capabilities.

The Company has adequate internal control systems to monitor business and operational performance, which are aimed at ensuring business integrity and promoting operational efficiency. The Company has appointed an independent firm, 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 areas of operations, based on an audit programme. The reports of the auditors along with the management's response are placed before the

Audit Committee for discussion and further action. The Audit Committee comprises of three independent directors. The Committee met 7 times during the year under review.

Financial and Operational Performance

The financial and operational performance as compared to the previous year is as given below:

	Year ended 31.3.2008	Year ended 31.3.2007	Variation
Toll Income (Rs./Mn)	548.87	395.88	38.64%
Advertisement & Other Income (Rs./Mn)	169.94	95.30	78.32%
Average Daily Traffic (Vehicles/day)	84,261	68,652	22.74%
Average toll realisation per vehicle (Rs.)	17.81	15.80	12.72%

The traffic growth on DND Flyway during the financial year, has been impressive – from 68,652 vehicles/day in 2006-07 to 84,261 vehicles/day during 2007- 08 i.e. an increase of around 23%. The buoyancy in traffic is expected to continue.

Human Resources

The Company has a lean organisation with a staff strength of 15, which includes a contractual employee and a management trainee. Qualified personnel, reporting to the President & CEO, head the key functions of Finance, Secretarial and Operations.

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 over which the Company does not have any direct control.

REPORT ON CORPORATE GOVERNANCE

(1) **Corporate Governance**

The Company has always maintained that efforts to institutionalise corporate governance practices cannot solely rest upon adherence to a regulatory framework. An organisation's business practices, reflected in the values, personal beliefs and actions of its employees, determine the quality of corporate governance.

The Board of Directors fully support and endorse corporate governance practices as provided in the listing agreements. The Company has complied with the mandatory provisions and listed below is the Report of the Directors with regard to the same.

(2) **Board of Directors**

(i) Composition of the Board

The Board of Directors comprises of eight members. All the Directors on the Board are non-executive. There are five Independent Directors (including the Chairman) and three Nominee Directors who, bring a wide range of skills and experience to the Board.

The composition of the Board of Directors as on April 30, 2008 is as given below:

Name	Executive/ Non-Executive	Independent/ Promoter/Nominee	Representing/ Nominee
Mr. Gopi Arora, Chairman	Non- Executive	Independent	-
Mr. R. K. Bhargava	Non-Executive	Independent	-
Mr. Piyush G. Mankad	Non-Executive	Independent	-
Dr. Sanat Kaul	Non-Executive	Independent	-
Mr. Mohinder Singh	Non-Executive	Shareholder/ Nominee Director	New Okhla Industrial Development Authority
Mr. Deepak Premnarayen	Non-Executive	Independent Director	-
Mr. Arun K. Saha	Non-Executive	Promoter / Nominee Director	IL&FS Transportation Networks Limited
Mr. K. Ramchand	Non-Executive	Promoter / Nominee Director	IL&FS Transportation Networks Limited

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

(ii) Directorships / Committee Memberships / Committee Chairmanships

Details of Directorships and Committee Memberships/Chairmanships on Committees of public companies (including Noida Toll Bridge Company Limited), held by all the Directors on the Board as on April 30, 2008, are as provided on the following page:

Board of Directors	No. of Directorships	No. of Memberships of Committees*	No. of Chairmanships of Committees
Mr. Gopi Arora, Chairman	14	8	2
Mr. R. K. Bhargava	8	9	3
Mr. Piyush G. Mankad	10	10	2
Dr. Sanat Kaul	1	-	-
Mr. Mohinder Singh	1	-	-
Mr. Deepak Premnarayen	1	-	-
Mr. Arun K. Saha	15	10	5
Mr. K. Ramchand	14	7	-

* Memberships in committees includes the Chairmanships.

Notes :

(a) 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 and the Shareholders'/Investor Grievance Committee have been considered for calculating the total number of Committee memberships/Chairmanships held by a Director.

(b) Directorships do not include Alternate Directorships.

(iii) Meetings Held

Five meetings of the Board of Directors were held in the financial year 2007- 2008 on the following dates:-

1. April 30, 2007
2. July 17, 2007
3. August 3, 2007
4. October 18, 2007
5. January 22, 2008

Information specified under Annexure 1A of Clause 49 of the Listing Agreement has been placed before the Board of Directors at the aforesaid meetings. The Board was presented with a report on compliances with various statutes and applicable laws every quarter.

(iv) Attendance

The attendance of Directors at the Meetings of the Board of Directors held during the Financial Year 2007- 2008 (April 1, 2007 to March 31, 2008) and at the last Annual General Meeting (AGM) is given on the following page:

Board of Directors	No. of Board Meetings held during the tenure	No. of Board Meetings attended	Attendance at the last AGM held on September 20, 2007
Mr. Gopi K. Arora, Chairman	5	4	✓
Mr. R. K. Bhargava	5	5	-
Mr. Piyush Mankad	5	5	-
Mr. Sanjiv Saran*	2	-	Not applicable
Mr. Mohinder Singh	1	1	Not applicable
Mr. Deepak Premnarayen	5	2	-
Mr. K. Ramchand (Alternate Director Mr. Ravi Parthasarathy)**	5	2 3	-
Mr. Arun K. Saha	5	4	-

* Due to a change in his portfolio, Mr. Sanjiv Saran's resignation was taken on record by the Board of Directors of the Company on July 17, 2007.

** Mr. Ravi Parthasarathy's appointment as an Alternate Director to Mr. K. Ramchand lapsed on April 21, 2008.

(3) **Audit Committee**

(i) The Audit Committee of the Company is constituted in accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

(ii) The Company Secretary of the Company acts as the Secretary to the Committee.

(iii) The terms of reference of the Audit Committee are as given under Clause 49 of the Listing Agreement with the Stock Exchanges and inter alias includes

- Overseeing the Company's financial position and disclosure of financial information to ensure that the financial statements are correct.
- Reviewing with management the quarterly/ half yearly/annual financial statements before submission to the Board of Directors for approval.
- Reviewing the Company's internal audit reports.
- Recommending the appointment and removal of external/internal auditors, fixation of audit fee and approval for payment of any other services.
- Investigating any activity within its terms of reference.

(iv) The transactions with related parties entered into by the Company in the normal course of business were placed before the Audit Committee. There were no material individual transactions with related parties, which were not in the normal course of business nor were there any material transactions with related parties or others, which were not on an arm's length basis.

(v) The Chairman of the Audit Committee was present at the last Annual General Meeting held on September 20, 2007, to answer shareholder queries.

(vi) Seven meetings of the Audit Committee were held in the financial year 2007-2008. The dates on which the said meetings were held are as follows: April 30, 2007, July 17, 2007, August 3, 2007, September 6, 2007, October 18, 2007, December 21, 2007 and January 22, 2008.

(vii) The composition of the Audit Committee and details of meetings attended by the members of the Audit Committee are given below:

Name	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Gopi Arora, Chairman	Independent, Non-Executive	7	6
Mr. R. K. Bhargava	Independent, Non-Executive	7	7
Mr. Arun K. Saha	Non-Executive	7	6
Mr. Piyush Mankad*	Independent, Non- Executive	4	4

* Appointed on the Audit Committee of Directors vide a resolution passed by the Board of Directors at a meeting held after the Audit Committee Meeting on August 3, 2007.

(viii) The necessary quorum was present at all the meetings.

(4) **HRD Committee of Directors**

(i) The Company constituted an HRD Committee of Directors on January 12, 1999, in accordance with the provisions of the Listing Agreement.

(ii) The HRD Committee's scope of work include review of HRD policies, compensation policies relating to salary, performance related pay, increments, promotions, allowances, perquisites, loan and interest subsidy facilities and other compensation for the employees of the Company. The Committee is also responsible for the administration and superintendence of the Employee Stock Option Plans of the Company.

(iii) The Company's compensation policy has been laid out in its Employee Handbook which has been approved by the HRD Committee of Directors. Any amendments to the same are also subject to approval by the HRD Committee of Directors.

(iv) As all Directors in the Company are Non-Executive they are not paid any compensation except sitting fees, reimbursement of expenses incurred to attend meetings and Stock Options in some cases.

(v) One meeting of the HRD Committee was held in the financial year 2007-2008 on April 30, 2007.

(vi) The composition of the HRD Committee is in conformity with the Listing Agreement and attendance of the members at the meetings is given on the following page:

Name	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Gopi Arora, Chairman	Independent, Non-Executive	1	1
Mr. K. Ramchand/ (Alternate: Mr. Ravi Parthasarathy)*	Non-Executive	1	1
Mr. Arun K. Saha	Non-Executive	1	1

* Mr. Ravi Parthasarathy's appointment as an Alternate Director to Mr. K. Ramchand lapsed on April 21, 2008.

(vii) The Chairman of the HRD Committee was present at the last Annual General Meeting of the Company held on September 20, 2007.

(5) **Investor Grievance Committee**

(i) The broad terms of reference of the Investor Grievance Committee are as under :

(a) The Committee looks into the status of redressal of Shareholders' and Debentureholders' complaints and suggests measures to improve investor relations.

(b) The Committee is the authority for issue of duplicate certificates and rematerialisation requests.

(c) The Investor Grievance Committee of Directors is the approving authority under the Code of Conduct for prevention of Insider Trading framed by the Company in accordance with the SEBI (Prevention of Insider Trading) Regulations, 1992 and AIM Rules, applicable to Companies listed on the Alternative Investment Market segment of the London Stock Exchange and is authorised to make/accept any modifications/ alterations in the said Code.

(ii) In order to expedite the process of transfers, the Board has delegated the authority to approve debenture as well as share transfers and transmissions to any one of: Mr. Pradeep Puri, President & CEO, Ms. Monisha Macedo, Senior Vice President and Mr. T. K. Banerjee, Chief Financial Officer. The transfers/ transmission requests are processed as and when they are received and transfers are never retained for more than a month.

(iii) Ms. Monisha Macedo, Sr. Vice President, has been designated the Compliance Officer for the Stock Exchanges as well as for Investor queries/complaints and the Company's Insider Trading Code.

(iv) Four meetings of the Investor Grievance Committee were held in the financial year 2007-2008. The dates on which the said meetings were held are as follows: April 30, 2007, September 6, 2007, January 10, 2008 and March 17, 2008.

(v) The composition of the Investor Grievance Committee and the details of meetings attended by the members of the Investor Grievance Committee are given on the following page:

Name	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. R. K. Bhargava, Chairman	Independent, Non-Executive	4	4
Mr. Gopi Arora	Independent, Non-Executive	4	4
Mr. Piyush Mankad	Independent, Non- Executive	4	4

(vi) Investor Complaints received during the year

In line with Company's efforts to minimise transfer of investor dues to the Investor Education and Protection Fund of the Central Government, the Company had sent reminder letters to the investors with respect to unclaimed interest on Fully Convertible Debentures. Accordingly, for the period April 1, 2007 to March 31, 2008, the Company received 81 Investor requests for unclaimed interest on Fully Convertible Debentures, which were resolved prior to the transfer of funds to the Investor Education Protection Fund. In addition the Company had received 5 complaints for non- receipt of debenture certificates, of which all were resolved within a reasonable time period. There were no pending complaints at the end of the Financial Year.

(6) **Disclosure of Remuneration to Directors/ pecuniary transactions of Executive/Non-Executive Directors of the Company during the Financial Year**

(i) There are no Executive Directors on the Board of the Company.

(ii) Besides sitting fees, travel and lodging expenses for attending Board/ Committee Meetings, the Company has not made any payment or reimbursement of expenses to its Non- Executive Directors, other than providing a car and driver to Mr. R K Bhargava, Director, for attending meetings on behalf of the Company and maintaining an office for the Chairman.

(iii) Details of Directors' holdings of Equity Shares in the Company, is as follows:

Name of Director	Shareholding as on March 31, 2008 (No. of Shares)
Mr. Gopi Arora	8,611
Mr. R. K. Bhargava	50,000
Mr. Arun K. Saha	100,000
Mr. K. Ramchand	40,000
Mr. Ravi Parthasarathy*	35,000

* Mr. Ravi Parthasarathy's appointment as an Alternate Director lapsed on April 21, 2008

No stock options have been granted during financial year 2007-08.

(iv) Sitting Fees :

The sitting fees paid to the Directors for attending Board/Committee Meetings for the period April 1, 2007 to September 30, 2007 was Rs. 5,000/- per meeting. The sitting fees were thereafter revised to Rs. 10,000/- per meeting.

Details of sitting fees paid in the last financial year are given below:

Director	Sitting Fees paid for attending Board and Committee Meetings for the period April 1, 2007 to March 31, 2008 (Rupees)
Mr. Gopi Arora	1,05,000
Mr. R. K. Bhargava	1,30,000
Mr. Piyush Mankad	1,10,000
Mr. Mohinder Singh (CEO NOIDA)	10,000
Mr. Deepak Premnarayen	15,000
Mr. K. Ramchand	15,000
Mr. Ravi Parthasarathy	25,000
Mr. Arun K. Saha	70,000

(7) **General Body Meetings**

(i) Annual General Meetings

Year	Location	Date and Time
11th AGM held for the financial year 2006-07	Radisson MBD Hotel, L-2 Sector-18, Noida 201 301, Uttar Pradesh	September 20, 2007 at 10:30 am
10th AGM held for the financial year 2005-06	Power Management Institute (NTPC), Plot 5-14, Sector 16 A, Noida 201 301, Uttar Pradesh	September 27, 2006 at 10:30 am
9th AGM held for the financial year 2004-05	Power Management Institute (NTPC), Plot 5-14, Sector 16 A, Noida 201 301, Uttar Pradesh	September 28, 2005 at 10:30 am

At the 10th Annual General Meeting of the Company, held on September 27, 2006, a special resolution was passed, approving alterations to the Articles of Association of the Company.

At the 9th Annual General Meeting of the Company, held on September 28, 2005, two special resolutions were passed. One special resolution pertained to delisting of Equity Shares from the Uttar Pradesh Stock Exchange. The other special resolution was passed for the re-appointment of Ms. Monisha

Macedo, Senior Vice President, as Manager of the Company for a period of 3 years w.e.f June 1, 2005.

No resolutions have been passed by postal ballot in the last financial year and currently no resolution is proposed to be passed by postal ballot.

(8) **Disclosures**

(i) Related party transactions

There were no materially significant related party transactions with the Promoters, Directors, the management, subsidiaries or relatives that could have a potential conflict with the interest of the Company at large. Details of all related party transactions are disclosed in the Notes to Accounts.

(ii) Risk Management

The Company has a well defined risk management framework in place. The Company periodically places before the Board the risk assessment and minimisation procedures being followed by the Company and steps taken by it to mitigate these risks.

(iii) 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 the capital markets, since the Company was incorporated.

(iv) Compliance with mandatory and non-mandatory list of items in the Listing Agreement

The Company has complied with the list of mandatory items mentioned in the Corporate Governance clause of the Listing Agreement. Further, the Company has adopted the following non-mandatory requirements of the Clause:

(a) Maintenance of Chairman's Office

The Company has provided it's non- executive Chairman with an office, the expenses of which are borne by the Company and IL&FS Transportation Networks Limited equally. The Chairman is reimbursed all expenses incurred in the performance of his duties.

(b) Remuneration Committee termed as HRD Committee of Directors

The Company has set up an HRD Committee. For more details on the HRD Committee of Directors, please refer to para 4 of this report.

(c) Audit Qualifications

The statutory financial statements of the Company for the financial year 2007-2008 are unqualified.

(9) **Subsidiary Companies**

The Company's subsidiary, ITNL Toll Management Services Limited (ITMSL) was incorporated on June 22, 2007. The same is, however, not a material non-listed Indian subsidiary, as defined under clause 49 of the Listing Agreement.

The minutes of ITMSL have been periodically placed before the Board of the parent company. The consolidated financial statements of the Company alongwith ITMSL were reviewed by the Audit Committee of the Company.

(10) **Code of Business Conduct and Ethics**

The Company has framed a Code of Business Conduct and Ethics (Code of Conduct) in line with the SEBI requirement. This Code of Conduct has been posted on the Company's website.

All board members and senior managerial personnel have affirmed compliance with the said Code. A declaration to this effect from the President & CEO of the Company is attached to the Report.

(11) **Code of Conduct for dealing in securities of the Company**

The SEBI (Prevention of Insider Trading) Regulations, 1992, had made it mandatory for all listed companies to frame a Code of Conduct and Internal Procedures, based on the model Code of Conduct for Prevention of Insider Trading issued by SEBI, which prohibits a person having access to Price Sensitive Information about a Company, to deal in securities of that Company, either himself or through others. Accordingly, the Company had put in place a code of conduct, applicable to all its employees and directors and for dealing in the securities of the Company, with effect from November 15, 2003.

In terms of the Code, the directors and employees have to inter alias, disclose to the Compliance Officer, once a year, a declaration of their dependants and the number of securities of the Company held by them or their Declared Dependents. Any transaction in securities of the Company (sale/ purchase) by Employees/ Directors exceeding Rs. 5,00,000 or 20,000 shares, which ever is lower, require pre-clearance from the Investor Grievance Committee. Any change, however, is to be declared promptly.

In addition to the above, none of the parties to whom the Code is applicable are allowed to deal in the securities of the Company during the Non-Trading period, as defined in the code i.e. prior to the price sensitive information being made public.

The Compliance Officer has, for the Financial Year 2007-08, received the required disclosures from all the Directors and Employees.

(12) **Means of Communication**

The main channel of communication to the shareholders is through the Annual Report, which includes inter alias, the Directors' Report, the Report of the Board of Directors on Corporate Governance, Management Discussion and Analysis Report and the audited financial results.

Shareholders are also intimated through the press and the Company's website www.ntbcl.com, of the quarterly performance and financial results of the Company. The unaudited quarterly results/ audited annual results are also published in two English (Economic Times and Financial Express, Delhi and Mumbai Editions) and one Hindi daily (Jansatta, Delhi edition). The shareholding pattern of the Company is available on the Company's website and the same is updated quarterly.

In terms of Clause 51 of the Listing Agreements, the Company files its Annual Report, quarterly results and shareholding pattern statement through the Electronic Data Information Filing and Retrieval system (EDIFAR) website of SEBI.

Further, in terms of the Listing Agreement, information on investor related issues (Record Dates/

Book Closures/Board Meetings/price sensitive information) and announcements/press releases are communicated to the Stock Exchanges.

(13) <u>General Shareholder Information</u>

(a)	Registered Office	:	Toll Plaza, DND Flyway, Noida 201 301, Uttar Pradesh
(b)	Location of Facility	:	DND Flyway, Noida 201 301, Uttar Pradesh
(c)	Correspondence Address	:	c/o IL&FS, India Habitat Centre, East Court, Zone VI, 4th Floor, Lodhi Road, New Delhi 110 003 or Registered Office address
	Investor Correspondence Address	:	Investors can write to Ms. Monisha Macedo, Senior Vice President, at the following address Noida Toll Bridge Company Limited, Toll Plaza, DND Flyway, Noida 201 301 Uttar Pradesh Phone : 0120-2516438 Fax : 0120-2516440 E-mail : ntbcl@ntbcl.com Website :www.ntbcl.com or to the Registrars at the address given below, mentioning Unit: Noida Toll Bridge Company Limited.
	Address of the Company's Depository as well as Physical Registrar & Transfer Agents	:	Karvy Computershare Pvt. Limited, Plot No. 17-24, Vittalrao Nagar Madhapur, Hyderabad 500 081 Tel No. 040-23420815-821 Fax No.040-23420814
(d)	Date of Book Closure of Deep Discount Bonds and Equity Shares	:	Book Closure Dates (ensuing) September 20, 2008 to September 26, 2008
(e)	Date, Time and Venue of the Annual General Meeting	:	AGM 12: September 26, 2008 at 09:30 am at the Radisson MBD Hotel, L-2 Sector-18, Noida 201 301, Uttar Pradesh
(f)	Financial Year	:	April 01, 2007 to March 31,2008
(g)	Dividend Payment Date	:	No Dividend has been declared so far
(h)	Transfer of unclaimed investor funds to Investor Education and Protection Fund of the Central Government.	:	As per the provisions of Section 205C of the Companies Act, 1956, investor dues lying unpaid/unclaimed in interest/dividend accounts for a period of seven years are required to be transferred to the Investor Education and

			Protection Fund (IEPF) set up by the Central Government. Accordingly the following unpaid/ unclaimed funds lying with the Company have been transferred to the IEPF, during the financial year: Interest amounting to Rs 38,466/- paid on the Fully Convertible Debentures (FCDs),for the period ended September 30, 2000. Interest amounting to Rs 33,659/- paid on the Fully Convertible Debentures (FCDs), for the 6 month period ended March 31, 2001.
(i)	Listing on Stock Exchanges and Stock Code	:	The securities of the Company are listed on: The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Tel : 022 – 2659 8100 Fax : 022 – 2659 8237 / 38 Stock Code: Equity EQ DDBs N2 The Bombay Stock Exchange Limited 1st Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai – 400 001 Tel : 022-2272 1233 / 2272 1234 Fax : 022-2272 1552 Stock Code: Equity 532481 DDBs 912453 The Uttar Pradesh Stock Exchange Assn. Ltd. Padam Towers, 14/113 Civil Lines, Kanpur-208 001 Tel : 0512 – 2338115/2338074 Fax : 0512 – 2338175/2338220 Only Deep Discount Bonds (No stock code allotted) Equity Shares of the Company have been de-listed from the Uttar Pradesh Stock Exchange with effect from 20.10.2005. They however, continue to be listed on the National Stock Exchange and the Bombay Stock Exchange. The GDRs of the Company are listed on the

			Alternative Investment Market of the London Stock Exchange London Stock Exchange plc, 10 Paternoster Square, London EC4M 7LS, Tel: 044 (0) 2077971000
(j)	Depository ISIN Nos.	:	Equity Shares - INE781B01015 Deep Discount Bonds -INE781B11022
(k)	Listing Fees	:	Paid for all the above Stock Exchanges for, 2006-2007, 2007- 2008 and 2008- 2009
(l)	Auditors of the Company	:	Luthra & Luthra, Chartered Accountants A-16/9, Vasant Vihar, New Delhi 110 057
(m)	Bankers of the Company	:	Canara Bank Head Office Address: Canara Bank Building 2nd and 3rd Floor, Adi Marzban Path Ballard Estate, Mumbai 400 038 Branch Office Address: Canara Bank C 3, Sector 1 Noida 201 301 Uttar Pradesh
(n)	Share/Debenture Transfer System	:	Physical transfers of the listed instruments are handled by the Registrar and Transfer Agents – Karvy Computershare Pvt. Ltd. and processed within the stipulated time. To expedite share transfers in the physical segment, the authority for approving transfers/transmissions of the Company's securities has been delegated to specific senior management personnel of the Company.

(o) Dematerialisation of securities and liquidity

The Equity Shares and Deep Discount Bonds (DDBs) of the Company are in the list of scrips specified by SEBI to be compulsorily traded in the dematerialised form. The Company's Deep Discount Bonds as well as the Equity Shares are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN allotted to the Company's Equity Shares is INE781B01015 and to the Deep Discount Bonds is INE781B11022.

Shares/ Debentures dematerialised upto March 31, 2008

Type of Security	No. of Securities	Securities as a percentage of total security base	No. of Shareholders/ DDB holders	% of Shareholders/ DDB holders
Shares	17,54,10,479	94.21	1,00,184	98.11
DDBs	10,550	97.55	19	13.38

(p) The Distribution Schedule of Shareholders as on March 31, 2008

Category	No. of Holders	% of Holders	Shares	% of Shares
From - To 1-5000	100849	98.76	3,69,68,494	19.85
5001- 10000	681	0.67	52,67,592	2.83
10001 - 20000	283	0.28	41,30,088	2.22
20001 - 30000	110	0.11	27,84,341	1.50
30001 - 40000	52	0.05	17,99,722	0.97
40001 - 50000	39	0.04	18,02,729	0.97
50001 - 100000	45	0.04	32,57,576	1.75
100001 - Above	57	0.06	13,01,84,460	69.92
Totals	**102116**	**100**	**18,61,95,002**	**100**

(q) Shareholding Pattern of the Company as on March 31, 2008 is as follows:-

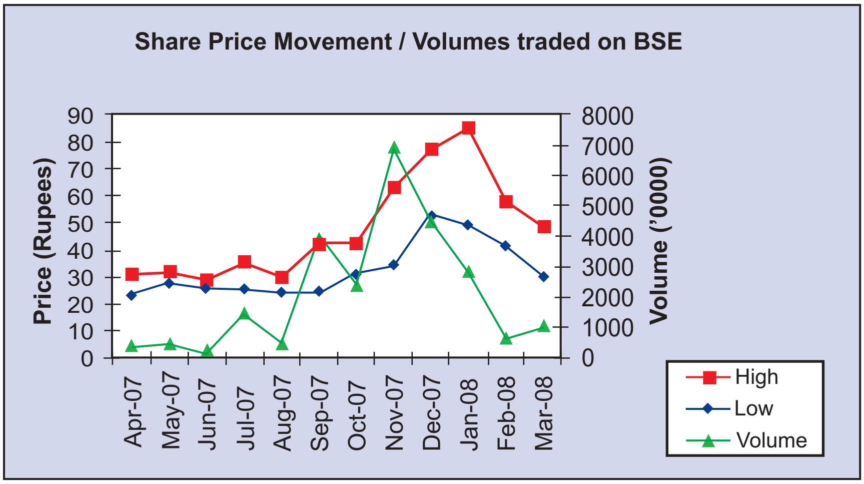
Category of Shareholder	No. of Shareholders	Total number of Shares	% to Capital
Promoter Shareholding			
Infrastructure Leasing & Financial Services Ltd.	1	19,00,000	1.02
IL&FS Transportation Networks Ltd.	1	4,71,95,007	25.35
Total Promoter Shareholding	2	4,90,95,007	26.37
Public shareholding			
Mutual Funds/UTI	1	7,80,608	0.42
Financial Institutions/ Banks	5	20,29,450	1.09
Central Govt./State Govt.- New Okhla Industrial Development Authority	1	1,00,00,000	5.37
Venture Capital Funds	1	4,100	0.00
Insurance Companies	4	1,22,53,080	6.58
Foreign Institutional Investors	9	3,34,92,124	17.99
Bodies Corporate	1,716	2,14,58,012	11.52
Individual shareholders holding nominal share capital up to Rs. 1 lakh.	99,185	3,81,88,329	20.51
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	280	78,54,174	4.22
Any Other-Trust/Clearing Members/ NRI/Foreign Bodies	910	14,33,208	0.77
Total Public Holding	**1,02,114**	**12,74,93,085**	**68.47**
Shares held by Custodians and against which Depository Receipts have been issued	1	96,06,910	5.16
GRAND TOTAL	**1,02,115**	**18,61,95,002**	**100.00**

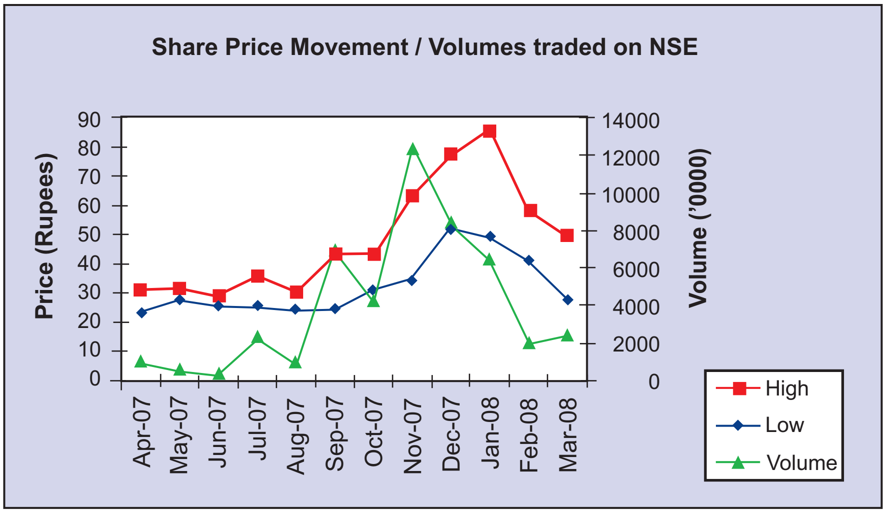
(r) Stock Market Data

The Stock Market Data of the Company for the Financial Year 2007- 2008, on BSE and NSE is given below:

Month	BSE			NSE		
	High (Rs)	Low (Rs)	No. of Shares traded	High (Rs)	Low (Rs)	No. of Shares traded
Apr-2007	30.90	23.50	44,99,771	30.80	23.50	1,02,25,655
May-2007	31.95	28.05	50,06,175	31.45	28.05	61,33,615
Jun-2007	28.90	25.80	17,62,618	29.00	25.80	31,70,446
Jul-2007	35.65	25.90	1,53,08,191	35.60	25.80	2,32,98,523
Aug-2007	29.80	24.35	49,94,650	29.95	24.40	96,34,073
Sep-2007	41.95	24.75	3,95,31,154	42.75	24.80	6,84,03,561
Oct-2007	42.45	31.05	2,42,50,810	43.10	31.60	4,25,41,583
Nov-2007	63.30	34.50	6,92,05,206	63.30	34.50	12,31,53,469
Dec-2007	77.15	52.50	4,46,23,974	77.20	52.60	8,42,64,722
Jan-2008	85.05	49.10	2,84,09,090	85.20	48.90	6,42,62,111
Feb-2008	57.90	41.30	66,87,736	58.00	41.00	1,94,92,741
Mar-2008	48.70	30.20	1,06,36,609	49.50	28.10	2,41,04,120

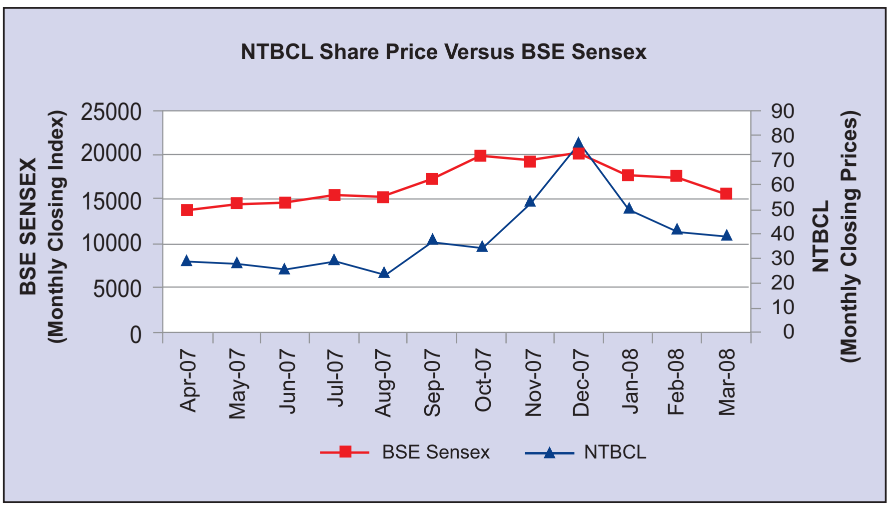
Note: During the year the share price witnessed a High of Rs. 85.20 (January 2008 - NSE) and a Low of Rs. 23.50 (April 2007 - NSE and BSE)



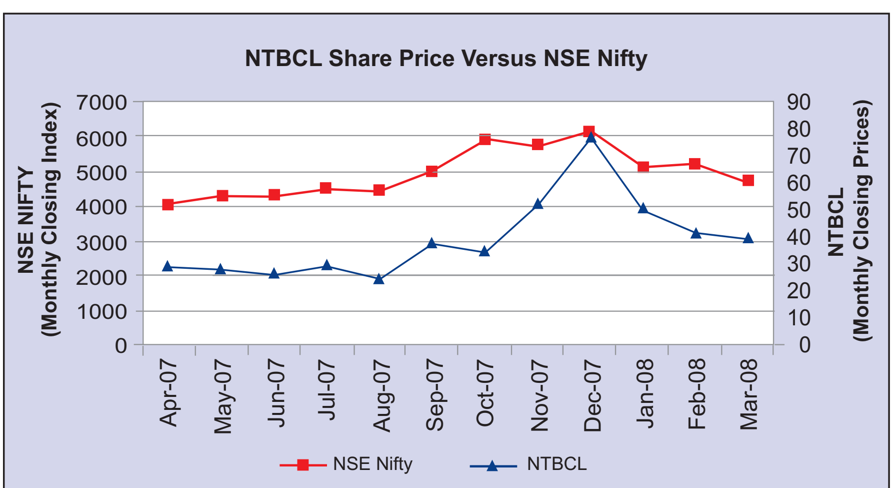


(s) Stock Performance

(i) The performance of the Company's share relative to the BSE Sensitive Index is given in the chart below:



(ii) The performance of the Company's share relative to the NSE Nifty is given in the chart below:



(t) Outstanding Global Depository Receipts (GDRs)

The Company had issued 12,499,999 GDRs including the Green Shoe Option of 1,136,363 GDRs, each representing 5 ordinary shares of Rs.10 each, in March/ April 2006. These GDRs were issued in the name of the overseas depository- Deutsche Bank Trust Company Americas. As on March 31, 2008, there were 1,921,382 GDRs outstanding, representing 9,606,910 underlying equity shares.

(u) Secretarial Audit

A qualified practicing Company Secretary carried out a secretarial audit at the end of each quarter of this financial year, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

(14) Accounting Standards

The Company confirms that it has complied with all applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) from time to time.

Date: July 25, 2008

DECLARATION ON THE CODE OF BUSINESS CONDUCT AND ETHICS

TO THE MEMBERS OF
NOIDA TOLL BRIDGE COMPANY LIMITED

This is to confirm that Noida Toll Bridge Company Limited has laid down a Code of Business Conduct and Ethics for all its Board Members and senior management personnel as per the provisions of Clause 49 of the Listing Agreement with Stock Exchanges.

This Code has been posted on the website of the Company and all Board Members and senior management personnel of the Company have affirmed compliance with this Code.

Sd/-
PRADEEP PURI
President & CEO

Noida
Date: July 25, 2008

CERTIFICATE

TO THE MEMBERS OF
NOIDA TOLL BRIDGE COMPANY LIMITED

On the basis of information and explanation given and documents produced before us, we hereby certify that Noida Toll Bridge Company Limited has complied with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 with respect to their Employee Stock Option Plan 2004 and Employee Stock Option Plan 2005 which have been approved by the shareholders by special resolutions passed at the Extraordinary General Meetings of the Company held on March 25, 2004 and January 24, 2006, respectively.

For Luthra & Luthra
Chartered Accountants

Akhilesh Gupta
Partner
M. No. 89909

Place: New Delhi
Date : 14th May 2008

CERTIFICATE

TO THE MEMBERS OF
NOIDA TOLL BRIDGE COMPANY LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Noida Toll Bridge Company Limited (the Company), for the year ended 31 March, 2008, as stipulated in Clause 49 of the Listing Agreement of the Company with the Indian Stock Exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. 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.
4. 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 Luthra & Luthra
Chartered Accountants

Akhilesh Gupta
Partner
M.No. 89909

Place: New Delhi
Date: 14th May,08

AUDITORS' REPORT

TO THE MEMBERS OF
NOIDA TOLL BRIDGE COMPANY LIMITED
Noida (U.P.)

1. We have audited the attached Balance Sheet of **Noida Toll Bridge Company Limited** as at 31^{st} March 2008, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies' Auditors 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 the said Order, to the extent applicable to the company.
4. We draw the attention of the shareholders to note number 3 (a) (iii) of schedule 17 'Significant Accounting Policies & Notes to Accounts' regarding revaluation of leased land, wherein the formal agreement for grant of development rights, is pending execution.
5. 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 it 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, Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

   (e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as at 31^{st} March 2008, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

   (f) in our opinion and according to the information and explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

      i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31^{st} March 2008

      ii. In the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and

      iii. In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For Luthra & Luthra
Chartered Accountants

Akhilesh Gupta
Partner
(M. No. 89909)

Place : Noida
Date: 21 April, 2008

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

1. The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.

2. As per the information and explanations given to us, fixed assets have been physically verified by the Management at reasonable intervals, and discrepancies (if any) noticed on verification during the year have been properly adjusted in the books of accounts.

3. The company has not disposed off substantial part of fixed assets during the year.

4. As per the information and explanations given to us, inventories have been physically verified at reasonable interval during the year by the Management.

5. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

6. On the basis of our examination, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and book records are not material and have been properly dealt with in the books of accounts.

7. The Company has not taken / granted any secured or unsecured loan from / to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

8. In our opinion the rate of interest and other terms and conditions of loans taken/ granted by the company, secured or unsecured, are prima facie not prejudicial to the interest of the company.

9. In respect of loans and advances, the payment of principal amount and interest has been made as per the revised repayment schedule approved by the CDR.

10. 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 inventory and fixed assets and for toll collection. We have not observed any failure on the part of the company to correct major weakness in internal control system.

11. As per the information and explanation given to us, there are no transactions that need to be entered in the register maintained under Section 301 of the Companies Act, 1956.

12. According to the information and explanations given to us the company has not accepted deposits from the public.

13. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

14. According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund; employees state insurance, income tax, sales tax, wealth tax, service tax, cess and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues outstanding as at 31 March, 2008 for a period of more than six months from the date they became payable.

15. According to the information and explanation given to us, there is no disputed dues on account of provident fund, investor education and protection fund; employees state insurance, sales tax, wealth tax, service tax, cess except income tax penalty amounting to Rs. 44,00,000 for the Financial Year 2002-03 and the appeal against the same is pending before the CIT(A).

16. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.

17. As per the information and explanations given to us, the company has not defaulted in the repayment of dues to any financial institution or bank or debenture holders in accordance with the terms and conditions of the CDR approval for debt restructuring.

18. The company has maintained adequate documents and records in cases where the company have been granted secured loans and advances to the employees.

19. The company is dealing in securities (units of mutual funds), proper records of transactions and contracts have been maintained and timely entries have been made therein. Shares, securities, debentures and other securities have been held by the company in its own name except to the extent of the exemption granted under section 49 of the Act.

20. The company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company.

21. As per the information and the explanation given to us, term loans were applied for the purpose for which the loans were obtained.

22. Fund raised on short- term basis has not been used for long-term investment.

23. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies' Act 1956.

24. The company has created securities in respect of debentures issued.

25. The company has not raised money by public issue during the year.

26. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

27. Other clauses of the order are not applicable to the Company.

For Luthra & Luthra
Chartered Accountants

Akhilesh Gupta
Partner
(M. No. 89909)

Place : Noida
Date: 21 April, 2008

NOIDA TOLL BRIDGE COMPANY LIMITED
BALANCE SHEET AS AT 31 MARCH, 2008

	Schedule	As At March 31, 2008 Rupees	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Equity Share Capital	1	1,861,950,020		1,861,950,020
Reserve & Surplus	2	3,122,250,448		1,758,781,493
			4,984,200,468	3,620,731,513
LOAN FUNDS				
Secured Loans	3		2,028,340,739	1,709,860,002
Unsecured Loans	4		150,000,000	150,000,000
			7,162,541,207	**5,480,591,515**
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block	5	5,888,203,689		4,259,577,312
Less: Depreciation		340,257,058		218,059,874
Net Block			5,547,946,631	4,041,517,438
CAPITAL WORK IN PROGRESS			-	276,578,661
TOLL EQUALISATION RECEIVABLE			1,713,300,000	
INVESTMENTS	6		54,886,814	83,472,068
CURRENT ASSETS, LOANS & ADVANCES				
Inventories	7	973,872		224,833
Sundry Debtors	8	1,461,337		1,036,917,060
Cash and Bank balances	9	16,723,682		2,102,495
Loans & Advances	10	62,908,734		58,672,486
		82,067,625		1,097,916,874
LESS: CURRENT LIABILITIES & PROVISIONS	11	235,659,863		122,271,712
NET CURRENT ASSETS			(153,592,238)	975,645,162
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	12		-	99,450,707
PROFIT & LOSS ACCOUNT (Debit balance)			-	3,927,479
			7,162,541,207	**5,480,591,515**

For Notes forming part of the Accounts, refer to Schedule 17

The schedules referred to above form an integral part of the Balance sheet and Profit and Loss Account

As per our report of even date attached.

For LUTHRA & LUTHRA
Chartered Accountants

Akhilesh Gupta
Partner

Noida
21 April, 2008

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO
Noida
21 April, 2008

Monisha Macedo
Manager and
Company Secretary

NOIDA TOLL BRIDGE COMPANY LIMITED
PROFIT & LOSS ACCOUNT FOR THE THE YEAR ENDED 31 MARCH, 2008

	Schedule	For the Year ended March 31, 2008 Rupees	For the Year ended March 31, 2008 Rupees	For the Year ended March 31, 2007 Rupees
INCOME				
Income From Operations	13		663,924,407	471,110,677
Other Income	14		54,888,571	20,026,682
			718,812,978	**491,137,359**
EXPENDITURE				
Operating and Administration Expenses	15		166,606,336	108,618,073
Finance Charges	16		148,661,140	180,659,007
Depreciation		123,776,134		83,552,978
Less Transfer from Revaluation reserve		37,463,057	86,313,077	5,542,345
Miscellaneous Expenditure Written Off			-	12,431,338
			401,580,553	**379,719,051**
PROFIT / (LOSS) FOR THE YEAR			**317,232,425**	**111,418,308**
Provision for Taxation/ FBT Fringe Benefit Tax			(1,461,934)	(803,246)
Current year taxes (including MAT)			(36,011,000)	
PROFIT / (LOSS) AFTER TAX FOR THE YEAR			**279,759,491**	**110,615,062**
Transfer to Debenture Redemption Reserve			(2,949,545)	(1,966,364)
Balance Brought Forward from the Previous Year			(1,033,877,806)	(1,142,526,504)
Accumulated Losses			**(757,067,860)**	**(1,033,877,806)**
Adjustment of earlier year losses with General Reserve			1,125,100,000	
Balance of General Reserve				1,029,950,327
Profit/(Loss) Carried to Balance Sheet			**368,032,140**	**(3,927,479)**
Basic and Diluted Profit per Equity Share (in Rs.)			1.50	0.59
For Notes forming part of the Accounts, refer to Schedule	17			

The schedules referred to above form an integral part of the Balance sheet and Profit and Loss Account

As per our report of even date attached.

For LUTHRA & LUTHRA
Chartered Accountants

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Akhilesh Gupta
Partner

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO
Noida
21 April, 2008

Monisha Macedo
Manager and
Company Secretary

Noida
21 April, 2008

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

	As At March 31, 2008 Rupees	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SCHEDULE 1			
SHARE CAPITAL			
Authorised			
200,000,000 (Previous Year 200,000,000) Equity Shares of Rs.10 each		2,000,000,000	2,000,000,000
Issued, Subscribed and Paid up			
186,195,002 (Previous Year 186,195,002) Equity Shares of Rs.10 each Fully Paid up		1,861,950,020	1,861,950,020
SCHEDULE 2			
RESERVES & SURPLUS			
Securities Premium			
Opening Balance	1,446,280,612		1,311,743,288
Received during the year	-		144,511,737
Less : Share Issue Expenses	-		9,974,413
		1,446,280,612	1,446,280,612
Revaluation Reserve			
Opening Balance	309,551,335		315,093,680
Add : Transfer from General Reserve	1,029,950,327		
Less : Transfer to Profit & Loss Account	37,463,057		5,542,345
		1,302,038,605	309,551,335
Debenture Redemption Reserve			
Opening Balance	2,949,546		983,182
Transfer from Profit & Loss Account	2,949,545		1,966,364
		5,899,091	2,949,546
General Reserve			
Opening Balance	1,029,950,327		1,029,950,327
Add : Recognition of Toll Equalisation Reserve	1,713,300,000		
Less : Adjustment of Accumulated Losses	1,125,100,000		
Less : Other Adjustments in terms of 391 Scheme	588,200,000		
Less: Transfer to Revaluation Reserve	1,029,950,327		
Less: Debit Balance of Profit & Loss Account	-		1,029,950,327
		-	-
Proft & Loss Account (Credit Balance)		368,032,140	-
		3,122,250,448	**1,758,781,493**

	As At March 31, 2008 Rupees	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SCHEDULE 3			
LOAN FUNDS			
Secured Loans			
a. Debentures and Bonds			
10,815 Deep Discount Bonds of face Value of Rs.20,715 (See Note 3(g) (i) of Schedule 17)	224,032,725		224,032,725
Less:Unexpired Discount	103,363,043		112,841,452
		120,669,682	111,191,273
Accumulated Liability of ZCB (Series B) (See Note 3(f) and 3(g) (ii) of Schedule 17)			
Opening balance	122,271,414		86,110,361
Add:Accumulation during the year	-		36,161,053
Add:Accumulated out of General Reserve Created Under 391 Scheme	405,379,486		-
Less:Repayment during the year	55,542,200		-
		472,108,700	122,271,414
b. Term Loans (See Note 3(g) (iii),(iv), (v) and (vi) of Schedule 17)			
Banks	392,465,804		392,465,804
Financial Institutions	310,257,665		310,257,665
Others	726,007,729		726,007,729
		1,428,731,198	1,428,731,198
c. Funded Interest		-	43,536,987
d. Lease Finance (See Note 3(p) of Schedule 17)		6,831,159	4,129,130
		2,028,340,739	**1,709,860,002**

Notes:

1. Deep Discount Bonds issued at Rs.5000 each would be redeemed at Rs.20,715 at the end of the 16th year from the date of allotment i.e November 3, 1999 as per Scheme of restructuring of DDBs approved by Honourable Allahabad High Court.
2. Series B Zero Coupon Bonds of Rs 100 each issued to Banks, Financial Institutions and Others would be redeemed not later than March 31,2014.

SCHEDULE 4			
Unsecured Loans			
From Others		150,000,000	150,000,000
		150,000,000	**150,000,000**

SCHEDULE 5

FIXED ASSETS
(See note 2(d) 2(e) & 2(f) and 3(b) & 3 (c) of Schedule 17)

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 1.04.2007	Additions	Deletions / Adjustment	As At 31.03.2008	As At 1.04.2007	For the Period	Deletions / Adjustment	As At 31.03.2008	As At 31.03.2008	As At 31.03.2007
Delhi Noida Link Bridge (Refer note(A) and (B) below and 2(d) & (e) and 3 (b) of Schedule 17)	4,199,176,087	1,598,207,111		5,797,383,198	209,648,821	116,060,634		325,709,455	5,471,673,743	3,989,527,266
Leasehold Building	30,801,399	15,313,403		46,114,802	596,010	708,642		1,304,652	44,810,150	30,205,389
Plant & Machinery										
- Data Processing Equipment	1,989,615	1,526,961	78,200	3,438,376	1,096,438	622,072	78,200	1,640,310	1,798,066	893,177
- Office Equipment	11,011,648	3,116,814	621,761	13,506,701	2,918,110	2,367,881	438,786	4,847,205	8,659,496	8,093,538
Vehicles (Refer Note (C) below)	8,416,628	9,285,369	830,058	16,871,939	2,355,287	2,485,162	830,058	4,010,391	12,861,548	6,061,341
Furniture & Fixtures	8,181,935	3,028,883	322,145	10,888,673	1,445,208	1,531,743	231,906	2,745,045	8,143,628	6,736,727
	4,259,577,312	**1,630,478,541**	**1,852,164**	**5,888,203,689**	**218,059,874**	**123,776,134**	**1,578,950**	**340,257,058**	**5,547,946,631**	**4,041,517,438**
Capital Work in Progress	276,578,661		276,578,661	-					-	276,578,661
Previous Year	***4,154,462,554***	***110,877,865***	***5,763,107***	***4,259,577,312***	***138,494,274***	***83,552,978***	***3,987,378***	***218,059,874***	***4,041,517,438***	***4,015,968,280***

Notes :

(A) Additions to Delhi Noida Link Bridge includes value of Land transfered from erstwhile Subsidiary M/S DND Flyway Ltd and capitalisation of Mayur Vihar Link Road.

(B) Delhi Noida Link Bridge includes Land appurtenant to the Bridge on both sides of Delhi and Noida.

(C) Vehicles include Rs. 104,14,316 (previous year Rs.5,591,328) for assets acquired under Finance Lease.

	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SCHEDULE 6		
INVESTMENTS (At Cost)		
a. Current, Quoted, other than Trade Investments		
OLPIG HSBC Liquid Plus-Inst-Growth - 1,809,814.534 (Previous Year 1,260,144.298) units of face Value of Rs.10 each	19,631,844	13,058,372
Reliance Liquid Plus Fund-Institutional Option-Growth Plan-13,887.433 (Previous Year NIL) units of face value of Rs.1000 each	15,000,000	
Mirae Asset Liquid Plus Fund-Regular Growth Option 9,965.378 (Previous Year NIL) units of Rs.1000 each	10,000,000	
Mirae Asset Liquid Fund-Institutional Growth Option 10,000.000 (Previous Year NIL) units of Rs.1000 each	10,000,000	
Principal Pnb Fixed Maturity Plan (FMP-34) 91 Days-Series VII Dividend Payout NIL (Previous Year 408,073.816) units	-	4,080,738
Lotus India FMP-3 Months-Series I-institutional Growth-NIL (Previous Year 500,000) units of face value Of Rs.10 each	-	5,000,000
Lotus India Liquid Plus Fund Retail Growth -NIL (Previous Year 907,999.656) units of face value Of Rs.10 each	-	9,217,740
M150QG ABN Amro FTP Series 4 Quartely Plan E -Growth NIL (Previous Year 1,001,521.805) units	-	10,015,218
M17G ABN Amro Longterm Floating Rate Fund-Institutional -Growth NIL (Previous Year 3,770,677.544) units	-	41,600,000
Note: 1.The Net Asset Value of quoted investments as at the period ended - Rs.55,681,011 (Previous Period Rs. 83,125,142)		
b. Long Term and Unquoted, other than Trade Investments		
Investments in Equity Share of Subsidiary Company DND Flyway Limited-50,000 Equity Shares of face value of Rs 10 each		500,000
Investments in Equity Share of Subsidiary Company ITNL Toll Management Services Ltd- 25497 Equity Shares of face value of Rs 10 each	254,970	
	54,886,814	**83,472,068**
SCHEDULE 7		
INVENTORIES (At Cost)		
Electronic Cards and 'On Board Units'	973,872	224,833
SCHEDULE 8		
SUNDRY DEBTORS (Unsecured, Considered Good)		
Debts Outstanding for more than six months	-	1,036,246,931
Others	1,461,337	670,129
	1,461,337	**1,036,917,060**

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SCHEDULE 9		
CASH AND BANK BALANCES		
Cash in Hand	111,557	209,124
Balances with Scheduled Banks		
- In Current Accounts	16,612,125	1,893,371
- Fixed Deposits	-	-
	16,723,682	**2,102,495**
SCHEDULE 10		
LOANS AND ADVANCES (Unsecured,Considered good)		
a. Advances / Income Recoverable in Cash or in Kind or for Value to be Received	9,101,441	34,203,393
b. Advance Payment against Taxes	51,431,088	22,673,388
c. Deposits	2,376,205	1,795,705
	62,908,734	**58,672,486**
Amounts due from Directors	NIL	NIL
Maximum amount due from Directors during the year	NIL	NIL

	As At March 31, 2008 Rupees	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SCHEDULE 11			
CURRENT LIABILITIES AND PROVISIONS			
a. Current Liabilities			
Sundry Creditors	1,925,923		179,183
Advance Payments and Unexpired Discounts	16,186,755		20,057,868
Interest Accured but not Due on Secured Loans	659,247		9,044,109
Other Liabilities	121,616,739		85,206,952
		140,388,664	114,488,112
b. Provisions			
Provision for Taxes	37,532,680		60,719
Provision for Retirement Benefits and other benefits (See note 3(k) of Schedule 17)	28,181,662		7,722,881
Provision Others	29,556,857		
		95,271,199	
		235,659,863	**122,271,712**
SCHEDULE 12			
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)			
Ancillary Cost inconnection with arrangement of borrowings for DDBs			
Balance Brought Forward	99,450,707		111,882,045
Less: Amortised in Terms of 391 Scheme	99,450,707		
Less : Amount Charged to Profit & Loss Account	-	-	12,431,338
		-	**99,450,707**

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

	For the Year ended March 31, 2008 Rupees	For the Year ended March 31, 2008 Rupees	For the Year ended March 31, 2007 Rupees
SCHEDULE 13			
INCOME FROM OPERATIONS			
Toll Revenue		548,866,743	395,884,188
License Fee			
Space for Advertisement			
- Noida Side	46,325,018		46,212,850
- Delhi Side	25,593,794		24,250,971
(Net of License Fees paid to MCD)			
Office Space	17,350,832		3,243,333
Others	25,788,020		1,519,335
		115,057,664	75,226,489
		663,924,407	**471,110,677**
SCHEDULE 14			
OTHER INCOME			
Profit on Sale of Units of Mutual Fund		7,140,239	13,536,854
Exchange Rate Fluctuation		-	1,388,050
Miscellaneous Income		47,748,332	5,101,778
		54,888,571	**20,026,682**

	For the year ended March 31, 2008 Rupees	For the year ended March 31, 2007 Rupees
SCHEDULE 15		
OPERATING AND ADMINISTRATION EXPENSES		
Salaries, Wages and Bonus (Includes provision)	62,357,892	32,601,043
Contribution to Provident and Other Funds	4,512,824	2,981,499
Staff Welfare Expenses	3,673,726	3,483,274
Fees Paid to O & M Contractor	38,423,321	25,020,000
Consumption of Cards and On Board Unit	1,718,976	1,911,134
Legal & Professional Charges *(See note 3(n) of schedule 17)*	22,921,918	11,851,898
Agency Fees	3,005,274	3,711,036
Insurance Expenses	6,087,624	7,110,573
Travelling and Conveyance	7,385,825	4,506,100
Advertisment and Business Promotion Expenses	3,193,765	2,285,819
Rent	1,376,785	1,222,000
Repair & Maintenance - Building	6,768,156	4,253,216
Repair & Maintenance - Others	3,023,504	2,272,904
Telephone, Fax and Postage	2,161,006	2,522,446
Electricity Expenses	8,705,866	6,466,184
Rates and Taxes	4,457,211	4,257,288
Director's Sitting Fees	480,000	355,000
Printing and Stationery	2,615,261	2,223,537
Other Expenses	4,316,240	1,392,154
	187,185,174	**120,427,105**
Less : Amounts Capitalised	(20,578,838)	(11,809,032)
	166,606,336	**108,618,073**
SCHEDULE 16		
FINANCE CHARGES		
Interest on Deep Discount Bonds	9,478,409	8,710,876
Interest on Term Loan	138,101,819	124,273,689
Pre-payment Charges	-	11,170,795
Amortisation of Zero Coupon Bond Series B	-	36,161,053
Other Finance Charges (Includes lease finance charges Rs. 859,210 (Previous year Rs. 115,003)	1,080,912	342,594
	148,661,140	**180,659,007**

SCHEDULE 17: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

(1) BACKGROUND

(a) Corporate Information

Noida Toll Bridge Company Limited (NTBCL) is a public limited company incorporated and domiciled in India on 8th April 1996 with its registered office at Toll Plaza, DND Flyway, Noida - 201301, Uttar Pradesh, India. The equity shares of NTBCL are publicly traded in India on the National Stock Exchange and Bombay Stock Exchange. The Global Depository Receipts (GDRs) represented by equity shares of NTBCL are traded on Alternate Investment Market (AIM) of the London Stock Exchange. The financial statements of NTBCL are the responsibility of the management of the company.

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

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

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

(c) Designated Returns to be Recovered

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 March 31, 2001 on provisional basis pending certain payments, which would be effected on submission of the final bills by the contractor as per terms of the contract and clearance of the same by the Project Engineer. The independent auditors have also determined the accrued return as designated under the Concession Agreement and due to the company till March 31, 2007. The total amount to be recovered up to March 31, 2008 under the Concession Agreement including 20% return on project cost aggregates to Rs. 12,806.54 million as calculated by the management. The same is subject to audit by the Independent Auditor.

(2) Significant Accounting Policies

(a) Basis of Preparation

The financial statements of NTBCL have been prepared on accrual basis of accounting and in accordance with the provisions of the Companies Act 1956 and comply with the mandatory Accounting Standards issued by The Institute of Chartered Accountants of India.

These financial statements have been drawn up in accordance with the going-concern principle and on a historical cost basis. The presentation and grouping of individual items in the balance sheet, the income statement and the cash flow statement are based on the principle of materiality.

(b) Significant accounting judgments and estimates

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

(c) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the currency rate ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currency are retranslated at the exchange rate ruling at the Balance Sheet date and resulted differences are taken to income statement. 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.

(d) Fixed Assets

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

Fixed assets include the Delhi Noida Link Bridge, Mayur Vihar Link Road and Ashram Flyover which are 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 and Mayur Vihar link Road 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 related expenses. (See also Note 3(b) below)

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

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

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

(e) Revaluation of Fixed Assets

Revalued assets are recorded at revalued amounts and the incremental values are shown as Revaluation Reserve. Revaluation Reserve is transferred to the General Reserve to the extent relatable to the assets disposed off. Depreciation to the extent related to the incremental value of the assets on revaluation thereof is withdrawn from Revaluation Reserve and credited to the Profit & Loss Account.

(f) Depreciation

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

Building	62 years
Data Processing Equipment	3 years
Office Equipment	5 years
Vehicles	5 years
Furniture & Fixtures	7 years
Bridge	62 years
Chain Link Fencing (Included in Bridge)	15 years
Advertisement Structures (included in Bridge)	5 years

(g) Impairment

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

(h) Borrowing Costs

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

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

(i) Toll Equalisation Receivable

Toll Equalisation Receivable has been recognised in accordance with the terms of the scheme of amalgamation approved by the Honorable High Courts of Allahabad and Delhi under section 391 of the Companies Act, 1956. Toll Equalisation Receivable pertain to part of the 20% return guaranteed under the concession agreement over the useful life of the bridge.

Toll Equalisation Receivable shall be tested for impairment along with the book value of the bridge periodically, and shall be amortised as and when any impairment arise in the book value of Toll Receivable.

(j) Investments

Current investments have been valued at lower of cost or fair value determined on the basis of category of investments. Long term investments have been valued at cost.

(k) Inventories

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

(l) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

(m) Employee costs

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

The cost of accumulated compensated leave is determined on the basis of accumulated compensated leave due to an employee as on the date of financial statement multiplied by salary as on that date.

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

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

(n) Leases

Finance leases which effectively transfer to the company substantial risks and benefits incidental to ownership of the leased item, are capitalized and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

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

(o) Revenue Recognition

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

Toll Revenue

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

License Fee

License fee income from advertisement hoardings, office space and others is recognised on an accrual basis in accordance with contractual rights.

Interest income

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

(p) Taxes

Current tax represents the amount that would be payable based on computation of tax as per prevailing taxation laws. Current tax includes taxes on income and fringe benefit tax.

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

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

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

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

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

(q) Securities Premium Account

Difference between the issue price of GDRs represented by inherent equity shares and the face value of inherent equity shares has been recorded as Securities Premium. Share issue expenses is adjusted against the Securities Premium Account as permitted by Sec 78 (2) of the Companies Act 1956.

(r) Debenture Redemption Reserve

Debenture Redemption Reserve (DRR) is created for redemption of the Deep Discount Bonds (DDBs) for an amount equal to the issue price of the DDBs by appropriating from the Profits of the year a sum calculated under sum of digits method over the remaining life of the DDBs . The adequacy of DRR is reviewed by management at periodic intervals.

(s) Share based payment transactions

The company operates equity-settled, share option plan for eligible employees which includes directors of the Group whether full time or not and such other persons eligible under applicable laws. The options are valued as the difference between the trading price of the security in the stock exchange at the date of the grant and exercise price and are expensed over the vesting period, based on the company's estimate of shares that will eventually vest. The total amount to be expensed over the vesting period is determined by reference to the value of the options granted, excluding the impact of any non-market vesting conditions. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable.

(t) CENVAT Credit

Cenvat (Central Value Added Tax) in respect of service Tax is accounted on accrual basis on eligible services. The balance of cenvat credit is reviewed at the end of each year and amount estimated to be unutilised is charged to the profit & loss account for the year.

(u) Miscellaneous Expenditure

Miscellaneous expenditure pertaining to the expenses not relating to the construction of the bridge during the preoperative period is amortised over a period of five years from the date of commencement of commercial operations.

Preliminary Expenses incurred for the incorporation of Company have been amortised as and when incurred.

(v) Earnings per Share

Basic earnings per share is calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

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

(3) NOTES TO ACCOUNTS:

(a) Scheme of Amalgamation with DND Flyway Ltd.

The Company had filed a scheme of amalgamation with its 100% subsidiary DND Flyway Limited in the Honourable High Courts of Allahabad and Delhi which has been approved on 22nd March 2007 and 21st May 2007 by the respective courts. The company has filed the copy of the scheme with the registrar of Companies on 21st June 2007.

As per the terms of the scheme:

i. DND Flyway Limited (subsidiary Company, hereinafter referred as 'DND')) has been amalgamated with the company and all the assets and liabilities have been transferred to the company at book value.

ii. The effective date for recording accounting transactions in the books of accounts regarding amalgamation has been taken as 1st July, 06 as per pooling of interest method as specified in AS-14.

iii. Toll Equalisation Receivable of Rs. 1713.30 million has been recognised by crediting the General Reserve.

iv. Accumulated losses of Rs. 1125.10 million have been adjusted against the general reserve created out of the above.

v. The company has provided for obligations towards ZCB Series B of Rs. 432.53 million, Prepayment charges Rs. 11.17 million, Bond Issue Expenses 6.16 million and contingencies of Rs. 29.56 million out of the general reserve created above.

vi. The company has also amortised the unamortized ancillary cost of Rs. 108.76 million out of the general reserve created above.

The expenses against the said obligations / amortizations recorded in the financial statements of the earlier years after the appointed date as defined in the scheme have been reversed during the year and consequently Rs. 47.65 million has been credited to the other income during the year.

(b) Fixed Assets

i. Capitalisation of the Mayur Vihar Link Road

The Mayur Vihar project which commenced in July 2006 has been completed in two phases. While the first phase was completed and opened to traffic on June 15,2007, the second phase has been completed and opened to traffic on January 19, 2008. Pending receipt of the final bill from the contractors, the Mayur Vihar Link Road has been capitalized for Rs. 533,431,032 on an estimated basis.

ii. Depreciation

The Company had obtained approval from the Department of Company Affairs vide its letter dated December 14, 2003 for not charging depreciation on the Delhi Noida Link Bridge for a three year period commencing from Financial Year 2003-04. Accordingly, depreciation on the Bridge had not been provided for during the financial years 2003-04 to 2005-06. The company commenced providing depreciation on the Delhi Noida Link Bridge since 1st April 2006.

Consequent to the approval of the Amalgamation Scheme with it's wholly owned subsidiary M/s DND Flyway Ltd, revalued assets amounting to Rs 1034.80 million have been added to the Gross Block of Assets.

The Gross Block of Delhi Noida Link Bridge includes Rs. 1345.04 million (inclusive of assets transferred pursuant to amalgamation) on account of revaluation of the asset carried out in the past. Additional charge of Depreciation due to revaluation has been withdrawn from Revaluation Reserve and credited to the Profit & Loss Account.

iii. Revaluation of Fixed Assets:

- Delhi Noida Link Bridge includes value of Land appurtenant to the Bridge on both sides of Delhi and Noida. The company had during the year 2003-04 carried out revaluation of Land for 34 acres on Noida side (original cost Rs 5,719,849 and written down value Rs 5,519,581 as on April 1, 2003) for which the value has been increased by Rs 1,345,044,007.

- New Okhla Industrial Development Authority (NOIDA) has accorded in principle approval to grant Development Rights to the Company and formal agreement in this regard is pending execution. The terms and conditions of the formal agreement may impact land valuation.

(c) Sale/Reacquisition of Revalued Land:

After obtaining approval from the Shareholders and the Lenders, the company had sold 30.493 acres of revalued land to DND (wholly owned subsidiary) in the year 2003-04 at the revalued price. Consequent to such sale, revaluation amount pertaining to land sold had been transferred from the Revaluation Reserve to the General Reserve in the year 2003-04. The said land has been reacquired by the company on the amalgamation of DND with it, and consequently the General Reserve created out of Revaluation Reserve has been transferred back to Revaluation Reserve.

(d) Creation of Subsidiary:

A new company M/s ITNL Toll Management Services Ltd has been promoted jointly by the Company and ITNL Ltd with a shareholding of 51% and 49% respectively in the new Company on August 1, 2007 to take over the Operation and Maintenance of Delhi Noida Toll Bridge and Mayur Vihar Link Road from the erstwhile O&M Operator M/s Intertoll India Consultants Private Ltd.

(e) GDR Issue

With a view to deleverage the company and to meet the cost of Mayur Vihar Link, the company launched a Global Depository Receipts (GDR) in the UK market in the month of March 2006 to raise new equity capital. Accordingly the company issued 56,818,180 Equity Shares represented by 11,363,636 GDRs (each GDR representing 5 Ordinary Shares of Rs 10 each) @ $3.96/GDR through M/S Collins Stewart Limited and Edelweiss Capital Limited to the Institutional Investors and raised $ 44,999,998.56 (equivalent to INR 199,70,99,936) . The company also granted Collins Stewart Limited an over allotment option of up to 10% of the total number of new ordinary shares issued to the Depository. The company has received $ 4,499,997.48 (equivalent to INR 20,13,29,887) in April 2006 towards over allotment.

As the construction of the Mayur Vihar link to the Delhi Noida Toll Bridge could not be commenced by 21 April 2006, pending receipt of all approvals, the company used the funds for the prepayment of loans as mentioned in the GDR issue Admission documents.

The proceeds of the issue have been utilised upto the date of financial statement as follows:

Share Issue Expenses (Inclusive of expenses incurred up to 31.3.2006 Rs. 117,174,848)	Rs. 126,949,484
Repayment of Secured Loans due on 31.03.2006	Rs. 501,480,339
Prepayment of Secured Loan (inclusive of prepayment charges) / Project Cost of Mayur Vihar Link	Rs. 1,570,000,000

(f) Debt Restructuring:

Pursuant to the approved Debt Restructuring package, the Company has issued Zero Coupon Bonds (Series B) of face value of Rs 100 each aggregating to Rs. 55.54 crores to Banks, Financial Institutions and others repayable no later than March 31, 2014 towards the Net Present Value of the sacrifice made by them by way of reduction of interest rates from the contracted terms. The company had redeemed ZCB (Series B) aggregating to Rs. 27,771,100 and Rs 55,542,200 during the year 2003-04 and the current year respectively and the same has been adjusted against the face value of the Zero Coupon Bonds (Series B). The Company was creating provision on a year to year basis on the principle of Sinking Fund by applying the weighted average interest rate on outstanding borrowings prior to restructuring as the discount rate and thereby arrive at the amount of the yearly charge. However during the current accounting period, the Company has fully provided the remaining liability of ZCB (series B) as mentioned in Note No.3 a (v).

(g) Secured Loans:

(i) 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.

(ii) The Company has issued Series B Zero Coupon Bonds (ZCB-B) of Rs 100 each for an aggregate amount of Rs 555,422,000 to Banks and Financial Institutions against the sacrifice made by them by way of reduction of interest rates from the contracted terms pursuant to the approval of the Companies debt restructuring package by the Corporate Debt Restructuring Empowered Group of the Banks and Financial Institutions. These Zero Coupon Bonds are secured by pari passu first charge on the Company's assets both present and future. The company has made a redemption of 5% and 10% of the face value of such ZCBs on September 24,2003 and February 01, 2008 respectively.

(iii) The loan of Rs. 350,000,000 taken from M/s Infrastructure Leasing & Financial Services Ltd (IL&FS) during the year 2004-05 is secured by pari passu first charge on the Company's assets both present and future along with the other Senior Lenders of the Company.

(iv) The Company has during the year 2005-06 taken a Loan of Rs 124,313,383 from M/s IL&FS Ltd which is secured by pari passu first charge on the Company's assets both present and future.

(v) The Company has taken loans in 2004-05 from M/s IL&FS Ltd and M/s Infrastructure Development Finance Company Ltd (IDFC) of Rs 944,321,313 carrying interest @8.5% p.a for carrying out the Scheme of Arrangement with the Deep Discount Bond holders approved by the Honourable Allahabad High Court. The Loan is secured by pari passu first charge on the company's assets both present and future along with the other Senior Lenders of the company.

(vi) 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 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, authorizations, 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.

(h) Contingent Liabilities:

Contingent Liabilities in respect of:

		As at March 31, 2008 Rs./Million	As at March 31, 2007 Rs./Million
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances paid against such contracts Rs. Nil (Previous year Rs. 276.12 million)	NIL	144.21
(ii)	Claims not acknowledged as debt by the Company.	NIL	NIL

(iii) 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.

(iv) Claims made by the contractor M/s AFCONS Ltd pertaining to the Construction of the Ashram Flyover aggregating to Rs. 19.82 million (Previous year Rs. 19.82 million) have not been accepted by the Company. The matter was referred for adjudication by both parties. The adjudication proceeding has been concluded and adjudicator has ruled that the claims are time barred. However the matter has been referred to arbitration by M/s AFCONS Ltd.

(v) The company has acquired the land on Delhi side for the construction of Bridge from the Government of Delhi and DDA and the amount paid has been considered as a part of the project cost. However pending final settlement of the dues, the company had estimated the cost at Rs. 29.32 million and provided the same as a part of the project cost. The actual settlement may result in probable obligation to the extent of Rs. 30 million based on management estimates.

(i) Investments in Mutual Fund :

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

Particulars	Purchases		Sales	
	Units	Amount Rupees	Units	Amount Rupees
Principal PNB Fixed Maturity Plan(FMP-34) 91 Days Series V11 dividend payout	(Nil) (408,073.82)	(Nil) (4,080,738.16)	408,073.82 (Nil)	4,096,163 (Nil)
Birla sun Life Cash Manager-IP Daily Dividend	(Nil) (2,408,266.83)	(Nil) (24,087,484.79)	(Nil) (2,408,266.83)	(Nil) (24,132,969.56)
Birla sun Life Cash Manager-IP Growth	(Nil) (1,944,607.62)	(Nil) (24,132,969.56)	(Nil) (1,944,607.62)	(Nil) (24,271,425.59)
Principal PNB Fixed Maturity Plan (FMP-34) 91 days-GR	404,072.46 (Nil)	4,096,163.00 (Nil)	404,072.46 (Nil)	4,137,419.00 (Nil)
Principal Floating Rate Fund –FMP	1,979,927.88 (Nil)	24,000,000.00 (Nil)	1,979,927.88 (Nil)	25,110,435.00 (Nil)
Birla Cash Plus – Instl. Prem. – Growth	Nil (204,547.08)	Nil (4,000,000.00)	Nil (26,343,860.61)	Nil (295,235,000.65)
TFCRG8 Tata Fixed Horizon Fund Series-8	Nil (354,498.14)	Nil (3,544,981.40)	Nil (354,498.14)	Nil (3,568,839.12)
M150QG ABN AMRO FTP Series 4 Quarterly Plan	Nil (1,871,124.83)	Nil (20,015,218.05)	1,001,521.81 (869,603.03)	10,285,228 (10,015,218.05)
M17G ABN Amro Cash Fund Money Plus Inst. Growth	6,556,560.08 (3,770,677.54)	74,985,228.00 (41,600,000.00)	10,327,237.62 (Nil)	119,845,952.00 (Nil)
Lotus India Liquid Fund-Retail	Nil (1,795,631.44)	Nil (18,215,495.40)	Nil (1,795,631.44)	Nil (18,361,683.54)
Lotus India Liquid Plus Fund Retail Growth	498,361.72 (1,816,019.70)	5,125,750.00 (18,361,683.54)	1,406,361.38 (908,020.04)	15,143,981.00 (9,215,495.40)
HSBC Liquid Plus – Inst. Growth	2,865,010.07 (2,520,305.79)	30,700,000.00 (25,858,371.30)	2,315,339.84 (1,260,161.49)	24,500,000.00 (13,055,273.02)
HSBC Cash Fund Inst. Plan	Nil (1,032,764.00)	Nil (13,055,273.01)	Nil (1,032,764.00)	Nil (13,058,371.30)
Reliance Liquid Fund- Cash Plan Growth	Nil (541,058.44)	Nil (6,950,000.00)	Nil (541,058.44)	Nil (6,967,381.38)
DWS Credit Opportunities Cash Fund-Growth	2,328,449.18 (Nil)	24,000,000.00 (Nil)	2,328,449.18 (Nil)	24,787,015.00 (Nil)

Particulars	Purchases		Sales	
	Units	Amount Rupees	Units	Amount Rupees
Reliance Liquid plus Fund-Instl. Option- Growth Plan	13,887.43 (Nil)	15,000,000.00 (Nil)	Nil (Nil)	Nil (Nil)
Mirae Asset Liquid Fund Institutional Growth Option	10,000.00 (Nil)	10,000,000.00 (Nil)	Nil (Nil)	Nil (Nil)
Mirae Asset Liquid Plus Fund Regular Growth	9,965.38 (Nil)	10,000,000.00 (Nil)	Nil (Nil)	Nil (Nil)
Templeton India-Treasury Management account Regular Plan	Nil (6,086.65)	Nil (11,000,000.00)	Nil (6,086.65)	Nil (11,120,954.73)
UTI-Liquid Cash Plan Regular-Growth Option	Nil (2,969.87)	Nil (3,566,000.00)	Nil (2,969.87)	Nil (3,634,290.28)
DSP Merrill Lynch Liquidity Fund-Growth	21,702.82 (Nil)	24,000,000.00 (Nil)	21,702.82 (Nil)	24,371,086.00 (Nil)
Chola Liquid Inst. Plus Cumulative*	Nil (1,024,383.59)	Nil (15,065,556.97)	Nil (32,687,989.44)	Nil (467,769,591.97)
Chola Liquid Fund Regular Cumulative	Nil (448,752.47)	Nil (6,500,000.00)	Nil (448,752.47)	Nil (6,565,556.97)
Lotus India FMP 3 months	Nil 500,000.00	Nil 5,000,000.00	5,000,000.00 (Nil)	5,125,750.00 (Nil)
TLSG01 Tata Liquid Super High Inv. Fund – Appreciation	Nil (6,385.21)	Nil (8,500,000.00)	Nil (6,385.21)	Nil (8,588,599.50)
LIC Mutual Fund – LICMF Liquid Fund – Growth Plan*	Nil (5,226,347.18)	Nil (67,900,000.00)	Nil (10,497,350.84)	Nil (138,857,172.14)
Can Bank Mutual Fund NLFIG Can Liquid Fund – Institutional*	Nil (Nil)	Nil (Nil)	Nil (5,494,432.37)*	Nil (70,309,338.23)
Principal Cash Management Fund Liquid Option Instl. Prem Plan*	Nil (353,185.29)	Nil (4,000,000.00)	Nil (32,991,708.46)	Nil (360,575,007.50)
DSP Merrill Lynch Liquidity	Nil (2,686,559.80)	Nil (61,500,000.00)	Nil (2,686,559.80)	Nil (62,042,636.33)
JM Fixed maturity fund Series-III Monthly Growth	Nil (1,056,695.31)	Nil (10,566,953.06)	Nil (1,056,695.31)	Nil (10,633,555.92)
ABN Amro FTP Series-III Quarterly Plan D growth	Nil (8,074,680.00)	Nil (80,746,800.00)	Nil (8,074,680.00)	Nil (82,379,435.43)

Of the above 1,843,667.345 (Previous year 7,848,417.12) units remained unsold as on March 31, 2008 and have been shown under Investment (See schedule 6).

Profit from sale of the above units of Rs.7,140,239 (Previous year Rs. 13,536,854) in included in other income (See Schedule 14). Figures in brackets are the previous year figures.

(j) There are no amounts outstanding as payable to any enterprise covered under the Micro, Small and Medium Enterprises Development Act, 2006.

(k) **Employees Post Retirement Benefits:**

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

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

The Superannuation (pension) plan for the Company is a defined contribution scheme where annual contribution as determined by the management (Maximum limit being 15% of salary) is paid to a Superannuation Trust Fund established to provide pension benefits. The benefits vests on employee completing 5 years of service. The management has the authority to waive or reduce this vesting condition. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. These contributions will accumulate at the rate to be determined by the insurer as at the close of each financial year. At the time of exit of employee, accumulated contribution will be utilised to buy pension annuity from an insurance company.

The Provident Fund (being administered by a trust) is a defined contribution scheme whereby the Company deposits an amount determined as a fixed percentage of basic pay to the fund every month. The benefit vests upon commencement of employment.

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

Net Benefit expense

	March 31, 2008 Rs.	March 31, 2007 Rs.
Current service cost	532,844	633,636
Interest cost on benefit obligation	443,288	328,464
Expected return on plan assets	(880,400)	(175,067)
Net actuarial (gain)/loss recognised in year	1,564,839	1,165,174
Annual expenses	**1,660,571**	**1,952,207**

Benefit Liability

	March 31, 2008 Rs.	March 31, 2007 Rs.
Defined benefit obligation	5,630,910	5,126,991
Fair value of plan assets	5,630,910	5,126,991
Benefit Liability	**Nil**	**Nil**

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

	March 31, 2008 Rs.	March 31, 2007 Rs.
Opening defined benefit obligation	5,126,991	3,174,784
Interest cost	443,288	328,464
Current service cost	532,844	633,636
Benefits Paid	(1,156,652)	-
Expected Return on Plan Assets	(880,400)	(175,067)
Net actuarial(gain)/loss recognised in year	1,564,839	1,165,174
Closing defined benefit obligation	**5,630,910**	**5,126,991**

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

	March 31, 2008 Rs.	March 31, 2007 Rs.
Opening fair value of plan assets	5,126,991	4,322,634
Expected return	-	-
Contributions	503,919	804.357
Benefits paid	-	-
Actuarial gains/(losses) on fund	-	-
Closing fair value of plan assets	5,630,910	5,126,991

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

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

	March 31 2008 %	March 31 2007 %
Discount rate	7.50	7.50
Future salary increases	7.00	7.00
Rate of interest	10.10	8.10

(l) Expenditure in Foreign Currency:

	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
(a) Travel	894,853	1,014,314
(b) Inventories (OBU),(at CIF Value)	1,841,460	1,252,346
(c) Consultancy/Legal fee	7,543,779	5,629,859
d) Advances for Equipment	17,289,488	10,328,662

(m) Managerial Remuneration:

Remuneration paid / payable to Managers

	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
(a) Salaries	3,462,488	2,474,340
(b) Contribution to Provident and other funds	243,466	202,896
(c) Monetary value of perquisites	899,182	722,550
	4,605,136	**3,399,786**

(n) Auditor's Remuneration :

Legal and Professional charges include remuneration paid to Auditors as follows:

	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
(a) As Statutory Auditors	300,000	200,000
(b) Limited review of half yearly accounts	240,000	198,000
(c) For Audit of Financial Statement under IFRS	600,000	525,000
(d) For taxation matters	425,000	75,000
(e) For Other Services	600,000	370,000
(f) Reimbursement of out of pocket expenses	100,000	55,000
(g) Service Tax*	279,954	174,174
	2,544,954	**1,597,174**

* Service Tax has been debited to Cenvat Credit Account

(o) List of Related parties and Transactions / Outstanding Balances:

(i) **Company exercising significant influence over the Company:**

Infrastructure Leasing & Financial Services Ltd.

Transactions/ Outstanding balances	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
Expenditure on other service	1,023,685	1,599,591
Miscellaneous Expenses written off	Nil	12,431,338
Interest on Term Loan	78,115,107	75,257,316
Recoverable as at the year end	123,540	NIL
Payable as at the year end	Nil	251,718
Unsecured Loan	150,000,000	150,000,000
Equity as at the year end	19,000,000	19,000,000
Term Loan as at the year end	726,007,729	726,007,729
Zero Coupon Bonds (Series B)	145,350,000	162,450,000
Funded Interest	Nil	43,536,987

(ii) Company Holding Substantial Interest in voting power of the company

IL&FS Transportation Network Limited

	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
Recoverable at the year end	426,053	223,254
Equity as at the year end	471,950,070	452,000,070

(iii) Enterprise which is controlled by the Company

DND Flyway Ltd. (Since Amalgamated)

ITNL Toll Management Services Limited

Transactions/ Outstanding balances	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
Investment in Equity Shares.	254,970	500,000
Expenditure on Other Services	28,400,000	-
Payable as at the year end	319,285	-
Receivable as at the year end	2,480,627	1,034,841,881

(iv) Key Management Personnel:

Mr. Pradeep Puri (President & CEO)

Ms. Monisha Macedo (Manager)

Transactions/ Outstanding balances	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
House Renovation Loan at the year end	42,364	83,683
Consumer Durable Loan	800,639	939,633
Remuneration paid	20,611,685	29,617,156

(p) Lease obligations:

The company had taken vehicles under finance lease, reconciliation of minimum lease payments and their present value is as under:

	Minimum Lease Payment (Rupees)	Present value of minimum lease payments (Rupees)	Lease Charges (Rupees)
Amount paid upto 31/03/2008	2,193,405	1,491,078	702,327
Amount payable not later than one year	2,730,708	2,001,560	729,148
Amount payable later than one year but not later than five years	5,518,139	4,829,599	688,540
Total	**10,442,252**	**8,322,237**	**2,120,015**
Previous Period	**5,778,494**	**4,772,974**	**1,005,520**

The total cost of the vehicle and its carrying amount as at 31.03.2008 is Rs. 10,414,316 (Previous Year Rs. 5,591,328) and Rs.8,276,354 (Previous Year Rs 5,220,410) respectively.

(q) Capitalisation of Borrowing Cost

The company has borrowed Rs. 15 crore for the construction of Mayur Vihar Link. The interest cost of the same of Rs. 36,98,630 (Previous Year Rs. 91,23,288) has been capitalized with the Mayur Vihar Link.

(r) The Income Tax Department has served a notice of demand of Rs. 44,00,000 on account of penalty in lieu of upholding of one of the grounds by the CIT(A) for the Financial Year 2002-03. The Company has filed the appeal against the same before the CIT appeal. In view of the Company till the discharge of appeal the said amount is not payable and the Company further believes that the order has been passed mechanically on the basis of partial rejection of the appeal by the CIT(A) and it is confident that its view shall be upheld by the higher appellate authorities. Thus, no provision for such demand is warranted.

(s) Earning/ (Loss) Per Share:

I.	BASIC / DILUTED PROFIT PER SHARE	Year ended March 31, 2008	Year ended March 31, 2007
A.	Number of Equity shares of Rs. 10 each fully paid up at the beginning of the year	186,195,002	180,413,187
B.	Number of Equity shares of Rs. 10 each fully paid up at the year end	186,195,002	186,195,002
C	Weighted Average number of Equity Shares outstanding during the year	186,195,002	186,044,491
D	Net Profit for the Year (Rs.)	279,759,491	110,661,836
E	**Basic / Diluted Profit per Share (Rs.)**	**1.50**	**0.59**
F	Nominal value of Equity Share (Rs.)	10.00	10.00

(t) Previous Year's Comparatives:

Figures for the previous year have been regrouped / reclassified to conform to current year's presentation. Figures in brackets represent negative balance except otherwise stated.

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO

Monisha Macedo
Company Secretary

Noida
21 April, 2008

NOIDA TOLL BRIDGE COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2008

	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/ (Loss) for the year	279,759,491	110,615,062
Adjustments For :		
Depreciation	86,313,077	78,010,633
Miscellaneous Expenditure Written off	-	12,431,338
Finance Charges	148,661,140	180,659,007
Profit / (Loss) on Sale of Assets	114,348	(40,192)
Other Income	(55,002,919)	(13,536,854)
Exchange Rate Fluctuation	-	(1,388,050)
	459,845,137	366,750,944
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Sundry Debtors	1,035,455,723	5,848,297
Decrease / (Increase) in Inventories	(749,039)	51,557
Decrease / (Increase) in Loans and Advances	(10,400,827)	(42,077,695)
Increase / (Decrease) in Current Liabilities	92,216,156	(68,231,219)
Cash From/(Used In) Operating activities	**1,576,367,150**	**262,341,884**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase / Addition to Fixed Assets	(1,351,197,851)	(368,739,839)
Proceeds from Sale of Fixed Assets	158,866	1,815,921
Gain/(Loss) on Sale of Units of Mutual Funds	7,140,239	13,536,854
Investment in Subsidiary	(254,970)	
Duration of Investment in Subsidiary	500,000	
Other Income	214,309	
Cash From/(Used In) Investing Activities	**(1,343,439,407)**	**(353,387,064)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Share Capital	-	203,717,937
Share Issue Expenses	-	(9,974,413)
Term loans from Banks,Financial Institutions	-	150,000,000
Repayment of Term Loan to Banks, Financial Institutions	(99,079,187)	(1,574,053,622)
Interest and Finance Charges Paid	(147,567,593)	(127,393,654)
Cash From/(Used In) Financing Activities	**(246,646,780)**	**(1,357,703,752)**
Net Increase /Decrease in Cash and Cash Equivalents	(13,719,037)	(1,448,748,932)
Cash and Cash Equivalents as at 1 April, 2007	85,074,563	1,533,823,495
Cash and Cash Equivalents as at 31 March, 2008	**71,355,526**	**85,074,563**
Components of Cash and Cash Equivelants as at:	**March 31,2008**	**March 31,2007**
Cash in hand	111,557	209,124
Balances with the scheduled banks:		
- In Current accounts	16,612,125	1,893,371
- In Deposit accounts	-	-
Short Term Investments (Maturity less than 3 months)	54,631,844	82,972,068
	71,355,526	**85,074,563**

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Pradeep Puri
President & CEO

Director

Director

T. K. Banerjee
CFO
Noida
21 April, 2008

Monisha Macedo
Manager and
Company Secretary

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,2008 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 LUTHRA & LUTHRA
Chartered Accountants

Noida
21 April, 2008

Akhilesh Gupta
Partner

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, 2008			

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

Public Issue	:	NIL	Right Issue	:	NIL
Bonus Issue	:	NIL	Private Placement (GDR/ESOP)	:	NIL

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

Total Liablities	:	7162541	Total Assets	:	7162541
Source of Funds					
Paid-up Capital	:	1861950	Reserve and Surplus	:	3122250
Secured Loans	:	2028341	Unsecured Loans	:	150000
Application of Funds					
Net Fixed Assets (including Capital Work-in-progress)	:	5547946	Investments	:	54887
Net Current Assets	:	(153592)	Toll Equalisation Receivable	:	1713300
Accumulated Losses	:	0	Misc. Expenditure	:	0

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

Turnover & Other Income	:	718813	Total Expenditure	:	401581
Profit/ before Tax	:	317232	Profit after Tax	:	279759
Earning per Share in Rs.	:	1.50	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

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO

Monisha Macedo
Manager and
Company Secretary

Noida

21 April, 2008

STATEMENT UNDER SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO THE SUBSIDIARY COMPANY

1. Name of the company	ITNL Toll Management Services Limited
2. Financial period of the Subsidiary ended on	31st March, 2008
3. Holding Company's Interest in the Subsidiary Company	51% of the Equity Share capital of Rs 500,000
4. Net aggregate amount of the Profit/(Loss) of the Subsidiary Company (concerning the members of Noida Toll Bridge Company Limited) not dealt with or provided for in the accounts of Noida Toll Bridge Company Limited.	
(a) For the current year	Rs.18,426
(b) For the previous year since it became a subsidiary	Nil
5. Net aggregate amount of the Profit/(Loss) of the Subsidiary Company (concerning the members of Noida Toll Bridge Company Limited) dealt with or provided for in the accounts of Noida Toll Bridge Company Limited.	
(a) For the current year	Nil
(b) For the previous year since it became a subsidiary	Nil

Pradeep Puri			**Monisha Macedo**	**T. K. Banerjee**
President & CEO	Director	Director	Manager and Company Secretary	CFO

Noida
21 April, 2008

FIRST ANNUAL REPORT 2007-2008

ITNL TOLL MANAGEMENT SERVICES LIMITED

BOARD OF DIRECTORS

Mr. Pradeep Puri

Ms. Monisha Macedo

Mr. Mukund Sapre

Mr. M. K. Mohan

(Alternate Sandeep Mendiratta)

Bankers

Canara Bank
C-3, Sector - 1
NOIDA - 201 301

Auditors

Luthra & Luthra
Chartered Accountants
A-16/9, Vasant Vihar
New Delhi - 110 057

Registered Office Address

ITNL Toll Management Services Limited
Toll Plaza
DND Flyway
Noida - 201 301

DIRECTORS' REPORT

Your Directors have pleasure in presenting the First Annual Report together with the Audited Accounts and the Auditors' Report for the period June 22, 2007 to March 31, 2008. (The Company was incorporated on June 22, 2007 the accounts have been drawn up from the date of incorporation till March 31, 2008).

OPERATIONS

On June 22, 2007, ITNL Toll Management Services Ltd. (ITMSL) was incorporated as a joint venture company with IL&FS Transportation Networks Limited, who have significant experience in operations and maintenance of toll road projects. The objective was to carry out O&M services for DND Flyway and other similar ventures on a pan-India basis.

The O&M services of the bridge have been taken over by ITMSL since August 1, 2007. The Company took over the operations and maintenance of Mayur Vihar Link Road Phase I with effect from August 1, 2007 and Phase II on January 19, 2008.

The Company was certified as ISO 9001:2000 compliant on January 18, 2008.

FINANCIAL RESULTS

A summary of financial results of the Company for the period June 22, 2007 to March 31, 2008 is given below:

Particulars	Year ended 31.3.2008 (Rs. in million)
Operation & Maintenance Fees	33.42
Other Income	0.15
Operating & Administration Expenses	32.92
Profit (Loss) before Interest & Depreciation	0.65
Depreciation	0.10
Provision for Tax/ FBT	0.51
Net Profit/(Loss) carried to Balance Sheet	0.04

DIVIDEND

The Directors do not recommend any dividend for the year.

PUBLIC DEPOSIT

The Company has not accepted any deposits from the public during the year under review.

PARTICULARS OF EMPLOYEES

During the year under review, the Company had no employees drawing remuneration as set out under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

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 & Technology Absorption are not applicable. The Company has no foreign exchange earnings and outgo.

STATUTORY AUDITORS

Luthra & Luthra, Chartered Accountants, the first Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting and have expressed their willingness to continue as Auditors, if reappointed.

DIRECTORS

In accordance with the requirements of the Companies Act, 1956, Mr. Pradeep Puri and Ms. Monisha Macedo being the first Directors, vacate office at the first Annual General Meeting. The Company has received proposals from the members of the Company under Section 257 of the Companies Act, 1956, for the appointment of Mr. Pradeep Puri and Ms. Monisha Macedo as Directors.

Mr. Mukund Sapre, Chief Operating Officer, IL&FS Transportation Networks Limited (ITNL) and Mr. M. K. Mohan, Vice President, ITNL, were appointed as Additional Directors, representing ITNL, at the meeting of the Board of Directors of the Company held on July 18, 2007, and vacate their offices at the forthcoming Annual General Meeting of the Company. The Company has received proposals from the members under Section 257 of the Companies Act, 1956, for the appointment of Mr. Mukund Sapre and Mr. M. K. Mohan as Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Section 217 (2AA) of the Companies Act, 1956 as amended in December 2000, required the Board of Directors to provide a statement to the members of the Company in connection with maintenance of books, records, preparation of Annual Accounts in conformity with the accepted accounting standards and past practices followed by the Company. Pursuant to the foregoing, and on the basis of representation received from the Operating Management, and after due enquiry, it is confirmed that:

1. In the preparation of the annual accounts, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures.

2. The Directors have selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit 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.

By order of the Board
For ITNL Toll Management Services Limited

Mr. Pradeep Puri
Director

Place : Noida
Dated : 7 July, 2008

AUDITORS' REPORT

To The Members of
ITNL Toll Management Services Limited
Noida

1. We have audited the attached Balance Sheet of **ITNL Toll Management Services Limited** as at 31st March 2008, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We have conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies' Auditors 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 the said Order, to the extent applicable to the company.

4. Further 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 it appears from our examination of such 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 the 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 to the extent applicable.

   (e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as at 31st March 2008, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

   (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

      i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008; and

      ii. in the case of the Profit and Loss Account, of the profit for the year ended on that date.

      iii. In the case of Cash Flow Statement, of the cash flow for the year ended on that date.

For Luthra & Luthra
Chartered Accountants

Akhilesh Gupta
Partner
M. No. 89909

Place : Noida
Dated : 21 April, 2008

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

1. The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
2. As per the information and explanations given to us, fixed assets have been physically verified by the Management at reasonable intervals, and no discrepancy was noticed.
3. The company has not disposed off substantial part of fixed assets during the year.
4. As per the information and explanations given to us, inventories have been physically verified at reasonable interval during the year by the Management.
5. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
6. On the basis of our examination, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and book records are not material and have been properly dealt with in the books of accounts.
7. The Company has not taken / granted any secured or unsecured loan from / to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
8. 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. We have not observed any failure on the part of the company to correct major weakness in internal control system.
9. As per the information and explanation given to us, there are no transactions that need to be entered in the register maintained under Section 301 of the Companies Act, 1956.
10. According to the information and explanations given to us the company has not accepted deposits from the public.
11. According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund; employees state insurance, income tax, sales tax, wealth tax, service tax, cess and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues outstanding as at 31 March, 2008 for a period of more than six months from the date they became payable.
12. According to the information and explanation given to us, there is no disputed due on account of provident fund, investor education and protection fund; employees state insurance, sales tax, wealth tax, income tax, service tax and cess.
13. The company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company.
14. Fund raised on short- term basis has not been used for long-term investment.
15. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies' Act 1956.
16. The company has not raised money by public issue during the year.
17. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.
18. Other clauses of the order are not applicable to the Company.

For Luthra & Luthra
Chartered Accountants

Akhilesh Gupta
Partner
M. No. 89909

Place : Noida
Dated : 21 April, 2008

ITNL TOLL MANAGEMENT SERVICES LIMITED
Balance Sheet as on March 31, 2008

	Schedule	As at March 31, 2008 Rupees	As at March 31, 2008 Rupees
SOURCES OF FUNDS			
SHAREHOLDER'S FUNDS			
Equity Share Capital	A		500,000
Reserves & Surplus	B		36,133
TOTAL			536,133
APPLICATION OF FUNDS			
FIXED ASSETS	C		
Gross Block		1,361,020	
Accumulated Depreciation		99,556	
Net Block			1,261,464
CURRENT ASSETS, LOANS & ADVANCES			
Inventories		800,535	
Sundry Debtors	D	761,175	
Cash & Bank Balances	E	3,291,850	
Loans & Advances	F	4,509,693	
		9,363,253	
LESS: CURRENT LIABILITIES AND PROVISIONS	G	10,088,584	
NET CURRENT ASSETS			(725,331)
TOTAL			**536,133**
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	L		

As per our separate report of even date attached

For Luthra & Luthra
Chartered Accountants

For and on behalf of the Board of Directors

Akhilesh Gupta
Partner

Director

Director

GM (Finance)

Place : Noida
Dated : 21 April, 2008

ITNL TOLL MANAGEMENT SERVICES LIMITED
Profit & Loss for the year ended on 31st March, 2008

	Schedule	Year ended on March 31, 2008 Rupees
INCOME		
Income From Operations	H	33,421,812
Other Income	I	147,654
		33,569,466
EXPENDITURE		
Operation & Administrative Expenses	J	32,914,213
Finance Charges	K	9,784
Depreciation		99,828
		33,023,825
Profit/ (Loss) For the Period		545,641
Provision for Tax		
Fringe Benefit Tax		137,727
Income Tax		371,781
Profit / (Loss) After Tax		36,133
Profit / (Loss) carried to Balance sheet		36,133
Profit / (Loss) per share - Basic & Diluted		0.95
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS	L	

As per our separate report of even date attached

For Luthra & Luthra
Chartered Accountants

For and on behalf of the Board of Directors

Akhilesh Gupta
Partner

Director

Director

GM (Finance)

Place : Noida
Dated : 21 April, 2008

ITNL Toll Management Services Limited
Schedules forming part of the Financial Statement

	As at March 31, 2008 Rupees
SCHEDULE A	
SHARE CAPITAL	
Authorised	
50,000 Equity Share of Rs. 10/- each	500,000
Issued, Subscribed & paid up Share Capital	
50,000 Equity Shares of Rs. 10/- each Fully Paid up	500,000
	500,000
SCHEDULE B	
RESERVES & SURPLUS	
Profit and Loss Account	36,133
	36,133

SCHEDULE C: FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.04.07	Additions	Deletion/ Adjustments	As at 31.03.2008	As at 01.04.07	For the year ending 31.03.2008	Deletion/ Adjustments	Total on 31.03.2008	As at 31.03.2008
Office Equipment	-	734,570	8,000	726,570	-	45,592	272	45,320	681,250
Furniture & Fixtures	-	362,654	-	362,654	-	20,778	-	20,778	341,876
Computers	-	271,796	-	271,796	-	33,458	-	33,458	238,338
Total	**-**	**1,369,020**	**8,000**	**1,361,020**	**-**	**99,828**	**272**	**99,556**	**1,261,464**

ITNL Toll Management Services Limited
Schedules forming part of the Financial Statement

	As at March 31, 2008 Rupees	As at March 31, 2008 Rupees
SCHEDULE D		
SUNDRY DEBTORS		
(Considered Good)		
Outstanding for more than 6 months		-
Others		761,175
		761,175
SCHEDULE E		
CASH & BANK BALANCE		
Cash in Hand		2,281,707
Balance in Scheduled Bank		
- in Current Account		1,010,143
		3,291,850
SCHEDULE F		
LOANS & ADVANCES		
(Unsecured considered good)		
Advances/Income Recoverable in Cash or Kind or for Value to be received		615,027
Advance Tax (including TDS)		3,894,666
		4,509,693
Maximum amount due from directors		NIL
SCHEDULE G		
(a) CURRENT LIABILITIES		
Sundry Creditors	5,482,257	
Book Overdraft	260,130	
Advance payment and unexpired discount	37,210	
Other Liabilities	2,448,581	8,228,178
(b) PROVISIONS		
Provision for Taxes	509,508	
Provision for Retirement Benefits and other benefits	1,350,898	1,860,406
		10,088,584

ITNL Toll Management Services Limited
Schedules forming part of the Financial Statement

	For the Year ended March 31, 2008 Rupees
SCHEDULE H	
INCOME FROM OPERATIONS	
Operation & Maintainence Fees	28,400,000
Service Fees	5,021,812
	33,421,812
SCHEDULE I	
OTHER INCOME	
Other Income	147,654
	147,654
SCHEDULE J	
ADMINISTRATIVE EXPENSES	
Salaries, Wages & Bonus(includes provision)	12,842,268
Contribution to Provident Fund & Others	1,322,817
Staff Welfare	1,746,101
Legal & Professional Charges	1,270,238
Insurance Expenses	109,390
Travelling & Conveyence Expenses	1,156,272
Business Promotion Expenses	58,046
Repair & Maintenance-Bridge	9,640,603
Repair & Maintainence -Office	3,782,539
Telephone,Internet & Postage	313,539
Printing & Stationery	499,533
Rates & taxes	55,048
Other Expenses	117,819
	32,914,213
SCHEDULE K	
Finance Charges	
Bank Charges	9,784
	9,784

SCHEDULE L : SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

(1) Background

ITNL Toll Management Services Limited (ITMSL) is a public limited company incorporated and domiciled in India on 22nd June, 2007 with its registered office at Toll Plaza, DND Flyway, Noida - 201301, Uttar Pradesh, India. The financial statements of ITMSL are the responsibility of the management of the company.

ITMSL has been incorporated to provide services and consultancy in the areas of operations, toll collections, routine and procedure maintenance, engineering, design, supply, installation, commissioning of toll and traffic management system. ITMSL has started operations and management of Noida Toll Bridge Project w.e.f. 1st August, 07.

(2) Significant Accounting Policies

(a) Basis of Preparation

The financial statements of ITMSL have been prepared on accrual basis of accounting and in accordance with the provisions of the Companies Act 1956 and comply with the mandatory Accounting Standards issued by The Institute of Chartered Accountants of India.

These financial statements have been drawn up in accordance with the going-concern principle and on a historical cost basis. The presentation and grouping of individual items in the balance sheet, the income statement and the cash flow statement are based on the principle of materiality.

(b) Significant accounting judgments and estimates

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

(c) Fixed Assets

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

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

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

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

(d) Depreciation

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

Office Equipment	5 years
Furniture & Fixtures	7 years
Computers	3 years

(e) Impairment

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

(f) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

(g) Employee costs

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

The cost of accumulated compensated leave is determined on the basis of accumulated compensated leave due to an employee as on the date of financial statement multiplied by salary as on that date.

The company has two retirement benefit plans in operation viz. Gratuity, Provident Fund. Provident Fund is defined contribution plans whereby the company has to deposit a fixed amount to the fund every month.

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

(h) Revenue Recognition

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

Operation & Maintenance Fees

Operation & Maintenance Fees is recognised on accrual basis in accordance with contractual rights.

Service Charges

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

(i) Expenditure

Expenditures have been accounted for on the accrual basis and provisions have been made for all known losses and liabilities.

(j) Taxes

Current tax represents the amount that would be payable based on computation of tax as per prevailing taxation laws. Current tax includes taxes on income and fringe benefit tax.

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

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

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

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

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

(k) CENVAT Credit

Cenvat (Central Value Added Tax) in respect of service Tax is accounted on accrual basis on eligible services. The balance of cenvat credit is reviewed at the end of each year and amount estimated to be unutilised is charged to the profit & loss account for the year.

(l) Preliminary Expenditure

Preliminary expenditures have been written off in the period in which incurred.

(m) Earnings per Share

Basic earnings per share is calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

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

(3) NOTES TO ACCOUNTS:

(a) Contingent Liabilities:

Contingent Liabilities in respect of:

		As at March 31, 2008 Rupees
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL
(ii)	Claims not acknowledged as debt by the Company.	NIL

(b) Employees Post Retirement Benefits:

The Company has two post employment benefit plans, namely gratuity and provident fund.

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

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

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

Net Benefit expense

	Year ended 31st March, 2008 Rupees
Current service cost	87,432
Interest cost on benefit obligation	2,283
Expected return on plan assets	-
Net actuarial(gain)/loss recognised in period	189,406
Annual expenses	**279,121**

Benefit Liability	Year ended 31st March, 2008 Rupees
Defined benefit obligation	2,79,121
Fair value of plan assets	-
Benefit Liability	**2,79,121**

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

	Year ended 31st March, 2008 Rupees
Opening defined benefit obligation	-
Interest cost	2,283
Current service cost	87,432
Expected return on plan assets	-
Net actuarial(gain)/loss recognised in year	189,406
Closing defined benefit obligation	**2,79,121**

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

	Year ended 31st March, 2008 Rupees
Opening fair value of plan assets	-
Expected return	-
Contributions	-
Benefits paid	-
Actuarial gains/(losses) on fund	-
Closing fair value of plan assets	**-**

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

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

	Year ended 31st March, 2008 %
Discount rate	7.50
Future salary increases	7.00
Rate of interest	0

(c) Expenditure in Foreign Currency

	Year ended 31st March, 2008 Rupees
Consultancy	423,040

(d) Auditor's Remuneration:

Legal and Professional charges include remuneration paid to Auditors as follows:

	Year ended 31st March, 2008 Rupees
(a) As Statutory Auditors	350,000
(b) Service Tax*	43,260
	3,93,260

* Service Tax has been debited to Cenvat Credit Account

(e) List of Related parties and Transactions / Outstanding Balances:

(i) Holding Company of the Company:

Noida Toll Bridge Company Limited

Transactions/ Outstanding balances

	Year ended 31st March, 2008 Rupees
Service Income	28,400,000
Issue of share Capital	254,970
Receivable as at the period end	319,285
Payable at the period end	2,480,627
Equity as at the period end	2,54,970

(ii) Company Holding Substantial Interest in voting power of the company

IL&FS Transportation Networks Limited

	Year ended 31st March, 2008 Rupees
Issue of share Capital	2,44,980
Equity as at the period end	2,44,980

iii) Key Managerial Personnel

Mr. Ajay Mathur (C.E.O.)
Col. D. S. Yadav (C.G.M.)

	Year ended 31st March, 2008 Rupees
Remuneration	1,001,336

(f) The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

(g) Earning Per Share:

	Year ended 31st March, 2008 Rupees
BASIC/ DILUTED PROFIT PER SHARE	
A Number of Equity shares of Rs. 10 each fully paid up at the beginning of the period	NIL
B Number of Equity shares of Rs. 10 each fully paid up at the end of period	50,000
C Weighted Average number of Equity Shares outstanding during the period	38,219
D Net Profit for the Period	36,135
Basic/Diluted Profit per Share	**.95**

(h) Previous Periods Comparatives

As the company has been incorporated during the financial period therefore the previous period information was not available.

For and on behalf of
ITNL Toll Management Services Limited

Director Director

GM Finance

Place : Noida
Dated : 21 April, 2008

ITNL TOLL MANAGEMENT SERVICES LIMITED
Cash Flow Statement for the year ending March 31, 2008

	Year ended March 31, 2008 Rupees
Cash Flows from Operating Activities	
Profit before taxes	545,640
Adjustment for :	
- Depreciation	99,828
- Preliminary Expenses written off	45,921
- Provision for Employment benefits	1,350,898
- Loss on Sale of Fixed Assets	5,728
Operating Profit before working capital changes	2,048,015
Adjustments for Movement in Working Capital	
Decrease/(Increase) in Inventories	(800,535)
Decrease/(Increase) in Trade Receivable	(761,174)
Decrease/(Increase) in Loans and Advances	(4,509,695)
Increase/(Decrease) in Current Liabilities	8,228,180
Cash generated from Operating Activities	4,204,791
Cash Flow from Investing Activities	
Fixed Assets purchased during the period	(1,369,020)
Cash received From Sale of Fixed Assets During the Period	2,000
	(1,367,020)
Cash Flow from Financing Activities	
Issue of Equity Share	500,000
Preliminary Expeneses	(45,921)
	454,079
Total Cash Flows from Operating, Investing and Financing Activities	3,291,850
Cash & Cash equivalent at the beginning of the year	-
Cash & Cash equivalent at the end of the period	3,291,850
Components of Cash and Cash Equivalents as at:	
Cash in hand	2,281,707
Balance in Scheduled Bank in Current Account	1,010,143
	3,291,850

As per our separate report of even date

For Luthra & Luthra
Chartered Accountants

For and on behalf of the Board of Directors

Akhilesh Gupta
Partner

Director

Director

GM (Finance)

Place : Noida
Dated : 21 April, 2008

AUDITORS' REPORT

To The Board of Directors
NOIDA TOLL BRIDGE COMPANY LIMITED
on the Consolidated Financial Statements
of "Noida Toll Bridge Company Limited" and its
Subsidiary "ITNL Toll Management Services Limited"

1. We have audited the attached Consolidated Balance Sheet of **Noida Toll Bridge Company Limited** and its subsidiary as at 31st March 2008, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We have conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We draw the attention of the board to the note number 2 (c) (iii) of schedule 18 'Significant Accounting Policies & Notes to Accounts' regarding revaluation of leased land, wherein the formal agreement for grant of development rights, is pending execution.

4. We report that:

   (a) The consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21, 'Consolidated Financial Statement' issued by the Institute of Chartered Accountants of India and on the basis of separate audited financial statements of Noida Toll Bridge Company Limited and its subsidiary .

   (b) On the basis of the information and explanations given to us and on consideration of the separate audit reports on the individual audited financial statements of Noida Toll Bridge Company Limited and its subsidiary, we are of the opinion that:

      i. The consolidated balance sheet gives a true and fair view of the consolidated state of affairs of Noida Toll Bridge Company Limited and its subsidiary as at 31st March 2008,

      ii. The consolidated profit and loss account gives true and fair view of the consolidated profit of Noida Toll Bridge Company Limited and its subsidiary for the year ended on that date; and

      iii. The consolidated cash flow statement gives a true and fair view of the consolidated cash flow of Noida Toll Bridge Company Limited and its subsidiary for the year ended on that date.

For Luthra & Luthra
Chartered Accountants

Akhilesh Gupta
Partner
(M. No. 89909)

Place: Noida
Date : 21 April, 2008

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2008

	Schedule	As At March 31, 2008 Rupees	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Equity Share Capital	1	1,861,950,020		1,861,950,020
Reserve & Surplus	2	3,122,268,874		2,788,731,820
			4,984,218,894	4,650,681,840
LOAN FUNDS				
Secured Loans	3		2,028,340,739	1,709,860,002
Unsecured Loans	4		150,000,000	150,000,000
Minority Interest	5		262,737	
			7,162,822,370	**6,510,541,842**
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block	6	5,889,564,709		5,294,596,667
Less: Depreciation		340,356,614		218,237,348
Net Block			5,549,208,095	5,076,359,319
CAPITAL WORK IN PROGRESS			-	276,578,661
TOLL EQUALISATION RECEIVABLE			1,713,300,000	-
INVESTMENTS	7		54,631,844	82,972,068
CURRENT ASSETS, LOANS & ADVANCES				
Inventories	8	1,774,407		224,833
Sundry Debtors	9	1,903,227		2,075,179
Cash and Bank balances	10	20,015,532		2,401,983
Loans & Advances	11	64,937,800		58,672,486
		88,630,966		63,374,481
LESS: CURRENT LIABILITIES & PROVISIONS	12	242,948,535		122,327,832
NET CURRENT ASSETS			(154,317,569)	(58,953,351)
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	13		-	99,450,707
PROFIT AND LOSS ACCOUNT (Debit balances)				1,034,134,438
			7,162,822,370	**6,510,541,842**
For Notes forming part of the Accounts, refer to Schedule	18			

The schedules referred to above form an integral part of the Balance sheet and Profit and Loss Account

As per our report of even date attached.

For LUTHRA & LUTHRA
Chartered Accountants

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Akhilesh Gupta
Partner

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO

Monisha Macedo
Manager and
Company Secretary

Noida
21 April, 2008

Noida
21 April, 2008

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2008

	Schedule	For the Year ended March 31, 2008 Rupees	For the Year ended March 31, 2008 Rupees	For the Year ended March 31, 2007 Rupees
INCOME				
Income from Operations	**14**		668,946,219	471,110,677
Other Income	**15**		55,036,225	20,026,682
			723,982,444	**491,137,359**
EXPENDITURE				
Operating and Administration Expenses	**16**		171,120.549	108,675,213
Finance Charges	**17**		148,670,924	180,659,007
Depreciation		123,875,962		
Less Transfer from Revaluation reserve		37,463,057	86,412,905	78,010,633
Miscellaneous Expenditure Written Off	-			12,431,338
			406,204,378	**379,776,191**
PROFIT / (LOSS) FOR THE PERIOD			**317,778,066**	**111,361,168**
Provision for Taxation :				
Fringe Benefit Tax			(1,599,661)	(803,246)
Current year taxes (Including MAT)			(36,382,781)	
PROFIT / (LOSS) FOR THE PERIOD			**279,795,624**	**110,557,922**
Minority Interest			(17,707)	
Debenture Redemption Reserve			(2,949,545)	(1,966,364)
Accumulated Losses			(1,033,877,806)	(1,142,725,996)
Adjustment of earlier year losseswith General Reserve			1,125,100,000	
Profit/(Loss) Carried to Balance Sheet			**368,050,566**	**(1,034,134,438)**
Basic / Diluted Profit / (Loss) per Equity Share (in Rs.)			1.50	0.59
For Notes forming part of the Accounts, refer to Schedule	**18**			

The schedules referred to above form an integral part of the Balance sheet and Profit and Loss Account
As per our report of even date attached.

For LUTHRA & LUTHRA
Chartered Accountants

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Akhilesh Gupta
Partner

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO

Monisha Macedo
Manager and
Company Secretary

Noida
21 April, 2008

Noida
21 April, 2008

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS

	As At March 31, 2008 Rupees	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SCHEDULE 1			
SHARE CAPITAL			
Authorised			
200,000,000 (Previous Year 200,000,000)			
Equity Shares of Rs.10 each		2,000,000,000	2,000,000,000
Issued, Subscribed and Paid up			
186,195,002 (Previous Year 186,195,002)			
Equity Shares of Rs.10 each Fully Paid up		1,861,950,020	1,861,950,020
SCHEDULE 2			
RESERVES & SURPLUS			
Securities Premium			
Opening Balance	1,446,280,612		1,311,743,288
Received during the year	-		144,511,737
Less : Share Issue Expenses	-		9,974,413
		1,446,280,612	1,446,280,612
Revaluation Reserve			
Opening Balance	1,339,501,662		1,345,044,007
Less : Transfer to Profit & Loss Account	37,463,057		5,542,345
		1,302,038,605	1,339,501,662
Debenture Redemption Reserve			
Opening Balance	2,949,546		983,182
Transfer from Profit & Loss Account	2,949,545		1,966,364
		5,899,091	2,949,546
General Reserve			
Opening Balance	-		
Add : Recognition of Toll Equalisation Reserve	1,713,300,000		
Less : Adjustment of Accumulated Losses	1,125,100,000		
Less : Other Adjustments in terms of 391 Scheme	588,200,000	-	
Proft & Loss Account (Credit Balance)		368,050,566	-
		3,122,268,874	**2,788,731,820**

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS

	As At March 31, 2008 Rupees	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SCHEDULE 3			
LOAN FUNDS			
Secured Loans			
a. Debentures and Bonds			
10,815 (Previous Year 10,815) Deep Discount Bonds of face Value Of Rs.20,715 (Previous Year Rs.20,715) each (See Note 2(f) (i) of Schedule 18)	224,032,725		224,032,725
Less:Unexpired Discount	103,363,043		112,841,452
		120,669,682	111,191,273
Accumulated Liability of ZCB (Series B) (See Note 2(e) and 2(f) (ii) of Schedule 18)			
Opening balance	122,271,414		86,110,361
Add:Accumulation during the period	-		36,161,053
Add:Accumulated out of General Reserve Created Under 391 Scheme	405,379,486		-
Less:Repayment during the year	55,542,200		-
		472,108,700	122,271,414
b. Term Loans (See Note 2(f) (iii),(iv), (v) and (vi) of Schedule 18)			
Banks	392,465,804		392,465,804
Financial Institutions	310,257,665		310,257,665
Others	726,007,729		726,007,729
		1,428,731,198	1,428,731,198
c. Funded Interest		-	43,536,987
d. Lease Finance (See Note 2(k) of Schedule 18)		6,831,159	4,129,130
		2,028,340,739	**1,709,860,002**

Notes:

1. Deep Discount Bonds issued at Rs.5000 each would be redeemed at Rs.20,715 at the end of the 16th year from the date of allotment i.e November 3, 1999 as per Scheme of restructuring of DDBs approved by Honourable Allahabad High Court.
2. Series B Zero Coupon Bonds of Rs 100 each issued to Banks, Financial Institutions and Others would be redeemed not later than March 31,2014.

SCHEDULE 4			
Unsecured Loans			
From Others		150,000,000	150,000,000
		150,000,000	**150,000,000**
SCHEDULE 5			
MINORITY INTEREST			
Share Capital		245,030	-
Profit for the year		17,707	
		262,737	**-**

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 6

FIXED ASSETS
(See note 1(e) (f) (g) and 2(c) of Schedule 18)

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 1.04.2007	Additions	Deletions / Adjustment	As At 31.03.2008	As At 1.04.2007	For the Period	Deletions / Adjustment	As At 31.03.2008	As At 31.03.2008	As At 31.03.2007
Delhi Noida Link Bridge (Refer note(A) and (B) below and 1(e) 1 (f) and 2 (c) of Schedule 18)	4,199,176,087	1,598,207,111		5,797,383,198	209,648,821	116,060,634		325,709,455	5,471,673,743	3,989,527,266
Leasehold Building	30,801,399	15,313,403		46,114,802	596,010	708,642		1,304,652	44,810,150	30,205,389
Plant & Machinery										
- Data Processing Equipment	1,989,615	1,798,757	78,200	3,710,172	1,096,438	655,530	78,200	1,673,768	2,036,404	893,177
- Office Equipment	11,011,648	3,851,384	629,761	14,233,271	2,918,110	2,413,473	439,058	4,892,525	9,340,746	8,093,538
Vehicles (Refer Note (C) below)	8,416,628	9,285,369	830,058	16,871,939	2,355,287	2,485,162	830,058	4,010,391	12,861,548	6,061,341
Furniture & Fixtures	8,181,935	3,391,537	322,145	11,251,327	1,445,208	1,552,521	231,906	2,765,823	8,485,504	6,736,727
	4,259,577,312	**1,631,847,561**	**1,860,164**	**5,889,564,709**	**218,059,874**	**123,875,962**	**1,579,222**	**340,356,614**	**5,549,208,095**	**4,041,517,438**
Capital Work in Progress	276,578,661		276,578,661	-					-	276,578,661
	4,536,155,973	**1,631,847,561**	**278,438,825**	**5,889,564,709**	**218,059,874**	**123,875,962**	**1,579,222**	**340,356,614**	**5,549,208,095**	**4,318,096,099**
Previous Year	***5,189,481,909***	***110,877,865***	***5,763,107***	***5,294,596,667***	***138,671,748***	***83,552,978***	***3,987,378***	***218,237,348***	***5,076,359,319***	***5,050,810,161***

Notes :
(A) Additions to Delhi Noida Link Bridge includes value of Land transfered from erstwhile Subsidiary M/S DND Flyway Ltd and capitalisation of Mayur Vihar Link Road.
(B) Delhi Noida Link Bridge includes Land appurtenant to the Bridge on both sides of Delhi and Noida.
(C) Vehicles include Rs. 104,14,316 (previous year Rs.5,591,328) for assets acquired under Finance Lease.

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS

	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SCHEDULE 7		
INVESTMENTS (At Cost)		
a. Current, Quoted, other than Trade Investments		
OLPIG HSBC Liquid Plus-Inst-Growth - 1,809,814.534 (Previous Year 1,260,144.298) units of face Value of Rs.10 each	19,631,844	13,058,372
Reliance Liquid Plus Fund-Institutional Option-Growth Plan-13,887.433 (Previous Year NIL) units of face value of Rs.1000 each	15,000,000	
Mirae Asset Liquid Plus Fund-Regular Growth Option 9,965.378 (Previous Year NIL) units of Rs.1000 each	10,000,000	
Mirae Asset Liquid Fund-Institutional Growth Option 10,000.000 (Previous Year NIL) units of Rs.1000 each	10,000,000	
Principal Pnb Fixed Maturity Plan (FMP-34) 91 Days-Series VII Dividend Payout NIL (Previous Year 408,073.816) units	-	4,080,738
Lotus India FMP-3 Months-Series I-institutional Growth-NIL (Previous Year 500,000) units of face value Of Rs.10 each	-	5,000,000
Lotus India Liquid Plus Fund Retail Growth -NIL (Previous Year 907,999.656) units of face value Of Rs.10 each	-	9,217,740
M150QG ABN Amro FTP Series 4 Quartely Plan E -Growth NIL (Previous Year 1,001,521.805) units	-	10,015,218
M17G ABN Amro Longterm Floating Rate Fund-Institutional -Growth NIL (Previous Year 3,770,677.544) units	-	41,600,000
	54,631,844	**82,972,068**
Note: 1.The Net Asset Value of quoted investments as at the period ended - Rs.55,681,011 (Previous Period Rs. 83,125,142)		
SCHEDULE 8		
INVENTORIES (At Cost)		
Electronic Cards and 'On Board Units'	1,774,407	224,833
SCHEDULE 9		
SUNDRY DEBTORS (Unsecured, Considered Good)		
Debts Outstanding for more than six months	-	1,405,050
Debts Outstanding for less than six months	1,903,227	670,129
	1,903,227	**2,075,179**

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS

	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SCHEDULE 10		
CASH AND BANK BALANCES		
Cash in Hand	2,393,264	209,124
Balances with Scheduled Banks		
- In Current Accounts	17,622,268	2,192,859
- Fixed Deposits	-	-
	20,015,532	**2,401,983**
SCHEDULE 11		
LOANS AND ADVANCES (Unsecured,Considered good)		
a. Advances / Income Recoverable in Cash or in Kind or for Value to be Received	7,235,841	34,203,393
b. Advance Payment against Taxes	55,325,754	22,673,388
c. Deposits	2,376,205	1,795,705
	64,937,800	**58,672,486**
Amounts due from Directors	NIL	NIL
Maximum amount due from Directors during the year	NIL	NIL

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS

	As At March 31, 2008 Rupees	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SCHEDULE 12			
CURRENT LIABILITIES AND PROVISIONS			
a. Current Liabilities			
Sundry Creditors	4,608,268		179,183
Advance Payments and Unexpired Discounts	16,223,965		20,057,868
Interest Accured but not Due on Secured Loans	659,247		9,044,109
Other Liabilities	124,325,450		85,263,072
		145,816,930	114,544,232
b. Provisions			
Provision for Taxes	38,042,188		60,719
Provision for Retirement Benefits and other benefits	29,532,560		7,722,881
(See note 2(i) of Schedule 18)			
Provision Others	29,556,857		
		97,131,605	-
		242,948,535	**122,327,832**

	As At March 31, 2008 Rupees	As At March 31, 2008 Rupees	As At March 31, 2007 Rupees
SCHEDULE 13			
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)			
Ancillary Cost inconnection with arrangement of borrowings for DDBs			
Balance Brought Forward		99,450,707	111,882,045
Less: Amortised in terms of 391 Scheme		99,450,707	
Less : Amount charged to profit & loss account			12,431,338
		-	**99,450,707**

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS

	For the Year ended March 31, 2008 Rupees	For the Year ended March 31, 2008 Rupees	For the Year ended March 31, 2007 Rupees
SCHEDULE 14			
INCOME FROM OPERATIONS			
Toll Revenue		553,888,555	395,884,188
License Fee			
Space for Advertisement			
- Noida Side	46,325,018		46,212,850
- Delhi Side	25,593,794		24,250,971
(Net of License Fees paid to MCD)			
Office Space	17,350,832		3,243,333
Others	25,788,020		1,519,335
		115,057,664	75,226,489
		668,946,219	**471,110,677**
SCHEDULE 15			
OTHER INCOME			
Profit on Sale of Units of Mutual Fund		7,140,239	13,536,854
Exchange Rate Fluctuation		-	1,388,050
Miscellaneous Income		47,895,986	5,101,778
		55,036,225	**20,026,682**

	For the year ended March 31, 2008 Rupees	For the year ended March 31, 2007 Rupees
SCHEDULE 16		
OPERATING AND ADMINISTRATION EXPENSES		
Salaries, Wages and Bonus (Includes provision)	75,200,160	32,601,043
Contribution to Provident and Other Funds	5,835,641	2,981,499
Staff Welfare Expenses	5,419,827	3,483,274
Fees Paid to O & M Contractor	10,023,321	25,020,000
Consumption of Cards and On Board Unit	1,718,976	1,911,134
Legal & Professional Charges	24,192,156	11,909,038
Agency Fees	3,005,274	3,711,036
Insurance Expenses	6,197,014	7,110,573
Travelling and Conveyance	8,542,097	4,506,100
Advertisment and Business Promotion Expenses	3,251,811	2,285,819
Rent	1,376,785	1,222,000
Repair & Maintenance - Building	16,408,759	4,253,216
Repair & Maintenance - Others	6,806,043	2,272,904
Telephone, Fax and Postage	2,474,545	2,522,446
Electricity Expenses	8,705,866	6,466,184
Rates and Taxes	4,512,259	4,257,288
Director's Sitting Fees	480,000	355,000
Printing and Stationery	3,114,794	2,223,537
Other Expenses	4,434,059	1,392,154
	191,699,387	**120,484,245**
Less : Amounts Capitalised	(20,578,838)	(11,809,032)
	171,120,549	**108,675,213**
SCHEDULE 17		
FINANCE CHARGES		
Interest on Deep Discount Bonds	9,478,409	8,710,876
Interest on Term Loan	138,101,819	124,273,689
Pre-payment Charges	-	11,170,795
Amortisation of Zero Coupon Bond Series B	-	36,161,053
Other Finance Charges	1,090,696	342,594
	148,670,924	**180,659,007**

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY
COMPANY SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 18: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

(1) SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of Consolidation

(i) The Consolidated Financial Statements present the Consolidated Accounts of Noida Toll Bridge Co Ltd (Company), and it's Subsidiary ITNL Toll Management Services Limited for the year, and it's wholly owned Subsidiary DND Flyway Ltd for the previous year. (hereinafter referred as "Group".)

(ii) The financial statements of the Group have been consolidated on a line-by-line basis to the extent possible after eliminating intra-group balances, intra-group transactions and unrealized profits in accordance with Accounting Standard 21 on "Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.

(iii) In the previous year, the land subleased to DND Flyway Limited by Noida Toll Bridge Company Limited has been classified as fixed assets in the Consolidated Financial Statements.

(b) Basis of Preparation

The financial statements of group have been prepared on accrual basis of accounting and in compliance with the mandatory Accounting Standards issued by The Institute of Chartered Accountants of India.

These financial statements have been drawn up in accordance with the going-concern principle and on a historical cost basis. The presentation and grouping of individual items in the balance sheet, the income statement and the cash flow statement are based on the principle of materiality.

(c) Significant Accounting Judgments and Estimates

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

(d) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the currency rate ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currency are retranslated at the exchange rate ruling at the Balance Sheet date and resulted differences are taken to income statement. 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.

(e) Fixed Assets

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

Fixed assets include the Delhi Noida Link Bridge, Mayur Vihar Link Road and Ashram Flyover which are 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 and Mayur Vihar link Road 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 related expenses. (See also Note 2(c) below)

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

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

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

(f) Revaluation of Fixed Assets

Revalued assets are recorded at revalued amounts and the incremental values are shown as Revaluation Reserve. Revaluation Reserve is transferred to the General Reserve to the extent relatable to the assets disposed off. Depreciation to the extent related to the incremental value of the assets on revaluation thereof is withdrawn from Revaluation Reserve and credited to the Profit & Loss Account.

(g) Depreciation

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

Building	62 years
Data Processing Equipment	3 years
Office Equipment	5 years
Vehicles	5 years
Furniture & Fixtures	7 years
Bridge	62 years
Chain Link Fencing (Included in Bridge)	15 years
Advertisement Structures (included in Bridge)	5 years

(h) Impairment

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

(i) Borrowing Costs

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

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

(j) Toll Equalisation Receivable

Toll Equalisation Receivable has been recognised in accordance with the terms of the scheme of amalgamation approved by the Honorable High Courts of Allahabad and Delhi under section 391 of the Companies Act, 1956. Toll Equalisation Receivable pertain to part of the 20% return guaranteed under the concession agreement over the useful life of the bridge.

Toll Equalisation Receivable shall be tested for impairment along with the book value of the bridge periodically, and shall be amortised as and when any impairment arise in the book value of Toll Receivable.

(k) Investments

Current investments have been valued at lower of cost or fair value determined on the basis of category of investments. Long term investments have been valued at cost.

(l) Inventories

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

(m) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

(n) Employee Costs

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

The cost of accumulated compensated leave is determined on the basis of accumulated compensated leave due to an employee as on the date of financial statement multiplied by salary as on that date.

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

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

(o) Leases

Finance leases which effectively transfer to the company substantial risks and benefits incidental to ownership of the leased item, are capitalized and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

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

(p) Revenue Recognition

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

Toll Revenue

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

License Fee

License fee income from advertisement hoardings, office space and others is recognised on an accrual basis in accordance with contractual rights.

Interest income

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

(q) Taxes

Current tax represents the amount that would be payable based on computation of tax as per prevailing taxation laws. Current tax includes taxes on income and fringe benefit tax.

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

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

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

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

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

(r) Securities Premium Account

Difference between the issue price of GDRs represented by inherent equity shares and the face value of inherent equity shares has been recorded as Securities Premium. Share issue expenses is adjusted against the Securities Premium Account as permitted by Sec 78 (2) of the Companies Act 1956.

(s) Debenture Redemption Reserve

Debenture Redemption Reserve (DRR) is created for redemption of the Deep Discount Bonds (DDBs) for an amount equal to the issue price of the DDBs by appropriating from the Profits of the year a sum calculated under sum of digits method over the remaining life of the DDBs . The adequacy of DRR is reviewed by management at periodic intervals.

(t) Share Based Payment Transactions

The company operates equity-settled, share option plan for eligible employees which includes directors of the Group whether full time or not and such other persons eligible under applicable laws. The options are valued as the difference between the trading price of the security in the stock exchange at the date of the grant and exercise price and are expensed over the vesting period, based on the company's estimate of shares that will eventually vest. The total amount to be expensed over the vesting period is determined by reference to the value of the options granted, excluding the impact of any non-market vesting conditions. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable.

(u) CENVAT Credit

Cenvat (Central Value Added Tax) in respect of service Tax is accounted on accrual basis on eligible services. The balance of cenvat credit is reviewed at the end of each year and amount estimated to be unutilised is charged to the profit & loss account for the year.

(v) Miscellaneous Expenditure

Miscellaneous expenditure pertaining to the expenses not relating to the construction of the bridge during the preoperative period is amortised over a period of five years from the date of commencement of commercial operations.

Preliminary Expenses incurred for the incorporation of Company have been amortised as and when incurred.

(w) Earnings per Share

Basic earnings per share is calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

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

(2) NOTES TO ACCOUNTS:

(a) The financial Statements of the following Subsidiary Companies have been consolidated as per Accounting Standard 21 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India

	As at March 31, 2008	**As at March 31, 2007**
Name of Subsidiary	ITNL Toll Management Services Limited	DND Flyway Limited
Proportion of Ownership Interest	51%	100%
Country of Incorporation	India	India

(b) Scheme of Amalgamation with DND Flyway Ltd.

The Company had filed a scheme of amalgamation with its 100% subsidiary DND Flyway Limited in the Honourable High Courts of Allahabad and Delhi which has been approved on 22nd March 2007 and 21st May 2007 by the respective courts. The company has filed the copy of the scheme with the registrar of Companies on 21st June 2007.

As per the terms of the scheme:

i. DND Flyway Limited (subsidiary Company, hereinafter referred as 'DND')) has been amalgamated with the company and all the assets and liabilities have been transferred to the company at book value.

ii. The effective date for recording accounting transactions in the books of accounts regarding amalgamation has been taken as 1st July, 06 as per pooling of interest method as specified in AS-14.

iii. Toll Equalisation Receivable of Rs. 1713.30 million has been recognised by crediting the General Reserve.

iv. Accumulated losses of Rs. 1125.10 million have been adjusted against the general reserve created out of the above.

v. The company has provided for obligations towards ZCB Series B of Rs. 432.53 million, Prepayment charges Rs. 11.17 million, Bond Issue Expenses 6.16 million and contingencies of Rs. 29.56 million out of the general reserve created above.

vi. The company has also amortised the unamortized ancillary cost of Rs. 108.76 million out of the general reserve created above.

The expenses against the said obligations / amortizations recorded in the financial statements of the earlier years after the appoineted date as defined in the scheme have been reversed during the year and consequently Rs. 47.65 million has been credited to the other income during the year.

(c) Fixed Assets

i. Capitalisation of the Mayur Vihar Link Road

The Mayur Vihar project which commenced in July 2006 has been completed in two phases. While the first phase was completed and opened to traffic on June 15, 2007, the second phase has been completed and opened to traffic on January 19, 2008. Pending receipt of the final bill from the contractors, the Mayur Vihar Link Road has been capitalized for Rs. 533,431,032 on an estimated basis.

ii. Depreciation

The Company had obtained approval from the Department of Company Affairs vide its letter dated December 14, 2003 for not charging depreciation on the Delhi Noida Link Bridge for a three year period commencing from Financial Year 2003-04. Accordingly, depreciation on the Bridge had not been provided for during the financial years 2003-04 to 2005-06. The company commenced providing depreciation on the Delhi Noida Link Bridge since 1st April 2006.

Consequent to the approval of the Amalgamation Scheme with it's wholly owned subsidiary M/s DND Flyway Ltd, revalued assets amounting to Rs 1034.80 million have been added to the Gross Block of Assets.

The Gross Block of Delhi Noida Link Bridge includes Rs. 1345.04 million (inclusive of assets transferred pursuant to amalgamation) on account of revaluation of the asset carried out in the past. Additional charge of Depreciation due to revaluation has been withdrawn from Revaluation Reserve and credited to the Profit & Loss Account.

iii. Revaluation of Fixed Assets:

- Delhi Noida Link Bridge includes value of Land appurtenant to the Bridge on both sides of Delhi and Noida. The company had during the year 2003-04 carried out revaluation of Land for 34 acres on Noida side (original cost Rs 5,719,849 and written down value Rs 5,519,581 as on April 1, 2003) for which the value has been increased by Rs 1,345,044,007.

- New Okhla Industrial Development Authority (NOIDA) has accorded in principle approval to grant Development Rights to the Company and formal agreement in this regard is pending execution. The terms and conditions of the formal agreement may impact land valuation.

(d) GDR Issue

With a view to deleverage the company and to meet the cost of Mayur Vihar Link, the company launched a Global Depository Receipts (GDR) in the UK market in the month of March 2006 to raise new equity capital. Accordingly the company issued 56,818,180 Equity Shares represented by 11,363,636 GDRs (each GDR representing 5 Ordinary Shares of Rs 10 each) @ $3.96/ GDR through M/S Collins Stewart Limited and Edelweiss Capital Limited to the Institutional Investors and raised $ 44,999,998.56 (equivalent to INR 199,70,99,936) . The company also granted Collins Stewart Limited an over allotment option of up to 10% of the total number of new ordinary shares issued to the Depository. The company has received $ 4,499,997.48 (equivalent to INR 20,13,29,887) in April 2006 towards over allotment.

As the construction of the Mayur Vihar link to the Delhi Noida Toll Bridge could not be commenced by 21 April 2006, pending receipt of all approvals, the company used the funds for the prepayment of loans as mentioned in the GDR issue Admission documents.

The proceeds of the issue have been utilised upto the date of financial statement as follows:

Share Issue Expenses (Inclusive of expenses incurred up to 31.3.2006) Rs. 117,174,848	Rs. 126,949,484
Repayment of Secured Loans due on 31.03.2006	Rs. 501,480,339
Prepayment of Secured Loan (inclusive of prepayment charges) / Project Cost of Mayur Vihar Link	Rs. 1,570,000,000

(e) Debt Restructuring:

Pursuant to the approved Debt Restructuring package, the Company has issued Zero Coupon Bonds (Series B) of face value of Rs 100 each aggregating to Rs. 55.54 crores to Banks, Financial Institutions and others repayable no later than March 31, 2014 towards the Net Present Value of the sacrifice made by them by way of reduction of interest rates from the contracted terms. The company had redeemed ZCB (Series B) aggregating to Rs. 27,771,100 and Rs 55,542,200 during the year 2003-04 and the current year respectively and the same has been adjusted against the face value of the Zero Coupon Bonds (Series B). The Company was creating provision on a year to year basis on the principle of Sinking Fund by applying the weighted average interest rate on outstanding borrowings prior to restructuring as the discount rate and thereby arrive at the amount of the yearly charge. However during the current accounting period, the Company has fully provided the remaining liability of ZCB (series B) as mentioned in Note No 2 b (iv).

(f) Secured Loans:

(i) 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

(ii) The Company has issued Series B Zero Coupon Bonds (ZCB-B) of Rs 100 each for an aggregate amount of Rs 555,422,000 to Banks and Financial Institutions against the sacrifice made by them by way of reduction of interest rates from the contracted terms pursuant to the approval of the Companies debt restructuring package by the Corporate Debt Restructuring Empowered Group of the Banks and Financial Institutions. These Zero Coupon Bonds are secured by pari passu first charge on the Company's assets both present and future. The company has made a redemption of 5% and 10% of the face value of such ZCBs on September 24,2003 and January 22, 2008 respectively.

(iii) The loan of Rs. 350,000,000 taken from M/s Infrastructure Leasing & Financial Services Ltd (IL&FS) during the year 2004-05 is secured by pari passu first charge on the Company's assets both present and future along with the other Senior Lenders of the Company.

(iv) The Company has during the year 2005-06 taken a Loan of Rs 124,313,383 from M/s IL&FS Ltd which is secured by pari passu first charge on the Company's assets both present and future.

(v) The Company has taken loans in 2004-05 from M/s IL&FS Ltd and M/s Infrastructure Development Finance Company Ltd (IDFC) of Rs 944,321,313 carrying interest @8.5% p.a for carrying out the Scheme of Arrangement with the Deep Discount Bond holders approved by the Honourable Allahabad High Court. The Loan is secured by pari passu first charge on the company's assets both present and future along with the other Senior Lenders of the company.

(vi) 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 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, authorizations, 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.

(g) Contingent Liabilities:

Contingent Liabilities in respect of:

	As at March 31, 2008 Rs. Million	As at March 31, 2007 Rs. Million
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances paid against such contracts Rs. Nil (Previous year Rs. 276.12 million)	NIL	144.21
(ii) Claims not acknow-ledged as debt by the Company.	NIL	NIL

(iii) 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.

(iv) Claims made by the contractor M/s AFCONS Ltd. pertaining to the Construction of the Ashram Flyover aggregating to Rs. 19.82 million (Previous year Rs. 19.82 million) have not been accepted by the Company. The matter was referred for adjudication by both parties. The adjudication proceeding has been concluded and adjudicator has ruled that the claims are time barred. However the matter has been referred to arbitration by M/s AFCONS Ltd.

(v) The company has acquired the land on Delhi side for the construction of Bridge from the Government of Delhi and DDA and the amount paid has been considered as a part of the project cost. However pending final settlement of the dues, the company had estimated the cost at Rs. 29.32 million and provided the same as a part of the project cost. The actual settlement may result in probable obligation to the extent of Rs. 30 million based on management estimates.

(h) There are no amounts outstanding as payable to any enterprise covered under the Micro, Small and Medium Enterprises Development Act, 2006.

(i) Employees Post Retirement Benefits:

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

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

The Superannuation (pension) plan for the Group is a defined contribution scheme where annual contribution as determined by the management (Maximum limit being 15% of salary) is paid to a Superannuation Trust Fund established to provide pension benefits. The benefits vests on employee completing 5 years of service. The management has the authority to waive or reduce this vesting condition. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. These contributions will accumulate at the rate to be determined by the insurer as at the close of each financial year. At the time of exit of employee, accumulated contribution will be utilised to buy pension annuity from an insurance company.

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

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

Net Benefit Expense

	March 31, 2008 Rs.	March 31, 2007 Rs.
Current service cost	620,276	633,636
Interest cost on benefit obligation	445,571	328,464
Expected return on plan assets	(880,400)	(175,067)
Net actuarial(gain)/loss recognised in year	1,754,245	1,165,174
Annual expenses	**1,939,692**	**1,952,207**

Benefit Liability

	March 31, 2008 Rs.	March 31, 2007 Rs.
Defined benefit obligation	5,910,031	5,126,991
Fair value of plan assets	5,630,910	5,126,991
Benefit Liability	279,121	Nil

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

	March 31, 2008 Rs.	March 31, 2007 Rs.
Opening defined benefit obligation	5,126,991	3,174,784
Interest cost	445,571	328,464
Current service cost	620,276	633,636
Benefits Paid	(1,156,652)	-
Expected Return on Plan Assets	(880,400)	(175,067)
Net actuarial(gain)/loss recognised in year	1,754,245	1,165,174
Closing defined benefit obligation	**5,910,031**	**5,126,991**

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

	March 31, 2008 Rs.	March 31, 2007 Rs.
Opening fair value of plan assets	5,126,991	4,322,634
Expected return	-	-
Contributions	503,919	804.357
Benefits paid	-	-
Actuarial gains/(losses) on fund	-	-
Closing fair value of plan assets	5,630,910	5,126,991

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

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

	March 31 2008 %	March 31 2007 %
Discount rate	7.50	7.50
Future salary increases	7.00	7.00
Rate of interest	10.10	8.10

(j) List of Related Parties and Transactions / Outstanding Balances:

(i) **Company exercising significant influence over the Company:**

Infrastructure Leasing & Financial Services Ltd.

Transactions/ Outstanding balances	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
Expenditure on other service	1,023,685	1,599,591
Miscellaneous Expenses written off	Nil	12,431,338
Interest on Term Loan	78,115,107	75,257,316
Recoverable as at the year end	123,540	NIL
Payable as at the year end	Nil	251,718
Unsecured Loan	150,000,000	150,000,000
Equity as at the year end	19,000,000	19,000,000
Term Loan as at the year end	726,007,729	726,007,729
Zero Coupon Bonds (Series B)	145,350,000	162,450,000
Funded Interest	Nil	43,536,987

(ii) **Company Holding Substantial Interest in voting power of the company**

IL&FS Transportation Network Limited

	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
Recoverable at the year end	434,053	223,254
Equity as at the year end	471,950,070	452,000,070

(iii) **Key Management Personnel :**

Mr. Pradeep Puri (President & CEO), Ms. Monisha Macedo (Manager)

Transactions/ Outstanding balances	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
House Renovation Loan at the year end	42,364	83,683
Consumer Durable Loan	800,639	939,633
Remuneration paid	20,611,685	29,617,156

(k) Lease obligations:

The company had taken vehicles under finance lease, reconciliation of minimum lease payments and their present value is as under:

	Minimum lease Payment (Rupees)	Present value of minimum lease payments (Rupees)	Lease charges (Rupees)
Amount paid upto 31/03/2008	2,193,405	1,491,078	702,327
Amount payable not later than one year	2,730,708	2,001,560	729,148
Amount payable later than one year but not later than five years	5,518,139	4,829,599	688,540
Total	**10,442,252**	**8,322,237**	**2,120,015**
Previous Period	5,778,494	4,772,974	1,005,520

The total cost of the vehicle and its carrying amount as at 31.03.2008 is Rs. 10,414,316 (Previous Year Rs. 5,591,328) and Rs.8,276,354 (Previous Year Rs 5,220,410) respectively.

(l) Capitalisation of Borrowing Cost

The company has borrowed Rs. 15 crore for the construction of Mayur Vihar Link. The interest cost of the same of Rs. 36,98,630 (Previous Year Rs. 91,23,288) has been capitalized with the Mayur Vihar Link.

(m) The Income Tax Department has served a notice of demand of Rs. 44,00,000 on account of penalty in lieu of upholding of one of the grounds by the CIT(A) for the Financial Year 2002-03. The Company has filed the appeal against the same before the CIT appeal. In view of the Company till the discharge of appeal the said amount is not payable and the Company further believes that the order has been passed mechanically on the basis of partial rejection of the appeal by the CIT(A) and it is confident that its view shall be upheld by the higher appellate authorities. Thus, no provision for such demand is warranted.

(n) Earning/ (Loss) Per Share:

BASIC / DILUTED PROFIT PER SHARE

		Year ended March 31, 2008	Year ended March 31, 2007
A.	Number of Equity shares of Rs. 10 each fully paid up at the beginning of the year	186,195,002	180,413,187
B.	Number of Equity shares of Rs. 10 each fully paid up at the year end	186,195,002	186,195,002
C	Weighted Average number of Equity Shares outstanding during the year	186,195,002	186,044,491
D	Net Profit for the Year (Rs.)	279,795,624	110,557,922
E	Basic / Diluted Profit per Share (Rs.)	1.50	0.59
F	Nominal value of Equity Share (Rs.)	10.00	10.00

(o) Previous Year's Comparatives:

Figures for the previous year have been regrouped / reclassified to conform to current year's presentation. Figures in brackets represent negative balance except otherwise stated.

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO

Monisha Macedo
Manager and
Company Secretary

Noida
Date : 21 April, 2008

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2008

	Year ended March 31, 2008 Rupees	Year ended March 31, 2007 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/ (Loss) for the year	279,795,624	110,557,922
Adjustments For :		
Depreciation	86,412,905	78,010,633
Deffered Tax Assets	-	
Miscellaneous Expenditure Written off	-	12,431,338
Preliminary Expenses Written off	-	-
Finance Charges	148,670,924	180,659,007
Profit / (Loss) on Sale of Assets	114,348	(40,192)
Other Income	(54,637,309)	(13,536,854)
Exchange Rate Fluctuation	-	(1,388,050)
	460,356,492	366,693,804
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Sundry Debtors	1,035,013,833	5,848,297
Decrease / (Increase) in Inventories	(1,549,574)	51,557
Decrease / (Increase) in Loans and Advances	(12,429,893)	(42,077,695)
Increase / (Decrease) in Current Liabilities	99,448,708	(68,230,199)
Cash From/(Used In) Operating activities	**1,580,839,566**	**262,285,764**
B. CASH FLOW FROM INVESTING ACTIVITIES:		
(Purchase) / Addition to Fixed Assets	(1,352,566,871)	(368,739,839)
Proceeds from Sale of Fixed Assets	166,594	1,815,921
Gain/(Loss) on Sale of Units of Mutual Funds	7,140,239	13,536,854
Investment in Subsidiary	245,030	
Other Income	105,331	
Cash From/(Used In) Investing Activities	**(1,344,909,677)**	**(353,387,064)**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Share Capital		203,717,937
Share Issue Expenses		(9,974,413)
Term loans from Banks,Financial Institutions and Others		150,000,000
Repayment of Term Loan to Banks, Financial Institutions and Others	(99,079,187)	(1,574,053,622)
Interest and Finance Charges Paid	(147,577,377)	(127,393,654)
Cash From/(Used In) Financing Activities	**(246,656,564)**	**(1,357,703,752)**
Net Increase /Decrease in Cash and Cash Equivalents	(10,726,675)	(1,448,805,052)
Cash and Cash Equivalents as at 1 April, 2007	85,374,051	1,534,179,103
Cash and Cash Equivalents as at 31 March, 2008	**74,647,376**	**85,374,051**
Components of Cash and Cash Equivelants as at:	**March 31,2008**	**March 31,2007**
Cash in hand	2,393,264	209,124
Balances with the scheduled banks:		
- In Current accounts	17,622,268	2,192,859
- In Deposit accounts	-	-
Short Term Investments (Maturity less than 3 months)	54,631,844	82,972,068
	74,647,376	**85,374,051**

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Director   Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO

Monisha Macedo
Manager and Company Secretary

Noida
21 April, 2008

AUDITORS' CERTIFICATE

We have verified the above cash flow statement of Noida Toll Bridge Company Limited and its Subsidary Company derived from the audited financial statements of the Company for the year ended 31 March,2008 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 LUTHRA & LUTHRA
Chartered Accountants

Akhilesh Gupta
Partner

Noida
21 April, 2008

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
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, 2008			

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

Public Issue	:	NIL	Right Issue	:	NIL
Bonus Issue	:	NIL	Private Placement (GDR/ESOP)	:	NIL

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

Total Liablities	:	7162823	Total Assets	:	7162823
Source of Funds					
Paid-up Capital	:	1861950	Reserve and Surplus	:	3122269
Secured Loans	:	2028341	Unsecured Loans	:	150000
Minority Interest	:	263			
Application of Funds					
Net Fixed Assets (including Capital Work-in-progress)	:	5549208	Investments	:	54632
Net Current Assets	:	-154317	Toll Equalisation Receivable	:	1713300
Accumulated Losses	:	0	Misc. Expenditure	:	0

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

Turnover & Other Income	:	723982	Total Expenditure	:	406204
Profit/ before Tax	:	317778	Profit after Tax	:	279796
Earning per Share in Rs.	:	1.50	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

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO

Monisha Macedo
Manager and Company Secretary

Noida
21 April, 2008

AUDITORS' REPORT

To The Board of Directors,
Noida Toll Bridge Company Limited
Toll Plaza, DND Flyway, Noida 201301

We have audited the attached equity reconciliation of Noida Toll Bridge Company Limited and its subsidiay as at 31st March 2008 and the reconciliation of income statement for the year ended on that date and related notes. These reconciliations have been prepared on the basis of audited consolidated financial statements of NTBCL prepared in accordance with Indian GAAP and IFRS for the year ended on 31st March 2008.

Responsibilities

The company's management is responsible for preparing the reconciliation of equity and reconciliation of income statement based on the financial statement on the basis of audited consolidated financial statements prepared under Indian GAAP and IFRS.

Our responsibility is to audit the reconciliation of equity and reconciliation of income statement in accordance with the International standards of auditing issued by the auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members and directors and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing. Based on our audit we shall report to you our opinion as to whether the reconciliations give a true and fair view.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the reconciliation statements to be audited.

Opinion

In our opinion the reconciliation of equity as at 31st March 2008 and reconciliation of income statement for the year ended on that date gives a true and fair view of the effect of transition to IFRS.

For **Luthra & Luthra**
Chartered Accountants

Akhilesh Gupta
Partner
M.No. 89909

Place: Noida
Date: 25th July, 2008

RECONCILIATION OF EQUITY AT 31st MARCH 2008

		INDIAN GAAP US ($)	Effect of transition to IFRS US ($)	IFRS US ($)
Property, plant and equipment	1	138,834,328	(136,894,514)	1,939,814
Intangible asset	2	-	136,456,372	136,456,372
Toll Equalisation Receivable	3	42,864,648	(42,864,648)	
Loans and Advances		103,524		103,524
Total Non Current Assets		**181,802,500**	**(43,302,790)**	**138,499,710**
Inventories		44,393	-	44,393
Trade receivables		47,616	-	47,616
Loans and Advances		1,449,634	13,951	1,463,585
Prepayments		71,505	-	71,505
Available for sale investments	4	1,366,822	26,248	1,393,070
Cash and cash Equivalents		500,764	-	500,764
Total Current Assets		**3,480,734**	**40,199**	**3,520,933**
Total Assets		**185,283,234**	**(43,262,591)**	**142,020,643**
Interest bearing loans and borrowings	5	50,696,502	(5,004,232)	45,692,270
Provisions	6		1,175,997	1,175,997
Total Non Current Liabilities		**50,696,502**	**(3,828,235)**	**46,868,267**
Interest bearing loans and borrowings	7	3,802,891	1,389,597	5,192,488
Trade and other payables		3,648,159	13,951	3,662,110
Provisions	3	1,478,344	(739,476)	738,868
Provisions for taxes		951,769		951,769
Total Current Liabilities		**9,881,163**	**(664,072)**	**10,545,235**
Total Liabilities		**60,577,665**	**(3,164,163)**	**57,413,502**
Total Assets less Total Liabilities		**124,705,569**	**(40,098,428)**	**84,607,141**
Issued Capital		42,419,007		42,419,007
Securities Premium	8	36,184,153	155,193	36,339,346
Debenture Redemption Reserve		147,588		147,588
Net Unrealised gains Reserve	4		26,248	26,248
General Reserves	8		12,583	12,583
Reserve on Revaluation of Assets	9	32,575,397	(32,575,397)	
Effect of currency Translation		4,164,810	(603,371)	3,561,439
Retained Earnings (Profit & Loss A/c)		9,208,170	(7,113,684)	2,094,486
Total		**124,699,125**	**(40,098,428)**	**84,600,697**
Minority Interest	10	6,444		6,444
Total Equity		**124,705,569**	**(40,098,428)**	**84,607,141**

Explanatory Notes to the reconciliation:

1. The cost of US $ 136,894,514 pertaining to the Delhi Noida Toll Bridge including Mayur Vihar Link Road, previously capitalised under the PPE model, revaluation of land and accumulated depreciation have been de-recognised on adoption of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model.*
2. Intangible Asset of US $ 136,456,372 is the net book value of the Delhi Noida Toll Bridge alongwith Mayur Vihar Link Road under IFRS. The Bridge is being amortised on a straight-line basis over the estimated useful life of the intangible asset as per the provisions of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model*.
3. NTBCL had filed a Scheme of Amalgamation with its 100% subsidiary DND Flyway Limited in the Honorable High Courts of Allahabad and Delhi which has been approved on 22nd March 2007 and 21st May 2007 by the respective courts. As per the Scheme the Company has recognised a Toll Equalisation receivable which pertains to part of the 20% return guaranteed under the Concession Agreement over the useful life of the bridge. Some of the adjustments which are not in conformity with the International Accounting Standard have not been considered in preparation of these financial statements in accordance with IFRS.
4. Quoted investments measured at cost under Indian GAAP have been classified as available-for-sale financial assets under IAS 39, *Financial Instruments – Recognition and Measurement* and re-measured at fair value. Changes in the fair value of these financial assets are recognised directly in equity through the statement of changes in equity.
5. Interest-bearing loans and borrowings have been restated to amortised cost using the effective interest rate method under IAS 39, *Financial Instruments – Recognition and Measurement* with the discount being accreted through the Profit and Loss Account.
6. The Group has recognised a provision for road resurfacing upon adoption of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model*. The provision for the first resurfacing, which is due in year ended 31 March 2009, is being built up in accordance with the provisions of IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*.
7. Interest-bearing loan and borrowings include~~s~~ unsecured loans taken for the construction of the Mayur Vihar Link Road.
8. Stock Option expense has been recognised with a corresponding entry to equity over the vesting period of the Option under IFRS 2, *Share-based Payments*. Stock Option Account relating to options exercised has been transferred to Securities Premium Account. Stock Option Account relating to options lapsed has been transferred to General Reserve.
9. Under Indian GAAP, Property, Plant & Equipment had been revalued. This Revaluation Reserve pertaining to land received under the Concession Agreement has been reversed on the adoption of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model* as the Delhi Noida Toll Bridge is being accounted for as an intangible asset.
10. NTBCL has promoted a subsidiary company i.e. ITNL Toll Management Services Limited (ITMSL) on 22nd June 2007 with the object of carrying out the services and consultancy in the area of operations of toll collection, routine and procedure maintenance, engineering, design, supply, installation, commissioning of toll and traffic management system. NTBCL holds 50.99% equity share capital of the ITMSL.

In terms of our report of even date
For Luthra & Luthra
Chartered Accountants

On Behalf of the Board of Directors

Akhilesh Gupta
Partner

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO

Monisha Macedo
Manager

Place: Noida
Date: July 25, 2008

RECONCILIATION OF INCOME STATEMENT FOR THE YEAR ENDED 31st MARCH 2008

	Explanatory Notes	INDIAN GAAP US ($)	Effect of transition to IFRS US ($)	IFRS US ($)
Toll Revenue		13,764,626	-	13,764,626
License Fee		2,859,286	-	2,859,286
Construction Contract Revenue	1		9,554,560	9,554,560
Other Income	2	1,193,553	(1,184,105)	9,448
Total Income		**17,817,465**	**8,370,455**	**26,187,920**
Operating and Administrative Expenses				
- Operating Expenses	3	1,102,148	244,948	1,347,096
- Administrative Expenses	4	3,147,652	8,816	3,156,468
- Construction Contract Cost	1	-	7,161,689	7,161,689
- Depreciation	5	2,147,438	(1,953,220)	194,218
- Amortisation	6	-	1,947,499	1,947,499
Total of Operating and Administrative Expenses		**6,397,238**	**7,409,732**	**13,806,970**
Group Operating Profit from Continuing Operations		**11,420,227**	**960,723**	**12,380,950**
Finance Income				
- Profit on Sale of Investments		177,441	-	177,441
Interest & Dividend		(5,994)	6,377	383
Finance Charges	7	(3,694,605)	(1,798,444)	(5,493,049)
Exchange Fluctuation Gain		-	-	-
Total		**(3,523,158)**	**(1,792,067)**	**(5,315,225)**
Profit/(Loss) from Continuing Operations Before Taxation		**7,897,069**	**(831,344)**	**7,065,725**
Income Taxes:				
- Current Tax		(904,145)	-	(904,145)
- Fringe Benefit Tax		(39,753)	39,753	-
Profit/(Loss) After Tax for the Year		**6,953,171**	**(791,591)**	**6,161,580**
Minority Interest		**(440)**	**-**	**(440)**
Profit / (Loss) after Minority Interest		**6,952,731**	**(791,591)**	**6,161,140**

Explanatory notes to reconciliation:

1. Construction of the Mayur Vihar Link commenced in 2006-07. NTBCL has obtained land from Noida for the construction of the Mayur Vihar Link vide Supplement to Noida Land Lease Deed executed between them. As per the terms of said lease deed Mayur Vihar Link Road will form part of the Noida Bridge Project and the expenditure incurred by NTBCL on it shall be included in the cost of the Noida Bridge with respect to the Concession Agreement. As the Mayur Vihar Link falls under the jurisdiction of Delhi Government, Municipal Corporation of Delhi vide Confirmation Agreement dated 9th January 2005 agreed not to declare the Mayur Vihar Link as a public street and to recognise the right of NTBCL to operate and maintain the Mayur Vihar Link as a private street and charge users a 'user fee' in respect thereof. This right has been recognised as an intangible asset, received in exchange for the construction services provided to the grantor of the Concession Agreement. The intangible asset received has been measured at fair value of construction services. The Group has recognised a profit of US$ 2,392,871 during the year which is the difference between the cost of construction services rendered (the cost of project asset of US$ 7,161,689) and the fair value of the construction services.

2. NTBCL had filed a Scheme of Amalgamation with its 100% subsidiary DND Flyway Limited in the Honorable High Courts of Allahabad and Delhi whichwas approved on 22nd March 2007 and 21st May 2007 by the respective courts. As per the Scheme the Company has recognised a Toll Equalisation receivable account which pertains to part of the 20% return guaranteed under the Concession Agreement over the useful life of the bridge. Some of the adjustments which are not in conformity with the International Accounting Standard have not been considered in preparation of these financial statements in accordance with IFRS.

3. Operating Expenses as per Indian GAAP have been adjusted for recognition of expenses under IFRS. Major movements include US$ 153,437 of expenditure in the nature of repairs and maintenance previously capitalised under Indian GAAP, which has now been expensed off. An amount of US$ 91,511 has been charged for the build up of resurfacing provisions.

4. Administrative Expenses have been adjusted for certain expenses which were recognis~~z~~ed under IFRS in March 2007 but under Indian GAAP during March 2008.

5. Depreciation charge adjustment of US$ 1,953,220 to the Indian GAAP amount has arisen due to re-computation and adjustment of depreciation pertaining to the Delhi Noida Toll Bridge capitalised under the PPE model, recognised as intangible asset on adoption of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model.*

6. Amortisation charge of US$ 1,947,499 pertains to the intangible asset recognised on the adoption of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model.* This asset is being amortised on a straight-line basis over a period of 70 years, the estimated useful life of the asset.

7. Finance charges pertain to accretion of interest on loans and borrowings using the effective interest rate method in accordance with IAS 39, *Financial Instruments- Recognition and Measurement*.

In terms of our report of even date
For Luthra & Luthra
Chartered Accountants

On Behalf of the Board of Directors

Akhilesh Gupta
Partner

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO

Monisha Macedo
Manager

Place: Noida
Date : 25 July, 2008

RECONCILIATION OF EQUITY AT 31st MARCH 2007

	Explanatory Notes	INDIAN GAAP US ($)	Effect of transition to IFRS US ($)	IFRS US ($)
Property, plant and equipment	1	116,456,970	(115,264,261)	1,192,709
Capital work in progress	2	6,345,003	(6,086,394)	258,609
Intangible asset	3		118,101,699	118,101,699
Loans and Advances		90,294	-	90,294
Deferred Revenue Expenditure	4	2,281,503	(2,281,503)	
Total Non Current Assets		**125,173,770**	**(5,530,459)**	**119,643,311**
Inventories		5158	-	5,158
Trade receivables		47,607	(32,234)	15,373
Loans and Advances		1,187,666	(137,747)	1,049,919
Prepayments		68,048	-	68,048
Available for sale investments	5	1,903,465	3,512	1,906,977
cash and cash Equivalents		55,104	-	55,104
Total Current Assets		**3,267,048**	**(166,469)**	**3,100,579**
Total Assets		**128,440,818**	**(5,696,928)**	**122,743,890**
Interest bearing loans and borrowings	6	38,204,822	4,409,998	42,614,820
Provisions	7		993,857	993,857
Total Non Current Liabilities		**38,204,822**	**5,403,855**	**43,608,677**
Interest bearing loans and borrowings	8	4,462,303	-	4,462,303
Trade and other payables		2,627,764	-	2,627,764
Provisions		177,171	-	177,171
Provisions for taxes		1,393	-	1,393
Total Current Liabilities		**7,268,631**	**-**	**7,268,631**
Total Liabilities		**45,473,453**	**5,403,855**	**50,877,308**
Total Assets less Total Liabilities		**82,967,365**	**(11,100,783)**	**71,866,582**
Issued capital		42,419,007	-	42,419,007
Securities premium	9	33,179,184	142,304	33,321,488
Debenture Redemption Reserve		67,666	-	67,666
Net Unrealised gains Reserve	5	-	3,512	3,512
General Reserves	9	-	11,538	11,538
Reserve on Revaluation of Assets	10	30,729,563	(30,729,563)	-
Effect of currency Translation		296,066	(259,835)	36,231
Retained Earnings(profit & Loss A/C)		(23,724,121)	19,731,261	(3,992,860)
Total Equity		**82,967,365**	**(11,100,783)**	**71,866,582**

Explanatory Notes to the reconciliation:

1. Costs of US $ 115,264,261 pertaining to the Delhi Noida Toll Bridge, previously capitalised under the PPE model, revaluation of land and accumulated depreciation have been derecognised on adoption of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model.*
2. Construction on the Mayur Vihar Link Road has been accounted as Capital Work in Progress under the Indian GAAP, and has been recognised as intangible asset, in accordance with the guidelines given for recognition and measurement for service concession agreements in IFRIC 12, *Service Concession Arrangement*.

   Capital work in Progress of US $ 258,609 pertains to additions to existing office building capitalised under PPE model.
3. Intangible Asset of US $ 118,101,699 is the net book value of the Delhi Noida Toll Bridge as at 31st March 2007 under IFRS. The Bridge is being amortised on a straight-line basis over the estimated useful life of the intangible asset as per the provisions of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model*.
4. The amount of US$ 2,281,503 relating to ancillary cost of the restructuring scheme of DDBs has been written off as the corresponding term loan has been restated to amortised cost using the effective interest rate method under IAS 39, Financial Instruments- Recognition and Measurement.
5. Quoted investments measured at cost under Indian GAAP have been classified as available-for-sale financial assets under IAS 39, *Financial Instruments – Recognition and Measurement* and remeasured at fair value. Changes in the fair value of these financial assets are recognised directly in equity through the statement of changes in equity.
6. Interest-bearing loans and borrowings have been restated to amortised cost using the effective interest rate method under IAS 39, *Financial Instruments – Recognition and Measurement* with the discount being accreted through the Profit and Loss account.
7. The Group has recognised a provision for road resurfacing upon adoption of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model*. The provision for the first resurfacing, which is due in year ended 31 March 2009, is being built up in accordance with the provisions of IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*.
8. Interest-bearing loan and borrowings includes unsecured loans taken for the construction of the Mayur Vihar Link Road.
9. Stock Option expense has been recognised with a corresponding entry to equity over the vesting period of the Option under IFRS 2, *Share-based Payments*. Stock Option Account relating to options exercised has been transferred to Securities Premium Account. Stock Option Account relating to options lapsed has been transferred to General Reserve.
10. Under Indian GAAP, Property, Plant & Equipment had been revalued. This Revaluation Reserve pertaining to land received under the Concession Agreement has been reversed on the adoption of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model* as the Delhi Noida Toll Bridge is being accounted for as an intangible asset.

In terms of our report of even date
For Luthra & Luthra
Chartered Accountants

On Behalf of the Board of Directors

Akhilesh Gupta
Partner

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
CFO

Monisha Macedo
Manager

Place: Noida
Date : 25 July, 2008

RECONCILIATION OF INCOME STATEMENT FOR THE YEAR ENDED 31st MARCH 2007

	Explanatory Notes	INDIAN GAAP US ($)	Effect of transition to IFRS US ($)	IFRS US ($)
Toll Revenue		8,741,095	-	8,741,095
License Fee		1,660,996	-	1,660,996
Construction Contract Revenue	1		6,141,177	6,141,177
Other Income		58,082		58,082
Total Income		**10,460,173**	**6,141,177**	**16,601,350**
Operating and Administrative Expenses				
- Operating Expenses	2	944,090	678,758	1,622,848
- Administrative Expenses	3	1,456,339	195,905	1,652,244
- Litigation Settlement	4		1,371,220	1,371,220
- Construction Contract Cost	1	-	4,911,257	4,911,257
- Depreciation	5	1,722,469	(1,635,203)	87,266
- Amortisation	6	-	1,683,937	1,683,937
- Miscellaneous Expenditure W/off	7	274,483	(274,483)	
Total of Operating and Administrative Expenses		**4,397,381**	**6,931,391**	**11,328,772**
Group Operating Profit from Continuing Operations		**6,062,792**	**(790,214)**	**5,272,578**
Finance Income				
- Profit on Sale of Investments		298,893	-	298,893
Interest & Dividend		55,452		55,452
Finance Charges	8	(3,988,938)	(873,606)	(4,862,544)
Exchange Fluctuation Gain		30,648	-	30,648
Total		**(3,603,945)**	**(873,606)**	**(4,477,551)**
Profit/(Loss) from Continuing Operations Before Taxation		**2,458,847**	**(1,663,820)**	**795,027**
Income Taxes:				
- Current Tax		-	-	-
- Fringe Benefit Tax		(17,735)	17,735	-
Profit/(Loss) After Tax for the Year		**2,441,112**	**(1,646,085)**	**795,027**

Explanatory notes to reconciliation:

1. During the year NTBCL has commenced the construction of the Mayur Vihar Link. NTBCL has obtained land from Noida for the construction of the Mayur Vihar Link vide Supplement to Noida Land Lease Deed executed between them. As per the terms of said lease deed Mayur Vihar Link Road will form part of the Noida Bridge Project and the expenditure incurred by NTBCL on it shall be included in the cost of Noida Bridge with respect to the Concession Agreement. As the Mayur Vihar Link falls under the jurisdiction of Delhi Government, Municipal Corporation of Delhi vide Confirmation Agreement dated 9th January 2005 agreed not to declare the Mayur Vihar Link as public street and to recognise the right of NTBCL to operate and maintain the Mayur Vihar Link as a private street and charge users a 'user fee' in respect thereof. NTBCL shall recover fees / toll from the user of the bridge through Mayur Vihar Link after completion of the construction. This right has been recognised as an intangible asset, received in exchange for the construction services provided to the grantor of the Concession Agreement. As the full construction service is yet to be completed, NTBCL has recognised the estimated construction revenue recoverable at the end of the accounting period as intangible. NTBCL has recognised a profit of US$ 1229,920 during the year which is the difference between the estimated cost of construction services (the cost of project asset of US$ 4,911,257) and the fair value of the construction services.
2. Operating Expenses as per Indian GAAP have been adjusted for recognition of expenses under IFRS. Major movements include US$ 603,821 of expenditure in the nature of repairs and maintenance previously capitalised under Indian GAAP, which has now been expensed off. An amount of US$ 74,937 has been charged for the build up of resurfacing provisions.
3. Administrative Expenses have been adjusted for certain expenses which were recognised under IFRS in March 2007 but under Indian GAAP during 2007-08.
4. In the earlier years NTBCL had provided the expenses of US$ 1.17 million for the construction of the bridge, pending receipt of the final bill from the EPC contractor on the basis of management estimates, as the matter was referred to arbitration. Both the parties of the contract mutually agreed to settle all the disputes at US$ 2.64 million and executed the 'Settlement Agreement and Mutual Release' agreement on 28th September 2006. Accordingly US$ 1.37 million (being settlement value in excess of existing provision) has been recognised as litigation settlement expenses. These expenses are of non recurring nature.
5. Depreciation charge adjustment of US$ 1,635,203 to the Indian GAAP amount has arisen due to re-computation and adjustment of depreciation pertaining to the Delhi Noida Toll Bridge capitalised under the PPE model, recognised as intangible asset on adoption of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model.*
6. Amortisation charge of US$ 1,683,937 pertains to the intangible asset recognised on the adoption of IFRIC 12 *Service Concession Arrangements – The Intangible Asset Model.* This asset is being amortised on a straight-line basis over a period of 70 years, the estimated useful life of the asset.
7. Miscellaneous expenditure relates to public issue expenses of Deep Discount Bonds and other deferred expenditure previously recognised as a deferred asset under Indian GAP. On transition to IFRS, the asset was analysed and components were either reclassified or expensed off. Hence, expenditure previously recognised under Indian GAP has been reversed.
8. Finance charges pertain to accretion of interest on loans and borrowings using the effective interest rate method in accordance with IAS 39, *Financial Instruments- Recognition and Measurement*.

In terms of our report of even date
For Luthra & Luthra
Chartered Accountants

On Behalf of the Board of Directors

Akhilesh Gupta
Partner

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Director

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President & CEO

T. K. Banerjee
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Monisha Macedo
Manager

Place: Noida
Date : July 25, 2008