

Annual Report 2013-14



TABLE OF CONTENTS

I. NOIDA TOLL BRIDGE COMPANY LIMITED (NTBCL)

(i)	Notice	05
(ii)	Directors' Report	16
(iii)	Management Discussion & Analysis Report	21
(iv)	Report of the Directors on Corporate Governance	24
(v)	Executive Director & CEO's Declaration	31
(vi)	Auditors' Certificate on Corporate Governance	37
(vii)	Auditors' Certificate on Employee Stock Option Schemes	37
(viii)	Auditors' Report on the Annual Accounts	38
(ix)	Annual Accounts	42

II. ITNL TOLL MANAGEMENT SERVICES LIMITED (Subsidiary of NTBCL)

(i)	Directors' Report	64
(ii)	Auditors' Report on the Annual Accounts	66
(iii)	Annual Accounts	68

III. CONSOLIDATED ACCOUNTS

(i)	Auditors' Report	83
(ii)	Consolidated Annual Accounts	84
(iii)	Auditors' Report on reconciliation of Equity and Income Statements between financial statements prepared under Indian GAAP and International Financial Reporting Standards (IFRS)	104
(iv)	Reconciliation of Equity and Income Statement between financial statements prepared under Indian GAAP and IFRS	105

Enclosed: Proxy Form

NOIDA TOLL BRIDGE COMPANY LIMITED >>

EIGHTEENTH ANNUAL REPORT 2013-14

BOARD OF DIRECTORS

R. K. Bhargava
Chairman

Piyush Mankad
Sanat Kaul
Deepak Premnarayan
Arun K. Saha
K. Ramchand

Harish Mathur
Executive Director & CEO

SENIOR MANAGEMENT

Monisha Macedo
Senior Vice President

Rajiv Jain
Chief Financial Officer

COMPANY SECRETARY

Pooja Agarwal

AUDITORS

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

REGISTERED OFFICE ADDRESS

Toll Plaza, DND Flyway
NOIDA (UP) 201 301
CIN : L45101UP1996PLC019759

NOTICE

Dear Member,

NOTICE is hereby given that the Eighteenth Annual General Meeting of Noida Toll Bridge Company Ltd. will be held on Monday, September 29, 2014 at 10:30 am at the Toll Plaza, DND Flyway, Noida - 201 301, Uttar Pradesh, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2014 including the audited Balance Sheet as at March 31, 2014 and the Profit and Loss Account for the year ended as on that date and the Reports of the Board of Directors and Auditors thereon.

2. To declare the final dividend and confirm the interim dividend on Equity Shares.

The Board has recommended a dividend of 25% on the paid up Equity Share Capital of the Company for the year ended March 31, 2014, which includes interim dividend of 15% already paid in the month of March, 2014.

3. To appoint a Director in place of Mr. Arun K Saha, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint the Auditors of the Company and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed there under, as amended from time to time, M/s Luthra & Luthra, Chartered Accountants, (Registration no. 002081N) the retiring Auditors of the Company, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Twenty First Annual General Meeting of the Company, scheduled to be held in the year 2017 (subject to ratification of their appointment at every AGM), at a remuneration as may be fixed by the Board of Directors of the Company.”

Special Business

5. Appointment of Mr. Raj Kumar Bhargava as an Independent Director of the Company

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment & Qualification of Directors) Rules 2014 (including any statutory modifications and re-enactments thereof) and Clause 49 of the Listing Agreement, Mr. Raj Kumar Bhargava (DIN 00016949), a non-executive Director of the Company, in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013, from a member, proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for 5 consecutive years with effect from April 1, 2014 up to March 31, 2019.”

6. Appointment of Mr. Piyush Mankad as an Independent Director of the Company

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment & Qualification of Directors) Rules 2014 (including any statutory modifications and re-enactments thereof) and Clause 49 of the Listing Agreement, Mr. Piyush Mankad (DIN 00005001), a non-executive Director of the Company, in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013, from a member, proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from April 1, 2014 up to March 31, 2019.”

7. Appointment of Dr. Sanat Kaul as an Independent Director of the Company

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment & Qualification of Directors) Rules 2014 (including any statutory modifications and re-enactments thereof) and Clause 49 of the Listing Agreement, Dr. Sanat Kaul (DIN 00240363), a non-executive Director of the Company, in respect of whom the Company has received a Notice in writing

under Section 160 of the Companies Act, 2013, from a member, proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from April 1, 2014 up to March 31, 2019.”

8. Appointment of Mr. Deepak Premnarayan as an Independent Director of the Company

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

“RESOLVED that pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment & Qualification of Directors) Rules 2014 (including any statutory modifications and re-enactments thereof) and Clause 49 of the Listing Agreement, Mr. Deepak Premnarayan (DIN 00154746), a non-executive Director of the Company, in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013, from a member, proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years with effect from April 1, 2014 up to March 31, 2019.”

9. To re-appoint Mr. Harish Mathur as Executive Director & CEO and in this regard to consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution :

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 (including any statutory modifications or re-enactments thereof) approval of the Company is hereby accorded for the re-appointment of Mr. Harish Mathur as Executive Director and CEO, for a period of five years, with effect from October 1, 2014 on the terms and conditions set out hereunder:

- i. His appointment shall be for a period of 5 years, beginning from 1st October, 2014;
- ii. He shall not be liable to retire by rotation;
- iii. He will not draw any remuneration from the Company as Executive Director & CEO, however, he shall be entitled to receive any sitting fees being paid for attending the meetings of Board of Directors or Committees thereof.”

“RESOLVED FURTHER THAT the Board of Directors, which term shall be deemed to include the Nomination & Remuneration Committee of the Board, be and is hereby authorized to vary the terms and conditions of the said re-appointment and/or the remuneration as it may deem fit, subject to the same not exceeding Schedule V to the Companies Act, 2013, or any statutory modifications or enactments thereof, and take such steps and do all such acts as may be necessary or expedient to give effect to this resolution.”

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

“RESOLVED THAT in supersession of the Ordinary Resolution adopted at the Extraordinary General Meeting of the Company held on March 25, 2004 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modifications or re-enactment thereof) the consent of the Company be and is hereby accorded to the Board of Directors of the Company and/or any other Committee of the Board, to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of ₹ 2,00,00,00,000/- (Rupees two hundred crores only).”

“RESOLVED FURTHER THAT any of the Directors be and are hereby severally authorised to do and perform all such acts, deeds and things as may be necessary to give effect to this resolution.”

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

“RESOLVED THAT in supersession of the Ordinary Resolution adopted at the Extraordinary General Meeting of the Company held on December 18, 1997 and pursuant to Section 180 (1) (a) of the Companies Act, 2013, or any other law for the time being in force, with respect to mortgaging and/or charging by the Board of Directors of the Company, of all or any of the immovable and movable properties of the Company, wherever situated both present and future, or the whole or substantially the whole of the undertaking or undertakings of the Company in such form or such manner as the Board of Directors may think fit, together with the power to take over the management of the business and concern of the Company in certain

events, for securing any loans and/or advances already obtained or which may be obtained from any financial institutions/banks/non-banking finance companies or any other finance companies or person/persons and/or secure any debentures issued and or that may be issued and all interests, compound/additional interest, commitment charges, costs, charges, expenses and all other moneys payable by the Company to the concerned lenders, within the overall limit as approved under Section 180 (1)(c) of the Companies Act, 2013 and altered from time to time.”

“RESOLVED FURTHER THAT any of the Directors be and are hereby authorised to do and perform all such acts, deeds and things as may be necessary to give effect to this resolution.”

By order of the Board
For NOIDA TOLL BRIDGE COMPANY LTD

Mr. R. K. Bhargava

Chairman
DIN : 00016949

Noida, Uttar Pradesh
Date : July 28, 2014

Registered Office:

Noida Toll Bridge Company Limited
Toll Plaza, DND Flyway
Noida - 201 301.
CIN : L45101UP1996PLC019759

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. Proxies in order to be effective must be received at the Registered Office of the Company at any time but not less than 48 hours before the time of the meeting. A proxy form is enclosed.
3. Members/proxies should bring duly filled Attendance Slips sent herewith, to attend the meeting.
4. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company, will be entitled to vote.
5. Members are requested to bring their Client ID and DP ID or Folio Numbers, as may be applicable, for easy identification for attendance at the meeting.
6. Please bring your copy of the Annual Report to the Meeting.
7. Members who may require information with respect to the contents of the Annual Report are requested to write to the Company at least one week prior to the Annual General Meeting so that the required information can be made available at the Meeting.
8. The Register of Members and Share Transfer Books shall remain closed from September 20, 2014 to September 29, 2014 (both days inclusive).
9. Subject to the provisions of Section 126 of the Companies Act, 2013, the final dividend as recommended by the Board of Directors, if approved by the Shareholders at this 18th Annual General Meeting, will be paid on October 18, 2014 to those members whose names appear on the Register of Members as on September 19, 2014.
10. Members whose shareholding is in the electronic mode are requested to intimate change of address and change in bank mandate, if any, to their respective depository participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
11. Pursuant to the Green Initiative of the Ministry of Corporate Affairs (MCA), Government of India, the Company has sent the Annual Report along with the Notices to email addresses registered with your depositories unless any member has requested for a physical copy of the same.
12. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice. Relevant details required under Clause 49 of the Listing Agreement with the Stock Exchanges, in respect of Directors

seeking appointment and re- appointment at the Annual General Meeting are also annexed.

13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

14. Voting through Electronic Means

i. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 18th Annual General Meeting (AGM) by electronic means and the business may be transacted through E-voting provided by Karvy Computershare Pvt Ltd.

ii. The instructions for E-Voting are as under:-

a. To use the following URL for E-Voting :

i. From Karvy website : <https://evoting.karvy.com>

b. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cutoff date i.e. August 14, 2014 may cast their vote electronically.

c. Enter the login credential [i.e, user ID and password] mentioned in the Attendance Slip/via e-voting mail forwarded through the electronic notice.

d. After entering the details appropriately, click on LOGIN

e. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (e-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile email etc on first login. You may also enter the secret question and answer of your choice to retrieve your password in case your forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

f. You need to login again with the new credentials.

g. On successful login, the system will prompt you to select the EVENT i.e. NOIDA TOLL BRIDGE CO. LTD. (the number is provided in the Attendance Slip/via e-voting mail forwarded through the electronic notice). However, if you are already registered with Karvy for e- voting, you can use your existing user id and password for casting your vote.

h. On the voting page, enter the number of shares as on the cutoff date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR / AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.

i. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folio / demat account. During this period shareholders of the company holding shares either in physical form or dematerialized form, as on the cutoff date of August 14, 2014 may cast their vote electronically. The e-voting module will be disabled on 26 September 2014 at 5.30 p.m

j. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote.

k. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.

l. The portal will remain open for voting from: September 24, 2014 (9.00 a.m. IST) to September 26, 2014 (5:30 p.m. IST). During this period shareholders of the company holding shares either in physical form or dematerialized form, as on the cutoff date of August 14, 2014 may cast their vote electronically. The e-voting module will be disabled on 26 September 2014 at 5.30 p.m

m. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send the scanned copy (PDF format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through email to cssaket.associates@gmail.com with a copy to evoting@karvy.com

iii. In case a member receives physical copy of the notice of AGM (applicable to members whose email IDs are not registered with the Company / Depository Participant(s) are requesting physical copy)

- a. Enter the login credential (please refer to the user id and initial password mentioned in the attendance slip of the AGM)
- b. Please follow all steps from Sl.No.1 (a) to (m) above, to cast vote.

iv. Other Instruction:

- i. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.karvy.com> or contact Karvy Computershare Pvt Ltd at Tel No. 1800.345.4001 (toll free).
- ii. The voting rights of shareholders shall be in proportion to their holding of Equity Shares of the Company as on the cut-off date (record date) of August 14, 2014.
- iii. Mr. Saket Sharma, FCS (Membership No. 4229) has been appointed as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv. The Scrutinizer shall within a period not exceeding two (2) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. The Results shall be declared after the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.ntbcl.com and on the website of Karvy Computershare within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the respective Stock Exchanges.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 & DETAILS REQUIRED TO BE DISCLOSED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Item No. 3

Mr. Arun K. Saha is due to retire by rotation and being eligible offers himself for re-appointment.

Mr. Arun K. Saha is Joint Managing Director and Chief Executive Officer of Infrastructure Leasing & Financial Services Limited. He has over 35 yrs of overall work experience spanning various industries and has been with Infrastructure Leasing & Financial Services Limited since its inception in 1988. Mr. Saha holds numerous Board and Committee positions and is also a Member of the Board of Trustees of Dignity Foundation – a charitable organization for aiding senior citizens. Mr. Saha holds a Masters degree and is a Chartered Accountant, Company Secretary, and has completed the Advanced Management Programme from the Wharton Business School, University of Pennsylvania.

Mr. Saha currently holds Nil shares of Noida Toll Bridge Company Limited.

The resolution is proposed for your approval. Mr. Arun Saha may be deemed to be concerned or interested in the passing of the resolution appointing himself. None of the other Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is concerned or interested in the passing of this resolution.

Item No. 4

This explanatory statement is provided though strictly not required under Section 102 of the Companies Act, 2013.

M/s Luthra & Luthra, Chartered Accountants have been the Statutory Auditors of the Company since 2003 and have completed a term of 10 years. As per the provision of Section 139 of the Companies Act, 2013, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act, also provides a period of three years from the date of commencement of the Companies Act, 2013 (April 1, 2014) to comply with this requirement.

M/s Luthra & Luthra, Chartered Accountants, are eligible for re-appointment. Based on the recommendation of the Audit Committee, the Board of Directors has, at their meeting held on July 28, 2014, proposed the appointment of M/s Luthra and Luthra, Chartered Accountants as the Statutory Auditors of the Company for a period of three years, to hold office from the conclusion of this AGM till the conclusion of the twenty first Annual General Meeting of the Company scheduled to be held in the year 2017 (subject to ratification of their appointment at every AGM).

The Directors of the Company recommend the resolution for approval of the members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is concerned or interested in the passing of this resolution.

Item Nos. 5 to 8

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Raj Kumar Bhargava, Mr. Piyush Mankad, Dr. Sanat Kaul, and Mr. Deepak Premnarayan, as Independent Directors, in compliance with the requirements of the clause.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 which came in to effect from April 1, 2014, and Clause 49 of the recently amended Listing Agreement, applicable with effect from October 1, 2014, every listed company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

Further as per the provisions of the amended Clause 49 a person who has already served as an Independent Director for 5 years or more in a company as on October 1, 2014, shall be eligible for appointment on completion of his present term, for one more term of upto 5 years only. Mr. Raj Kumar Bhargava (date of appointment: 18/12/1997), Mr. Piyush Mankad (date of appointment: 21/04/2005), Dr. Sanat Kaul (date of appointment: 21/04/2008), and Mr. Deepak Premnarayan (date of appointment: 26/10/2006) have all completed their first term of 5 years. These appointments of 5 years are hence being approved by Special Resolution.

Mr. Raj Kumar Bhargava, Mr. Piyush Mankad, Dr. Sanat Kaul, and Mr. Deepak Premnarayan, non-executive directors of the Company, have submitted a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of these Directors fulfils the conditions specified in the Companies Act, 2013 and the Rules framed thereunder for appointment as Independent Directors and they are independent of the management.

The Board has recommended the appointment of these Directors as Independent Directors for a period of 5 consecutive years from April 1, 2014 up to March 31, 2019. In compliance with the provisions of Section 149 read with Schedule IV of the Act. The appointment of these directors as Independent Directors is now being placed before the Members for their approval by Special Resolution.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Brief profiles of the Independent Directors to be appointed are given below:

Mr. Raj Kumar Bhargava is a retired IAS officer with a distinguished career of nearly 35 years in the Civil Services. He graduated with a Masters Degree. He has held a number of important official positions in Government Administration and Industry including as Chief Secretary, Uttar Pradesh. During his career he has served in the Department of Industry, Petroleum, Power and Finance. He has also served as Secretary to Government of India in Urban Development, Information and Broadcasting and Home Ministries.

Mr. R. K. Bhargava holds 77,345 Equity shares of Noida Toll Bridge Company Limited.

Mr. Piyush Mankad is a retired IAS officer with a distinguished career of nearly 40 years in the Civil Services. He graduated with a Masters Degree from St. Stephen's College, Delhi University, and a Postgraduate Diploma in Development Studies from Cambridge University, U.K. He has held a number of important official positions including Counsellor (Economic) in the Indian Embassy, Tokyo; Controller of Capital Issues, Ministry of Finance; Finance Secretary, Government of India. He was Executive Director for India (and four other countries) and Board Member for the Asian Development Bank, Manila, until July 2004. His areas of experience and expertise include public finance and policy, capital market regulation and development, promotion of industry, FDI, infrastructure and public administration.

Mr. Piyush Mankad does not hold any shares in Noida Toll Bridge Company Limited.

Dr. Sanat Kaul, retired from the Indian Administrative Services as Chairman and Managing Director of Delhi Tourism & Transport Corporation Limited. He has been the representative of India on the Council of International Civil Aviation Organization in Montreal, Canada. He has held several important positions through his career including Joint Secretary- Ministry of Civil Aviation, Commissioner- Sales Tax Department, Government of NCT of Delhi, Secretary PWD, Govt. of NCT of Delhi and Secretary-Delhi Finance Commission. Dr. Kaul has a PH.D in Economics from the University of London and has specialised in Aerospace Law from the Institute of Air & Space Law, McGill University, Montreal, Canada.

Dr. Sanat Kaul does not hold any shares in Noida Toll Bridge Company Limited.

Mr. Deepak Premnarayan is the Founder and Executive Chairman of ICS Group. He has led the Group's venture into diverse sectors viz: asset management property development & management, architectural services, financial services and hospitality. He is on the global board of FirstRand Limited and is a shareholder of the FirstRand Bank. ICS also has Triangle, a real estate fund listed in Mauritius. He is also an active member of various committees of the Confederation of Indian Industry (CII) and a member of the Managing Committee of the Indian Merchants Chamber (IMC). Mr. Premnarayan has been conferred the 'Business Leader of the Year' award by Horasis Global India Business Meet in June 2014 held at Liverpool, UK.

Mr. Deepak Premnarayan does not hold any shares in Noida Toll Bridge Company Limited.

Mr. Raj Kumar Bhargava, Mr. Piyush Mankad, Dr. Sanat Kaul, and Mr. Deepak Premnarayan are concerned or interested in the resolutions relating to their own appointments. None of the other Directors or Key Managerial Personnel (KMP) or relatives of other Directors and KMP is concerned or interested in the passing of these resolutions.

Other details of Directors whose appointment is proposed at Item Nos. 3, 5, 6, 7 and 8 of this Notice, have been given in the annexure attached.

Item No. 9

The Company's promoter, IL&FS Transportation Networks Limited (ITNL), has the right to nominate four nominee directors, including the Managing Director, on the Company's Board. Accordingly ITNL had nominated Mr. Harish Mathur as the Executive Director & CEO pursuant to which the shareholders approved his appointment at the Annual General Meeting held on September 25, 2012 with effect from October 1, 2011, for a period of three years. As per his terms of appointment Mr. Mathur was not paid any remuneration other than sitting fees for attending Meetings of the Board/Committees of Directors. The Company however, paid a Management Fee of ₹ 5 lakhs per month to ITNL, for seconding the services of Mr. Mathur.

The Board of Directors has, at their Meeting held on July 28, 2014, based on a nomination received from ITNL, re-appointed Mr. Harish Mathur as Executive Director & CEO for five years with effect from October 1, 2014 on the same terms & conditions subject to shareholder approval being obtained at this Annual General Meeting. The Company will continue to pay fees to ITNL (of Rs 5.5 lacs per month) for all the services provided by ITNL, including the services of secondment of Mr. Harish Mathur.

Mr. Harish Mathur holds a Bachelor's degree in Civil Engineering from J. N. V. University, Jodhpur and a Master's degree in Highway Engineering from Birmingham University, UK. He brings with him significant managerial and professional experience of over 36 years in various road construction projects.

Mr. Mathur is Director (Technical) in IL&FS Transportation Networks Limited. Prior to his association with the IL&FS Group, Mr. Mathur has worked with the Public Works Department (PWD) for a period of over 20 years in the capacity of an Executive Engineer and other cadre positions and as a Project Director with the National Highway Authority of India for a period of six years. Mr. Mathur has been associated with conceptualization of the Mega Highway Project road corridors in Rajasthan aggregating to a length of over thousand kilometers.

Mr. Mathur is presently Managing Director of Jharkhand Accelerated Road Development Company Limited (JARDCL) and is paid a remuneration of ₹ 101/- per month and sitting fees for attending Board/Committee Meetings by JARDCL.

The Company has followed the procedure under Section 203 of the Companies Act, 2013 for appointment of Mr. Mathur as Key Managerial Person (KMP) of the Company by the Board of Directors.

Details of other directorships held:

Mr. Mathur is currently the Non- Executive Director of ITNL Road Infrastructure Development Company Limited, ITNL Toll Management Services Limited, Thiruvananthapuram Road Development Company Limited, Jharkhand Road Projects Implementation Company Limited, Pune Sholapur Road Development Company Limited, Hazaribagh Ranchi Expressway Limited, Moradabad Bareilly Expressway Limited, MP Border Checkpost Development Company Limited, PDCOR Limited, N.A.M. Expressway Limited, RIDCOR Infra Projects Ltd, Khed Sinnar Expressway Limited, ITNL International Pte Limited – Singapore, ITNL Offshore Pte Limited – Singapore, ITNL Africa Project Ltd – Nigeria, IIPL USA LLC, Atenea Seguridad y Medio Ambiente SAU, Ciesm – Intevia SAU, Control 7 SAU, ITNL International JLT, Dubai and Grusamar Ingenieria y Consulting SLU.

Mr. Harish Mathur has never been imprisoned or fined under any of the Acts specified in Part I of Schedule V to the Companies Act 2013, nor has he ever been detained for any period under the Conservation of Foreign Exchange and Prevention of Smuggling

Activities Act, 1974. He is a citizen of India and is also resident in India. He is not disqualified from being a director by virtue of any of the provisions of Section 164 of the Companies Act, 2013.

The Directors of the Company re-recommend the resolution for approval by the Members as an Ordinary Resolution.

The terms of appointment contained in the resolution be treated as an abstract pursuant to Section 196 of the Companies Act, 2013.

Mr. Mathur does not hold any shares of Noida Toll Bridge Company Limited.

Mr. Harish Mathur may be deemed to be concerned or interested in the passing of the resolution appointing himself. None of the other Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is concerned or interested in the passing of this resolution.

Item Nos. 10 & 11

The Shareholders of the Company, at the Extraordinary General Meeting of the Company held on March 25, 2004, approved by way of an Ordinary Resolution, under Section 293(1)(d) of the Companies Act, 1956, borrowings over and above the paid-up share capital and free reserves of the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) upto a sum of ₹ 800 crore by the Board of Directors of the Company. In terms of the resolution passed at the Extraordinary General Meeting held on December 18, 1997, limits under Section 293 (1)(a) with respect to mortgage/charge of the Company's moveable/immoveable properties by the Board of Directors were automatically enhanced in line with the limits under Section 293(1)(d) of the Companies Act, 1956, as and when changed.

Section 180(1)(c) of the Companies Act, 2013, requires that the Board of Directors shall not borrow money in excess of its paid up capital and free reserves (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) except with the approval of Members of the Company by way of a *Special* Resolution.

It is therefore necessary for the Members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013 to enable the Directors to borrow money in excess of the paid up capital and free reserves when required. Further in terms of Section 180 (1) (a) of the Companies Act, 2013 approval of Members by Special Resolution is also required for changes to the limits upto which a Company can mortgage/ create a charge over its properties. It is proposed that the limits under this Section 180 (1)(a) automatically be revised in accordance with a revision in Section 180 (1)(c) borrowing limits from time to time. Approval of the Members is sought for borrowing up to ₹ 200 crores.

In view of the above it is proposed to re-approve the existing borrowing limits/limits for creation of charge under the provisions of Section 180(1) (c) and Section 180 (1)(a) of the Companies Act, 2013, via a Special Resolution.

The Directors recommend the resolutions as Special Resolutions for approval of the Members. None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is concerned or interested in the passing of this resolution.

By order of the Board
For NOIDA TOLL BRIDGE COMPANY LTD

Mr. R. K. Bhargava

Chairman
DIN : 00016949

Noida, Uttar Pradesh
Date : July 28, 2014

Registered Office:

Noida Toll Bridge Company Limited
Toll Plaza, DND Flyway
Noida - 201 301.
CIN : L45101UP1996PLC019759

Annexure to the Notice for the Annual General Meeting (AGM)

Particulars	Mr. R.K. Bhargava	Mr. Piyush Mankad	Dr. Sanat Kaul	Mr. Deepak Premnarayan	Mr. Arun Saha
Date of Birth	26/10/1935	18/11/1941	12/12/1947	20/12/1945	27/03/1953
Date of Appointment	18/12/1997	21/04/2005	21/04/2008	26/10/2006	30/04/2007
Qualifications	Graduated with a Masters Degree in 1957 from Hindu College, Delhi University	Graduated with a Masters Degree from St. Stephens College, Delhi University and a Postgraduate Diploma in Development Studies from Cambridge University, U.K.	PH.D in Economics from the University of London and specialised in Aerospace Law from the Institute of Air & Space Law, McGill University, Montreal, Canada.	BA Economics (Hons) from St. Xavier's College, Mumbai University.	Chartered Accountant and Company Secretary by profession and completed the Advanced Management Programme from the Wharton Business School, University of Pennsylvania
Expertise in specific functional areas	Retired IAS officer in the Government of India. Expertise in Infrastructure Security, Finance. Held several position including Secretary - Industry, Secretary - Irrigation and Power, Chief Secretary - Govt of UP, Home Secretary - Govt of India, Worked in Petroleum Industry.	Retired IAS officer in the Government of India. Areas of expertise include Public Finance and Infrastructure. Held several relevant positions including Finance Secretary, Government of India & Controller of Capital Issues.	Retired IAS officer in the Government of India. Held several relevant positions including Secretary PWD, Government of NCT of Delhi, Secretary – Delhi Finance Commission & Chairman & MD of Delhi Tourism and Transport Corporation Ltd.	<ul style="list-style-type: none"> • Executive Chairman, ICS Group • Non Executive Director, FirstRand Limited (South Africa) Main Board • Triangle Real Estate India Fund LLC. The fund is listed on the Mauritius Stock Exchange. Mr. Premnarayan led the CIL business delegations to: <ul style="list-style-type: none"> • Libya in 2014 • Norway in 2014 • Sweden in 2014 <p>He has been conferred the 'Indian Business Leader of the Year' award by Horasis in June 2014 in UK.</p>	Joint Managing Director and Chief Executive Officer of Infrastructure Leasing & Financial Services Limited

Particulars	Mr. R.K. Bhargava	Mr. Piyush Mankad	Dr. Sanat Kaul	Mr. Deepak Premnarayan	Mr. Arun Saha
Directorships held in other companies (Excluding foreign companies)	<ul style="list-style-type: none"> • Duncan's Limited • Asian Hotels Limited (West) • Kajaria Ceramics Limited • H. B. Portfolio Limited • Vidhi Vedika Heritage (Pvt.) Limited • JCL International Pvt Ltd 	<ul style="list-style-type: none"> • Tata International Limited • Tata Elxsi Limited • DSP Blackrock Investment Managers Limited • Mahindra & Mahindra Financial Services Limited • Heidelberg Cement India Limited • ICRA Limited • Tata Power Company Limited • Hindustan Media Ventures Ltd • Tata S.E.A Ltd 	<ul style="list-style-type: none"> • Vijyoti Management & Communication Learning Institute Pvt Ltd • CD Aviation (India) Pvt. Limited 	<ul style="list-style-type: none"> • ICS Realty Private Limited • Bentel Associates Realty Design Consultants Private Limited • Ayana Hospitality Private Limited • Interpark ICS India Private Limited • ICS Corporate Advisors Private Limited • ICS Infrastructure Private Limited • Intertoll ICS (Ahmedabad-Mehsana) Toll Management Company Private Limited • Intertoll ICS Cecons O & M Company Private Limited • Intertoll ICS India Private Limited • Indita Lifestyles Private Limited • Sigem Jewellery & Watches Trading Private Limited • Noida Toll Bridge Company Limited 	<ul style="list-style-type: none"> • Executive Chairman of IL&FS Securities Services Limited • Joint Managing Director of Infrastructure Leasing & Financial Services Limited • IL&FS Financial Services Limited • IIDC Limited • IL&FS Investment Managers Limited • IL&FS Technologies Limited • IL&FS Transportation Networks Limited • IL&FS Trust Company Limited • IL & FS AMC Trustee Limited • IL & FS Township & Urban Assets Limited • Hill County Properties Limited, • IL & FS Capital Advisors Limited • IL & FS Energy Development Company Limited • ISSL Market Services Limited

Particulars	Mr. R.K. Bhargava	Mr. Piyush Mankad	Dr. Sanat Kaul	Mr. Deepak Premnarayan	Mr. Arun Saha
Memberships/ Chairmanships of Committees of other companies (including only Audit Committee and Shareholders / Investors Grievance Committee)	<ul style="list-style-type: none"> • Noida Toll Bridge Company Limited- Chairman of Audit Committee, Chairman of Investor Grievance Committee; • Asian Hotels Limited (West)- Chairman of Audit Committee, Member of Share Transfer Committee; • Duncan's Limited- Member of Audit Committee, Member of Share Transfer Committee; • H. B. Portfolio Limited- Chairman of Audit Committee, Member of Share Transfer Committee; • Kajaria Ceramics Limited – Chairman of Audit Committee 	<ul style="list-style-type: none"> • Noida Toll Bridge Company Limited – Member of Audit Committee and Investor Grievance Committee; • Tata International Limited- Member of Audit Committee; • Tata Elxsi Limited- Chairman of Investor Grievance Committee; • Heidelberg Cement India Limited– Chairman of Investor Grievance Committee and Member of Audit Committee; • DSP Blackrock Investment Managers Limited- Member of Audit Committee; • Tata Power Company Limited – Member of Audit Committee; • ICRA Ltd – Member of Audit Committee; • Mahindra & Mahindra Financial Services Limited – Member of Audit Committee; 	Noida Toll Bridge Company Limited - Member of Audit Committee and Investor Grievance Committee of Directors	Noida Toll Bridge Company Limited - Member of Audit Committee of Directors	<ul style="list-style-type: none"> • Noida Toll Bridge Company Limited – Member of Audit Committee • IL & FS Trust Company Limited – Member of Audit Committee • IL & FS Transportation Networks Limited – Chairman of Investor Grievance Committee and Member of Audit Committee • IL & FS Technologies Limited – Chairman of Audit Committee • IIDC Limited – Member of Audit Committee • IL& FS Financial Services Limited – Member of Audit Committee • Hill County Properties Limited – Member of Audit Committee • IL & FS Township & Urban Assets Limited – Chairman of Audit Committee • IL & FS AMC Trustee Limited – Member of Audit Committee
Number of Shares held in the Company	77,345	Nil	Nil	Nil	Nil

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Annual Report along with the Audited Accounts for the financial year ended March 31, 2014.

FINANCIAL HIGHLIGHTS

(₹ in Million)

	Year ended 31.3.2014	Year ended 31.3.2013
Income from Operations	1,193.73	1,060.64
Other Income	49.99	69.73
Operating & Administration Expenses	312.48	324.63
Profit before Interest, Depreciation/ Amortisation & Tax	931.24	805.74
Interest & Finance charges	89.44	128.36
Depreciation/ Amortisation	19.52	18.27
Tax Expense	274.75	237.98
Net Profit/ (Loss) carried to Balance Sheet	547.53	421.13

The Income from Operations has increased by over 12.55 % over the Previous Year while PBDIT has increased by over 15.58%. The Profit after Tax, however, has increased by 30% over the Previous Year.

As per the Concession Agreement dated November 12, 1997 executed with the New Okhla Industrial Development Authority (NOIDA), the Company is entitled to recover the Project Cost together with an agreed rate of return during the concession period. The outstanding amount in this regard is determined at periodic intervals by the Independent Auditor appointed under the provisions of the Concession Agreement. Outstanding amount as on March 31, 2014 amounts to ₹ 34,579.30 mn.

DIVIDEND

The Directors have recommended a dividend of 25% (₹ 2.50 per share of ₹ 10/- each) for the FY 2013-14, which includes the interim dividend of 15% (₹ 1.5/- per share of ₹ 10/- each) paid out in the month of March 2014 and balance to be paid out after approval of the shareholders at the Annual General Meeting.

DEBT REPAYMENT

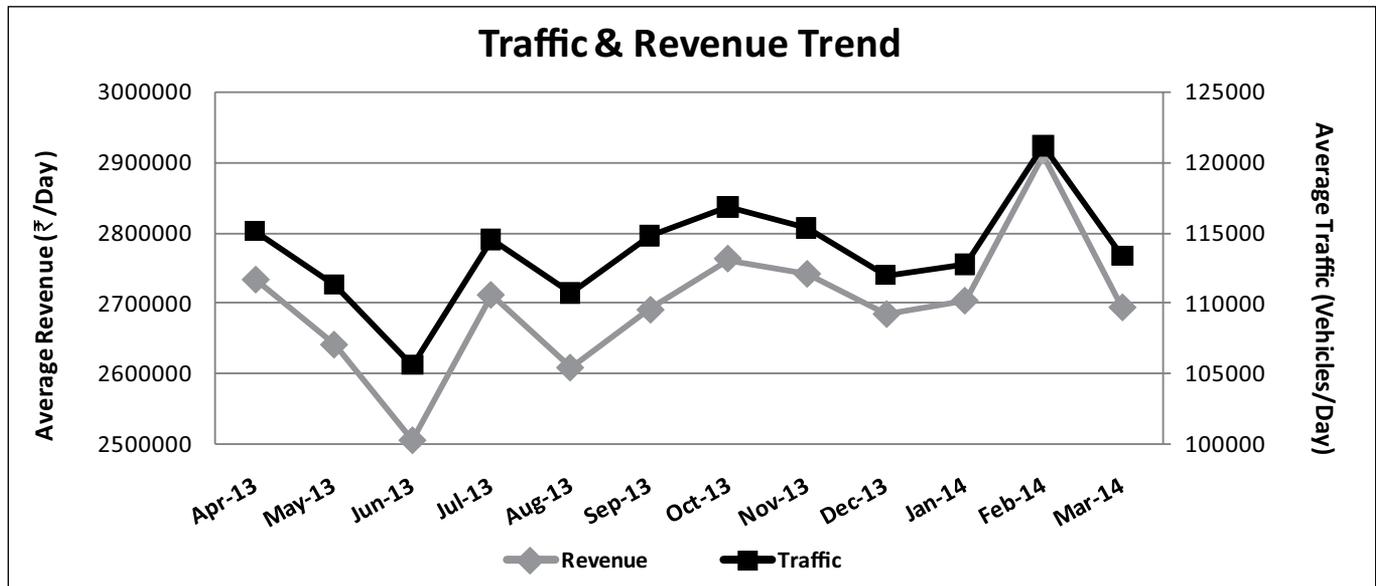
The Company has repaid loans amounting to ₹ 586.38 Mn during the financial year 2013-2014. The Company expects to repay the balance outstanding loan amount of ₹ 50 mn and Deep Discount Bonds amounting to ₹ 224.03 mn in accordance with scheduled repayment terms between financial year 2014-15 to 2015-16.

OPERATIONS

There has been a marginal decline in the traffic during the year under review when compared to the Previous Year. This decline can be attributed to the comparatively tremendous increase in traffic during the months of December 2012 to February 2013 of the previous financial year, due to the partial closure of the Okhla Barrage / Kalindi Kunj Bridge for repairs (and diversion of traffic onto DND Flyway). The Annual Average Daily Traffic (AADT) during the year under review was 113,591 vehicles as against 114,721 vehicles in the Previous Year. It may be noted that if the increase due to Kalindi closure was to be removed from the previous year's traffic there would be a growth of 2.2 % in traffic during this financial year.

The Annual Average Revenue/Day has increased to ₹ 2.69 million in Financial Year 2013-14, from ₹ 2.41 million in the Previous Year, indicating an increase of around 11.62 %. The Income from Operations increased from ₹ 1,060.64 million to ₹ 1,193.73 million, exhibiting a 12.55% increase.

The average daily traffic and average daily revenue is depicted in the chart below:



The increase in revenue during the year under review as compared to the Previous Year is attributable mainly to the increase in User Fee with effect from April 01, 2013.

The month-wise Average Daily Traffic and Average Daily Revenue from User Fees during FY 2013-14 under various classes of vehicles, is presented in the Table below:

Month	Buses/ Trucks (vehicles/ day)	Two- Wheelers (vehicles/ day)	Cars (vehicles/ day)	Total (Vehicles Per Day)	Traffic Growth*	Revenue (₹/day)	Revenue Growth*
Apr-13	3,716	23,605	87,745	115,066	5%	2,734,805	20%
May-13	3,390	22,286	85,642	111,317	2%	2,640,928	17%
Jun-13	3,384	21,783	80,428	105,595	2%	2,504,308	17%
Jul-13	3,579	23,425	87,484	114,488	4%	2,712,176	19%
Aug-13	3,178	22,349	85,159	110,686	3%	2,608,233	17%
Sep-13	3,418	24,368	86,953	114,739	0%	2,692,082	13%
Oct-13	3,727	24,235	88,815	116,776	-1%	2,759,645	13%
Nov-13	3,770	22,766	88,773	115,309	-1%	2,742,794	10%
Dec-13	3,884	21,350	86,719	111,953	-8%	2,684,934	4%
Jan-14	3,641	20,402	88,657	112,700	-18%	2,704,122	-9%
Feb-14	4,003	21,944	95,169	121,116	2%	2,909,805	14%
Mar-14	3,476	22,042	87,823	113,341	2%	2,692,159	16%
Total/Average	3,597	22,546	87,447	113,591	-1%	26,97,431	11.85%

*over the corresponding period in the previous year.

The overlay work has been implemented with the least possible disruption to traffic flow. Most work was done during off peak hours in the day and the rest, at night.

The work on the entire stretch of 13.64 km road length is based on recommendations given by the Central Road Research Institute (CRRI). Extremely high quality of work has been done so as to ensure a longer life including the use of "True Pavé" imported glass fabric to arrest cracks on the existing surface, delay reflective cracking and provide a moisture barrier, all of which extends the life of the overlay. Further, an average 50 mm thick profile correction course with Dense Bituminous Macadam (DBM) has been laid on depressed/ deformed locations and a 40 mm thick wearing course (Bituminous Concrete) Modified Binder (PMB-40) has been used in the Bituminous Overlay as against the normal binder, again to enhance the life of the overlay.

Besides day to day supervision by an external Consultant both on site as well as at the Plant, third party quality checks were regularly conducted by CRRI. The Company's Independent Engineer also kept a vigil on all activities being executed on site. The overlay process and quality checks were also periodically reviewed by the Company's Independent Committee of Directors.

The toll technology is in the process of being upgraded. The Company has advertised, inviting bids, and has received proposals from Indian and foreign companies. Bids are being evaluated. Once implemented, the new technology will enable the Company to provide improved services to users.

The Company is entitled to an annual CPI linked/formula driven increases in User Fee which have not been permitted at regular intervals since April 2009. A partial User Fee increase was however implemented with effect from April 1, 2013. The increase for FY 2014-15 has also been delayed.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Management Discussion and Analysis Report is attached and forms part of this Report.

SHARE CAPITAL

The Issued and Subscribed Equity Share Capital of the Company on March 31, 2013, was ₹ 1,861,950,020/-. There were no allotments of shares during the year and hence the share capital on March 31, 2014 remains the same.

SUBSIDIARY

The Company has one subsidiary, ITNL Toll Management Services Limited. The audited accounts of the subsidiary, as well as the Consolidated Financial Statements of the Company along with its subsidiary form part of this Report.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013, Mr. Arun K. Saha, Director, is due to retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Pursuant to the enactment of the Companies Act, 2013 and in accordance with the provisions of the Listing Agreement with the Stock Exchanges, the Company's Independent Directors (Mr. Raj K Bhargava, Dr. Sanat Kaul, Mr. Piyush Mankad & Mr. Deepak Premnarayan) are being re-appointed as non-retiring Independent Directors for a period of 5 years at the forthcoming Annual General Meeting. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149 of the Companies Act and Clause 49 of the Listing Agreement.

Mr. Harish Mathur was appointed as an Executive Director & CEO of the Company for a period of 3 years, with effect from October 1, 2014. The Board of Directors has, in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 (including any statutory modifications or re-enactments thereof), at their Meeting held on July 28, 2014, based on a nomination received from ITNL, re-appointed Mr. Harish Mathur as Executive Director & CEO for five years with effect from October 1, 2014 subject to shareholder approval being obtained at this Annual General Meeting.

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164 of the Companies Act, 2013.

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 ₹ 10/- each, aggregating to ₹ 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 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, 2013 and March 31, 2014 have been included in this Annual Report. The IFRS results as well as annual audited financials prepared under Indian GAAP are available on the Company's web site: www.ntbcl.com.

PARTICULARS OF EMPLOYEES

The information regarding particulars of remuneration etc of certain employees required under Section 217(2A) of the Companies Act, 1956 and the rules framed there under is given in an annexure which forms part of this report. In terms of the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Directors' Report and Accounts are being sent to the shareholders 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, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

The Company had the following foreign exchange outgo:

	Year ended March 31, 2014 Rupees	Year ended March 31, 2013 Rupees
(a) Travelling	213,435	Nil
(b) Consultancy/Legal fee	5,284,085	3,907,865

Since the Company does not have any manufacturing facility, the other particulars required to be provided in terms of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, are not applicable.

CREDIT RATING

Credit Analysis & Research Limited (CARE) has revised the rating (upwards) for the Company's Deep Discount Bonds (DDBs) and long term bank loans from 'CARE A + [Single A +]' to CARE AA- [Double A Minus]

"Instruments with this rating are considered to have a high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk."

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 and forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

The provisions of 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 the accepted accounting standards and past practices followed by the Company. Pursuant to the forgoing and on the basis of representations received from the operating management, and after due enquiry, it is confirmed that:

- (1) In the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- (2) The Directors have selected such accounting policies and applied them consistently and made 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 or loss of the Company for that period.
- (3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (4) The Directors have prepared the annual accounts on a going concern basis.

STATUTORY AUDITORS

M/s. 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, Promoter 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 Ltd

Mr. R. K. Bhargava
Chairman
DIN : 00016949

Noida, Uttar Pradesh
Date : July 28, 2014

Registered Office:
Noida Toll Bridge Company Limited
Toll Plaza, DND Flyway
Noida - 201 301.
CIN : L45101UP1996PLC019759

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Noida Toll Bridge Company Limited (NTBCL) was promoted by Infrastructure Leasing & Financial Services Ltd. (IL&FS) as a special purpose vehicle for the implementation of the Delhi Noida bridge project on a Build, Own, Operate and Transfer (BOOT) basis. The Concession Agreement (Concession) executed between the Company, Promoter and New Okhla Industrial Development Authority (NOIDA) in November 1997, gives the Company the right to levy a User Fee. The Governments of Uttar Pradesh and National Capital Territory of Delhi have, in January 1998, executed a Support Agreement in favour of the Project/Concessionaire.

The Delhi Noida bridge (commonly known as and hereinafter referred to as the DND Flyway or DND) was opened to traffic in February 2001 and is an eight lane tolled facility across the Yamuna River, connecting Noida to South Delhi with a four lane link to Mayur Vihar which was commissioned in June 2007 (Phase I)/January 2008 (Phase II).

NTBCL is a publicly listed company with Equity Shares listed on the National Stock Exchange and the Bombay Stock Exchange in India and GDRs listed on the AIM segment of the London Stock Exchange.

Industry Structure and Development / Competition and Threats

NTBCL is an infrastructure company in the Road sector. Although the facility caters specifically to traffic between Noida/Mayur Vihar and South Delhi, it continues to compete with two free bridges which cross the Yamuna River, namely, Nizamuddin Bridge and Okhla Barrage/Kalindi Kunj Bridge.

The Okhla Barrage / Kalindi Kunj Bridge is extremely congested during peak hours, which had lead the Noida Authority to explore the option of expanding the bridge downstream. According to recent reports, Noida Authority now has plans to build a new six lane bridge.

The Government of Delhi in the meanwhile, has been considering extending the Barapullah Nullah Elevated Road (BPNER) across the Yamuna. The Company has informed the Government of Delhi of various clauses in the Support Agreement executed with the Delhi and the UP Governments, which prevent them from building another un-tolled (or lower toll) bridge across the Yamuna in the area between the Okhla Barrage/Kalindi Kunj Bridge and Nizamuddin Bridge until the DND achieves a certain level of capacity utilisation. The Company also continues to follow up with the Government of Delhi with an alternative option of a direct integration of the BPNER with the DND (rather than extending BPNER across the Yamuna river) as this integration will more efficiently utilise existing infrastructure as well as save public funds.

Phase II of the BPNER project, which includes additional entry and exit ramps on the Ring Road at Sarai Kale Khan, will provide easier access to and from BPNER and DND via the Ring Road and is expected to be completed by March 2015. These ramps are expected to increase traffic on DND.

The Delhi Metro Rail Corporation commenced its metro services in Noida from November 13, 2009. The current line caters mainly to commuters travelling between Noida and Central Delhi. Two new Metro lines, one from Hauz Khas (South Delhi) via Kalkaji and Kalindi Kunj to Botanical Gardens in Noida and the other from Ashram via Nizamuddin to Mayur Vihar and Anand Vihar are under construction and expected to be completed by March 2016. These could have a negative impact on two wheeler traffic on the DND, when completed.

Risks and Concerns

The congestion at Ashram crossing, at the Delhi end of the facility, continues to be an area of concern for commuters, especially during peak hours. The additional ramps being built on the Ring Road at Sarai Kale Khan in Phase II of the BPNER project as well as the Ashram Improvement Plan, is likely to eventually ease the congestion at Ashram crossing. Direct connectivity between BPNER and DND is also expected to ease congestion at Sarai Kale Khan/Ashram.

The Company's toll technology is now over 13 years old, making hardware replacements difficult. The up-gradation of the toll technology is expected to be completed within this financial year.

Waiting time at the toll plaza during peak hours can reach 3-5 minutes. While the Concession Agreement allows a waiting time upto 10 minutes, the Company has already informed NOIDA of a plan to increase the number of lanes at both toll plazas.

The Company is entitled to annual CPI linked/formula driven increases in User Fee which have not been given effect to. The last two increases have been partial increases and the annual increase for FY 2014-15 has also been delayed.

The Concession Agreement provides for traffic risk mitigation measures by allowing New Okhla Industrial Development Authority (NOIDA) to grant land development rights. The Company has in its possession, land around the DND Flyway, which may be developed, subject to grant of Development Rights by NOIDA/Government of UP/ Government of Delhi and other relevant statutory bodies. A proposal was filed with NOIDA and an in-principle approval received on May 16, 2001. Discussions continue with NOIDA/Government of UP, for grant of these development rights. The denial of Development Rights or conditional grant of the same will delay the realization of project Returns as contemplated in the Concession Agreement.

Segment-Wise and Product-Wise Performance

The traffic mix on the DND has changed during the year as depicted below:

Year	Commercial Traffic	Percentage to total traffic	Two Wheeler Traffic	Percentage to total traffic	Cars	Percentage to total traffic	Total Traffic
2012-13	4,291	4%	23,646	20%	86,784	76%	114,721
2013 - 14	3,597	3%	22,546	20%	87,447	77%	113,591

The traffic comprised of cars (77%), two wheelers (20%) and commercial vehicles (3%). The composition of traffic has shown a marginal change compared to the previous year; there has been a decrease in share by 1% (approximately) in Commercial Traffic and increase by 1% in car traffic. The decrease in commercial vehicles was mainly due to a change in 'no-entry' timings of commercial vehicles in Delhi i.e., from 21:00 Hours to 22:00 Hours and also due to a restriction on entry of heavy vehicles on DND during repair work and restriction by the U.P administration on sand laden trucks doing mining.

Outlook

The average daily traffic on the DND was 113,591 vehicles per day in FY 2013-14 (previous year 114,721). While it seems that there is a drop in traffic compared to last financial year, this is attributable to significant increase in traffic during December 2012 to February 2013 during the partial closure of Kalindi Kunj Bridge for repair and diversion of comparative traffic onto DND. If there had not been any impact due to Kalindi Kunj Bridge closure in the previous year, the traffic growth in this financial year would have been around 2.2%.

There has been 11.85% revenue growth during the year, attributable to increase in tolls on April 1, 2013.

In the long run, the traffic levels on the Delhi Noida Toll Bridge are expected to increase. The plans for improvement of infrastructure and road network in and around the Noida/Greater Noida region are likely to be implemented on priority and will provide the necessary boost to real estate development and consequently to increase in traffic on the DND.

In addition, the completion of phase II of the BPNER, which includes additional entry and exit ramps on the Ring Road at Sarai Kale Khan, will give commuters on the BPNER (from South Delhi) easier access (via a short stretch of the Ring Road) to and from DND. Commuters from the DND will then be able to travel, signal free from Noida / Mayur Vihar to Moolchand, Defence Colony, Lajpat Nagar, and Jawahar Lal Nehru Stadium / INA Market. These ramps are expected to be completed by March 2015.

Based on current and projected traffic trends, the expected support for the uninterrupted operation of the toll bridge, escalation of tolls as per the Concession Agreement and the accordance of final approvals of development rights for which NOIDA has already provided in-principle approval, it is expected that the project could achieve its target returns/objectives as per the Concession Agreement.

Internal Control Systems and their Adequacy

The toll collection and management system has inbuilt self audit capabilities. It is equipped with an Automatic Vehicle Classification system which safeguards against revenue leakage.

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 of 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

approved by the Audit Committee of Directors. The Reports of the Auditors along with the management's responses are placed before the Audit Committee for discussion and necessary action.

Financial and Operational Performance

The Noida Toll Bridge was the first green-field toll bridge and road network project implemented in the country on an SPV format without recourse to sponsors or financial guarantees from the Government/NOIDA. With initial traffic being far below projections, the Company has had to go through a series of restructuring measures and was able to pay its maiden dividend to its Equity Shareholders only in 2010-11.

The Financial and Operational Performance of the Company for FY 2013-14 and the previous year is given below:

	Year ended 31.03.2014	Year ended 31.03.2013
Toll Income (₹/Mn)	993.58	888.35
Advertisement & Other Income (₹/Mn)	250.14	242.02
PBT (₹ in Mn)	822.28	659.12
PAT (₹ in Mn)	547.53	421.13
Average Daily Traffic (Vehicles/day)	113,591	114721
Average Toll realisation per vehicle (₹)	23.76	21.02

Human Resources

The Company has a lean organization with a strength of 8 employees.

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 concession, 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 institutionalize corporate governance practices cannot solely rest upon adherence to a regulatory framework. An organisation's business practices, reflected in its values, personal beliefs and actions of its employees and all other stakeholders 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 given below is the Report of the Board of Directors with regard to the same.

It may be noted that Companies Act, 2013 (Act) has come into effect from April 1, 2014. Companies have, however, been given upto one year to be in compliance with this Act. A complete status of compliance with the new Act will be provided in the Annual Report for FY 2014 -2015.

Subsequent to the notification of the Companies Act, 2013, the provisions of the Listing Agreement have been amended to align with the provisions of the Companies Act, 2013. The new provisions of the Listing Agreement will be applicable with effect from October 1, 2014.

(2) Board of Directors

(i) Composition of the Board

The Board of Directors comprises of seven members. The composition of the Board is in conformity with Clause 49 of the Listing Agreement. There are four Independent Directors including an Independent Chairman and three Nominee Directors one of whom is the Executive Director & Chief Executive Officer (CEO) of the Company. The Directors bring to the Board a wide range of skills and experience.

The composition of the Board of Directors is as given below:

Name	Independent/ Promoter/ Nominee	Representing/Nominee
Mr. R.K. Bhargava, Chairman	Non-Executive Independent	-
Mr. Piyush G. Mankad	Non-Executive Independent	-
Dr. Sanat Kaul	Non-Executive Independent	-
Mr. Deepak Premnarayan	Non-Executive Independent	-
Mr. Arun K. Saha	Non-Executive Promoter / Nominee	IL&FS Transportation Networks Limited
Mr. K. Ramchand	Non-Executive Promoter / Nominee	IL&FS Transportation Networks Limited
Mr. Harish Mathur	Executive Director & CEO / Nominee	IL&FS Transportation Networks Limited

(ii) Directorships / Committee Memberships / Committee Chairmanships

Details of Directorships and Committee Memberships/Chairmanships on Committees of public companies (including Noida Toll Bridge Company Limited), as per annual disclosures for FY 2014- 15, are provided below:

Board of Directors	No. of Directorships	No. of Memberships of Committees*	No. of Chairmanships of Committees
Mr. R. K. Bhargava (Chairman)	5	6	5
Mr. Piyush G. Mankad	9	10	2
Dr. Sanat Kaul	1	2	-
Mr. Deepak Premnarayan	1	1	-
Mr. Arun K. Saha	15	10	3
Mr. K. Ramchand	15	7	1
Mr. Harish Mathur Executive Director & CEO	14	8	-

*Memberships in Committees include 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 have not been included.
- (b) 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. Share Transfer Committee's have not been included
- (c) Directorships do not include Alternate Directorships.

(iii) Meetings Held

Seven meetings of the Board of Directors were held in the Financial Year 2013-14 on: May 1, 2013, July 29, 2013, September 27, 2013, October 25, 2013, December 20, 2013, January 29, 2014 and February 28, 2014.

Information specified under Annexure 1A of Clause 49 of the applicable Listing Agreement has been placed before the Board of Directors and the Board was presented with a report on compliances with various statutes and applicable laws on a quarterly basis.

(iv) Attendance

- (a) The attendance of Directors at the Meetings of the Board of Directors held during the Financial Year 2013- 14 and at the last Annual General Meeting (AGM) held on September 27, 2013 is given below:

Board of Directors	No. of Board Meetings held	No. of Board Meetings attended	Annual General Meeting attended
Mr. R. K. Bhargava	7	7	√
Mr. Piyush Mankad	7	7	√
Dr. Sanat Kaul	7	7	√
Mr. Deepak Premnarayan	7	5	√
Mr. K. Ramchand	7	7	√
Mr. Arun K. Saha	7	6	√
Mr. Harish Mathur	7	7	√

- (b) Details of meetings of the Board of Directors attended by Special Invitees:

Mr. G.P. Singh, Financial Controller, NOIDA, attended one meeting held on May 1, 2013 as a Special Invitee representing NOIDA.

Mr. Akhilesh Singh, DCEO, NOIDA, attended two meetings held on September 27, 2013 and October 25, 2013 as a Special Invitee representing NOIDA.

Mr. D.B. Malik, GM, NOIDA, attended one meeting held on December 20, 2013 as a Special Invitee, representing NOIDA.

Mr. Hari Sankaran, Vice Chairman & Managing Director, IL & FS, attended one meeting held on May 1, 2013, as a Special Invitee representing IL & FS.

(3) Audit Committee

- (i) The composition of the Audit Committee of the Company is in compliance 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 and, inter alia, include:
 - Reviewing & recommending with management the quarterly/ half yearly/annual Financial Statements before submission to the Board of Directors for approval.
 - Approving annual budgets.
 - Reviewing the Company's internal audit reports and adequacy of the internal control and internal audit function.
 - Recommending the appointment/reappointment of Statutory and Internal auditors and fixation of audit fees.

- Overseeing the Company's financial position and disclosure of financial information.

The terms of reference of the Audit Committee have been amended to include the scope mentioned under the Companies Act, 2013 and the revised Listing Agreement.

(iv) During FY 2013- 14, the Audit Committee of Directors has reviewed:

- The financial results of the Company for four quarters as well as the audited Financial Statement for FY 2013-14, before recommending the same to the Board for its approval.
- The Company's financial information, to ensure that the Financial Statements were correct, sufficient and credible, compliant with listing and other legal requirements relating to Financial Statements.
- Transactions with related parties entered into by the Company.
- Reports submitted by the Internal Auditors of the Company as well as adequacy of systems and procedures of internal control, the adequacy of the internal audit function, coverage and frequency of internal audit and ensured that adequate follow – up action was taken by the management on observations and recommendations made by the said auditors.
- Management Discussion and Analysis Report on the Operations of the Company.
- Appointment/ remuneration of Statutory, Internal and Independent Auditors.
- Report on Direct and Indirect taxes covering the operations of the Company.
- Legal compliance reports submitted by management every quarter.
- Budgets and cash flow management by the Company and investment of surplus funds.
- Financial Statements of the unlisted subsidiary i.e. ITNL Toll Management Services Limited.

(v) The Committee was informed that there had been no changes in the accounting policies and practices nor had any adjustments been made in the Financial Year arising out of audit findings and that 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.

(vi) The Chairman of the Audit Committee was present at the last Annual General Meeting held on September 27, 2013, and answered queries raised by Shareholders.

Five meetings of the Audit Committee were held in the Financial Year 2013-14 on: May 1, 2013, July 29, 2013, October 25, 2013, December 20, 2013, and January 29, 2014.

(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	No. of Meetings Attended
Mr. R. K. Bhargava Chairman	Independent	5	5
Mr. Piyush Mankad	Independent	5	5
Dr. Sanat Kaul	Independent	5	5
Mr. Deepak Premnarayan	Independent	5	4
Mr. Arun K. Saha	Nominee	5	4
Mr. Harish Mathur	Nominee	5	5

Details of meetings of the Audit Committee of Directors attended by Special Invitees:-

Mr. G.P. Singh, Financial Controller, NOIDA, attended one meeting held on May 1, 2013 as a Special Invitee representing NOIDA.

Mr. Hari Sankaran, Vice Chairman & Managing Director, IL & FS, attended one meeting held on May 1, 2013, as a Special Invitee representing IL & FS.

Mr. K. Ramchand, Managing Director, ITNL, attended four meetings held on July 29, 2013, October 25, 2013, December 20, 2013 and January 29, 2014 as a Special Invitee representing ITNL.

The Statutory Auditor attended all the meetings. Internal Auditor attended four meetings out of five. The necessary quorum was present at all the meetings.

(4) Nomination and Remuneration Committee

- (i) The HRD Committee's scope of work includes review of salaries, performance related pay, increments, promotions, allowances, perquisites, and other compensation and HRD Policy applicable to all employees of the Company. The Committee is also responsible for the administration and implementation of the Employee Stock Option Plans of the Company.
- (ii) The Company's compensation policy has been laid out in its Employee Handbook, which has been approved by the HRD Committee of Directors. Any amendment to the Employee Handbook is also subject to approval by the HRD Committee of Directors.
- (iii) The Committee is also authorised to approve allocation of Commission payable to Non- Executive Directors, within the overall limit of 1% as approved by the Shareholders at the Annual General Meeting of the Company held on September 25, 2012.
- (iv) The Committee comprises of five Directors two of whom are Independent Directors (including the Chairman).
- (v) Three meetings of the HRD Committee were held in the Financial Year 2013- 14 on : May 1, 2013, July 29, 2013 and September 27, 2013.
- (vi) Attendance of Members at the Meetings of the HRD Committee are given below:

Name	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. R.K. Bhargava, Chairman	Independent	3	3
Dr. Sanat Kaul	Independent	3	3
Mr. K.Ramchand	Nominee	3	3
Mr. Arun K. Saha	Nominee	3	3
Mr. Harish Mathur Executive Director & CEO	Nominee	3	3

Mr. Hari Sankaran, Vice Chairman & Managing Director, IL & FS, attended one meeting held on May 1, 2013, as a Special Invitee representing IL & FS.

- (vii) The composition and terms of reference of the Nomination and Remuneration Committee have been amended pursuant to the enactment of the Companies Act, 2013 and the revised Listing Agreement. The current composition of the Committee is; Dr. Sanat Kaul (Chairman), Mr. R.K .Bhargava, Mr. K. Ramchand and Mr. Arun K. Saha as Members of the Committee. Mr. Harish Mathur is a Special Invitee to the Committee.
- (viii) The Chairman of the HRD Committee was present at the last Annual General Meeting of the Company held on September 27, 2013.

(5) Stakeholders Relationship Committee

- (i) The broad terms of reference of the Stakeholders Relationship Committee are as under:
 - (a) To look into the status of redressal of shareholders' and debentureholders' complaints and suggest measures to improve investor relations.
 - (b) To issue duplicate certificates / re-materialisation of securities.
 - (c) The Committee 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 the transfer of physical debentures as well as share transfers and transmissions to any one of: Mr. Harish Mathur, Executive Director & CEO, Ms. Monisha Macedo, Senior Vice President, and Ms. Pooja Agarwal, Company Secretary. The transfer/ transmission

request formalities are processed as and when they are received and transfers are always completed within the stipulated time frame.

- (iv) Ms. Monisha Macedo, Sr. Vice President, has been designated as the Compliance Officer for the Stock Exchanges and handles queries/complaints raised by investors.
- (v) Two meetings of the Stakeholders Relationship Committee were held in the Financial Year 2013-14, on May 1, 2013 and October 24, 2013. Routine business like re-materialisation of securities, issue of duplicate certificates and pre-clearance for trading in equity shares by Employees/ Directors, above the specified limit, are usually approved by circulation
- (vi) The composition of the Investor Grievance Committee and attendance by members of the Committee are given below:

Name	Category	No. of Meetings held	No. of Meetings Attended
Mr. R. K. Bhargava, Chairman	Independent Non- Executive	2	2
Mr. Piyush Mankad	Independent Non- Executive	2	2
Dr. Sanat Kaul	Independent Non- Executive	2	2

Mr. Harish Mathur, Executive Director & CEO, attended two meetings held on May 1, 2013 and October 24, 2013.

- (vii) Investor Complaints received during the year:

For the period April 1, 2013 to March 31, 2014, the Company received a total of 125 complaints for non-receipt of interest/dividend, which were resolved within the stipulated time period. There were no pending complaints at the end of the Financial Year.

All the complaints received through SCORES (SEBI's complaints Redressal System) have been resolved within 1-2 weeks of receipt. There are no outstanding complaints on SCORES on account of the Company as on 30.06.2014.

(6) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of Mr. R.K. Bhargava (Chairman), Dr. Sanat Kaul, Mr. Arun Saha, Mr. K. Ramchand and Mr. Harish Mathur as Members of the Committee.

The role of the Corporate Social Responsibility Committee is as follows:-

- (i) Formulating and recommending to the Board, the Corporate Social Responsibility Policy and the activities to be undertaken by the Company.
- (ii) Recommending the amount of expenditure to be incurred on the activities undertaken.
- (iii) Reviewing the performance of the Company in the area of Corporate Social Responsibility
- (iv) Monitoring Corporate Social Responsibility Policy of the Company from time to time.

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

- (i) Mr. Harish Mathur, Executive Director & CEO, is not paid any remuneration except the sitting fees for attending Board/ Committee Meetings. A Management Fee @ ₹ 5 lacs per month exclusive of Income Tax, is however paid to IL&FS Transportation Networks Limited (ITNL), on account of his deputation.
- (ii) In terms of the Shareholders' approval obtained at the Annual General Meeting held on September 27, 2013, the Commission payable to Non-Executive Directors shall not exceed 1% of the net profits of the Company computed in accordance with Section 309 (5) of the Companies Act, 1956. The Commission for FY 2013 -14 is being distributed partly on a uniform basis to the Non- Executive, Independent Directors and an additional amount is also paid to the Chairman of the Board/Committees and Members of the Audit, Nomination and Remuneration Committee and Stakeholders Relationship Committee for the responsibility and time spent by them. The said commission is decided each year by the Nomination and Remuneration Committee of Directors.
- (iii) The Company pays Sitting Fees and reimburses out of pocket expenses per meeting to its Board of Directors and Special Invitees for attending meetings of the Board and Committees of the Board.

(iv) Details of Sitting Fees paid to the Directors for the FY 2013- 14 is given below:

S. No.	Name	Sitting Fees (₹)
1	Mr. R. K. Bhargava	4,40,000
2	Mr. Piyush Mankad	3,60,000
3	Dr. Sanat Kaul	3,80,000
4	Mr. Deepak Premnarayan	1,80,000
5.	Mr. K. Ramchand	2,00,000
6.	Mr. Arun K. Saha	2,60,000
7.	Mr. Harish Mathur	3,00,000

In addition to the sitting fees, given above, the Directors were reimbursed out of pocket expenses @ ₹ 5,000/- per Meeting.

(v) Details of Special Invitee fees paid – for attending Board and other Committee Meeting for the FY 2013-14 is given below:

S. No.	Name	Special Invitee Fees (₹)
1.	Dr. Sanat Kaul	60,000/-
2.	Mr. Deepak Premnarayan	40,000/-
3.	Mr. K. Ramchand	1,20,000/-
4.	Mr. Arun K. Saha	40,000/-
5.	Mr. Harish Mathur	1,20,000/-
6.	Mr. Hari Sankaran	60,000/-
7.	Mr. Akhilesh Singh, DCEO, NOIDA	40,000/-
8.	Mr. D. B. Malik, GM, NOIDA	20,000/-
9.	Mr. G. P. Singh, FC, NOIDA	40,000/-
	Total	5,40,000/-

In addition to the aforementioned fees, the Special Invitees were reimbursed out of pocket expenses @ ₹ 5,000/- per Meeting.

(vi) Details of Commission paid is given below:

S. No.	Name	Commission paid (₹) FY 2012-2013
1	Mr. R. K. Bhargava	15,00,000
2	Mr. Piyush Mankad	7,00,000
3	Dr. Sanat Kaul	7,00,000
4	Mr. Deepak Premnarayan	6,00,000
5.	Mr. K. Ramchand	Nil
6.	Mr. Arun K. Saha	Nil
7.	Mr. Harish Mathur	Nil

The commission payable for financial year 2013-14 is yet to be decided.

(vii) The Company maintains an office for the Chairman.

(viii) Details of Directors' holdings of Equity Shares in the Company as on June 30, 2014, is as follows:

Name of Director	Shareholding as at June 30, 2014 (No. of Shares)
Mr. R. K. Bhargava	77,345
Mr. K. Ramchand	40,000

No stock options have been granted to employees or Directors during Financial Year 2013-14.

(8) General Body Meetings

Annual General Meetings (AGM)

Year	Location	Date and Time
17 th AGM held for the Financial Year 2012-2013	Noida Toll Bridge Company Limited, DND Flyway, Noida- 201301, Uttar Pradesh	September 27, 2013 at 10:30 am
16 th AGM held for the Financial Year 2011- 2012	Noida Toll Bridge Company Limited, DND Flyway, Noida- 201301, Uttar Pradesh	September 25, 2012 at 10:30 am
15 th AGM held for the Financial Year 2010-2011	Noida Toll Bridge Company Limited, DND Flyway, Noida- 201301, Uttar Pradesh	September 27, 2011 at 10:30 am

For the year ended March 31, 2014, there were no resolutions passed by the shareholders through Postal Ballot. None of the resolutions proposed at the ensuing Annual General Meeting need to be passed by postal ballot.

One resolution was passed as a Special Resolution at the AGM held on September 27, 2013, for amendment to the Articles of Association under Section 31 of the Companies Act, 1956 . The resolution was not passed by Postal Ballot

(9) Disclosures

(i) Related party transactions

There were no materially significant related party transactions with the promoters, directors, management, subsidiaries or relatives that could have a potential conflict with the interest of the Company at large or which were not on an arm's basis. Details of all related party transactions are disclosed in the Notes to Accounts.

(ii) Risk Management

The Company periodically places before the Board, the risk assessment and minimisation procedures being followed by the Company.

(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 all mandatory items listed in the Corporate Governance clause of the applicable 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 in order to carry out duties entrusted to him. The Chairman is reimbursed expenses incurred in connection with discharge of his duties.

(b) Nomination and Remuneration Committee

The Company has set up a Nomination and Remuneration Committee with an Independent Chairman. The Committee approves HRD related issues with respect to the Executive Director of the Company as well as all employees of the Company. The Chairman of the Committee was present at the last Annual General Meeting of the Company, to answer shareholder queries. For more details on the Committee, please refer to para 4 of this report.

(c) Audit Qualifications

The Audit Report on the Financial Statements of the Company for the Financial Year 2013-14 is unqualified. The same however contains a matter of emphasis with respect to management estimates on intangible assets and provision for overlay and these items have been adequately disclosed in the Notes to Accounts.

(10) Subsidiary Companies

The Company's subsidiary, ITNL Toll Management Services Limited (ITMSL), was incorporated on June 22, 2007. ITMSL 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 Company. The half yearly and annual financial statements of the Company consolidated along with ITMSL's financial statements were reviewed by the Audit Committee of the Company and approved by the Board of Directors.

(11) 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 senior managerial personnel and Board members have affirmed compliance with the said Code. The Executive Director & CEO's declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management is given below:

Declaration

"I confirm that the Company has obtained from Senior Management and from all its Directors, their affirmation of compliance with the Code of Business Conduct & Ethics for the Financial Year ended March 31, 2014."

Harish Mathur
Executive Director & CEO
Noida

(12) 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 for dealing in the securities of the Company, applicable to all its Employees and Directors, with effect from November 15, 2003. Ms. Monisha Macedo, Sr. Vice President, has been designated the Compliance Officer for the Company's Insider Trading Code.

In terms of the Code, the Directors and Employees have to submit 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. The Compliance Officer has for the Financial Year 2013- 2014, received disclosures on holdings from all the Directors and Employees.

Any transaction in securities of the Company (sale/purchase) by Employees/ Directors exceeding ₹ 500,000 or 25,000 shares, which ever is lower, in one Financial Year, requires pre-clearance from the Compliance Officer. Any change in holding, 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 price sensitive information being made public.

(13) Means of Communication

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

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

Further, in terms of the Listing Agreement, information on investor related issues (Record Dates/ Book Closures) and announcements/ press releases are communicated to the Stock Exchanges and updated on the Company's website promptly.

(j)	Depository ISIN Nos.	:	Equity Shares -INE781B01015 Deep Discount Bonds -INE781B11022
(k)	Listing Fees	:	Listing fees for FY 2013-2014 have been paid to all the Stock Exchanges.
(l)	Statutory Auditors of the Company	:	Luthra & Luthra, Chartered Accountants A-16/9, Vasant Vihar New Delhi 110 057
(m)	Bankers to the Company	:	Canara Bank Head Office Address: Canara Bank Building 2 nd and 3 rd Floor Adi Marzban Path Ballard Estate Mumbai 400 038 Branch Office Address: Canara Bank C 3, Sector 1 Noida 201 301 Uttar Pradesh
(n)	Debenture Trustee	:	Axis Bank Limited Axis House C-2, Wadia International Centre Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Phone No. 022-24252525/43252525
(o)	Share/Debenture Transfer System	:	Physical transfers of listed instruments are handled by the Registrar and Transfer Agents, Karvy Computershare Pvt. Ltd. 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.

(p) Dematerialisation of securities and liquidity

The Equity Shares and Deep Discount Bonds (DDBs) of the Company are in the list of scripts 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). 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 NSDL and CDSL and the total issued and listed capital of the Company. The secretarial audit report confirms that the total issued / paid up capital of the Company is equivalent to the total number of shares in physical form together with the total number of dematerialised shares held with NSDL and CDSL.

(q) Shares/ Debentures dematerialized upto March 31, 2014

Type of Security	No. of securities	Securities as a Percentage of total security base	No. of Shareholders/ DDB holders	Percentage of Shareholders/ DDB holders
Equity Shares	175590872	94.30	98340	98.46
DDBs	10553	97.58	22	15.38

The Distribution Schedule of Shareholders as on March 31, 2014 is as under:

Category (From – To)	No. of Holders	Percentage of Holders (%)	Shares	Percentage of Shares
1-5000	80498	80.60	14,44,20,660	7.76
5001- 10000	10311	10.32	8,73,51,120.00	4.69
10001 - 20000	4496	4.50	7,08,04,290.00	3.80
20001 - 30000	1484	1.49	3,90,28,570.00	2.10
30001 - 40000	656	0.66	2,38,96,560.00	1.28
40001 - 50000	655	0.66	3,15,53,350.00	1.69
50001 - 100000	880	0.88	6,85,53,810.00	3.68
100001 - Above	897	0.90	1,39,63,41,660.00	74.99
Totals	99877	100.00	1,86,19,50,020.00	100.00

(r) Shareholding Pattern of the Company as on March 31, 2014 is as under:-

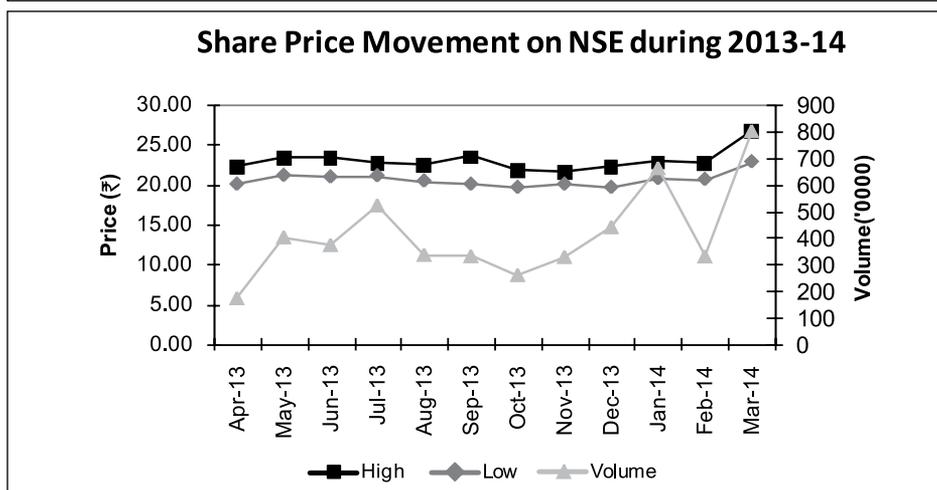
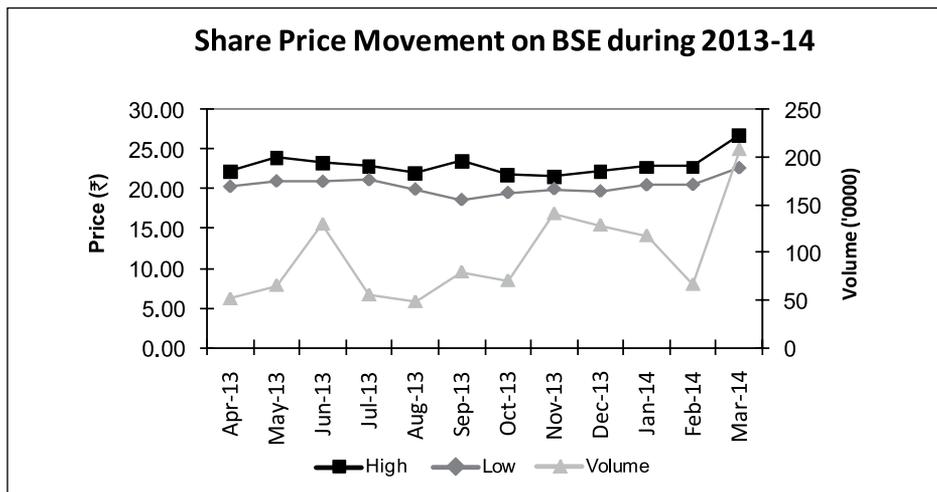
Category of shareholder	No. of shareholders	Total number of shares	Percentage to Capital
Promoter Shareholding			
Infrastructure Leasing & Financial Services Ltd.	1	19,00,000	1.02
IL&FS Transportation Networks Ltd.	1	4,71,95,007	25.35
Total Promoter Shareholding	2	49,09,5007	26.37
Public shareholding			
Mutual Funds/UTI	2	86,56,907	4.65
Financial Institutions/ Banks	2	72,217	0.04
Central Govt./State Govt.- New Okhla Industrial Development Authority	1	100,00,000	5.37
Venture Capital Funds	1	1,000	0.00
Insurance Companies	3	95,07,872	5.11
Foreign Institutional Investors	16	95,61,996	5.14
Bodies Corporate	1175	1,38,24,980	7.43
Individual shareholders holding nominal share capital up to ₹ 1 lakh.	97025	4,33,72,704	23.29
Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	625	3,85,05,626	20.68
Trust / Clearing Members / Non Resident Indians/ Foreign Bodies	1024	35,51,618	1.90
Total Public Shareholding	99874	13,70,54,920	73.61
Total Shareholding (Public + Promoter)	99876	18,61,49,927	99.98
Shares held by Custodians and against which Depository Receipts have been issued	1	45,075	0.02
TOTAL	99877	18,61,95,002	100.00

(s) Stock Market Data

The Stock Market Data of the Company for the Financial Year 2013-14, on BSE and NSE is given below:

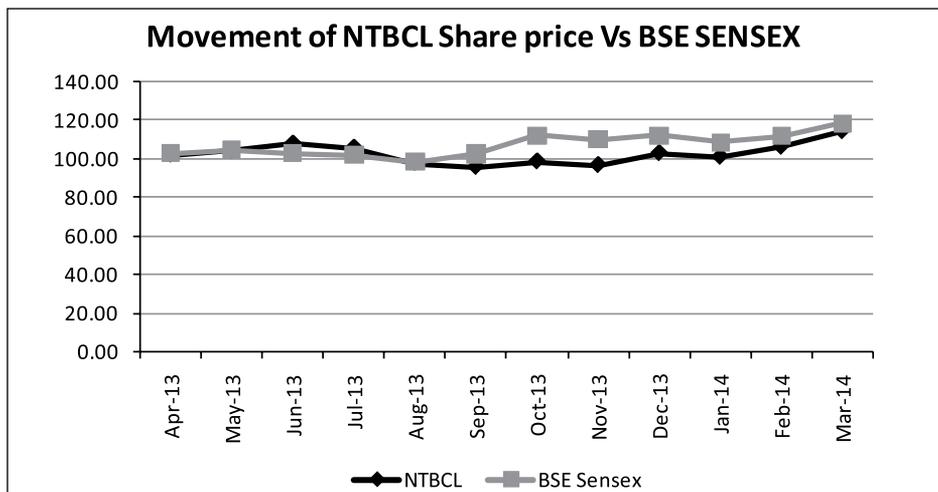
Month	BSE			NSE Sensex		
	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	No. of Shares
April 2013	22.25	20.35	5,23,914	22.30	20.00	17,37,304
May 2013	23.90	21.05	6,55,821	23.25	21.10	40,29,907
June 2013	23.30	21.00	13,00,930	23.35	20.90	37,40,047
July 2013	22.80	21.20	5,63,111	22.75	21.05	52,28,524
August 2013	22.05	20.00	4,90,512	22.45	20.40	33,69,611
September 2013	23.50	18.65	8,03,183	23.45	20.00	33,20,964
October 2013	21.80	19.55	7,10,870	21.75	19.60	26,12,944
November 2013	21.55	20.05	14,11,363	21.55	20.00	32,92,488
December 2013	22.30	19.75	12,89,313	22.30	19.60	44,12,079
January 2014	22.75	20.55	11,79,741	22.80	20.70	66,28,493
February 2014	22.75	20.60	6,72,356	22.70	20.60	33,10,404
March 2014	26.75	22.75	20,79,599	26.65	22.80	80,18,035

Note: During the year the share price witnessed a High of ₹ 26.75(March 2014 - BSE) and a Low of ₹ 18.65(September 2013 -BSE). The share price however touched ₹ 35.90 in May 2014.

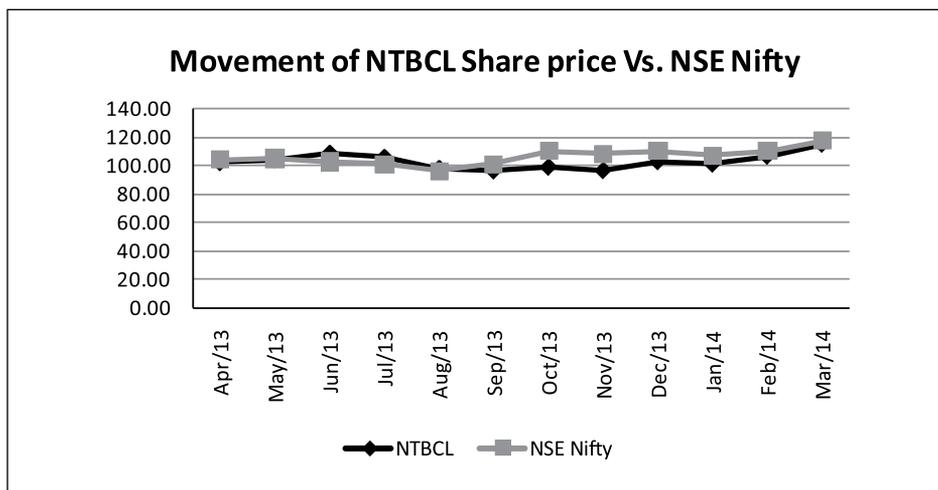


(t) Stock Performance

(i) The performance of the Company's share relative to the BSE Sensex 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:



(u) Global Depository Receipts (GDRs)

The Company had issued 12,499,999 GDRs including a Green Shoe Option of 1,136,363 GDRs, each representing 5 ordinary shares of ₹ 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, 2014, there were 9,015 GDRs outstanding, representing 45,075 underlying Equity Shares.

(15) Accounting Standards

The Company confirms that it has complied with all mandatory Accounting Standards notified by the Ministry of Companies Affairs, Government of India.

Date : July 28, 2014

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
Reg. No. 00208IN

Amit Luthra
Partner
(M. No. 85847)

Place : New Delhi
Date : July 28, 2014

CERTIFICATE

TO THE MEMBERS OF NOIDA TOLL BRIDGE COMPANY LIMITED

We have examined the compliance of conditions of Corporate Governance by **Noida Toll Bridge Company Limited** (the Company), for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the Company with the Indian stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and 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.

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.

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
Reg. No. 00208IN

Amit Luthra
Partner
(M. No. 85847)

Place : New Delhi
Date : July 28, 2014

AUDITORS' REPORT

TO THE MEMBERS

Noida Toll Bridge Company Limited

Noida (U.P)

We have audited the accompanying financial statement of Noida Toll Bridge Company Limited ("the Company") which comprises the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2(b) of the financial statement wherein significant elements of the financial statements have been determined based on management estimates (which in turn are based on technical evaluations by independent experts). These include

- a. Intangible Assets covered under service concession arrangements carried at ₹ 5,688 million (88% of the total assets), the useful lives and the annual amortisation thereof;
- b. Provision for Overlay carried at ₹ 147.95 million in respect of intangible assets covered under service concession arrangements;

Opinion

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, 2014; and
- ii. in the case of the Statement of Profit and Loss, 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies' Auditors Report Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (the 'Order'), 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.
2. As required by section 227(3) of the Act, 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 Statement of Profit and Loss dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet and the Statement of Profit and Loss dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - (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 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

Amit Luthra
Partner
M. No. 85847

Place : Noida
Date : April 28, 2014

ANNEXURE TO THE AUDITORS' REPORT

(Statement on the matters specified in Companies' Auditors Report Order, 2003)

1. a. The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b. As per the information and explanations given to us, fixed assets have been physically verified by the Management during the year, and no discrepancy was noticed in such verification.
c. The company has not disposed off substantial part of fixed assets during the year.
2. a. As per the information and explanations given to us, inventories have been physically verified at reasonable interval during the year by the Management.
b. 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.
c. 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.
3. According to the information and explanation given to us, 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.
4. 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.
5. 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.
6. According to the information and explanations given to us the company has not accepted deposits from the public.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, 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, 2014 for a period of more than six months from the date they became payable.
b. According to the information and explanation given to us, there is no due on account of provident fund, investor education and protection fund; employees state insurance, income tax, sales tax, wealth tax, service tax, cess which has not been deposited on account of dispute.
9. 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.
10. 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.
11. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
12. As per the information and explanations given to us, 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.

ANNEXURE TO THE AUDITORS' REPORT

13. As per the information and the explanation given to us, term loans were applied for the purpose for which the loans were obtained.
14. In our opinion and as per the information and the explanation given to us, 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 created securities in respect of debentures issued.
17. The company has not raised money by public issue during the year.
18. Based upon the audit procedures performed and information and explanations given by the management, no fraud on or by the company has been noticed or reported during the year.
19. The other clauses i.e. (viii), (xiii) and (xiv) of the order are not applicable to the Company.

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

Amit Luthra
Partner
M. No. 85847

Place : Noida
Date : April 28, 2014

BALANCE SHEET

AS AT MARCH 31, 2014

	Note No	As at March 31, 2014		As at March 31, 2013	
		₹	₹	₹	₹
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
(a) Share Capital	3	1,861,950,020		1,861,950,020	
(b) Reserves & Surplus	4	3,027,402,779	4,889,352,799	3,024,469,464	4,886,419,484
NON-CURRENT LIABILITIES					
(a) Long-term borrowings	5	196,908,851		231,482,814	
(b) Deferred tax Liabilities (net)	6	712,292,440		437,544,740	
(c) Other Long-term liabilities	7	32,868,227		30,224,586	
(d) Long-term provisions	8	41,768,138	983,837,656	34,809,664	734,061,804
CURRENT LIABILITIES					
(a) Trade payables		1,592,541		5,200,045	
(b) Other current liabilities	9	141,542,581		629,396,003	
(c) Short-term provisions	10	444,379,408	587,514,530	439,845,696	1,074,441,744
TOTAL			<u>6,460,704,985</u>		<u>6,694,923,032</u>
ASSETS					
NON CURRENT ASSETS					
(a) Fixed assets	11				
(i) Tangible assets		50,678,859		56,099,042	
(ii) Intangible assets		5,688,000,082		5,699,085,101	
(iii) Capital-work-in-progress		-	5,738,678,941	474,904	5,755,659,047
(b) Non-current investments	13		255,000		255,000
(c) Long-term loans and advances	12		505,769,212		329,824,162
CURRENT ASSETS					
(a) Current Investments	13	60,293,664		519,729,502	
(b) Inventories	14	1,919,715		2,621,088	
(c) Trade receivables	15	12,908,874		13,592,965	
(d) Cash & bank balances	16	100,419,703		39,766,608	
(e) Short-term loans & advances	17	40,459,876	216,001,832	33,474,660	609,184,823
TOTAL			<u>6,460,704,985</u>		<u>6,694,923,032</u>
Summary of significant accounting policies	2				

As per our separate report of even date attached

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

AMIT LUTHRA
Partner
M.No.085847

Place: Noida, U.P
Date: April 28, 2014

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Director
AVP

Place: Noida, U.P
Date: April 28, 2014

Executive Director & CEO
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

	Notes	Year ended March 31, 2014	Year ended March 31, 2013
		₹	₹
Revenue from Operation	18	1,193,726,566	1,060,643,303
Other Income	19	49,988,765	69,731,888
Total Revenue		1,243,715,331	1,130,375,191
Expenses			
Operating expenses	20	162,096,427	186,029,724
Employee benefits expense	21	25,172,967	24,555,672
Finance costs	22	89,436,060	128,359,887
Depreciation and amortization expense	11	19,519,619	18,272,337
Other expenses	23	125,205,615	114,041,416
Total Expenses		421,430,688	471,259,036
Profit for the period before taxation		822,284,643	659,116,155
Tax Expense:	24		
(1) Current Tax		-	-
(2) Deferred Tax		274,747,700	237,982,600
		274,747,700	237,982,600
Profit for the period after tax		547,536,943	421,133,555
Earning per Equity Share:			
- Basic	25	2.94	2.26
- Diluted	25	2.94	2.26
Summary of significant accounting policies	2		

As per our separate report of even date attached

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

AMIT LUTHRA
Partner
M.No.085847

Place: Noida, U.P
Date: April 28, 2014

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Director
AVP

Place: Noida, U.P
Date: April 28, 2014

Executive Director & CEO
Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(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.

New Okhla Industrial Development Authority had initiated preliminary discussions with the Company to consider modification of some of the terms and conditions of the Concession Agreement. Pending outcome of such discussions, the accounts have been prepared based on extant Concession Agreement.

(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 determined the amount to be recovered including 20% return as designated under the Concession Agreement and due to the company till March 31, 2013 as ₹ 29551.41 million

(d) Early adoption of Exposure Draft of Guidance Note "Accounting for Service Concession Agreement"

The Institute of Chartered Accountants of India has issued Exposure Draft of the Guidance Note (Guidance Note) on Accounting for Service Concession Arrangements. Early application of Guidance Note is permitted. The Company had early adopted the Guidance Note with effect from first day of Financial Year 2008-2009 i.e. April 1, 2008.

The Company has determined that the intangible asset model under the guidance Note is applicable to the Concession. In particular, the Company notes that users pay tolls directly so the grantor does not have primary responsibility to pay the operator.

In order to facilitate the recovery of the project cost and 20% designated returns through collection of toll and development rights, the grantor has guaranteed extensions to the terms of the Concession, initially set at 30 years. The Company has received an "in-principle" approval for development rights from the grantor. However the Company has not yet entered into any agreement with the grantor which would constitute an assurance from the grantor to facilitate the recovery of shortfalls. Management recognizes that the development right agreement when executed will give rise to financial assets in their own right. At present, development rights have not been recognised.

Delhi Noida Toll Bridge alongwith the Mayur Vihar link road have been recognised as intangible assets on adoption of Exposure Draft of Guidance Note on Accounting for Service Concession Arrangements.

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Company recognizes the fact that the Exposure Draft of Guidance Note on Accounting for Service Concession that has been applied by the Company is still in a draft stage and the final versions may differ from the draft that has been applied in preparing the financial statements. On finalisation of the Guidance Note, Company will revisit the assumptions and premises used, determine the appropriate model for the concession and make necessary adjustments, effected in accordance with guidelines and in particular AS-5, Accounting Policies, Changes in Accounting Estimates and Errors.

(2) SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements have been prepared on accrual basis of accounting and comply with the Accounting Standards ('AS') specified in the Companies (Accounting Standard) Rules, 2006 notified by the Central Government in terms of Section 211(3C) of the Companies Act, 1956, ('the Act') read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and Draft Guidance note "Accounting for Service Concession Arrangements" 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 except for the intangible asset which has been valued at cost i.e. fair value of the construction services in accordance with Draft Guidance Note "Accounting for Service Concession Arrangement". The presentation and grouping of individual items in the balance sheet, the Statement of Profit & Loss 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. Significant assumptions used in accounting for the intangible asset are given below:

- The Company has concluded that as operators of the bridge, it has provided construction services to NOIDA, the grantor, in exchange for an intangible asset, i.e. the right to collect toll from road users during the Concession period. Accordingly, the intangible asset received has been measured at cost, i.e. fair value of the construction services. The company has recognised a profit which is the difference between the cost of construction services rendered (the cost of the project asset) and the fair value of the construction services. Transition requirements of the Exposure draft of the Guidance Note have been applied as of the date of completion of construction and commissioning of asset
- The exchange of construction services for an intangible asset is regarded as a transaction that generates revenue and costs, which have been recognised by reference to the stage of completion of the construction. Contract revenue has been measured at the fair value of the consideration receivable.
- Management has capitalised qualifying finance expenses until the completion of construction.
- The intangible asset is assumed to be received only upon completion of construction and recognised on such completion. Until then, management has recognised a receivable for its construction services. The fair value of construction services have been estimated to be equal to the construction costs plus margin of 17.5% and the effective interest rate of 13.5% for lending by the grantor. The construction industry margins range between 15-20% and Company has determined that a margin of 17.5% is both conservative and appropriate. The effective interest rate used on the receivable during construction is the normal interest rate which grantor would have paid on delayed payments.
- The Company considers that they will not be able to earn the assured return under the Concession Agreement over 30 years. The company has an assured extension of the concession as required to achieve project cost and designated returns. An independent engineer has certified the useful life of the Bridge as 100 years.
- The value of the intangible asset is being amortised over the estimated useful life in the proportion of the revenue earned for the period to the total estimated toll revenue i.e. revenue expected to be collected over the concession period.
- The carrying value of intangible asset is reviewed for impairment annually or more often if events or changes in circumstances indicate that the carrying value may not be recoverable.
- Development rights will be accounted for as and when exercised.

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

- Maintenance obligations: Contractual obligations to maintain, replace or restore the infrastructure (principally resurfacing costs and major repairs and unscheduled maintenance which are required to maintain the Bridge in operational condition except for any enhancement element) are recognised and measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provision for the resurfacing is built up in accordance with the provisions of AS 29, Provisions, Contingent Liabilities and Contingent Assets. Timing and amount of such cost are estimated and recognised on straight line basis over the period at the end of which the overlay is estimated to be carried out based on technical evaluation by independent experts.

(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.

(d) Intangible Asset

The value of the intangible asset was measured and recognised on the date of completion of construction at the fair value of the construction services provided. It is being amortised in the proportion of the revenue earned for the period to the total estimated toll revenue i.e. revenue expected to be collected over the concession period.

(e) Fixed Assets

Fixed assets have been stated at cost less accumulated depreciation and accumulated impairment in value.

The carrying values of fixed assets 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) Depreciation

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

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

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

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

(i) 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 net of provision for diminution of permanent nature in their value.

(j) 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.

(k) 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.

(l) 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.

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses in the year in which the employees perform the services that the benefit covers at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment or encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

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.

(m) 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.

(n) 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.

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

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).

(o) Taxes

Current tax represents the amount that would be payable based on computation of tax as per prevailing taxation laws.

Current tax is determined based on the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised on timing differences; being the difference between the taxable income and accounting income that originate in one year and are capable of reversal in one or subsequent years. 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. Deferred tax assets arising on unabsorbed depreciation or carry forward of tax losses are recognised to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax in the future period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company.

(p) 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.

(q) 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.

(r) Share based payment transactions

Employee Stock 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.

(s) 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 Statement of Profit & Loss for the year.

(t) Earnings per Share

Basic earning per share is calculated by dividing net profit for the year by the weighted average number of ordinary shares outstanding during the year.

Diluted earning per share is calculated by dividing the net profit 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.

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

3. SHARE CAPITAL	As at March 31, 2014		As at March, 2013	
Authorised				
200,000,000 (PY 200,000,000) Equity Shares of ₹ 10/- each		2,000,000,000		2,000,000,000
		2,000,000,000		2,000,000,000
Issued, Subscribed & Paid-Up				
186,195,002 (PY 186,195,002) Equity Shares of ₹ 10/- each		1,861,950,020		1,861,950,020
		1,861,950,020		1,861,950,020

NOTES :

(i) Details of the shareholders holding more than 5% shares of the Company

IL&FS Transportation Networks Limited	47,195,007	25.35%	47,195,007	25.35%
Noida Authority	10,000,000	5.37%	10,000,000	5.37%

(ii) Reconciliation of the share outstanding at beginning and at end of the year

	Number	₹	Number	₹
Shares outstanding at the beginning of the period	186,195,002	1,861,950,020	186,195,002	1,861,950,020
Shares Issued during the period	-	-	-	-
Shares outstanding at the end of the period	186,195,002	1,861,950,020	186,195,002	1,861,950,020

- (iii) "The company has only one class of ordinary equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Each holder of these ordinary shares are entitled to receive dividends as and when declared by the company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportionate to the number of equity shares held by the shareholders."

(iv) DIVIDEND

	As at March 31, 2014		As at March 31, 2013	
	Total Amount	Per Share	Total Amount	Per Share
Proposed**	186,195,002	1.00	186,201,407	1.00
Interim	279,298,076	1.50	-	-

**The Board of Directors has recommended Dividend subject to the approval of members in AGM.

4. RESERVES & SURPLUS

	As at March 31, 2014		As at March 31, 2013	
(i) Debenture Redemption Reserve				
Opening Balance	35,394,546		27,529,091	
Add : Created during the period	8,848,636	44,243,182	7,865,455	35,394,546
(ii) Securities Premium		1,446,280,612		1,446,280,612
(iii) General Reserve				
Opening Balance	-		-	
Add : Created during the period	54,753,694	54,753,694	-	-
(iv) Profit & Loss Account (Credit Balance)				
Opening Balance	1,542,794,306		1,347,371,456	
Add : Profit for the period	547,536,943		421,133,555	
Less: Appropriation				
Transfer to General Reserve	54,753,694			
Transfer to Debenture Redemption Reserve	8,848,636		7,865,455	
Interim Dividend	279,298,076		-	
Proposed Dividend	186,195,002		186,201,407	
Dividend Distribution Tax	79,110,550		31,643,843	
		1,482,125,291		1,542,794,306
		3,027,402,779		3,024,469,464

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

5. LONG TERM BORROWINGS (SECURED) ₹

	As at March 31, 2014		As at March 31, 2013	
	Non Current portion	Current Maturities	Non Current portion	Current Maturities
(a) Debentures and Bonds				
10,815 8.5% Deep Discount Bonds of face value of ₹20,715 each	224,032,725		224,032,725	
Less:Unexpired Discount	27,123,874		42,549,911	
	196,908,851		181,482,814	
(b) Term loans				
From Financial Institution	-	-	-	178,836,656
	-	-	-	178,836,656
(c) Loans from related parties		50,000,000	50,000,000	357,635,364
	196,908,851	50,000,000	231,482,814	536,472,020

a. Terms of Repayment ₹

Lender	March 31, 2014	Rate of Interest	Date of Repayment
Deep Discount Bond	196,908,851	8.50%	Repayable in November 2015
Secured Loan from related party	50,000,000	12.50%	Repayable in March 2015
	246,908,851		

b. Deep Discount Bonds issued at ₹5,000 each would be redeemed at ₹20,715 in November 2015. Deep Discount Bonds are secured by a pari passu first charge in favour of the trustees along with the other senior lenders of the Company on all the project assets which include the Delhi Noida Link Bridge and all tangible and intangible assets including but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds etc.

c. Term loans 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.

6. DEFERRED TAX LIABILITIES (NET) ₹

	As at March 31, 2014	As at March 31, 2013
Deferred Tax Liability:		
Difference between book depreciation and income tax depreciation	712,983,310	680,435,610
Deferred Tax Assets:		
Unabsorbed Depreciation	-	205,475,980
Disallowance u/s 43B of Income Tax Act	690,870	566,520
Provision for resurfacing		36,848,370
Net Deferred Tax Liability	712,292,440	437,544,740

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

7. OTHER LONG TERM LIABILITIES ₹

	As at March 31, 2014	As at March 31, 2013
Interest free deposits from customers	32,868,227	30,224,586
	<u>32,868,227</u>	<u>30,224,586</u>

8. LONG TERM PROVISIONS ₹

	As at March 31, 2014	As at March 31, 2013
(a) Provision for Employee Benefits	2,032,572	1,666,719
(b) Provision for Contingencies*	29,556,857	29,556,857
(c) Provision for Overlay	10,178,709	3,586,088
	<u>41,768,138</u>	<u>34,809,664</u>

*Recognised in accordance with the terms of scheme of Amalgamation with DND Flyway Ltd. for the contingencies for prepayment of loans

9. OTHER CURRENT LIABILITIES ₹

	As at March 31, 2014	As at March 31, 2013
(a) Current maturities of long term secured debt		
(i) From Financial Institution		178,836,656
(ii) From Related Party	50,000,000	357,635,364
(b) Interest accrued but not due on borrowings		292,808
(c) Income received in advance/ Advance Payments and Unexpired Discounts	39,379,288	33,944,440
(d) Interest free deposits from customers	7,370,250	6,716,250
(e) Unclaimed Dividend	13,792,819	3,644,188
(f) Other payables	31,000,224	48,326,297
	<u>141,542,581</u>	<u>629,396,003</u>

10. SHORT TERM PROVISIONS ₹

	As at March 31, 2014	As at March 31, 2013
(a) Provision for Employee Benefits	4,028,881	3,292,308
(b) Provision for Taxes	5,420,091	439,665
(c) Provision for Overlay	137,775,821	150,916,822
(d) Provision for Litigation	79,315,772	67,358,056
(e) Proposed Dividend	186,195,002	186,195,002
(f) Provision for dividend tax on proposed dividend	31,643,841	31,643,843
	<u>444,379,408</u>	<u>439,845,696</u>

Provision for Overlay

The Group has a contractual obligation to maintain, replace or restore infrastructure, except for any enhancement element. Cost of such obligation is measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date and recognised over the period at the end of which the overlay is estimated to be carried out. Overlay of MVRL has been completed during the previous year, next overlay of MVRL is expected to be carried out after expiry of five years. Overlay of DND Flyway is under progress and is expected to be completed by May 2014.

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	March 31, 2014		March 31, 2013	
	₹	₹	₹	₹
	Non-Current	Current	Non-Current	Current
Opening Balance	3,586,088	150,916,822	-	137,365,105
Accretion during the year	6,592,621	51,680,199	3,586,088.00	87,051,644
Utilised during the year	-	(64,821,200)	-	(73,499,927)
Closing Balance	<u>10,178,709</u>	<u>137,775,821</u>	<u>3,586,088.00</u>	<u>150,916,822</u>

Provision for litigations

- (i) "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 ₹ 29.32 million and provided the same as a part of the project cost. A sum of ₹9.20 million has so far been paid against the demand out of the aforesaid provision. The actual settlement may result in probable obligation to the extent of ₹ 20.12 million based on management estimates."
- (ii) "The Company had applied for and was granted renewal of permission from Municipal Corporation of Delhi (MCD) to display advertisements for a period of five years w.e.f 1.8.2009 subject to payment of monthly license fee @ ₹115/- per sq.ft. of the total display area or 25% of the gross revenue generated out of display whichever was higher. The Company has been sharing 25% of the revenue with MCD since inception. The Company contested the aforesaid imposition @ ₹115 on the ground that same was not permitted by the 2008 Outdoor Advertisement policy. The MCD, however cancelled the permission vide Order dated 10.05.2010 for nonpayment @ ₹115. The Company filed a Writ Petition before the Hon'ble Delhi High Court for quashing of the aforesaid Order. After hearing the submissions of the Company, the Hon'ble Court vide order dated 25.05.2010 stayed the operation of the impugned order subject to NTBCL depositing 50% of the arrears of License fee to be calculated @ ₹ 115/- per sqft of the display and continuing to deposit license fee at the said rate every month till the final disposal of the Writ Petition."

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

NOTES FORMING PART OF FINANCIAL STATEMENT

FOR THE YEAR ENDED MARCH 31, 2014

(In ₹)

Sr. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As At 1-4-2013	Additions	Deductions	As At 31-03-2014	For the period	Deductions	As At 31-03-2014	As At 31-03-2013
A	Tangible Assets								
1	Advertisement structure	46,037,582	-	-	46,037,582	2,642,917	-	-	2,642,917
2	Data Processing Equipment	7,024,840	448,624	(140,461)	7,333,003	777,718	(140,461)	1,013,209	1,342,303
3	Office Equipment	16,290,270	2,570,522	(312,090)	18,548,702	1,332,529	(307,361)	4,209,275	2,976,011
4	Furniture & Fixtures	10,521,231	-	-	10,521,231	965,795	-	91,660	1,057,455
5	Vehicles	16,098,181	-	(2,227,528)	13,870,653	1,550,405	(2,227,528)	3,443,450	4,993,855
	Sub-Total	95,972,104	3,019,146	(2,680,079)	96,311,171	7,269,364	(2,675,350)	87,553,577	13,012,541
	Leased								
1	Building	48,216,184	-	-	48,216,184	1,165,236	-	41,921,265	43,086,501
	Sub-Total	48,216,184	-	-	48,216,184	1,165,236	-	6,294,919	43,086,501
	Total Tangible Assets	144,188,288	3,019,146	(2,680,079)	144,527,355	8,434,600	(2,675,350)	93,848,496	56,099,042
B	Intangible Assets								
1	Right under Service Concession Arrangements	6,013,412,519	-	-	6,013,412,519	11,085,019	-	5,688,000,082	5,699,085,101
		6,013,412,519	-	-	6,013,412,519	11,085,019	-	5,688,000,082	5,699,085,101
	Total Fixed Assets	6,157,600,807	3,019,146	(2,680,079)	6,157,939,874	19,519,619	(2,675,350)	419,260,933	5,738,678,941
	Previous Year	6,149,657,070	9,385,437	(1,441,700)	6,157,600,807	18,272,337	(1,425,425)	5,755,184,143	5,764,087,318

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

12. LONG TERM LOAN AND ADVANCES

(Unsecured, considered good)

₹

	As at March 31, 2014	As at March 31, 2013
Security Deposits	2,557,638	2,239,544
MAT Credit Entitlement	503,211,574	327,584,618
	505,769,212	329,824,162

13. INVESTMENTS

₹

	As at March 31, 2014	As at March 31, 2013
(a) Non Current investments		
Investments in Subsidiary Company ITNL Toll Management Services Limited 25,500(Previous year 25,500) Equity Shares of Face Value of ₹10 each	255,000	255,000
	255,000	255,000
(b) Current investments		
(Quoted, other than Trade Investments)		
LIC Nomura MF Liquid Fund-Growth Plan 8739.838 (Previous year NIL) units of face value of ₹1000 each	20,293,664	-
UTI Treasury Advantage Fund - Institutional plan (Growth Option)- NIL (Previous year 97,906.914) units of face Value of ₹1000 each	-	154,757,621
Canara Robeco Treasury Advantage Institutional Growth Fund NIL (Previous year 60,783.064) units of face Value of ₹1000 each	-	108,149,664
SBI Ultra Short Term Debt Fund-Regular Plan-Growth 24,368.75 (previous year 90,699.819) units of face value of ₹1000 each	40,000,000	136,322,217
SBI SHDF-Short Term Debt Fund-Regular Plan -Growth NIL (Previous year 2,706,685.513) units of face value of ₹10 each	-	36,000,000
Reliance Floating Rate Fund-Short Term Plan-Growth NIL (Previous year 1,235,066.918) units of face value of ₹10 each	-	22,000,000
Principal Debt Opportunities Fund-Conservative Plan-Regular-Growth NIL (Previous year 33,683.204) units of face value of ₹1000 each	-	62,500,000
	60,293,664	519,729,502

Net Asset Value of quoted investments as at the year ended ₹60,548,328 (Previous Year ₹ 522,723,092)

14. INVENTORIES

₹

	As at March 31, 2014	As at March 31, 2013
Electronic Cards and 'On Board Units'	1,919,715	2,621,088
	1,919,715	2,621,088

15. TRADE RECEIVABLES

(Unsecured, considered good)

₹

	As at March 31, 2014	As at March 31, 2013
(1) Outstanding for not more than six months	12,785,274	13,058,128
(2) Outstanding for more than six months	123,600	534,837
	12,908,874	13,592,965

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

₹	
As at	As at
March 31, 2014	March 31, 2013
16. CASH AND BANK BALANCES	
Cash and cash equivalents	
(i) Balances with Local banks	
- In Current Account	6,036,285
- In Fixed Deposit Account (due within 3 months)	30,000,000
(ii) Cash on hand	86,135
	<u>36,122,420</u>
Other Bank Balances	
- Unclaimed Dividend	3,644,188
	<u>100,419,703</u>
17. SHORT-TERM LOAN AND ADVANCES	
(Unsecured, considered good)	
₹	
As at	As at
March 31, 2014	March 31, 2013
Related Party	145,801
Others	10,703,979
Advance Payment against Taxes	22,624,880
	<u>40,459,876</u>
18. REVENUE FROM OPERATIONS	
₹	
Year ended	Year ended
March 31, 2014	March 31, 2013
(a) Toll Revenue	888,350,640
(b) Space for Advertisement	137,549,803
(c) Office Space	24,408,000
(d) Other License Fee	10,334,860
	<u>1,060,643,303</u>
19. OTHER INCOME	
₹	
Year ended	Year ended
March 31, 2014	March 31, 2013
(a) Net gain on sale of investments	44,627,926
(b) Interest Income	106,083
(c) Excess provision written back	20,007,615
(d) Other non-operating income	4,990,264
	<u>49,988,765</u>
20. OPERATING EXPENSES	
₹	
Year ended	Year ended
March 31, 2014	March 31, 2013
Fees paid to O&M Contractor	72,000,000
Power and fuel / Electricity Expenses- Road, Bridges & Others	12,825,778
Repairs to buildings/ Repair & Maintenance- DND	5,586,640
Consumption of Cards	4,979,574
Overlay Expenses	90,637,732
	<u>186,029,724</u>

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

21. EMPLOYEE BENEFIT EXPENSE

₹

	Year ended March 31, 2014	Year ended March 31, 2013
(a) Salaries and wages	21,420,132	20,986,047
(b) Contribution to provident and other funds	1,847,065	1,525,450
(c) Staff welfare expenses	1,905,770	2,044,175
	25,172,967	24,555,672

22. FINANCE COSTS

₹

	Year ended March 31, 2014	Year ended March 31, 2013
(a) Interest on Deep Discount Bonds	15,426,037	14,215,801
(b) Interest on Term Loan	72,815,618	112,887,474
(c) Other Finance Charges	1,194,405	1,256,612
	89,436,060	128,359,887

23. OTHER EXPENSES

	Year ended March 31, 2014	Year ended March 31, 2013
Repairs to machinery/ Repair & Maintenance- Others	1,748,446	1,215,492
Insurance	5,621,757	5,544,547
Rates and taxes	16,526,003	14,308,624
License Fee	58,587,666	36,053,592
Legal & Professional Charges	21,365,019	27,285,032
Litigation Settlement expenses	-	11,000,000
Agency Fees	3,138,750	3,264,700
Travelling and Conveyance	2,828,295	2,882,277
Advertisement and Business Promotion Expenses	2,405,434	2,816,495
Telephone, Fax and Postage	1,750,585	1,442,507
Directors Sitting Fees & Commission	7,160,000	5,020,000
Printing and Stationery	1,637,869	1,440,011
Other Expenses	2,435,791	1,768,139
	125,205,615	114,041,416
Legal and Professional charges include remuneration paid to Auditors:		
As an Auditor	1,458,000	1,458,000
Other Services	845,000	720,000
Reimbursement of out of pocket expenses	120,000	120,000
	2,423,000	2,298,000

24. TAX EXPENSE

₹

	Year ended March 31, 2014	Year ended March 31, 2013
Current Tax		
MAT	175,626,956	134,739,897
MAT Credit	(175,626,956)	(134,739,897)
	-	-
Deferred Tax	274,747,700	237,982,600
	274,747,700	237,982,600

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

25. EARNING/ (LOSS) PER SHARE

₹

	Year ended March 31, 2014	Year ended March 31, 2013
A Number of Equity shares of ₹ 10 each fully paid up at the beginning of the period	186,195,002	186,195,002
B Number of Equity shares of ₹ 10 each fully paid up at the period end	186,195,002	186,195,002
C Weighted Average number of Equity Shares outstanding during the year	186,195,002	186,195,002
D Net Profit for the Year (₹)	547,536,943	421,133,555
E Basic / Diluted Profit per Share (₹)	2.94	2.26
F Nominal value of Equity Share (₹)	10	10

26. CONTINGENT LIABILITIES AND COMMITMENTS

₹

	Year ended March 31, 2014	Year ended March 31, 2013
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	2.19
(ii) 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.		
(iii) A public interest litigation has been filed in Allahabad High Court to make the project a toll free facility for general public.		

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

28. 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. Benefit 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 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.

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Net Benefit Expenses	₹	
	Year ended March 31,2014	Year ended March 31,2013
Current service cost	384,150	341,020
Interest cost on benefit obligation	386,565	432,343
Expected return on plan assets	(595,008)	(325,592)
Net actuarial(gain)/loss recognised	286,257	(241,508)
Annual expenses	461,964	206,263
Benefit Asset/ (Liability)		
Defined benefit obligation	5,667,029	4,685,632
Fair value of plan assets	7,731,656	7,212,223
Benefit Asset/ (Liability)	2,064,627	2,526,591
Changes in the present value of the defined benefit obligation:		
Opening defined benefit obligation	4,685,632	5,416,713
Excess provision written back	-	(1,239,277)
Interest cost	386,565	432,343
Current service cost	384,150	341,020
Benefits Paid	-	(74,377)
Net actuarial(gain)/loss recognised in year	210,682	(190,790)
Closing defined benefit obligation	5,667,029	4,685,632
Changes in the fair value of plan assets:		
Opening fair value of plan assets	7,212,223	5,185,290
Expected return	595,008	325,592
Contributions	-	1,725,000
Benefits paid	-	(74,377)
Actuarial gains/(losses) on fund	(75,575)	50,718
Closing fair value of plan assets	7,731,656	7,212,223

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:

Discount rate	8.25%	8.25%
Future salary increases	6.50%	6.50%
Rate of interest	6.50%	6.50%
Mortality table used	LIC (1994-96) Ultimate Table	LIC (1994-96) Ultimate Table

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

Contributions expected to be made by the Company during the next year is ₹ 407,794 (previous year ₹ 534,539)

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

The amounts for the current year and previous annual periods are given below:

	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Defined benefit obligation	5,667,029	4,685,632	5,416,713	4,282,492	10,882,837
Defined benefit Assets	7,731,656	7,212,223	5,185,290	4,744,566	15,367,517
Surplus/(Deficit)	2,064,627	2,526,591	(231,423)	462,074	4,484,680
Experience adjustments on plan liabilities	286,257	1,253,880	(2,933,188)	(4,269,339)	354,593
Experience adjustments on plan assets	(75,575)	226,905	247,356	321,323	599,612

29. EXPENDITURE IN FOREIGN CURRENCY

	Year ended March 31, 2014	Year ended March 31, 2013
Travel	213,435	-
Consultancy/ Legal Fees	5,284,085	3,907,865

30 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, 2014	Year ended March 31, 2013
Expenditure on other service	158,636	187,175
Interest on Term Loan	61,260,320	81,265,263
Dividend on equity	4,750,000	950,000
Recoverable as at the year end	40,554	145,801
Equity as at the year end	19,000,000	19,000,000
Term Loan as at the year end		
Non-Current	-	50,000,000
current	50,000,000	357,635,366

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

IL&FS Transportation Network Limited

Transactions/ Outstanding balances	Year ended March 31, 2014	Year ended March 31, 2013
Rent Income	-	216,000
Expenditure on other services (including reimbursement on account of Key Managerial personnel)*	6,000,000	6,000,000
Dividend on equity	117,987,518	23,597,504
Payable at the year end	-	1,594,480
Recoverable as at the year end	398,092	-
Equity as at the year end	471,950,070	471,950,070

(iii) Enterprise which is controlled by the company

ITNL Toll Management Services Limited

Transactions/ Outstanding balances	Year ended March 31, 2014	Year ended March 31, 2013
O&M Fee	79,200,000	72,000,000
Investment in Equity Shares	255,000	255,000
Receivable as at year end	96,601	-
Payable at the year end	-	921,689

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(iv) Key Management Personnel

Mr. Harish Mathur (CEO & Executive Director)*

₹

Transactions/ Outstanding balances	Year ended March 31, 2014	Year ended March 31, 2013
Remuneration paid	-	-
Sitting Fee (Including reimbursement of expenses)	525,000	275,000

31. SEGMENT REPORTING

The Concession Agreement with NOIDA confers certain economic rights to the Group. These include rights to charge toll and earn advertisement revenue, development income and other economic rights. The income stream of the Group comprises of toll income and advertising income and other related income for the year.

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

Similarly, the Group operates under a single geographical segment.

32. 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.

As per our separate report of even date attached

For LUTHRA & LUTHRA

Chartered Accountants

Reg. No. 002081N

AMIT LUTHRA

Partner

M.No.085847

Place: Noida, U.P

Date: April 28, 2014

For and on behalf of

NOIDA TOLL BRIDGE COMPANY LIMITED

Director

AVP

Place: Noida, U.P

Date: April 28, 2014

Executive Director & CEO

Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR MARCH 31, 2014

	Year Ended March 31, 2014	Year Ended March 31, 2013
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) for the period	822,284,643	659,116,155
Adjustments For :		
Depreciation	19,519,619	18,272,337
Finance Charges	89,436,060	128,359,887
(Profit) / Loss on Sale of Assets	(190,085)	(260,229)
	<u>931,050,237</u>	<u>805,488,150</u>
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Trade Receivable	684,091	(6,452,808)
Decrease / (Increase) in Inventories	701,373	(1,792,133)
Decrease / (Increase) in Loans and Advances	(7,302,410)	(4,848,128)
Increase / (Decrease) in Current Liabilities	(5,694,324)	48,345,944
Cash From/(Used In) Operating activities	<u>919,438,967</u>	<u>840,741,025</u>
Tax Paid	(170,647,430)	(145,373,147)
Net Cash From/(Used In) Operating activities	<u>748,791,537</u>	<u>695,367,878</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase / Addition to Fixed Assets	(2,544,242)	(9,860,341)
Proceeds from Sale of Fixed Assets	194,814	276,504
Cash From/(Used In) Investing Activities	<u>(2,349,428)</u>	<u>(9,583,837)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend Paid (including dividend tax)	(544,603,630)	(108,206,649)
Repayment of Secured Loan from Banks, Financial Institutions and others	(536,472,020)	(331,874,021)
Interest and Finance Charges Paid	(74,302,831)	(114,312,751)
Cash From/(Used In) Financing Activities	<u>(1,155,378,481)</u>	<u>(554,393,421)</u>
Net Increase /Decrease in Cash and Cash Equivalents	<u>(408,936,372)</u>	<u>131,390,620</u>
Cash and Cash Equivalents as at beginning of the period	555,851,922	424,461,302
Cash and Cash Equivalents as at end of the period	<u>146,915,550</u>	<u>555,851,922</u>
Components of Cash and Cash Equivalents as at:		
Cash in hand	75,868	86,135
Balances with the scheduled banks:		
- In Current accounts	16,546,018	6,036,285
- In Deposit accounts	70,000,000	30,000,000
Short Term Investments (Maturity less than 3 months)	60,293,664	519,729,502
	<u>146,915,550</u>	<u>555,851,922</u>

As per our separate report of even date attached

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

AMIT LUTHRA
Partner
M.No.085847

Place: Noida, U.P
Date: April 28, 2014

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Director
AVP

Place: Noida, U.P
Date: April 28, 2014

Executive Director & CEO
Company Secretary

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	March 31, 2014
3. Holding Company's Interest in the Subsidiary Company	51% of the Equity Share capital of ₹ 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	(₹8,445,432)
(b) For the previous years since it became a subsidiary	(₹3,184,974)
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 years since it became a subsidiary	Nil

CEO & Executive

Director

Company Secretary

AVP

NOIDA
April 28, 2014

ITNL TOLL MANAGEMENT SERVICES LIMITED >>

SEVENTH ANNUAL REPORT 2013-14

BOARD OF DIRECTORS

Harish Mathur
Pradeep Puri
Monisha Macedo

BANKER

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

AUDITORS

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

REGISTERED OFFICE ADDRESS

Toll Plaza, DND Flyway
NOIDA (UP) 201 301
CIN: U45203UP2007PLC033529

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Seventh Annual Report together with the Audited Accounts and the Auditor's Report for the financial year April 01, 2013 to March 31, 2014.

OPERATIONS

The Company continues to handle the operations and maintenance of the DND Flyway. There has been a marginal decline in the traffic during the year under review as compared to the Previous Year. This decline can be attributed to the tremendous increase in traffic during the months of December 2012 to February 2013 of the previous financial year, during the partial closure of the Okhla Barrage/Kunj Bridge for repairs (and diversion of traffic onto DND Flyway). The Annual Average Daily Traffic (AADT) during the year under review was 113,591 vehicles as against 114,721 vehicles in the Previous Year.

The Company has continued in its pursuit of excellence in the field of traffic safety and user satisfaction, resulting in enhanced traffic rule compliance and customer satisfaction levels. During the year the Company has witnessed lowest incident of accidents since the start of operation. The Company, with a high level of commitment and drive for excellence, has set very high standards at DND Flyway, in consonance with best international standards and practices in the field of O & M.

It is the first company in India, in the field of O & M operations, to have been awarded ISO 9001:2008 certification.

FINANCIAL RESULTS

(₹ in million)

Particulars	Year ended 31.3.2014	Year ended 31.03.2013
Operation & Maintenance Fees	82.53	87.67
Other Income	0.38	0.59
Operating & Administration Expenses	90.21	89.13
Profit (Loss) before Interest & Depreciation	-7.30	-0.87
Depreciation	0.95	1.27
Provision for Tax	0.19	0.17
Net Profit/(Loss) carried to Balance Sheet.	-8.44	-2.31

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

The Company does not own any manufacturing facilities hence particulars with regard to Energy Conservation & Technology Absorption are not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has not earned any foreign exchange during the year. The foreign exchange outgo for the Financial Year was Rs. 38,775/-.

STATUTORY AUDITORS

M/s. 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.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013, Ms. Monisha Macedo, Director, is due to retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164 of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Section 217 (2AA) of the Companies Act, 1956, required 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 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 or loss of the Company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENTS

The Board of Directors place on record their appreciation for the dedication and commitment of employees at all levels, who have contributed to the success of the Company.

By order of the Board
For **ITNL Toll Management Services Limited**

Harish Mathur
Director
DIN No. 02011479

Place : Noida
Dated : July 28, 2014

Registered Office:
Toll Plaza, DND Flyway
Noida - 201 301.
CIN: U45203UP2007PLC033529

AUDITORS' REPORT

TO THE MEMBERS OF

ITNL Toll Management Services Limited

New Delhi

We have audited the accompanying financial statement of ITNL Toll Management Services Limited ("the Company") which comprises the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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, 2014; and
- ii. In the case of the Statement of Profit and Loss, of the loss 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies' Auditors Report Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (the 'Order'), 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.
2. As required by section 227(3) of the Act, 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 Statement of Profit and Loss dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
 - (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 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

Amit Luthra
Partner
M. No. 085847

Place : Noida
Date : 28.04.2014

ANNEXURE TO THE AUDITORS' REPORT

(Statement on the matters specified in Companies' Auditors Report Order, 2003)

- i. a. The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. 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.
- c. The fixed assets disposed off during the year were not substantial, and therefore, do not affected the going assumptions.
- ii. a. As per the information and explanations given to us, inventories have been physically verified at reasonable interval during the year by the Management.
- b. 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.
- c. 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.
- iii. According to the information and explanations given to us, the company has not taken/granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- iv. 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 with regard to purchases of inventory, fixed assets. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures of the Company.
- v. According to the information and explanations given to us, there were no transactions during the year pursuant to the contracts or arrangements referred to in Section 301 of the Act.
- vi. According to the information and explanations given to us the company has not accepted deposits from the public.
- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. a. According to the information and explanations given to us, the company is generally 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 applicable to it with the appropriate authorities. There are no arrears of outstanding statutory dues outstanding as at 31 March, 2014 for a period of more than six months from the date they became payable.
- b. 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.
- ix. The Company has accumulated losses at the end of the financial year which exceeds the 50% of net worth. The Company has incurred cash losses during the financial year as well as immediately preceding financial year.
- x. As per the information and explanation given to us, 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.
- xi. As per the information and explanation given to us, fund raised on short term basis has not been used for long term investment.
- xii. 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.
- xiii. The company has not raised money by public issue during the year.
- xiv. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted Auditing Practices in India, and according to the information and explanations given to us, we have not come across any fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
- xv. Matters specified in Clauses i.e. (viii), (xi), (xii), (xiii), (xiv), (xvi), (xix) of paragraph 4 of the CARO 2003 do not apply to the Company.

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

Amit Luthra
 Partner
 M. No. 085847

Place : Noida
 Date : 28.04.2014

BALANCE SHEET AS AT MARCH 31, 2014

	Note No	As on March 31, 2014		As on March 31, 2013	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
Shareholder's Funds					
(a) Share Capital	3	500,000		500,000	
(b) Reserves & Surplus	4	(11,875,406)	(11,375,406)	(3,429,974)	(2,929,974)
Non Current Liabilities					
Long Term Provisions	5		3,684,972		3,823,588
Current Liabilities					
(a) Trade Payables		3,472,965		2,361,033	
(b) Other Current Liabilities	6	39,995,240		29,224,544	
(c) Short Term Provisions	7	3,468,733	46,936,938	4,414,401	35,999,978
TOTAL			39,246,504		36,893,592
II. ASSETS					
Non Current Assets					
Fixed Asset	8		1,479,262		2,125,825
Current Assets					
(a) Inventories	9	1,738,762		1,773,827	
(b) Trade Receivables	10	-		3,474,251	
(c) Cash & Bank Balances	11	7,685,167		6,849,168	
(d) Short Term Loans & Advances	12	28,343,313	37,767,242	22,670,521	34,767,767
TOTAL			39,246,504		36,893,592
Summary of significant accounting policies	2		-		-
Accompanying notes are an integral part of the financial statements					

As per our separate report of even date attached

For LUTHRA & LUTHRA

Chartered Accountants

Reg. No. 002081N

AMIT LUTHRA

Partner

M.No.085847

Place: Noida,

Date: April 28, 2014

For and on behalf of THE BOARD OF DIRECTORS

Director

Director

GM

Place: Noida,

Date: April 28, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

	Notes	Year Ended March 31, 2014	Year Ended March 31, 2013
		₹	₹
INCOME			
Income From Operations	13	82,532,850	87,672,532
Other Income	14	378,560	590,014
		82,911,410	88,262,546
EXPENDITURE			
Operating Expenses	15	25,624,336	26,005,953
Employee Cost	16	55,855,638	55,577,596
Finance Cost	17	343,781	389,180
Depreciation and Amortisation Expense	8	954,050	1,266,154
Other Expenses	18	8,385,585	7,163,500
		91,163,390	90,402,383
Profit / (Loss) before Tax		(8,251,980)	(2,139,837)
Provision for Tax	19	(193,452)	(174,262)
Profit / (Loss) After Tax		(8,445,432)	(2,314,099)
Basic & Diluted Profit / (Loss) per Equity Share (in ₹)	20	(168.91)	(46.28)
Summary of significant accounting policies	2		
Accompanying notes are an integral part of the financial statements			

As per our separate report of even date attached

For LUTHRA & LUTHRA

Chartered Accountants
Reg. No. 002081N

AMIT LUTHRA

Partner
M.No.085847

Place: Noida

Date: April 28, 2014

For and on behalf of THE BOARD OF DIRECTORS

Director

GM

Place: Noida

Date: April 28, 2014

Director

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(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, 2007.

(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 under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 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 derecognized 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 period the asset is derecognized.

The asset's residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each reporting date.

(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

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

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) Inventories

Inventories are valued at the lower of cost or net realizable value. Cost is recognised on First in First Out basis.

(g) Provisions

Provisions are recognized 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.

(h) Employee costs

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

The leave balance is classified as short term and long term based on the best estimates after considering the past trends. The short term leave encashment liability for the expected leave to be encashed has been measured on actual components eligible for leave encashment and expected short term leave to be availed is valued at total cost to the Group. Long term leave has been valued on actuarial basis.

The company has two retirement benefit plans in operation viz. Gratuity and 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 at each reporting date. Actuarial gains and losses are recognised in full in the period in which they occur.

(i) Revenue Recognition

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

Operation & Maintenance Fees

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

Service Charges

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

(j) Expenditure

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

(k) 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.

Current tax is determined based on the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized on timing differences; being the difference between the taxable income and accounting income that originate in one accounting period and are capable of reversal in one or subsequent periods. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets arising on unabsorbed depreciation or carry forward of tax losses are recognised to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

(l) CENVAT Credit

CENVAT (Central Value Added Tax) in respect of service Tax is accounted on accrual basis on eligible services. The balance of cervat credit is reviewed at each reporting date and amount estimated to be unutilised is charged to the Statement of profit & loss for the period.

(m) Preliminary Expenditure

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

(n) Earnings per Share

Basic earnings per share are calculated by dividing net profit for the period by the weighted average number of ordinary shares outstanding during the period.

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

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

3. SHARE CAPITAL ₹

	As at March 31, 2014	As at March 31, 2013
Authorised		
50,000 Equity Shares of ₹ 10/- each	500,000	500,000
Issued, Subscribed & Paid-Up		
50,000 Equity Shares of ₹ 10/- each	500,000	500,000
	<u>500,000</u>	<u>500,000</u>

(a) Reconciliation of the share outstanding at beginning and at end of the year

	Number	₹	Number	₹
Shares outstanding at the beginning of the period	50,000	500,000	50,000	500,000
Shares Issued during the period	-	-	-	-
Shares outstanding at the end of the period	<u>50,000</u>	<u>500,000</u>	<u>50,000</u>	<u>500,000</u>

(b) Terms/Rights attached to Equity Shares

The company has only one class of ordinary equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Each holder of these ordinary shares are entitled to receive dividends as and when declared by the company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportionate to the number of equity shares held by the shareholders.

(c) Shares held by Holding Company

25,500 Equity Shares (Previous year 25,500) are held by Noida Toll Bridge Co. Limited, the holding company.

(d) Details of the Shareholders holding more than 5 % in shares of the company ₹

	As at March 31, 2014		As at March 31, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Noida Toll Bridge Company Limited	25,500	51%	25,500	51%
IL&FS Transportation Networks Limited	24,500	49%	24,500	49%

4. RESERVES & SURPLUS ₹

	As at March 31, 2014	As at March 31, 2013
Deficit in Statement of Profit & Loss		
Opening balance	(3,429,974)	(1,115,875)
(+) Net Profit/(Loss) for the year	(8,445,432)	(2,314,099)
	<u>(11,875,406)</u>	<u>(3,429,974)</u>

5. LONG TERM PROVISIONS ₹

	As at March 31, 2014	As at March 31, 2013
- Provision for employee benefits	3,684,972	3,823,588
	<u>3,684,972</u>	<u>3,823,588</u>

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

6. OTHER CURRENT LIABILITIES

₹

	As at March 31, 2014	As at March 31, 2013
Statutory dues	799,870	898,385
Expenses payable	3,765,586	3,383,818
Other Liabilities	35,429,784	24,942,341
	39,995,240	29,224,544

7. SHORT TERMS PROVISIONS

₹

	As at March 31, 2014	As at March 31, 2013
Employee benefits	3,468,733	4,414,401
	3,468,733	4,414,401

8. FIXED ASSETS

(In ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01-04-2013	Additions	Deletion	As on 31-03-2014	As on 01-04-2013	For the period	Deletion	As on 31-03-2014	As on 31-03-2014	As on 31-03-2013
Office Equipment	2,844,539	242,476	222,241	2,864,774	1,807,442	385,512	159,156	2,033,798	830,976	1,037,097
Furniture & Fixtures	1,073,642	65,456	41,300	1,097,798	669,481	176,172	28,555	817,098	280,700	404,161
Computers	2,416,974	75,385	-	2,492,359	1,732,407	392,366	-	2,124,773	367,586	684,567
TOTAL	6,335,155	383,317	263,541	6,454,931	4,209,330	954,050	187,711	4,975,669	1,479,262	2,125,825
Previous Year (₹)	5,315,572	1,039,583	20,000	6,335,155	2,963,176	1,266,154	20,000	4,209,330	2,125,825	2,352,396

9. INVENTORIES

₹

	As at March 31, 2014	As at March 31, 2013
Stock of Spares	1,738,762	1,773,827
	1,738,762	1,773,827

10. TRADE RECEIVABLES

₹

	As at March 31, 2014	As at March 31, 2013
Unsecured, considered good		
Outstanding for more than six months	-	-
Others	-	3,474,251
	-	3,474,251

11. CASH AND CASH EQUIVALENTS

₹

	As at March 31, 2014	As at March 31, 2013
Balances with banks		
- In Current Account	684,757	1,563,321
Cash on hand	7,000,410	5,285,847
	7,685,167	6,849,168

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

12. SHORT TERMS LOANS & ADVANCES			₹
	As at March 31, 2014	As at March 31, 2013	
Advance to Staff & impurest	362,680	259,960	
Prepaid expenses	1,189,593	846,856	
Advance tax (net of provision for tax)	16,856,349	13,020,694	
Others	9,934,691	8,543,011	
	28,343,313	22,670,521	
13. INCOME FROM OPERATIONS			₹
	Year Ended March 31, 2014	Year Ended March 31, 2013	
Operation & Maintenance Fees	79,200,000	72,000,000	
Service Fee	3,332,850	15,672,532	
	82,532,850	87,672,532	
14. OTHER INCOME			₹
	Year Ended March 31, 2014	Year Ended March 31, 2013	
Interest Received	292,270	566,601	
Miscellaneous income	86,290	23,413	
	378,560	590,014	
15. OPERATING EXPENSES			₹
	Year Ended March 31, 2014	Year Ended March 31, 2013	
Power & Fuel Exps	1,905,679	2,388,718	
Security Charges	8,657,305	7,238,864	
Stores & Spares Expenses	4,492,341	4,743,893	
Vehicle Running & Maint. (Patrolling & Maint.)	1,667,274	1,626,851	
Bridge Repair & Maintenance	8,901,737	10,007,627	
	25,624,336	26,005,953	
16. EMPLOYEE COST			₹
	Year Ended March 31, 2014	Year Ended March 31, 2013	
Salaries, Wages & Bonus	47,000,644	46,322,460	
Contribution to Provident Fund & others	4,783,292	5,369,415	
Staff Welfare Expenses	4,071,702	3,885,721	
	55,855,638	55,577,596	
17. FINANCE COST			₹
	Year Ended March 31, 2014	Year Ended March 31, 2013	
Bank Charges	343,781	389,180	
	343,781	389,180	

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

18. OTHER EXPENSES

₹

	Year Ended March 31, 2014	Year Ended March 31, 2013
Legal & Professional Charges	3,058,101	3,385,943
Insurance	267,139	178,740
Travelling & Conveyance	472,158	478,009
Telephone, Internet & Postage	690,987	621,227
Printing & Stationery	775,759	805,943
Repair & Maintenance Expenses	246,269	490,166
Rates & Taxes	4,513	724
Loss on sale of Fixed Assets	51,827	-
Other Expenses	2,818,832	1,202,748
	8,385,585	7,163,500

Legal & Professional charges includes payment to auditors as

₹

	Year Ended March 31, 2014	Year Ended March 31, 2013
As Auditors	525,000	525,000
Taxation matters	100,000	100,000
Out of Pocket expenses	25,000	25,000
	650,000	650,000

19. TAX EXPENSE

₹

	Year Ended March 31, 2014	Year Ended March 31, 2013
Current Tax	-	-
Income Tax-Earlier year	193,452	174,262
	193,452	174,262

20. EARNING/ (LOSS) PER SHARE

₹

	Year Ended March 31, 2014	Year Ended March 31, 2013
A. Number of Equity shares of ₹ 10 each fully paid up at the beginning of the period	50,000	50,000
B. Number of Equity shares of ₹ 10 each fully paid up at the period end	50,000	50,000
C. Weighted Average number of Equity Shares outstanding during the period	50,000	50,000
D. Net Profit for the period (₹)	(8,445,432)	(2,314,099)
E. Basic / Diluted Profit per Share (₹)	(168.91)	(46.28)
F. Nominal value of Equity Share (₹)	10	10

21. Accumulated losses of the Company have exceeded its net worth. The Company is economically dependent on its parent company for necessary financial and other assistance. The continuity of the Company as a going concern is further subject to continuation of O&M agreement with its parent company. The promoter of the Company has assured to provide necessary financial and other assistance to help running its operations smoothly in the ensuing years. Therefore the accounts of the Company have been prepared under going concern assumptions.

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

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

23. CONTINGENT LIABILITIES

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
(ii) Claims not acknowledged as debt by the Company	Nil	Nil

24. EMPLOYEES POST RETIREMENT BENEFITS:

The Company has two post employment funded 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 and 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 Expenses

	Year Ended March 31, 2014	Year Ended March 31, 2013
Current service cost	791,267	756,667
Interest cost on benefit obligation	252,087	173,927
Expected return on plan assets	(108,021)	(76,686)
Net actuarial(gain)/loss recognised	36,333	142,304
Expenses for the period	971,666	996,212

₹

	As at March 31, 2014	As at March 31, 2013
Benefit Asset/ (Liability)		
Defined benefit obligation	3,763,530	3,055,603
Fair value of plan assets	3,561,809	2,160,423
Benefit Asset/ (Liability)	(201,721)	(895,180)
Changes in the present value of the defined benefit obligation:		
Opening defined benefit obligation	3,055,603	2,108,210
Interest cost	252,087	173,927
Current service cost	791,267	756,667
Benefits Paid	(465,125)	(175,531)
Net actuarial(gain)/loss recognised in year	129,698	192,330
Closing defined benefit obligation	3,763,530	3,055,603
Changes in the fair value of plan assets:		
Opening fair value of plan assets	2,160,423	1,533,711
Expected return	108,021	76,686
Contributions	1,200,000	500,000
Benefits paid	-	-
Actuarial gains/(losses) on fund	93,365	50,026
Closing fair value of plan assets	3,561,809	2,160,423

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Amounts for the current period and previous annual periods:

	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	3,763,530	3,055,603	2,108,210	1,542,317
Defined benefit Assets	3,561,809	2,160,423	1,533,711	1,028,299
Surplus/(Deficit)	(201,721)	(895,180)	(574,499)	(514,018)
Experience adjustment on plan liabilities	(132,333)	(192,330)	168,422	NIL
Experience adjustment on plan assets	93,365	50,026	(46,003)	NIL

Company's best estimate of contribution during next year is ₹ 14,20,323/- (PY ₹12,17,368/-)

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

	Year Ended March 31, 2014	Year Ended March 31, 2013
Discount rate	8.25%	8.25%
Future salary increases	6.50%	6.50%
Expected rate of return on plan assets	5.00%	5.00%
Mortality table used	LIC (1994-96) Ultimate Table	LIC (1994-96) Ultimate Table

25. EXPENDITURE IN FOREIGN CURRENCY:

	Year Ended March 31, 2014	Year Ended March 31, 2013
Stores & Spares	38,775	738,161
	38,775	738,161

26. LIST OF RELATED PARTIES AND TRANSACTIONS / OUTSTANDING BALANCES:

(i) Holding Company

Noida Toll Bridge Co. Ltd

Transactions/ Outstanding balances	Year Ended March 31, 2014	Year Ended March 31, 2013
Service fees	79,200,000	72,000,000
Receivables/(payable) as at the year end	(96,601)	921,689
Equity as at the year end	255,000	255,000

(ii) Company holding substantial interest in voting power of the Company

IL&FS Transportation Network Limited

Transactions/ Outstanding balances	Year Ended March 31, 2014	Year Ended March 31, 2013
Reimbursement of expenses	150,000	65,833
Equity as at the year end	245,000	245,000
Receivable as at the year end	-	25,281

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

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

28. Deferred tax asset has not been recognised in view of uncertainty of reversal of the same in the near future.

29. PREVIOUS YEAR'S COMPARATIVES:

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

As per our separate report of even date attached

For LUTHRA & LUTHRA

Chartered Accountants

Reg. No. 002081N

AMIT LUTHRA

Partner

M.No.085847

Place: Noida

Date: April 28, 2014

For and on behalf of THE BOARD OF DIRECTORS

Director

Director

GM

Place: Noida

Date: April 28, 2014

CASH FLOW STATEMENT FOR THE YEAR MARCH 31, 2014

	Year Ended March 31, 2014	Year Ended March 31, 2013
	₹	₹
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxes	(8,251,980)	(2,139,837)
Adjustment for :		
- Depreciation	954,050	1,266,154
- (Profit) / Loss on Sale of Fixed Assets	51,827	(1,000)
- Provision for Employee Benefits	(1,084,284)	1,809,160
Operating Profit before working capital changes	(8,330,387)	934,477
Adjustments for Change in		
Decrease/(Increase) in Trade Receivables & Other Current Assets	1,672,179	(8,374,911)
Increase/(Decrease) in Trade payables & Other Current Liabilities	11,882,628	10,658,675
Cash Flow from Operating Activities	5,224,420	3,218,241
Payment of Taxes	(4,029,107)	(519,463)
Net Cash Generated / (Used) in Operating Activities	1,195,313	2,698,778
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(383,317)	(1,039,583)
Sale of Fixed Assets	24,003	1,000
Net Cash (Used in) / Generated from Investing Activities	(359,314)	(1,038,583)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash Generated from Financing Activities	-	-
(D) NET DECREASE IN CASH & CASH EQUIVALENTS	835,999	1,660,195
Cash & Cash equivalent at the beginning of the period	6,849,168	5,188,973
Cash & Cash equivalent at end of the period	7,685,167	6,849,168
	835,999	1,660,195

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

AMIT LUTHRA
Partner
M.No.085847

Place: Noida
Date: April 28, 2014

For and on behalf of THE BOARD OF DIRECTORS

Director
GM

Place: Noida
Date: April 28, 2014

CONSOLIDATED ACCOUNT >>

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF

Noida Toll Bridge Company Limited

Report on consolidated Financial Statements

1. We have audited the accompanying consolidated financial statement of **Noida Toll Bridge Company Limited** ("the Company") and its subsidiary (the Company and its subsidiary constitute "the Group") which comprises the consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have conducted our audit in accordance with standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

6. Without qualifying our opinion, we draw attention to Note 2(b) of the consolidated financial statement wherein significant elements of the consolidated financial statements have been determined based on management estimates (which in turn are based on technical evaluations by independent experts). These include
 - a. Intangible Assets covered under service concession arrangements carried at ₹ 5,688 million (88% of the total assets), useful lives and amortisation thereof;
 - b. Provision for Overlay carried at ₹ 147.95 million in respect of intangible assets covered under service concession arrangements;

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statement give a true and fair view in conformity with the accounting principles generally accepted in India
 - (a) In the case of the consolidated balance sheet of the state of affairs of the group as at March 31, 2014,
 - (b) In the case of the consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
 - (c) In the case of the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

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

Amit Luthra
Partner
M. No. 85847

Place : Noida
Date : April 28, 2014

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2014

	Note No	As on March 31, 2014		As on March 31, 2013	
		₹	₹	₹	₹
EQUITY AND LIABILITIES					
SHAREHOLDERS' FUNDS					
(a) Share Capital	3	1,861,950,020		1,861,950,020	
(b) Reserves & Surplus	4	3,015,772,373	4,877,722,393	3,021,284,490	4,883,234,510
NON-CURRENT LIABILITIES					
(a) Long-term borrowings	5	196,908,851		231,482,814	
(b) Deferred tax Liabilities (net)	6	712,292,440		437,544,740	
(c) Other Long-term liabilities	7	32,868,227		30,224,586	
(d) Long-term provisions	8	45,453,110	987,522,628	38,633,252	737,885,392
CURRENT LIABILITIES					
(a) Trade payables		5,065,506		7,601,422	
(b) Other current liabilities	9	174,841,220		648,742,236	
(c) Short-term provisions	10	447,848,141	627,754,867	444,260,097	1,100,603,755
TOTAL			6,492,999,888		6,721,723,657
ASSETS					
NON CURRENT ASSETS					
(a) Fixed assets	11				
(i) Tangible assets		52,158,121		58,224,867	
(ii) Intangible assets		5,688,000,082		5,699,085,101	
(iii) Capital-work-in-progress		-	5,740,158,203	474,904	5,757,784,872
(b) Long-term loans and advances	12		505,769,212		329,824,162
CURRENT ASSETS					
(a) Current Investments	13	60,293,664		519,729,502	
(b) Inventories	14	3,658,477		4,394,915	
(c) Trade receivables	15	12,908,874		17,067,216	
(d) Cash & bank balances	16	108,104,870		46,615,776	
(e) Short-term loans & advances	17	62,106,588	247,072,473	46,307,214	634,114,623
TOTAL			6,492,999,888		6,721,723,657
Summary of significant accounting policies	2				

The accompanying notes are an integral part of the financial statements

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

For Noida Toll Bridge Company Limited

AMIT LUTHRA
Partner
M.No.085847

Director
AVP

Executive Director & CEO
Company Secretary

Place: Noida, U.P
Date: April 28, 2014

Place: Noida, U.P
Date: April 28, 2014

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2014

	Notes	Year Ended March 31, 2014	Year Ended March 31, 2013
		₹	₹
Revenue from Operation	18	1,197,059,416	1,076,315,835
Other Income	19	50,367,325	70,321,902
Total Revenue		1,247,426,741	1,146,637,737
Expenses			
Operating expenses	20	106,853,489	138,408,826
Employee benefits expense	21	81,028,605	80,133,268
Finance costs	22	89,779,841	128,749,067
Depreciation and amortization expense	11	20,473,669	19,538,491
Other expenses	23	135,258,474	122,831,767
Total Expenses		433,394,078	489,661,419
Profit for the period before taxation		814,032,663	656,976,318
Tax Expense:	24		
(1) Current Tax		193,452	174,262
(2) Deferred Tax		274,747,700	237,982,600
		274,941,152	238,156,862
Profit for the period after tax		539,091,511	418,819,456
Earning per Equity Share:			
- Basic	25	2.90	2.25
- Diluted	25	2.90	2.25
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

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

For Noida Toll Bridge Company Limited

AMIT LUTHRA
Partner
M.No.085847

Director
AVP

Executive Director & CEO
Company Secretary

Place: Noida, U.P
Date: April 28, 2014

Place: Noida, U.P
Date: April 28, 2014

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(1) BACKGROUND

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.

New Okhla Industrial Development Authority had initiated preliminary discussions with the Company to consider modification of some of the terms and conditions of the Concession Agreement. Pending outcome of such discussions, the accounts have been prepared based on extant Concession Agreement.

(2) 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 (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.

(b) Basis of Preparation

The financial statements have been prepared on accrual basis of accounting and comply with the Accounting Standards ('AS') specified in the Companies (Accounting Standard) Rules, 2006 notified by the Central Government in terms of Section 211(3C) of the Companies Act, 1956, ('the Act') read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and Draft Guidance note "Accounting for Service Concession Arrangements" 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 except for the intangible asset which has been valued at cost i.e. fair value of the construction services in accordance with Draft Guidance Note "Accounting for Service Concession Arrangement". The presentation and grouping of individual items in the balance sheet, the statement of Profit & Loss and the cash flow statement are based on the principle of materiality.

(c) Early adoption of Exposure Draft of Guidance Note "Accounting for Service Concession Agreement"

The Institute of Chartered Accountants of India has issued Exposure Draft of the Guidance Note (Guidance Note) on Accounting for Service Concession Arrangements. Early application of Guidance Note is permitted. The Group has early adopted the Guidance Note with effect from first day of Financial Year 2008-2009 i.e. April 1, 2008.

The Company has determined that the intangible asset model under the guidance Note is applicable to the Concession. In particular, the Company notes that users pay tolls directly so the grantor does not have primary responsibility to pay the operator.

In order to facilitate the recovery of the project cost and 20% designated returns through collection of toll and development rights, the grantor has guaranteed extensions to the terms of the Concession, initially set at 30 years. The Company has received an "in-principle" approval for development rights from the grantor. However the Company has not yet entered into any agreement with the grantor which would constitute an assurance from the grantor to facilitate the recovery of shortfalls. Management recognizes that the development right agreement when executed will give rise to financial assets in their own right. At present, development rights have not been recognised.

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Delhi Noida Toll Bridge alongwith the Mayur Vihar link road has been recognised as intangible assets on adoption of Exposure Draft of Guidance Note on Accounting for Service Concession Arrangements.

Company recognizes the fact that the Exposure Draft of Guidance Note on Accounting for Service Concession that has been applied by the Company is still in a draft stage and the final versions may differ from the draft that has been applied in preparing the financial statements. On finalisation of the Guidance Note, Company will revisit the assumptions and premises used, determine the appropriate model for the concession and make necessary adjustments, effected in accordance with guidelines and in particular AS-5, *Accounting Policies, Changes in Accounting Estimates and Errors*.

(d) 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. Significant assumptions used in accounting for the intangible asset are given below:

- The Company has concluded that as operators of the bridge, it has provided construction services to NOIDA, the grantor, in exchange for an intangible asset, i.e. the right to collect toll from road users during the Concession period. Accordingly, the intangible asset received has been measured at cost, i.e. fair value of the construction services. The company has recognised a profit which is the difference between the cost of construction services rendered (the cost of the project asset) and the fair value of the construction services. Transition requirements of the Exposure draft of the Guidance Note have been applied as of the date of completion of construction and commissioning of asset.
- The exchange of construction services for an intangible asset is regarded as a transaction that generates revenue and costs, which have been recognised by reference to the stage of completion of the construction. Contract revenue has been measured at the fair value of the consideration receivable.
- Management has capitalised qualifying finance expenses until the completion of construction.
- The intangible asset is assumed to be received only upon completion of construction and recognised on such completion. Until then, management has recognised a receivable for its construction services. The fair value of construction services have been estimated to be equal to the construction costs plus margin of 17.5% and the effective interest rate of 13.5% for lending by the grantor. The construction industry margins range between 15-20% and Company has determined that a margin of 17.5% is both conservative and appropriate. The effective interest rate used on the receivable during construction is the normal interest rate which grantor would have paid on delayed payments.
- The Company considers that they will not be able to earn the assured return under the Concession Agreement over 30 years. The company has an assured extension of the concession as required to achieve project cost and designated returns. An independent engineer has certified the useful life of the Bridge as 100 years.
- The value of the intangible asset is being amortised over the estimated useful life in the proportion of the revenue earned for the period to the total estimated toll revenue i.e. revenue expected to be collected over the concession period.
- A review of the estimated useful life/the concession period of the rights and revenue/number of vehicles expected to use the project facility over the balance period is undertaken by the Management at periodic intervals to assess the additional charge for amortisation, if any.
- The carrying value of intangible asset reviewed for impairment annually or more often if events or changes in circumstances indicate that the carrying value may not be recoverable.
- Development rights will be accounted for as and when exercised.
- Maintenance obligations: Contractual obligations to maintain, replace or restore the infrastructure (principally resurfacing costs and major repairs and unscheduled maintenance which are required to maintain the Bridge in operational condition except for any enhancement element) are recognised and measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date. The provision for the resurfacing is being built up in accordance with the provisions of AS 29, *Provisions, Contingent Liabilities and Contingent Assets*. Timing and amount of such cost are estimated and recognised on straight line basis over the

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

period at the end of which the overlay is estimated to be carried out based on technical evaluation by independent experts.

(e) 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.

(f) Intangible Asset

The value of the intangible asset was measured and recognised on the date of completion of construction at the fair value of the construction services provided. It is being amortised in the proportion of the revenue earned for the period to the total estimated toll revenue i.e. revenue expected to be collected over the concession period.

(g) Fixed Assets

Fixed assets have been stated at cost less accumulated depreciation and accumulated impairment in value.

The carrying values of fixed assets 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.

(h) Depreciation

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

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

(i) 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.

(j) 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.

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

(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 net of provision for diminution of permanent nature in their value.

(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.

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses in the year in which the employees perform the services that the benefit covers at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment or encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

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.

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

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 is determined based on the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised on timing differences; being the difference between the taxable income and accounting income that originate in one year and are capable of reversal in one or subsequent years. 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. Deferred tax assets arising on unabsorbed depreciation or carry forward of tax losses are recognised to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax in the future period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company.

(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

Employee Stock 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 Statement of Profit & Loss for the year.

(v) Earnings per Share

Basic earning per share is calculated by dividing net profit for the year by the weighted average number of ordinary shares outstanding during the year.

Diluted earning per share is calculated by dividing the net profit 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.

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

3. SHARE CAPITAL	As at March 31, 2014		As at March 31, 2013	
Authorised				
200,000,000 (PY 200,000,000) Equity Shares of ₹ 10/- each		2,000,000,000		2,000,000,000
		2,000,000,000		2,000,000,000
Issued, Subscribed & Paid-Up				
186,195,002 (PY 186,195,002) Equity Shares of ₹ 10/- each		1,861,950,020		1,861,950,020
		1,861,950,020		1,861,950,020

NOTES :

(i) Details of the shareholders holding more than 5% shares of the Company

IL&FS Transportation Networks Limited	47,195,007	25.35%	47,195,007	25.35%
Noida Authority	10,000,000	5.37%	10,000,000	5.37%

(ii) Reconciliation of the share outstanding at beginning and at end of the year

	Number		₹	
Shares outstanding at the beginning of the period	186,195,002	1,861,950,020	186,195,002	1,861,950,020
Shares Issued during the period	-	-	-	-
Shares outstanding at the end of the period	186,195,002	1,861,950,020	186,195,002	1,861,950,020

(iii) The company has only one class of ordinary equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Each holder of these ordinary shares are entitled to receive dividends as and when declared by the company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportionate to the number of equity shares held by the shareholders.

(iv) DIVIDEND

	As at March 31, 2014		As at March 31, 2013	
	Total Amount	Per Share	Total Amount	Per Share
Proposed**	186,195,002	1.00	186,201,407	1.00
Interim	279,298,076	1.50	-	-

**The Board of Directors has recommended Dividend subject to the approval of members in AGM.

4. RESERVES & SURPLUS	As at March 31, 2014		As at March 31, 2013	
(i) Debenture Redemption Reserve				
Opening Balance	35,394,546		27,529,091	
Add : Created during the year	8,848,636	44,243,182	7,865,455	35,394,546
(ii) Securities Premium		1,446,280,612		1,446,280,612
(iii) General Reserve				
Opening Balance	-		-	
Add : Created during the period	54,753,694	54,753,694	-	-
(iv) Profit & Loss Account (Credit Balance)				
Opening Balance	1,539,609,332		1,346,500,581	
Add : Profit for the period	539,091,511		418,819,456	
Less: Appropriation				
Transfer to General Reserve	54,753,694		-	
Transfer to Debenture Redemption Reserve	8,848,636		7,865,455	
Interim Dividend	279,298,076		-	
Proposed Dividend	186,195,002		186,201,407	
Dividend Distribution Tax	79,110,550		31,643,843	
		1,470,494,885		1,539,609,332
		3,015,772,373		3,021,284,490

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

5. LONG TERM BORROWINGS (SECURED) ₹

	As at March 31, 2014		As at March 31, 2013	
	Non Current portion	Current Maturities	Non Current portion	Current Maturities
(a) Debentures and Bonds				
10,815 8.5% Deep Discount Bonds of face value of ₹ 20,715 each	224,032,725		224,032,725	-
Less:Unexpired Discount	27,123,874		42,549,911	-
	196,908,851		181,482,814	-
(b) Term loans				
From Financial Institution	-	-	-	178,836,656
	-	-	-	178,836,656
(c) Loans from related parties		50,000,000	50,000,000	357,635,364
	196,908,851	50,000,000	231,482,814	536,472,020

a. Terms of Repayment ₹

Lender	March 31, 2014	Rate of Interest	Date of Repayment
Deep Discount Bond	196,908,851	8.50%	Repayable in November 2015
Secured Loan from related party	50,000,000	12.50%	Rapayble in March 2015
	246,908,851		

b. Deep Discount Bonds issued at ₹5,000 each would be redeemed at ₹20,715 in November 2015. Deep Discount Bonds are secured by a pari passu first charge in favour of the trustees along with the other senior lenders of the Company on all the project assets which include the Delhi Noida Link Bridge and all tangible and intangible assets including but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds etc.

c. Term loans 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.

6. DEFERRED TAX LIABILITIES (NET) ₹

	As at March 31, 2014	As at March 31, 2013
Deferred Tax Liability:		
Difference between book depreciation and income tax depreciation	712,983,310	680,435,610
Deferred Tax Assets:		
Unabsorbed Depreciation	-	205,475,980
Disallowance u/s 43B of Income Tax Act	690,870	566,520
Provision for resurfacing	-	36,848,370
Net Deferred Tax Liability	712,292,440	437,544,740

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

7. OTHER LONG TERM LIABILITIES

₹

	As at March 31, 2014	As at March 31, 2013
Interest free deposits from customers	32,868,227	30,224,586
	<u>32,868,227</u>	<u>30,224,586</u>

8. LONG TERM PROVISIONS

₹

	As at March 31, 2014	As at March 31, 2013
(a) Provision for Employee Benefits	5,717,544	5,490,307
(b) Provision for Contingencies*	29,556,857	29,556,857
(c) Provision for Overlay	10,178,709	3,586,088
	<u>45,453,110</u>	<u>38,633,252</u>

*Recognised in accordance with the terms of scheme of Amalgamation with DND Flyway Ltd. for the contingencies for prepayment of loans

9. OTHER CURRENT LIABILITIES

₹

	As at March 31, 2014	As at March 31, 2013
(a) Current maturities of long term secured debt		
(i) From Financial Institution	-	178,836,656
(ii) From Related Party	<u>50,000,000</u>	<u>357,635,364</u>
(b) Interest accrued but not due on borrowings	-	292,808
(c) Income received in advance/ Advance Payments and Unexpired Discounts	39,379,288	33,944,440
(d) Interest free deposits from customers	7,370,250	6,716,250
(e) Unclaimed Dividend	13,792,819	3,644,188
(f) Other payables	64,298,863	67,672,530
	<u>174,841,220</u>	<u>648,742,236</u>

10. SHORT TERM PROVISIONS

₹

	As at March 31, 2014	As at March 31, 2013
(a) Provision for Employee Benefits	7,497,614	7,706,709
(b) Provision for Taxes	5,420,091	439,665
(c) Provision for Overlay	137,775,821	150,916,822
(d) Provision for Litigation	79,315,772	67,358,056
(e) Proposed Dividend	186,195,002	186,195,002
(f) Provision for dividend tax on proposed dividend	31,643,841	31,643,843
	<u>447,848,141</u>	<u>444,260,097</u>

Provision for Overlay

The Group has a contractual obligation to maintain, replace or restore infrastructure, except for any enhancement element. Cost of such obligation is measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date and recognised over the period at the end of which the overlay is estimated to be carried out. Overlay of MVRL has been completed during the previous year, next overlay of MVRL is expected to be carried out after expiry of five years. Overlay of DND Flyway is under progress and is expected to be completed by May 2014.

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	March 31, 2014		March 31, 2013	
	₹	₹	₹	₹
	Non-Current	Current	Non-Current	Current
Opening Balance	3,586,088	150,916,822	-	137,365,105
Accretion during the year	6,592,621	51,680,199	3,586,088.00	87,051,644
Utilised during the year	-	(64,821,200)	-	(73,499,927)
Closing Balance	10,178,709	137,775,821	3,586,088.00	150,916,822

Provision for litigations

- (i) 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 ₹ 29.32 million and provided the same as a part of the project cost. A sum of ₹ 9.20 million has so far been paid against the demand out of the aforesaid provision. The actual settlement may result in probable obligation to the extent of ₹ 20.12 million based on management estimates.
- (ii) The Company had applied for and was granted renewal of permission from Municipal Corporation of Delhi (MCD) to display advertisements for a period of five years w.e.f 1.8.2009 subject to payment of monthly license fee @ ₹ 115/- per sq.ft. of the total display area or 25% of the gross revenue generated out of display whichever was higher. The Company has been sharing 25% of the revenue with MCD since inception. The Company contested the aforesaid imposition @ ₹115 on the ground that same was not permitted by the 2008 Outdoor Advertisement policy. The MCD, however cancelled the permission vide Order dated 10.05.2010 for nonpayment @ ₹ 115. The Company filed a Writ Petition before the Hon'ble Delhi High Court for quashing of the aforesaid Order.

After hearing the submissions of the Company, the Hon'ble Court vide order dated 25.05.2010 stayed the operation of the impugned order subject to NTBCL depositing 50% of the arrears of License fee to be calculated @ ₹ 115/- per sqft of the display and continuing to deposit license fee at the said rate every month till the final disposal of the Writ Petition.

NOTES FORMING PART OF FINANCIAL STATEMENT

FOR THE YEAR ENDED MARCH 31, 2014

(In ₹)

Sr. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As at 1-4-2013	Additions	Deductions	As at 31-03-2014	For the period	Deductions	As at 31-03-2014	As at 31-03-2013
A	Tangible Assets								
1	Advertisement structure	46,037,582	-	-	46,037,582	2,642,917	-	-	2,642,917
2	Data Processing Equipment	9,441,814	524,009	(140,461)	9,825,362	1,170,084	(140,461)	1,380,795	2,026,870
3	Office Equipment	19,134,809	2,812,998	(534,331)	21,413,476	1,718,041	(466,517)	5,040,251	4,013,108
4	Furniture & Fixtures	11,594,873	65,456	(41,300)	11,619,029	1,141,967	(28,555)	372,360	1,461,616
5	Vehicles	16,098,181	-	(2,227,528)	13,870,653	1,550,405	(2,227,528)	3,443,450	4,993,855
	Sub-Total	102,307,259	3,402,463	(2,943,620)	102,766,102	8,223,414	(2,863,061)	10,236,856	15,138,366
	Leased								
1	Building	48,216,184	-	-	48,216,184	1,165,236	-	41,921,265	43,086,501
	Sub-Total	48,216,184	-	-	48,216,184	1,165,236	-	41,921,265	43,086,501
	Total Tangible Assets	150,523,443	3,402,463	(2,943,620)	150,982,286	9,388,650	(2,863,061)	52,158,121	58,224,867
B	Intangible Assets								
1	Right under Service Concession Arrangements	6,013,412,519	-	-	6,013,412,519	11,085,019	-	5,688,000,082	5,699,085,101
		6,013,412,519	-	-	6,013,412,519	11,085,019	-	5,688,000,082	5,699,085,101
	Total Fixed Assets	6,163,935,962	3,402,463	(2,943,620)	6,164,394,805	20,473,669	(2,863,061)	5,740,158,203	5,757,309,968
	Previous Year	6,154,972,642	10,425,020	(1,461,700)	6,163,935,962	19,538,491	(1,445,425)	5,757,309,968	5,766,439,714

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

12. LONG TERM LOAN AND ADVANCES

(Unsecured, considered good)

₹

	As at March 31, 2014	As at March 31, 2013
Security Deposits	2,557,638	2,239,544
MAT Credit Entitlement	503,211,574	327,584,618
	<u>505,769,212</u>	<u>329,824,162</u>

13. CURRENT INVESTMENTS

(Unsecured, considered good)

₹

	As at March 31, 2014	As at March 31, 2013
LIC Nomura MF Liquid Fund-Growth Plan 8739.838 (Previous year NIL) units of face value of ₹1000 each	20,293,664	-
UTI Treasury Advantage Fund - Institutional plan (Growth Option)-NIL (Previous year 97,906.914) units of face Value of ₹1000 each	-	154,757,621
Canara Robeco Treasury Advantage Institutional Growth Fund NIL (Previous year 60,783.064) units of face Value of ₹1000 each	-	108,149,664
SBI Ultra Short Term Debt Fund-Regular Plan-Growth 24,368.75 (Previous year 90,699.819) units of face value of ₹1000 each	40,000,000	136,322,217
SBI SHDF-Short Term Debt Fund-Regular Plan -Growth NIL (Previous year 2,706,685.513) units of face value of ₹10 each	-	36,000,000
Reliance Floating Rate Fund-Short Term Plan-Growth NIL (Previous year 1,235,066.918) units of face value of ₹10 each	-	22,000,000
Principal Debt Opportunities Fund-Conservative Plan-Regular-Growth NIL (Previous year 33,683.204) units of face value of ₹1000 each	-	62,500,000
	<u>60,293,664</u>	<u>519,729,502</u>

Net Asset Value of quoted investments as at the year ended ₹60,548,328 (Previous Year ₹ 522,723,092)

14. INVENTORIES

₹

	As at March 31, 2014	As at March 31, 2013
Electronic Cards and 'On Board Units'	1,919,715	2,621,088
Stores and spares	1,738,762	1,773,827
	<u>3,658,477</u>	<u>4,394,915</u>

15. TRADE RECEIVABLES

(Unsecured, considered good)

₹

	As at March 31, 2014	As at March 31, 2013
(1) Outstanding for not more than six months	12,785,274	16,532,379
(2) Outstanding for more than six months	123,600	534,837
	<u>12,908,874</u>	<u>17,067,216</u>

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

16. CASH AND BANK BALANCES		₹	
	As at March 31, 2014	As at March 31, 2013	
Cash and cash equivalents			
(i) Balances with Local banks			
- In Current Account	17,230,775	7,599,606	
- In Fixed Deposit Account (due within 3 months)	70,000,000	30,000,000	
(ii) Cash on hand	7,076,278	5,371,982	
	94,307,053	42,971,588	
Other Bank Balances			
- Unclaimed Dividend	13,797,817	3,644,188	
	108,104,870	46,615,776	
17. SHORT-TERM LOAN AND ADVANCES		₹	
(Unsecured, considered good)			
	As at March 31, 2014	As at March 31, 2013	
Related Party	438,646	145,801	
Others	22,185,813	10,515,839	
Advance Payment against Taxes	39,482,129	35,645,574	
	62,106,588	46,307,214	
18. REVENUE FROM OPERATIONS		₹	
	Year ended March 31, 2014	Year ended March 31, 2013	
(a) Toll Revenue	993,584,849	888,350,640	
(b) Space for Advertisement	166,155,160	137,549,803	
(c) Office Space	23,040,000	24,408,000	
(d) Other License Fee	14,279,407	26,007,392	
	1,197,059,416	1,076,315,835	
19. OTHER INCOME		₹	
	Year ended March 31, 2014	Year ended March 31, 2013	
(a) Net gain on sale of investments	41,735,902	44,627,926	
(b) Interest Income	388,555	672,683	
(c) Dividend	-	-	
(d) Excess provision written back	2,356,844	20,007,615	
(e) Other non-operating income	5,886,024	5,013,678	
	50,367,325	70,321,902	
20. OPERATING EXPENSES		₹	
	Year ended March 31, 2014	Year ended March 31, 2013	
Power and fuel / Electricity Expenses - Road, Bridges & Others	17,917,689	15,214,496	
Repairs to buildings/ Repair & Maintenance- DND	13,093,509	15,594,267	
Security Expenses	8,657,305	7,238,864	
Consumption of Cards	4,419,825	4,979,574	
Stores and Spares	4,492,341	4,743,893	
Overlay Expenses	58,272,820	90,637,732	
	106,853,489	138,408,826	

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

21. EMPLOYEE BENEFIT EXPENSE

₹

	Year ended March 31, 2014	Year ended March 31, 2013
(a) Salaries and wages	68,420,776	67,308,507
(b) Contribution to provident and other funds	6,630,357	6,894,865
(c) Staff welfare expenses	5,977,472	5,929,896
	81,028,605	80,133,268

22. FINANCE COSTS

₹

	Year ended March 31, 2014	Year ended March 31, 2013
(a) Interest on Deep Discount Bonds	15,426,037	14,215,801
(b) Interest on Term Loan	72,815,618	112,887,474
(c) Other Finance Charges	1,538,186	1,645,792
	89,779,841	128,749,067

23. OTHER EXPENSES

₹

	Year ended March 31, 2014	Year ended March 31, 2013
Repairs to machinery/ Repair & Maintenance- Others	1,994,715	1,705,658
Insurance	5,888,896	5,723,287
Rates and taxes	16,530,516	14,309,348
License Fee	58,587,666	36,053,592
Legal & Professional Charges	24,423,120	30,670,975
Litigation Settlement expenses	-	11,000,000
Agency Fees	3,138,750	3,264,700
Travelling and Conveyance	4,967,727	4,987,137
Advertisement and Business Promotion Expenses	2,405,434	2,816,495
Telephone, Fax and Postage	2,441,572	2,063,734
Directors Sitting Fees and Commission	7,160,000	5,020,000
Loss on sale of assets	51,827	
Printing and Stationery	2,413,628	2,245,954
Other Expenses	5,254,623	2,970,887
	135,258,474	122,831,767

24. TAX EXPENSE

₹

	Year ended March 31, 2014	Year ended March 31, 2013
Current Tax		
Current Income Tax	175,820,408	134,914,159
MAT Credit	(175,626,956)	(134,739,897)
	193,452	174,262
Deferred Tax	274,747,700	237,982,600
	274,941,152	238,156,862

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

25. EARNING/ (LOSS) PER SHARE

₹

	Year ended March 31, 2014	Year ended March 31, 2013
A Number of Equity shares of ₹ 10 each fully paid up at the beginning of the period	186,195,002	186,195,002
B Number of Equity shares of ₹ 10 each fully paid up at the period end	186,195,002	186,195,002
C Weighted Average number of Equity Shares outstanding during the year	186,195,002	186,195,002
D Net Profit for the Year (₹)	539,091,511	418,819,456
E Basic / Diluted Profit per Share (₹)	2.90	2.25
F Nominal value of Equity Share (₹)	10	10

26. 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, 2014	As at March 31, 2013
Name of Subsidiary	ITNL Toll Management Services Limited	ITNL Toll Management Services Limited
Proportion of Ownership Interest	51%	51%
Country of Incorporation	India	India

27. CONTINGENT LIABILITIES

₹

Contingent Liabilities in respect of:

	As at 31-Mar-14 ₹/Million	As at 31-Mar-13 ₹/Million
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	2.19

(ii) 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.

(iii) A public interest litigation has been filed in Allahabad High Court to make the project a toll free facility for general public.

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

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

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

30. 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. Benefit 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 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.

	₹	
	Year ended March 31, 2014	Year ended March 31, 2013
Net Benefit Expenses		
Current service cost	1,175,417	1,097,687
Interest cost on benefit obligation	638,652	606,270
Expected return on plan assets	(703,029)	(402,278)
Net actuarial(gain)/loss recognised	322,590	(99,204)
Annual expenses	1,433,630	1,202,475
Benefit Asset/ (Liability)		
Defined benefit obligation	9,430,559	7,741,235
Fair value of plan assets	11,293,465	9,372,646
Benefit Asset/ (Liability)	1,862,906	1,631,411
Changes in the present value of the defined benefit obligation:		
Opening defined benefit obligation	7,741,235	7,524,923
Excess provision written back		(1,239,277)
Interest cost	638,652	606,270
Current service cost	1,175,417	1,097,687
Benefits Paid	(465,125)	(249,908)
Net actuarial(gain)/loss recognised in year	340,380	1,540
Closing defined benefit obligation	9,430,559	7,741,235
Changes in the fair value of plan assets:		
Opening fair value of plan assets	9,372,646	6,719,001
Expected return	703,029	402,278
Contributions	1,200,000	2,225,000
Benefits paid	-	(74,377)
Actuarial gains/(losses) on fund	17,790	100,744
Closing fair value of plan assets	11,293,465	9,372,646

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

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:

Discount rate	8.25%	8.25%
Future salary increases	6.50%	6.50%
Rate of interest	6.50%	6.50%
Mortality table used	LIC (1994-96) Ultimate Table	LIC (1994-96) Ultimate Table

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

Contributions expected to be made by the Company during the next year is ₹ 1,829,117

The amounts for the current year and previous annual periods are given below:

	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Defined benefit obligation	9,430,559	7,741,235	7524923	5,824,809	10,882,837
Defined benefit Assets	11,293,465	9,372,646	6719001	5,772,865	15,367,517
Surplus/(Deficit)	1,862,906	1,631,411	(805,922)	(51,944)	4,484,680
Experience adjustments on plan liabilities	153,924	1,061,550	(2,933,188)	(4,269,339)	354,593
Experience adjustments on plan assets	17,790	276,931	247,356	321,323	599,612

31. 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, 2014	Year ended March 31, 2013
Expenditure on other service	158,636	187,175
Interest on Term Loan	61,260,320	81,265,263
Dividend on equity	4,750,000	950,000
Recoverable as at the year end	40,554	145,801
Equity as at the year end	19,000,000	19,000,000
Term Loan as at the year end		
Non-Current	-	50,000,000
current	50,000,000	357,635,366

NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

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

IL&FS Transportation Network Limited

₹

Transactions/ Outstanding balances	Year ended March 31, 2014	Year ended March 31, 2013
Rent Income	-	216,000
Expenditure on other services (including reimbursement on account of Key Managerial personnel)*	6,000,000	6,000,000
Dividend on equity	117,987,518	23,597,504
Payable at the year end	-	1,569,199
Recoverable as at the year end	398,092	-
Equity as at the year end	471,950,070	471,950,070

(iii) Key Management Personnel

Mr. Harish Mathur (CEO & Executive Director)*

₹

Transactions/ Outstanding balances	Year ended March 31, 2014	Year ended March 31, 2013
Sitting Fee (Including reimbursement of expenses)	525,000	275,000

32. SEGMENT REPORTING

The Concession Agreement with NOIDA confers certain economic rights to the Group. These include rights to charge toll and earn advertisement revenue, development income and other economic rights. The income stream of the Group comprises of toll income and advertising income and other related income for the year.

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

Similarly, the Group operates under a single geographical segment.

32. 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.

The accompanying notes are an integral part of the financial statements

For LUTHRA & LUTHRA

Chartered Accountants

Reg. No. 002081N

AMIT LUTHRA

Partner

M.No.085847

Place: Noida, U.P

Date: April 28, 2014

For Noida Toll Bridge Company Limited

Director

AVP

Place: Noida, U.P

Date: April 28, 2014

Executive Director & CEO

Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR MARCH 31, 2014

	Year Ended March 31, 2014	Year Ended March 31, 2013
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) for the period	814,032,663	656,976,318
Adjustments For :		
Depreciation	20,473,669	19,538,491
Finance Charges	89,779,841	128,749,067
(Profit) / Loss on Sale of Assets	(138,258)	(260,229)
	<u>924,147,915</u>	<u>805,003,647</u>
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Trade Receivable	4,158,342	(6,577,322)
Decrease / (Increase) in Inventories	736,438	(2,743,110)
Decrease / (Increase) in Loans and Advances	(12,280,913)	(5,282,357)
Increase / (Decrease) in Current Liabilities	8,245,386	53,948,588
Cash From/(Used In) Operating activities	<u>925,007,168</u>	<u>844,349,446</u>
Tax Paid	(174,676,537)	(145,892,610)
Net Cash From/(Used In) Operating activities	<u>750,330,631</u>	<u>698,456,836</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase / Addition to Fixed Assets	(2,927,559)	(10,899,924)
Proceeds from Sale of Fixed Assets	218,817	276,504
Cash From/(Used In) Investing Activities	<u>(2,708,742)</u>	<u>(10,623,420)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend Paid	(544,603,630)	(108,206,649)
Repayment of Secured Loan from Banks, Financial Institutions and others	(536,472,020)	(331,874,021)
Interest and Finance Charges Paid	(74,646,612)	(114,701,931)
Cash From/(Used In) Financing Activities	<u>(1,155,722,262)</u>	<u>(554,782,601)</u>
Net Increase /Decrease in Cash and Cash Equivalents	<u>(408,100,373)</u>	<u>133,050,815</u>
Cash and Cash Equivalents as at beginning of the year	562,701,090	429,650,275
Cash and Cash Equivalents as at end of the year	<u>154,600,717</u>	<u>562,701,090</u>
Components of Cash and Cash Equivalents as at:		
Cash in hand	7,076,278	5,371,982
Balances with the scheduled banks:		
- In Current accounts	17,230,775	7,599,606
- In Deposit accounts	70,000,000	30,000,000
Short Term Investments (Maturity less than 3 months)	60,293,664	519,729,502
	<u>154,600,717</u>	<u>562,701,090</u>

The accompanying notes are an integral part of the financial statements

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

For Noida Toll Bridge Company Limited

AMIT LUTHRA
Partner
M.No.085847

Director
AVP

Executive Director & CEO
Company Secretary

Place: Noida, U.P
Date: April 28, 2014

Place: Noida, U.P
Date: April 28, 2014

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 subsidiary as at March 31, 2014 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 March 31, 2014.

Management Responsibilities

The management is responsible for preparation and fair presentation of reconciliation of equity and reconciliation of income statement on the basis of audited consolidated financial statements prepared under Indian GAAP and IFRS.

Auditor's Responsibility

Our responsibility is to express an opinion on reconciliation of equity and reconciliation of income statement based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the reconciliation of equity as at March 31, 2014 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
Reg. No. 002081N

Place : Noida
Date : July 28, 2014

Amit Luthra
Partner
M.No. 85847

RECONCILIATION OF EQUITY AT 31 MARCH, 2014

		INDIAN GAAP US(\$)	Effect of transition to IFRS US (\$)	IFRS US (\$)
Property, plant and equipment		867,856	-	867,856
Intangible asset	1	94,642,264	(7,296,490)	87,345,774
Loans and Advances	2	8,415,461	(8,362,911)	52,550
Total Non Current Assets		103,925,581	(15,659,401)	88,266,180
Inventories		60,873	-	60,873
Trade receivables		214,790	-	214,790
Loans and Advances		964,928	(9,993)	954,935
Prepayments		68,458	-	68,458
Available for sale investments	3	1,003,223	4,237	1,007,460
Cash and cash Equivalents		1,798,750	-	1,798,750
Total Current Assets		4,111,022	(5,756)	4,105,266
Total Assets		108,036,603	(15,665,157)	92,371,446
Interest bearing loans and borrowings	4	3,276,354	404,981	3,681,335
Provisions	5	756,291	(529,000)	227,291
Trade and other payables		546,892	-	546,892
Deferred Tax Liability	2 & 6	11,851,788	(2,173,176)	9,678,612
Total Non Current Liabilities		16,431,325	(2,297,195)	14,134,130
Interest bearing loans and borrowings	4	831,947	484,609	1,316,556
Trade and other payables		2,161,510	-	2,161,510
Provisions	7	7,361,532	(3,574,217)	3,787,315
Provisions for taxes		90,185	-	90,185
Total Current Liabilities		10,445,174	(3,089,608)	7,355,566
Total Liabilities		26,876,499	(5,386,803)	21,489,696
Total Assets less Total Liabilities		81,160,104	(10,278,354)	70,881,750
Issued Capital		42,419,007	-	42,419,007
Securities Premium	8	24,064,569	103,212	24,167,781
Debenture Redemption Reserve		736,159	-	736,159
Net Unrealised gains Reserve	2	-	4,237	4,237
General Reserves	8	911,043	8,368	919,411
Effect of currency Translation		(11,438,143)	(4,445,999)	(15,884,142)
Retained Earnings (Profit & Loss A/c)		24,467,469	(5,857,452)	18,610,017
Total		81,160,104	(10,187,634)	70,972,470
Non Controlling Interest	9		(90,720)	(90,720)
Total Equity		81,160,104	(10,278,354)	70,881,750

Explanatory Notes to the reconciliation:

1. Under Indian GAAP, Intangible asset has been amortised using unit of usage method till FY 2011-12 and in the proportion of the revenue earned for the period to the total estimated toll revenue thereafter (in accordance with notification issued by Ministry of Corporate Affairs in April 2012), while in IFRS, Intangible asset has been amortised using Straight line method till FY 2008-09 and using unit of usage method thereafter.
2. Under Indian GAAP, MAT Credit has been classified under loan & advances while in IFRS, the same has been re-classified as deferred tax asset in accordance with IAS-12 "Income Taxes".
3. Under Indian GAAP, quoted investments measured at cost while in IFRS, the same have been classified as available-for-sale financial assets 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.
4. Interest-bearing loans and borrowings have been restated to amortised cost using the effective interest rate method with the discount being accreted through the Profit and Loss Account.
5. In accordance with the Scheme of amalgamation with DND Flyways Limited, the Company has made certain adjustment in financial statement prepared under Indian GAAP, 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.
6. Under Indian GAAP, deferred tax liability has been recognized on timing difference while in IFRS, deferred tax liability has been recognized on temporary differences.
7. Under Indian GAAP, dividend recommended by Board of Director's after reporting period has been recognized as liability which has not been recognized under IFRS in accordance with IAS-10 "Events after Reporting Period".
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 IGAAP, losses attributable to non controlling interest (to the extent it exceeds minority interest in equity of subsidiary) are adjusted against majority interest while in IFRS, such losses are attributed to non controlling interest.

In terms of our report of even date

On Behalf of the Board of Directors

For LUTHRA & LUTHRA

Chartered Accountants

Reg. No. 002081N

AMIT LUTHRA

Partner

M.No.085847

Place: Noida, U.P

Date: July 28, 2014

For Noida Toll Bridge Company Limited

Director

AVP

Place: Noida, U.P

Date: July 28, 2014

Executive Director & CEO

Company Secretary

RECONCILIATION OF EQUITY AT 31 MARCH, 2013

		INDIAN GAAP US(\$)	Effect of transition to IFRS US (\$)	IFRS US (\$)
Property, plant and equipment		1,070,507	-	1,070,507
Capital Work In Progress		8,731	-	8,731
Intangible asset	1	104,781,855	(7,368,813)	97,413,042
Loans and Advances	2	6,064,059	(6,015,257)	48,802
Total Non Current Assets		111,925,152	(13,384,070)	98,541,082
Inventories		80,804	-	80,804
Trade receivables		313,793	-	313,793
Loans and Advances		788,493	(7,626)	780,867
Prepayments		62,899	-	62,899
Available for sale investments	3	9,555,608	55,039	9,610,647
Cash and cash Equivalents		857,065	-	857,065
Total Current Assets		11,658,662	47,413	11,706,075
Total Assets		123,583,814	(13,336,657)	110,247,157
Interest bearing loans and borrowings	4	4,255,981	859,105	5,115,086
Provisions	5	710,301	(556,515)	153,786
Trade and other payables		555,701	-	555,701
Deferred Tax Liability	2 & 6	8,044,581	1,049,341	9,093,922
Total Non Current Liabilities		13,566,564	1,351,931	14,918,495
Interest bearing loans and borrowings	4	9,863,431	535,485	10,398,916
Trade and other payables		2,203,928	-	2,203,928
Provisions	7	8,159,964	(4,003,804)	4,156,160
Provisions for taxes		8,084	-	8,084
Total Current Liabilities		20,235,407	(3,468,319)	16,767,088
Total Liabilities		33,801,971	(2,116,388)	31,685,583
Total Assets less Total Liabilities		89,781,843	(11,220,269)	78,561,574
Issued Capital		42,419,007	-	42,419,007
Securities Premium	8	26,590,929	114,047	26,704,976
Debenture Redemption Reserve		650,755	-	650,755
Net Unrealised gains Reserve	2	-	55,039	55,039
General Reserves	8	-	9,247	9,247
Effect of currency Translation		(8,185,694)	(2,836,610)	(11,022,304)
Retained Earnings (Profit & Loss A/c)		28,306,846	(8,537,832)	19,769,014
Total		89,781,843	(11,196,109)	78,585,734
Non Controlling Interest	9		(24,160)	(24,160)
Total Equity		89,781,843	(11,220,269)	78,561,574

Explanatory Notes to the reconciliation:

1. Under Indian GAAP, Intangible asset has been amortised using unit of usage method till FY 2011-12 and in the proportion of the revenue earned for the period to the total estimated toll revenue thereafter (in accordance with notification issued by Ministry of Corporate Affairs in April 2012), while in IFRS, Intangible asset has been amortised using Straight line method till FY 2008-09 and using unit of usage method thereafter.
2. Under Indian GAAP, MAT Credit has been classified under loan & advances while in IFRS, the same has been re-classified as deferred tax asset in accordance with IAS-12 "Income Taxes".
3. Under Indian GAAP, quoted investments measured at cost while in IFRS, the same have been classified as available-for-sale financial assets 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.
4. Interest-bearing loans and borrowings have been restated to amortised cost using the effective interest rate method with the discount being accreted through the Profit and Loss Account.
5. In accordance with the Scheme of amalgamation with DND Flyways Limited, the Company has made certain adjustment in financial statement prepared under Indian GAAP, 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.
6. Under Indian GAAP, deferred tax liability has been recognized on timing difference while in IFRS, deferred tax liability has been recognized on temporary differences.
7. Under Indian GAAP, dividend recommended by Board of Director's after reporting period has been recognized as liability which has not been recognized under IFRS in accordance with IAS-10 "Events after Reporting Period".
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 IGAAP, losses attributable to non controlling interest (to the extent it exceeds minority interest in equity of subsidiary) are adjusted against majority interest while in IFRS, such losses are attributed to non controlling interest.

In terms of our report of even date

On Behalf of the Board of Directors

For LUTHRA & LUTHRA

Chartered Accountants
Reg. No. 002081N

AMIT LUTHRA

Partner
M.No.085847

Place: Noida, U.P
Date: July 28, 2014

For Noida Toll Bridge Company Limited

Director
AVP
Executive Director & CEO
Company Secretary

Place: Noida, U.P
Date: July 28, 2014

RECONCILIATION OF INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH, 2014

	Explanatory Notes	INDIAN GAAP US (\$)	Effect of transition to IFRS US (\$)	IFRS US (\$)
Toll Revenue		16,422,890	-	16,422,890
License Fee		3,363,216	-	3,363,216
Miscellaneous Income		142,668	-	142,668
Total Income		19,928,774	-	19,928,774
Operating and Administrative Expenses				
- Operating Expenses	1	1,766,174	23,675	1,789,849
- Administrative Expenses		3,574,993	-	3,574,993
- Depreciation		155,184	-	155,184
- Amortisation	2	183,223	623,626	806,849
Total Operating and Administrative Expenses		5,679,574	647,301	6,326,875
Operating Profit from Continuing Operations		14,249,200	(647,301)	13,601,899
Finance Income				
- Profit on Sale of Investments		689,850	-	689,850
Finance Charges	3	(1,483,964)	370,037	(1,113,927)
Total		(794,114)	370,037	(424,077)
Profit from Continuing Operations before tax		13,455,086	(277,264)	13,177,822
Income Taxes:				
- Current Tax	4	(3,198)	(2,902,924)	(2,906,122)
- Deferred Tax	5	(4,541,284)	3,102,174	(1,439,110)
Profit after Tax		8,910,604	(78,014)	8,832,590
Attributable to				
Equity Shareholders		8,910,604	(9,613)	8,900,991
Minority Interest		-	(68,401)	(68,401)

Explanatory notes to reconciliation:

- Provisions are re-measured based on the adjusting events occurred between the date of authorisation of financial statements under IGAAP and IFRS.
- Under Indian GAAP, Intangible asset is being amortised in the proportion of the revenue earned for the period to the total estimated toll revenue i.e. revenue expected to be collected over the concession period in accordance with notification issued by Ministry of Corporate Affairs in April 2012, while in IFRS, the same is being amortised using unit of usage method.
- 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.
- Under Indian GAAP MAT Credit has been classified under current tax in IFRS, the same has been reclassified as deferred tax asset in accordance with IAS-12 "Income Taxes"
- Under Indian GAAP, deferred tax liability has been recognized on timing difference while in IFRS, deferred tax liability has been recognized on temporary differences.

In terms of our report of even date

On Behalf of the Board of Directors

For LUTHRA & LUTHRA

Chartered Accountants
Reg. No. 002081N

For Noida Toll Bridge Company Limited

AMIT LUTHRA

Partner
M.No.085847

Director

AVP

Executive Director & CEO

Company Secretary

Place: Noida, U.P
Date: July 28, 2014

Place: Noida, U.P
Date: July 28, 2014

RECONCILIATION OF INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH, 2013

	Explanatory Notes	INDIAN GAAP US (\$)	Effect of transition to IFRS US (\$)	IFRS US (\$)
Toll Revenue		16,314,980	-	16,314,980
License Fee		3,452,070	-	3,452,070
Miscellaneous Income	1	471,882	(101,302)	370,580
Total Income		20,238,932	(101,302)	20,137,630
Operating and Administrative Expenses				
- Operating Expenses	1	2,541,945	(158,468)	2,383,477
- Administrative Expenses		3,727,548	-	3,727,548
- Depreciation		190,318	-	190,318
- Amortisation	2	168,515	677,283	845,798
Total Operating and Administrative Expenses		6,628,326	518,815	7,147,141
Operating Profit from Continuing Operations		13,610,606	(620,117)	12,990,489
Finance Income				
- Profit on Sale of Investments		819,613	-	819,613
Finance Charges	3	(2,364,538)	365,957	(1,998,581)
Total		(1,544,925)	365,957	(1,178,968)
Profit from Continuing Operations before tax		12,065,681	(254,160)	11,811,521
Income Taxes:				
- Current Tax	4	(3,200)	(2,474,562)	(2,477,762)
- Deferred Tax	5	(4,370,663)	1,902,454	(2,468,209)
Profit after Tax		7,691,818	(826,268)	6,865,550
Attributable to				
Equity Shareholders		7,691,818	(805,443)	6,886,375
Minority Interest		-	(20,825)	(20,825)

Explanatory notes to reconciliation:

- Provisions are re-measured based on the adjusting events occurred between the date of authorisation of financial statements under IGAAP and IFRS.
- Under Indian GAAP, Intangible asset is being amortised in the proportion of the revenue earned for the period to the total estimated toll revenue i.e. revenue expected to be collected over the concession period in accordance with notification issued by Ministry of Corporate Affairs in April 2012, while in IFRS, the same is being amortised using unit of usage method.
- 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.
- Under Indian GAAP MAT Credit has been classified under current tax in IFRS, the same has been reclassified as deferred tax asset in accordance with IAS-12 "Income Taxes"
- Under Indian GAAP, deferred tax liability has been recognized on timing difference while in IFRS, deferred tax liability has been recognized on temporary differences.

In terms of our report of even date

On Behalf of the Board of Directors

For LUTHRA & LUTHRA

Chartered Accountants
Reg. No. 002081N

AMIT LUTHRA

Partner
M.No.085847

Place: Noida, U.P
Date: July 28, 2014

For Noida Toll Bridge Company Limited

Director Executive Director & CEO

AVP Company Secretary

Place: Noida, U.P
Date: July 28, 2014



**Noida
Toll Bridge Co. Ltd.**

NOIDA TOLL BRIDGE COMPANY LIMITED

CIN : L45101UP1996PLC019759

Regd. Office: Noida Toll Bridge Company Limited, Toll Plaza, DND Flyway, Noida - 201 301, U. P.

PROXY FORM

Name of the Member(s) :

Registered Address of the Member:

E-mail id:.....Folio No. / Client ID:DP ID:

I/We, being the members of NOIDA TOLL BRIDGE COMPANY LIMITED holding _____ Equity Shares hereby appoint :

1. Name:E-mail Id:

Address:

.....Signature:

or failing him

2. Name:E-mail Id:

Address:

.....Signature:

or failing him

3. Name:E-mail Id:

Address:

.....Signature:

as my/our Proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the Eighteenth Annual General Meeting of the Company to be held on Monday, September 29, 2014 at 10.30 am at the Registered Office of the Company at Noida Toll Bridge Company Limited, Toll Plaza, DND Flyway, Noida - 201 301, Uttar Pradesh and any adjournment thereof in respect of such resolutions as are indicated below :

Sr. No.	Resolutions	For	Against
1.	Receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2014		
2.	Declare the final dividend and confirm the interim dividend on Equity Shares		
3.	Appointment of a Director in place of Mr. Arun K Saha, who retires by rotation and being eligible offers himself for re-appointment.		
4.	Appointment of M/s. Luthra & Luthra as the Statutory Auditors of the Company		
5.	Appointment of Mr. Raj Kumar Bhargava as an Independent Director of the Company		
6.	Appointment of Mr. Piyush Mankad as an Independent Director of the Company		
7.	Appointment of Dr. Sanat Kaul as an Independent Director of the Company		
8.	Appointment of Mr. Deepak Premnarayen as an Independent Director of the Company		
9.	Re-appointment of Mr. Harish Mathur as Executive Director & CEO of the Company		
10.	Consider and approve borrowing limits u/s 180(1)(c) of the Companies Act, 2013		
11.	Consider and approve limits for mortgage / charge creation u/s 180(1)(a) of the Companies Act, 2013		

Signed this day of 2014

.....
Signature of the first mentioned / sole shareholder

Please
affix
Revenue
Stamp

Signature of Proxy

Note : The form duly completed and signed should be deposited at the Registered Office of the Company at least 48 hours before the time of the meeting.



Registered Office:

CIN : L45101UP1996PLC019759

Noida Toll Bridge Company Limited, Toll Plaza, DND Flyway, Noida - 201 301, U.P.

Tel.: 0120 2516495 / 0120 2516440

www.ntbcl.com