

# **NOIDA TOLL BRIDGE COMPANY LIMITED**

## **ANNUAL REPORT**

*Certified To Be True*  
*M. Maceo*  
For Noida Toll Bridge Co. Ltd.  
Authorised Signatory

**(2001)**



**Noida  
Toll Bridge Co. Ltd.**

NOTICE

**Board of Directors**

Mr Gopi Arora	Chairman
Mr RK Bhargava	
Ms Pratibha Karan	
Mr VK Malhotra	
Dr Nivedita P Haran	
Mr Shardul Shroff	
Mr Ravi Parthasarathy	
Mr Arun K Saha	
Mr Hari Sankaran	
Mr K Ramchand	
Mr Shahzaad Dalal	
Mr Santosh Senapati	
Mr R S Sandhu	
Mr Timothy Woodhead	
Mr Pradeep Puri	Managing Director
Mr Ronald Ross (Alternate to Mr Timothy Woodhead)	
Mr Alok Bhargava (Alternate to Mr Shahzaad Dalal)	
Ms Monisha Macedo	Company Secretary

**Auditors**

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

NOTICE is hereby given that the fifth Annual General Meeting of Noida Toll Bridge Company Ltd. will be held on Monday the April 26, 2001 at 2:00 pm at the Registered Office of the Company at the Toll Plaza, DND Flyway, Opposite Sector 15A, Noida 201 301, Uttar Pradesh, to transact the following business:

Ordinary Business:

1. To receive and adopt the audited Balance Sheet as at March 31, 2001 and the Report of the Directors and Auditors thereon
2. To appoint a Director in place of Mr Gopi Arora who retires by rotation under Article 136 of the Articles of Association of the Company and is eligible for reappointment.

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**Regd Office: Toll Plaza, DND Flyway, Opposite Sector 15 A, Noida 201 301, Uttar Pradesh**

3. To appoint a Director in place of Ms Pratibha Karan who retires by rotation under Article 136 of the Articles of Association of the Company and is eligible for reappointment.
4. To appoint a Director in place of Mr Ravi Parthasarathy who retires by rotation under Article 136 of the Articles of Association of the Company and is eligible for reappointment.
5. To appoint a Director in place of K Ramchand who retires by rotation under Article 136 of the Articles of Association of the Company and is eligible for reappointment.
6. To appoint the Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration

**Special Business:**

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

“RESOLVED THAT pursuant to Section 31 and other applicable provisions of the Companies Act, 1956 the Articles of Association of the Company be amended in conformity with Amendment No. 1 (dated November 28, 2000) to the Shareholders’ Agreement dated May 5, 2000 in the following manner: -

**Legend**

*Article 16B be amended pursuant to amendment of Clause 9 of the Shareholders Agreement to read as follows :*

Each Share Certificate of the Company (evidencing the Shares held by them) shall bear the following legend impressed on each such certificate

“The shares, or other securities constituting shares, represented by this certificate are subject to restrictions including, but not limited to, restrictions upon voting rights attaching hereto and transferability hereof, which are detailed and set out in an Amended and Restated Shareholders’ Agreement dated the 5<sup>th</sup> day of May 2000, and the Memorandum and Articles of Noida Toll Bridge Company Limited.”

**Quorum**

*Article 145 be amended pursuant to amendment of Clause 6.3 of the Shareholders Agreement, to read as follows :*

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

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

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

#### Affirmative Voting

Article 146 be amended pursuant to the amendment to Clause 7 of the Shareholders Agreement, to read as follows :

- (i) Any action to be taken by the Board or any Committee(s) of the Board shall be duly and validly taken by resolution adopted by the affirmative vote of a majority of the Directors present at a meeting at which a Quorum is present. The affirmative vote of IL&FS, NOIDA, Intertoll, AIMCF and IL&FSTC shall be required for any resolution in respect of any Specified Matter to be valid and effective, provided however, that if due notice of the meeting at which the specified matter is proposed to be taken up for discussion, has been given and the representatives of these parties have failed to attend the Meeting they would have deemed to have given their affirmative vote. In the case of AIMCF and IL&FS Trust Company, however, the Company must have received a written communication that they would not be attending the Meeting alongwith a concurrence for any items requiring affirmative voting.
- (ii) With respect to matters in which a party nominating a Director is interested, such nominated Director will have a right to be heard with regard to such matter, but shall not vote on a resolution pertaining to such matters.

**Specified Matters**

The opening para of Article 146A be amended pursuant to amendment of Clause 7.1 of the Shareholders Agreement, to read as follows :

Notwithstanding Articles 4, 5, 6, 7, 16A, 21A, 21B, 39, 41, 42, 46, 62, 64, 64A, 66, 67, 69 - 73, 76, 85, 90, 141, 157, 158, 160 and Parts XIV, XXIV - XXVII and XXX hereof, approval of any of the Specified Matters shall require a resolution (including, if applicable, a circular resolution) of the Board to be approved and passed by the affirmative vote of at least 1 (one) Director nominated and appointed by each of IL&FS, NOIDA, Intertoll, AIMCF and IL&FSTC. If a Specified Matter is before the Company in a general meeting of the Members for a decision, then approval of such Specified Matter shall require the affirmative vote of each of the Parties. Provided however, in both Board and General Meetings if due notice of the meeting at which the specified matter is proposed to be taken up for discussion, has been given and the representatives of these parties have failed to attend the Meeting they would have deemed to have given their affirmative vote. In the case of AIMCF and IL&FS Trust Company, however, the Company must have received a written communication that they would not be attending the Meeting alongwith a concurrence for any items requiring affirmative voting."

By order of the Board  
For NOIDA TOLL BRIDGE COMPANY LTD

  
Mr. Gopi Arora  
Chairman

New Delhi  
Date: April 26, 2001

**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 before the time of the meeting. A proxy form is enclosed
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is annexed hereto and forms part of the Notice

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

Item No. 7

Changes in Articles of Association pursuant an amendment to the Shareholders Agreement

The Company and the shareholders have signed an Amendment dated November 28, 2000 to the Shareholders Agreement dated May 5, 2000. Consequent to the signing of this agreement, changes in the Articles of Association of the Company have to be made to remove any contradictions.

Hence the same is recommended for the consideration of the Members.

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

By order of the Board  
For NOIDA TOLL BRIDGE COMPANY LTD

  
Mr. Gopi Arora  
Chairman

New Delhi

Date: April 26, 2000

## **DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Fifth Annual Report together with the Audited Accounts for the year ended March 31, 2001

### **FINANCIAL HIGHLIGHTS :**

The aggregate amount of payments made to contractors and pre-operative/other expenditure incurred for the project at the end of the Financial Year amounted to Rs 2856.3 million (Previous Year Rs.1538.8 million) and Rs 953 million (Previous Year – Rs.656.7 million) respectively, out of which Rs 3733.40 million, pertaining to Delhi Noida Bridge have been capitalised and the balance Rs. 75.9 million mainly pertaining to the Ashram Flyover has been carried forward under the head 'Capital Work in Progress' in the Balance Sheet pending allocation to the Fixed Assets.

As per Concession Agreement which your Company had entered into with New Okhla Industrial Development Authority (NOIDA) and Infrastructure Leasing & Financial Services Limited (IL&FS), your Company would be entitled to a designated rate of return on the Project Cost during the Concession Period. Under the terms of the Concession Agreement, the quantum of project cost and calculation of returns would be certified by the Independent Auditors to the Project, namely, M/s. A.F.Ferguson & Company, Chartered Accountants. Pending completion of Ashram Flyover, M/s.A.F.Ferguson have determined the provisional Project Cost at Rs.3776.6 million including interest and finance charges of Rs.517.2 million which would be excluded for determining the Total Cost of the Project. The aggregate outstanding return upto December 29, 2000 is approximately Rs 742 million (Previous Year – Rs.330 million).

The Company's balance sheet shows a negative working capital of Rs 531.8 million. This is the result of a provision made in the accounts for the Contractor's bills from January 2001 to March 2001 estimating to Rs 578.6 million and provision for other liabilities amounting to Rs 22 million made by the Company pending receipt of bills.

### **DIVIDENDS :**

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

### **OPERATIONS :**

Your Company is pleased to inform you that the Delhi Noida Bridge Project began operations on February 7, 2001, almost 4 months prior to the scheduled date of May 29, 2001.

### **Delhi Noida Main Bridge**

The completion of the project four months prior to the scheduled date, resulted in cost savings which balanced out cost overruns in certain areas, thereby keeping to the original estimated project cost of Rs 3931.7 million. The success of this project will have major spin-off benefits for the privatisation of infrastructure in general and the road surface sector in particular.

The Delhi Noida project is a world class infrastructure facility. The facility has witnessed an increase in traffic from 12,000 vehicles to 20,000 vehicles per day. The traffic is expected to increase, on the opening of the Ashram Flyover which will reduce the congestion on the crossing and enable free flow of traffic from Noida to South Delhi.

### **Ashram Flyover**

The contract for the construction of the flyover at Ashram Chowk was awarded to M/s Afcons Infrastructure Ltd. The Contract was signed on February 23, 2000 and the notice to proceed was issued on March 9, 2000 along with the release of 10% mobilisation advance.

All major utilities impeding progress were shifted, as scheduled, by end December 2000. Piling work for the foundations started on December 20, 2000.

The Ashram Flyover should have been opened to traffic simultaneously with the Main Bridge but was delayed due to the time taken to shift utilities and due to objections raised by Maharani Bagh Residents. In addition, since the main bridge was completed ahead of schedule it has resulted in widening the time gap between the completion of the two projects. At the current rate of progress, the Ashram Flyover is expected to be complete by mid August 2001.

### **Unique Features of the Project**

A truly multinational cast was assembled for the project : The design and project supervision was undertaken by M/s Kampsax AS, Denmark, the civil construction was awarded on the basis of an international tender to Mitsui Marubeni Consortium, Japan, who were assisted by Indian sub-contractors i.e. M/s Gammon India and M/s Oriental Structure. The toll management has been entrusted to M/s Intertoll, South Africa, and the toll equipment supplied by M/s Compsis, Brazil.

The Kampsax International group has over 80 years of international experience in highway engineering including the design engineering for more than 11,000 kms of roads and construction supervision of 9,000 km of roads.

Intertoll Management Services, BV, Netherlands (IMS) have been appointed as the O&M Contractor for the project. IMS is a part of the Intertoll group which has a total of 700 kms of roads and bridges under their toll management collection expertise in South Africa, USA, Hungary, Bangladesh etc.





**Documentation without precedence :** The documentation for this project is without precedence and is now being used as a model for other private infrastructure projects in India.

**Innovative Engineering Feature :** A 7 ½ km 8 lane expressway built entirely from dredged Yamuna Sand. If traditional earth fill methods had been used for the carriage way construction, nearly 800 to 1000 trucks per day would have had to move through the residential areas of Noida causing pollution, traffic jams and inviting public criticism. Thanks to the dredging of Yamuna sand the entire carriage way was built using 'noiseless' technology.

**Innovative Financial Features :** The project represents several 'firsts' including innovative features in financial engineering e.g. sinking fund method for computing depreciation, effectively enabling the Company to declare a dividend in the 3<sup>rd</sup> year of operation and the structuring of a 16 year debt instrument with a take out offer to investors in the 5<sup>th</sup> and 9<sup>th</sup> years.

**Citizens Committee :** Another unique feature of this project is a Citizens Committee which has been set up to provide the citizens with an opportunity to voice their opinions on environment and social concerns relating to the Project. This Committee is headed by the renowned Scientist, Prof. Yashpal, who was formerly Secretary to the Government of India in the Department of Science and Technology. This unique feature of the project has been lauded by the World Bank and others. The Citizens Committee meets on the third Saturday of every month and has been successful in forming a representative body voicing environmental and social concerns and in getting response from the project managers as well as contractors. In particular, their efforts towards improving the labours' living conditions and arranging regular health check-up camps for them are commendable. The committee is enthusiastic about the landscaping and tree plantation program envisaged in the project and is actively participating in related discussions.

**State of the Art Technology :** The Delhi Noida Bridge Project marks India's entry into the era of the state of the art infrastructure. The first 8 lane expressway in the country with a 28 lane toll plaza incorporating state of the art payment technology.

The Toll Plaza is the first of its kind in this Country. The Toll Plaza consists of 28 lanes. These lanes are multipurpose payment lanes i.e. payment can be made by cash, smart card or by Electronic Toll Collection (ETC). The ETC system consists of an on board unit (OBU). The sensor identifies the vehicle at a distance of 105 mtr from the tollbooth. If there is credit, the gate will open for a vehicle, which is at a speed of 30 km/hr. While the manual lanes can cater to 200 Passenger Car Units (PCUs) per hour, the smart card lane (or silver lane) can accommodate 600-800 PCUs per hour. The ETC or Gold Lane can, however, accommodate 1500 PCUs per hour.

The Delhi Noida Bridge is among the most modern toll plazas in the World.

### **Government Support**

The Company continues to receive active support from both the Uttar Pradesh Government and the Government of the National Capital Territory of Delhi.

**SHARE CAPITAL :**

During the year under review, the Company received the Equity contributions from AIG Indian Sectoral Equity Fund – Rs 200 million which was allotted on June 29, 2000 and PAII (Mauritius) Co. Ltd – Rs 200 million which was allotted on July 12, 2000.

The Paid up Equity Capital of the Company pursuant to the aforesaid allotments is Rs 1016.2 million

**DIRECTORS :**

Mr RN Trivedi who was on the Board of the Company in his ex-officio capacity as CEO, NOIDA has had a change in his portfolio. The casual vacancy caused by his resignation was filled in by the appointment of Mr VK Malhotra, CEO, NOIDA, at the Meeting of the Board of Directors of the Company held on April 26, 2001.

Mr Graham Jang was appointed as Nominee Director representing Asian Infrastructure Mezzanine Capital Fund (AIMCF) at the Meeting of the Board of Directors of the Company held on July 3, 2001 and subsequently at the Extraordinary General Meeting of the Company also held on July 3, 2001, as a Director not liable to retire by rotation.

Mr Timothy Woodhead was appointed as Nominee Director representing Intertoll Management Services BV in the casual vacancy caused by the resignation of Mr Ronald Ross at the Meeting of the Board of Directors of the Company held on April 26, 2001

Mr Santosh Senapati was appointed as Nominee Director representing AIG India Sectoral Equity Fund in the casual vacancy caused by the resignation of Mr Alok Bhargava at the Meeting of the Board of Directors of the Company held on January 5, 2001.

In accordance with the requirements of the Companies Act, 1956 one third of the Directors are liable to retire by rotation. Mr Gopi Arora, Ms Pratibha Karan, Mr Ravi Parthasarathy and Mr K Ramchand, Directors, are hence due to retire by rotation at this fifth Annual General Meeting. They are eligible for re-appointment.

**FIXED DEPOSITS :**

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

**UTILISATION OF PUBLIC ISSUE PROCEEDS :**

A statement showing the utilisation of the entire Public Issue proceeds is annexed to this report.

**LISTING :**

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

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

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

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

The Annual Listing Fees for Financial Years 2000-2001 and 2001-2002 have been paid to all three Stock Exchanges on which the Company's securities are listed.

#### PARTICULARS OF EMPLOYEES :

Details with regard to employees drawing remuneration as set out under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 during the year under review, are annexed to this report

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

The Company does not own any manufacturing facilities hence particulars with regard to energy conservation, technology absorption are not applicable. The Company had the following foreign exchange outgoes

	<u>As at March 31, 2001 (Rs)</u>	<u>Previous Year (Rs)</u>
Travel	961,277	678,774
Payments to Contractors	77,185,282	481,302,710
Consultancy	3,396,058	10,334,907

#### CORPORATE GOVERNANCE :

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

**DIRECTORS' RESPONSIBILITY STATEMENT :**

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

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

**STATUTORY AUDITORS :**

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

**ACKNOWLEDGEMENTS :**

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

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

By order of the Board  
For NOIDA TOLL BRIDGE COMPANY LIMITED

  
**Mr Gopi Arora**  
Chairman

New Delhi  
April 26, 2001

**(PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISION OF SECTION 217(2A) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES DIRECTOR'S REPORT FOR THE YEAR ENDED MARCH 31, 2001**

**Part A: Employed throughout the Financial year under review and were in receipt of remuneration in aggregate of not less than Rs.1,00,000/- per month**

S. No.	Name	Age	Qualifications & experience (Years)	Date of commencement of employment	Designation & nature of duties	Last Employment held	Remuneration received (Gross) (Rs.)
1.	Aggarwal J P	43	B.COM, C.A., 20 Years	15/03/1999	VP (FIN) & CFO	S.S.B/FIN. MGR.	1,289,174
2.	Macedo Monisha	34	B.A. (Hons.) Eco.ACS, 10 Years	11/12/1998	Company Secretary & VP	Company Secretary in Practice	1,201,385
3.	Puri Pradeep	44	M.A. (Hons.), IAS	20.08/1998	Managing Director	IL&FS/ CEO	4,147,181
4.	Viswanathan G	58	BSC.B.TECH CIVIL, 31 Years	14/12/1998	Chief Operating Officer	Concrete Consultants/ Director	2,049,836

**Part B: Employed for the part of the Financial year under review and were in receipt of remuneration in aggregate of not less than Rs.100,000/- per month**

S. No.	Name	Age	Qualifications & experience (Years)	Date of commencement of employment	Designation & nature of duties	Last Employment held	Remuneration received (Gross) (Rs.)
----- NIL -----							

Notes :

1. Gross Remuneration includes salary, taxable allowances, value of perquisites as per Income Tax Rules, 1962 & Company's contribution to Provident Fund & Superannuation Fund (does not include contribution to Gratuity Fund).
2. None of the above employees is related to any Director of the Company.

New Delhi  
April 26, 2001

*Aggarwal*

Annexure - 1 to the Directors' Report

<b><u>UTILISATION OF PUBLIC ISSUE PROCEEDS</u></b>	
<b>Particulars</b>	<b>Amount (in Rupees)</b>
<b><u>Public Issue Proceeds</u></b>	<b>70,78,00,000</b>
<b><u>Estimated Expenditure incurred Under Main heads</u></b>	
(a) Payment to Contractors	55,31,56,685
(b) Preoperative expenses including IDC and Public issue Expenses	15,46,43,315
	<b>70,78,00,000</b>

**REPORT ON CORPORATE GOVERNANCE**
**1. Corporate Governance**

At the management level, the tenets of corporate governance require adequate transparency in decision-making, consistent with the requirements of the lenders, shareholders and the covenants of the Concession granted by the government authority. For this purpose a number of Committees of the Board of Directors have been constituted to oversee various facets of project implementation as well as the functioning of the Company.

In respect of project monitoring and supervision an autonomous mechanism had been devised with the appointment of an Independent Engineer/Lenders Engineer and Independent Auditor to monitor compliance with the requirements of the Concession Agreement/Support Agreement and Lenders Covenants

**2. Board of Directors**

(a) The composition of the Board of Directors is as given below :

	Name	Executive/Non-Executive	Independent/others	Representing
1	Mr Gopi Arora, Chairman	Non- Executive	Independent	-
2.	Mr RK Bhargava	Non- Executive	Independent	-
3	Dr. Nivedita Haran	Non- Executive	Independent	-
4	Ms. Pratibha Karan	Non- Executive	Independent	-
5	Mr V K Malhotra	Non- Executive	Nominee Director	New Okhla Industrial Development Authority
6	Mr RS Sandhu	Non- Executive	Nominee Director	Monitoring Agent /Lenders
7	Mr. Shardul S. Shroff	Non- Executive	Independent	-
8	Mr. Ravi Parthasarathy	Non- Executive	Promoter Director	Infrastructure Leasing & Financial Services (IL&FS)
9	Mr. Hari Sankaran	Non- Executive	Promoter Director	IL&FS
10	Mr. Arun K. Saha	Non- Executive	Promoter Director	IL&FS
11	Mr. K. Ramchand	Non- Executive	Promoter Director	IL&FS
12	Mr Graham Jang	Non- Executive	Nominee Director	Asian Infrastructure Mezzanine Capital Fund
13	Mr Shahzaad Dalal/ Mr Alok Bhargava	Non- Executive	Nominee Director	AIG Indian Sectoral Equity Fund
14	Mr Santosh Senapati	Non- Executive	Nominee	AIG Indian Sectoral

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

Attached as Annexure I and Annexure II respectively

- (c) Number of other Board of Directors or Board Committees he/ she is a member or Chairperson of

Details of other Directorships held and memberships of Committees of Directors to the extent disclosed to the Company is attached as Annexure III

- (d) Number of BoD meetings held, dates on which held

4 meetings of the Board of Directors were held in the financial year 2000- 2001 on the following dates:

1. April 5, 2000
2. July 3, 2000
3. October 17, 2000
4. January 5, 2001

3. **Audit Committee**

- (a) **Terms of reference for the Committee**

- (i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (ii) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- (iii) Reviewing with management the annual financial statements before submission to the board, focusing primarily on :
  - ✓ Any changes in accounting policies and practices.
  - ✓ Major accounting entries based on exercise of judgement by management
  - ✓ Qualifications in draft audit report
  - ✓ Significant adjustments arising out of audit
  - ✓ The going concern assumption
  - ✓ Compliance with stock exchange and legal requirements concerning financial statements
- (iv) Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
- (v) Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- (vi) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (vii) Discussion with internal auditors, any significant findings and follow up there on





- (viii) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
- (ix) Discussion with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern
- (x) Reviewing the company's financial and risk management policies.
- (xi) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors

(b) Composition, name of members and Chairperson

Chairperson

Mr G K Arora

Company Secretary

Ms Monisha Macedo

Members

Mr R K Bhargava (Independent Director)  
 Mr RS Sandhu (Nominee Director of the Monitoring Agent)  
 Mr Santosh Senapati, (Nominee Director, AIG Indian Sectoral Equity Fund)  
 Dr. Nivedita Haran (Independent Director)  
 Ms Pratibha Karan (Independent Director)

Special Invitees

Mr Arun K Saha, Promoter Director, invited as observer  
 Mr Pradeep Puri, Managing Director of the Company

(c) Meetings and Attendance during the year

Attached as Annexure IV

4. Remuneration Committee- Termed HRD Committee of Directors

(a) Brief Description of terms of reference

Remuneration committee is referred to as the HRD Committee of Directors of the Company. The scope of work of this committee is enumerated hereunder :

- formulation of an HRD policy
- formulation of a training Policy



- formulation of appropriate compensation policy relating to salary, performance related pay, increments, allowances, perquisites, loan facilities and other compensation for the employees of the Company including the Wholetime Directors
- to develop staff rules and regulations and an Employee Hand Book

(b) Composition, name of members and Chairperson

Details of the HRD Committee of Directors is as follows:

Chairperson

Mr Gopi Arora

Members

Mr Ravi Parthasarathy  
Mr Hari Sankaran  
Mr Pradeep Puri

(c) Attendance during the year

Attached as Annexure V

(d) Remuneration policy

Remuneration policy for all the employees is approved by the HRD Committee and embodied in an Employee Hand Book

(e) Details of remuneration to all the Directors

Remuneration paid to the non- executive Directors is only in the form of Sitting Fees @ Rs 2000/- per meeting  
The Managing Director's remuneration details are included in the statement under Section 217(2A) of the Companies Act, 1956 which is attached to the Directors Report

5. Shareholders Committee

Currently, only the Fully Convertible Debentures and the Deep Discount Bonds of the Company are listed on the Stock Exchanges. Equity Shares of the Company are not listed. The number of complaints on listed securities does not exceed on an average 4-5 in a month, which are sorted out in 15- 20 days time. Apart from these complaints most of the investor correspondence is on change in the Bank mandate, address etc.

Owing to these reasons it is not considered worthwhile to constitute the Committee, as on date. Therefore, the constitution of the Committee (for listed securities) has been postponed to the next financial year



6. **General Body Meetings**

- (a) Location and time, where last three AGMs were held is as follows:

<b>Year</b>	<b>Location</b>	<b>Date and Time</b>
AGM held for the financial year April 1999-March 31, 2000	Registered Office of the Company, at Sector 15 A, Near Apeejay School, Noida 201 301, Uttar Pradesh	April 29, 2000 at 10:30 am
AGM held for the financial year April 1998- March 31, 1999	The Mulaquat Hall, The Taj Mahal Hotel, Vipin Khand, Gomti Nagar, Lucknow 226 010	June 25, 1999 at 10:30 am
AGM held for the financial year April 1997- March 31, 1998	Registered office of the Company, at Philibhit House, 6 Shahnajaf Road, Lucknow 226 001	August 20, 1998 at 03:00 pm

- (b) Whether any special resolutions were put through postal ballot last year, details of voting pattern

No special resolutions were put through the postal ballot.

- (c) Person who conducted the postal ballot exercise

Not Applicable

- (d) Are proposed to be conducted through postal ballot

Since the Company is closely held, at the moment, the requirement for the postal ballot does not arise

- (e) Procedure for postal ballot

Not Applicable

7. **Disclosures**

- (a) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large

The Company has entered into transactions/ agreements with the following

- (i) The company has taken a loan from its Promoters, Infrastructure Leasing and Financial Services. The loan has been given on the terms and conditions comparable to loans obtained from other Financial Institutions/ Banks



- (ii) The Company avails of legal services from M/s Amarchand & Mangaldas & Suresh A Shroff & Co., M/s Amarchand & Mangaldas & Hiralal Shroff and co., Suresh A Shroff & Co and Anand Amarchand & Mangaldas whose partner, Mr Shardul Shroff, is on the Board of Directors of the Company. However, there is no written contract or arrangement between these firms and the Company, as and when services of these firms are needed, their standard professional fees are paid

Other than these, there are no materially significant related party transactions that may have potential conflict with the interest of the Company

- (b) Details of non- compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

We confirm that 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, since the Company was incorporated

8. **Means of Communication**

- (a) **Half- yearly report sent to each household of shareholders**

Currently, only the Fully Convertible Debentures and the Deep Discount Bonds of the Company are listed on the Stock Exchanges. The Equity Shares of the Company are closely held. More than 99% of the shares are held by institutions, who have nominated their officials on the Board of Directors of the Company.

A note on the status of project is presented to the Board every quarter and published thereafter in 1 English and 1 Hindi daily

- (b) **Quarterly results**

In terms of Clause 41 of the Listing Agreement, the Company has been publishing the project status every quarter in 1 English and 1 Hindi daily. Copies of the notice are regularly being sent to the Stock Exchanges

- (c) **Which Newspapers normally published in**

Quarterly statement on the status of the project is published in Jansatta (Hindi) and Business Standard (English)

- (d) **Any website, where displayed**

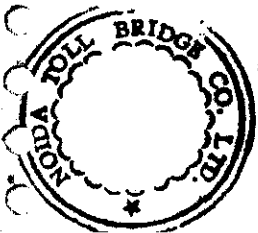
The Company website is currently under construction. Once the website is completed, the results will be put up and updated on the site, on a quarterly basis

- (e) **Whether it also displays official news releases;**

Not Applicable

- (f) **The presentations made to institutional investors or to the analysts**

Not Applicable



- (g) Whether Management Discussion and Analysis is a part of annual report or not-

Since the Company only began operations in February 2001 a Management Discussion and Analysis report will be a part of the Annual Report from next financial year onwards

9. General Shareholder information

- (a) AGM : Date, time and Venue

Year	Location	Date and Time
AGM held for the financial year April 1999-March 31, 2000	Registered Office of the Company, at Sector 15 A, Near Apeejay School, Noida 201 301, Uttar Pradesh	April 29, 2000 at 10:30 am
AGM held for the financial year April 1998- March 31, 1999	The Mulaquat Hall, The Taj Mahal Hotel, Vipin Khand, Gomti Nagar, Lucknow 226 010	June 25, 1999 at 10:30 am
AGM held for the financial year April 1997- March 31, 1998	Registered office of the Company, at Philibhit House, 6 Shahnajaf Road, Lucknow 226 001	August 20, 1998 at 03:00 pm

- (b) Financial Calendar

Financial Calendar followed by the Company is April 1<sup>st</sup> to March 31<sup>st</sup>, every year

- (c) Date of Book Closure

Currently, only the Fully Convertible Debentures and the Deep Discount Bonds of the Company are listed on the Stock Exchanges. Therefore, the Company declares a Record Date or has a book closure for the purpose of payment of interest (semi- annual) on the Fully Convertible Debentures (FCDs). So far, the Company has paid three installments of interest on the FCDs. The record date/ book closure dates declared for them is as follows:

Serial Number	Particulars	Record/ Book Closure Date
1.	Record Date for the purpose of interest payment for the period ending March 31, 2000	March 7, 2000
2.	Book Closure dates for payment of interest for the period ending September 30, 2000	August 16- August 20, 2000
3.	Record Date for the payment of interest for the period ending March 31, 2001	March 2, 2001

- (d) Dividend Payment Date

The Company has just begun operations and has not declared any dividend to date



(e) Listing on Stock Exchanges

The Debt instruments of the Company are listed on The Uttar Pradesh Stock Exchange, Kanpur, The Stock Exchange, Mumbai and The National Stock Exchange, Mumbai

The Registered office of the Company being in Uttar Pradesh, the UPSE is the regional stock exchange of the Company

(f) Stock Code

S. No	Stock Exchange	FCD/ DDB	Code
1.	Bombay Stock Exchange	FCD	112454
2.	Bombay Stock Exchange	DDB	112453
3.	National Stock Exchange of India Limited	FCD	D1
4.	National Stock Exchange of India Limited	DDB	N1

No Stock Code has been provided by the Uttar Pradesh Stock Exchange

(g) Market Price Data: High/ Low during each month in last financial year

No trading has taken place so far, hence the securities have not yet been quoted on the stock exchanges

(h) Performance in comparison to broad- based indices such as BSE Sensex, CRISIL index etc

No trading has taken place, hence the securities have not yet been quoted on the stock exchanges

(i) Registrars and Transfer Agents of the Company are

M/s. Karvy Consultants Ltd  
"Karvy House"  
46, Avenue 4, Street #1  
Banjara Hills  
Hyderabad 500 034

(j) Share Transfer System

The Company is currently a closely held Company and no share transfers have taken place.

The transfers of the listed debt instruments are handled by the Registrar and Transfer Agents – Karvy Consultants Limited

The authority for approving transfers/transmissions was earlier with a transfer Committee of Directors and has since been delegated to officers of the Company



(k) Distribution of Shareholding-

The Shareholding Pattern of the Company as on March 31, 2001, is as follows:

S.No.	Name	No. of Shares	% of Total Capital
1.	Infrastructure Leasing & Financial Services Ltd. (IL&FS)	3,60,00,002	35.43%
2.	Intertoll Management Services BV and it's subsidiary (O&M Contractor)	1,06,20,000	10.45%
3.	New Okhla Industrial Development Authority (NOIDA)	1,00,00,000	09.84%
4.	IFCI Ltd.	50,00,000	04.92%
5.	IL&FS Trust Company	2,00,00,000	19.68%
6.	PAII (Mauritius) Company Limited	2,00,00,000	19.68%
7.	Individual Shareholders	5*	Negligible
	<b>TOTAL</b>	<b>101620007</b>	<b>100%</b>

(l) Dematerialization of shares and their liquidity

The Company has signed an agreement with NSDL and the FCDs and DDBs are now eligible for dematerialisation.

The securities are currently not being traded and hence their liquidity cannot be determined

(m) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

Name of the security	Date of Issue	Coupon Rate	Maturity date (Amt. Redeemed per face value and Dt.)	Face Value	Number of FCDs issued
Fully Convertible Debentures	3 <sup>rd</sup> November 1999 (deemed date of allotment)	14% per annum payable semi-annually	One Fully Convertible Debentures will be converted into 100 Fully paid up equity shares of Rs 10 each on November 2, 2002	Rs 1000/-	207800

On conversion of the FCDs into equity, the Equity Capital of the Company will increase from Rs 101,62,00,070/- to Rs 122,40,00,070/-



(n) **Plant Locations**

This is an Infrastructure Company which has build a bridge across the river Yamuna under the BOOT system. There is hence no plant. The bridge is located at the following address :

Toll Plaza  
DND Flyway  
Opp. Sector 15A  
Noida 201 301  
Uttar Pradesh

(o) **Address for correspondence**

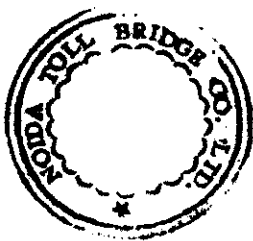
The correspondence/ corporate office address of the Company, is:

C/o IL&FS, India Habitat Centre, East Court  
Zone VI, 4<sup>th</sup> Floor, Lodhi Road  
New Delhi 110 003

Or alternatively, the address of the facility as given above

10. **Chairman of the Board**

The Company is in the process of providing it's non- executive Chairman with an office whose expenses will be borne by the Company





### **BOARD MEETINGS**

#### **Attendance of Directors for the Board Meetings held during the financial year 2000-2001**

Sl. No.	Name of the Directors	BM 24 05-Apr-00	BM 25 03-Jul-00	BM26 17-Oct-00	BM 27 05-Jan-01
1	Mr. Gopi Arora	Present	Absent	Present	Present
2	Mr. R K Bhargava	Present	Absent	Present	Present
3	Dr. Nivedita Haran	Present	Present	Absent	Absent
4	Ms. Pratibha Karan	Present	Present	Present	Absent
5	Mr R N Trivedi	Absent	Absent	Present	Present
6	Mr. R S Sandhu	Present	Present	Present	Present
7	Mr. Shardul Shroff	Absent	Absent	Absent	Absent
8	Mr. Ravi Parthasarathy	Absent	Present	Absent	Present
9	Mr. Arun K Saha	Present	Present	Absent	Present
10	Mr. Hari Sankaran	Absent	Present	Absent	Present
11	Mr. K Ramchand	Absent	Present	Absent	Present
12	Mr. Ronald Ross George Ms. Julian Thomas(Alternate)	Present -	Absent -	Absent -	Absent -
13	Mr. Shahzaad Dalal	Absent	Present	Absent	Present
14	Mr Alok Bhargava	Present	Present	Present	Absent
15	Mr Pradeep Puri	Present	Present	Present	Present
16	Mr Graham Jang		Present	Present	Present
17	Mr Santosh Senapati				Present

**ANNUAL GENERAL MEETINGS**

**Attendance of Directors for the 4<sup>th</sup> Annual General Meeting held during the  
financial year 2000-2001**

Sl. No.	Name of the Directors	4th 29-Apr-00
1	Mr Gopi K Arora	Present
2	Ms Pratibha Karan	Present
3	Mr Pradeep Puri	Present

**OTHER DIRECTORSHIPS HELD BY THE BOARD OF DIRECTORS**

Sl. No.	Name of the Director	Other Directorships
1.	Mr. Gopi K Arora - Chairman	Indo Gulf Explosives Ltd., Delhi Bengal Ambuja Hsg Development Ltd Jaiprakash Industries Limited Jaiprakash Hydro Power Ltd VLS Finance Ltd Alps Industries Ltd First Capital India Ltd HGS India Ltd Roto Pumps Ltd South Asia Regional Apex Fund SWIL India Limited  Television Eighteen India Private Ltd. Consolidated Toll Network India (P) Ltd.
2.	Mr. R K Bhargava	Cement Corporation of India Ltd. Kajaria Ceramics Ltd. Duncans Industries Ltd F S Advertising Ltd Lexicon Ltd. Innova Securities Ltd. SOL Pharmaceuticals Ltd. Jay International Ltd. Asian Hotels Ltd  WBW Consultants Pvt. Ltd.
3.	Mr. V K Malhotra	No other Directorships
4.	Ms Pratibha Karan	No other Directorships
5.	Dr. Nivedita Haran	No other Directorships
6.	Mr. R S Sandhu	No other Directorships
7.	Mr. Shardul Shroff	UTI Bank Ltd Carbon Everflow Ltd Infrastructure Development Finance Co. Limited Unison Hotels Ltd Apollo Tyres Ltd IRCON International Ltd Himachal Futuristic Communications Ltd GE Capital Transportation Financial Services Ltd

		<p>Schoolnet India Ltd. Indian Infrastructure Equipment Trust Limited – Additional Director Feedback Infrastructure Limited</p> <p>Amarchand &amp; Mangaldas &amp; Suresh A Shroff &amp; Co. - Partner Amarchand &amp; Mangaldas &amp; Hiralal Shroff &amp; Co.- Partner Suresh A Shroff &amp; Co.- Partner Anand Amarchand &amp; Mangaldas- Partner</p> <p>Captech Online Pvt. Ltd.</p>
8.	Mr. Ravi Parthasarathy	<p>Infrastructure Leasing &amp; Financial Services Ltd. – Vice Chairman &amp; Managing Director</p> <p>PDCOR Ltd. – Chairman Schoolnet India Limited - Chairman Investsmart India Ltd - Chairman</p> <p>Tamil Nadu Road Development Co. Ltd. - Chairman IL&amp;FS Asset Management Company Ltd - Chairman</p> <p>IL&amp;FS Merchant Banking Services Limited Iridium India Telecom Ltd. Orix Auto Finance (India) Ltd. IL&amp;FS Venture Corporation Ltd Petronet India Limited New Tirupur Area Development Corporation Ltd IPFonline Limited Digital Equipment (India) Ltd National Stock Exchange of India Limited</p> <p>Mahindra Industrial Park Limited - Alternate Director</p> <p>Pathfinder Investment Company Pvt. Ltd. Ambit Corporate Finance Pte. Ltd. Consolidated Toll Network India Pvt. Ltd.</p>



9.	Mr. Hari Sankaran	Infrastructure Leasing & Financial Services Limited - Executive Director  IL&FS Trust Company Ltd Gujarat Toll Road Investment Company Limited Mahindra Industrial Park Ltd PDCOR Ltd Tamil Nadu Road Development Company Ltd Vizag Industrial Water Supply Co. Ltd. Ahmedabad Mehsana Toll Road Company Ltd. Vadodara - Halol Toll Road Company Limited Ecosmart India.com Limited Gujarat State Road Development Corporation Ltd. Tamil Nadu Water Investment Company Ltd. Tamil Nadu Urban Infrastructure Financial Services Ltd.  Kampsax India Pvt. Ltd Consolidated Toll Network India Pvt. Ltd.
10.	Mr. Arun K Saha	Infrastructure Leasing & Financial Services Company Limited - Executive Director  Tamil Nadu Urban Infrastructure Trustee Company Limited Schoolnet India Ltd Vadodara - Halol Toll Road Company Limited Investsmart India Ltd IL&FS Trust Company Limited IL&FS Merchant Banking Company Ltd. Investor Services of India Limited India Water Infrastructure Co. Ltd. Learnet India Ltd Vizag Industrial Water Supply Co. Ltd. The Schoolnet Trust Management Co. Limited  Consolidated Toll Network India Pvt Limited Intime Spectrum Registry Pvt. Ltd.
11.	Mr. Karunakaran Ramchand	Ahmedabad - Mehsana Toll Road Company Limited Gujarat Toll Road Investment Company Ltd  Consolidated Toll Network India Pvt. Ltd



12.	Mr. Graham Jang	AIMCF (Labuan) Company Limited
13.	Mr. Shahzaad Dalal	SARA Fund Trustee Company Limited IL&FS Venture Corporation Limited IL&FS Asset Management Limited RPG Cellular Services Limited Bharat Serums & Vaccines Limited Indraprastha Gas Limited AIG Indian Sectoral Equity Fund LLC, Mauritius AIG Indian Equity Advisor LLC, Mauritius  M M Kaderjee & Co – Partner  Ethypharm LL Private Limited  IL&FS Venture Fund – Trustee
14.	Mr Alok Bhargava	Max Telecom Ventures Ltd. Investment Trustee Company (UP) Ltd IL&FS Merchant Banking Services Ltd. RPG Mobile Ltd. RPG Cellcom Ltd.
15.	Mr Santosh Senapati	Owens Corning India Ltd. Ambuja Cement India Ltd.
16.	Mr Ronald Ross	Jomac Ltd  Intertoll (Pt) Ltd Intertoll Holdings (Pt) Ltd Intertoll India Consultants Pvt. Ltd. Intertoll ICS India Pvt. Ltd. Intertoll Africa (Pvt.) Ltd.
17.	Mr. Julian Paul Thomas	Jomac Ltd  Intertoll (Pt) Ltd Intertoll Holdings (Pt) Ltd Intertoll India Consultant Pvt. Ltd. Intertoll ICS India Pvt. Ltd. Gdansk Transport Co., S.A. Group Five Infrastructure Developments (Pt.) Ltd.
18.	Mr. Pradeep Puri	Consolidated Toll Network India Pvt. Ltd.

**MEMBERSHIPS OF COMMITTEES HELD BY THE BOARD OF DIRECTORS**

Sl. No.	Name of the Director	Memberships /Chairpersons of Committees of Directors
1.	Mr. Gopi K Arora	<b>Noida Toll Bridge Company Limited</b> Allotment Committee of Directors (includes share transfers) – Chairman Audit Sub-Committee – Chairman Committee of Directors (Public Issue and Finance) – Chairman HRD Committee – Chairman Transfer Committee of Directors (FCDs and DDBs)  <b>Jaiprakash Industries Limited</b> Audit Sub-Committee – Chairman Finance Committee - Chairman
2.	Mr. R K Bhargava	<b>Noida Toll Bridge Company Limited</b> Audit Sub- Committee Project Management Committee
3.	Ms Pratibha Karan	<b>Noida Toll Bridge Company Limited</b> Audit Sub-Committee Project Management Committee
4.	Dr. Nivedita Haran	<b>Noida Toll Bridge Company Limited</b> Audit Sub- Committee
5.	Mr R S Sandhu	<b>Noida Toll Bridge Company Limited</b> Audit Sub- Committee
6.	Mr. Shardul Shroff	Infrastructure Development Finance Co. Ltd – Audit Committee IRCON International Ltd – Audit Committee
7.	Mr. Ravi Parthasarathy	IL&FS Asset Management Company Limited- Compensation Committee- Chairman Schoolnet India Limited- Compensation Committee Digital Equipment (India) Limited- Corporate Governance Committee- Chairman Audit Committee  <b>Noida Toll Bridge Company Limited</b> HRD Committee Committee of Directors (Public Issue & Finance)

8.	Mr Hari Sankaran	Noida Toll Bridge Company Limited HRD Committee Committee of Directors (Public Issue & Finance) Project Management Committee
9.	Mr. Arun K Saha	IL&FS Limited – Audit Committee Schoolnet India Limited – Audit Committee Vadodara Halol Toll Road Limited - Audit Committee Investsmart India Limited – Audit Committee IL&FS Trust Company - Audit Committee IL&FS Merchant Banking Services Limited - Audit Committee Investor Services of India Limited - Audit Committee Consolidated Toll Network India Pvt. Limited - Audit Committee  Noida Toll Bridge Co. Ltd. Insurance Committee Allotment Committee Committee of Directors (Business Promotion) Invitee for the Audit Committee
10.	Mr. Karunakaran Ramchand	Not a member of any Committees
11.	Mr. Graham Jang	Not a member of any Committees
12.	Mr. Shahzaad Dalal	Noida Toll Bridge Company Limited Allotment Committee of Directors (includes share transfers)  IL&FS Venture Corporation Limited Share Transfer Committee Compensation Committee  IL&FS Asset Management Company Compensation Committee Committee of Directors Investment Committee  RPG Cellular Services Limited Audit Committee Compensation Committee  Indraprastha Gas Limited Sub- Committee of Directors for Business Plan & Budget



13.	Mr. Alok Bhargava	Not a member of any Committees
14.	Mr. Santosh Senapati	<b>Noida Toll Bridge Company Limited</b> Audit Sub-Committee Committee of Directors (Public Issue and Finance)
15.	Mr. Ronald Ross	<b>Noida Toll Bridge Company Limited</b> Committee of Directors (Business Promotions)
16.	Mr. Pradeep Puri	<b>Noida Toll Bridge Company Limited</b> Transfer Committee of Directors (FCDS and DDBs) Allotment Committee of Directors (includes share transfers) HRD Committee Committee of Directors (Public Issue and Finance) Project Management Committee Committee of Directors (Business Promotions) Insurance Committee

**Note:** The Project Management Committee and Insurance Committees of Directors of Noida Toll Bridge Company Ltd. were disbanded with effect from April 26, 2001

**AUDIT SUB-COMMITTEE**

**Attendance of Directors for the Audit Sub-Committee Meeting held during the  
financial year 2000-2001**

Sl. No.	Name of the Directors	1st 05-Apr-00	2nd 30-Mar-01
1	Mr. Gopi Arora	Present	Present
2	Mr. R S Sandhu	Present	Absent
3	Mr Alok Bhargava	Present	-
4	Mr R K Bhargava		Present
5	Mr Santosh Senapati		Absent
6	Dr. Nivedita Haran		Absent
7	Ms Pratibha Karan		Absent

**HRD COMMITTEE MEETINGS****Attendance of Directors for the HRD Committee Meeting held during the  
financial year 2000-2001**

Sl. No.	Name of the Directors	5th 11-Jan-01
1	Mr. Gopi Arora	Present
2	Mr. Ravi Parthasarathy	Present
3	Mr. Hari Sankaran	Present
4	Mr Pradeep Puri	Present

Circular Resolutions 2 & 3 dated April 3, 2000 and Circular Resolutions 4, 5, 6 & 7 dated April 10, 2000 were passed by the HRD Committee of Directors where all Directors voted

**AUDITORS' REPORT**

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

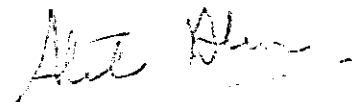
We have audited the attached Balance Sheet of **NOIDA TOLL BRIDGE COMPANY LIMITED** as at 31 March, 2001 and the Profit & Loss Account of the Company for the period 7 February to 31 March, 2001 annexed thereto, and report thereon as under:

1. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters, to the extent applicable, specified in paragraphs 4 & 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account.
  - d. in our opinion, the Profit and Loss Account and Balance Sheet dealt with by this report is in compliance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956.
  - e. in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
    - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2001, and
    - ii. in the case of the Profit and Loss Account, of the loss of the Company for the period 7 February to 31 March, 2001.

05

3. Mr. R.K. Bhargava, who has been nominated as a Director of other companies by the Board for Industrial and Financial Reconstruction has not produced written representation as to whether these companies in which Mr. R.K. Bhargava is a Director as on 31 March, 2001, had not defaulted in terms of Section 274(1)(g) of the Companies Act 1956. In the absence of this representation, we are unable to comment whether Mr. R.K. Bhargava is disqualified from being appointed as a Director under clause 274(1)(g) of the Companies Act, 1956. As far as other directors are concerned, on the basis of written representations from the Directors and taken on record by the Board of Directors, none of the remaining Directors is disqualified as on 31 March, 2001 from being appointed as a Director under section 274(1)(g) of the Companies Act, 1956.

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



**ATUL DHAWAN**  
Partner

New Delhi  
26 April, 2001

**ANNEXURE TO THE AUDITORS' REPORT**

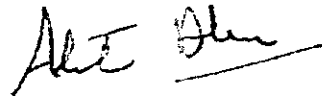
(Referred to in paragraph 1 of our report of even date)

1. The Company has generally maintained proper records showing full particulars including quantitative details for fixed assets. We are informed that the fixed assets were physically verified by the Management during the period and no material discrepancies were noted on such verification. In our opinion, the frequency of such verification is reasonable.
2. None of the fixed assets has been revalued during the year.
3. The Company has not taken or granted any loans, secured or unsecured, from/to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, or from companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 where the rate of interest and other terms and conditions are *prima facie* prejudicial to the interest of the Company.
4. In respect of loans and advances in the nature of loans, recovery of principal amounts and interest, where stipulated, has been regular.
5. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of, plant & machinery and other assets. The Company's operations do not require the purchase of any raw materials or the sale of goods.
6. There are no transactions of purchase of goods and materials made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000 or more in respect of each party.
7. The Company has not accepted any deposits from the public.
8. The Company has an internal audit system commensurate with its size and nature of its business.
9. The Company has been regular in depositing provident fund dues with the appropriate authorities. According to the information and explanations provided to us, the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company for the year ended 31 March, 2001.
10. According to the information and explanations given to us, there were no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty outstanding as at 31 March, 2001 for a period of more than six months from the date they became payable.



- 11 According to the information and explanations given to us, and the records of the Company examined by us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
- 12 The Company is not a sick industrial company within the meaning of Clause (o) of sub section (1) of section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985.

For S.B. BILLIMORIA & CO.  
Chartered Accountants



ATUL DHAWAN  
Partner

New Delhi  
26 April, 2001

**NOIDA TOLL BRIDGE COMPANY LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2001**

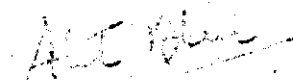
	<u>Schedule Reference</u>	<u>As At 31.03.2001 Rupees</u>	<u>As At 31.03.2000 Rupees</u>
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS'S FUNDS</b>			
Equity Share Capital	1	1,016,200,070	616,200,070
Loan Funds	2	<u>2,490,829,698</u> <u>3,507,129,768</u>	<u>1,827,959,000</u> <u>2,444,159,070</u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross block	3	3,740,748,824	8,061,310
Less depreciation		<u>2,362,611</u>	<u>2,417,614</u>
		3,738,386,213	5,643,696
<b>CAPITAL WORK IN PROGRESS</b>		75,871,867	2,509,444,775
<b>INVESTMENTS</b>	4	101,704,377	191,210,962
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Cash and bank balances	5	29,625,124	53,984,924
Loans & advances	6	<u>39,194,063</u> <u>68,825,187</u>	<u>27,444,851</u> <u>81,429,775</u>
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>	7	<u>600,655,275</u>	<u>388,452,225</u>
<b>NET CURRENT ASSETS</b>		(531,835,088)	(307,022,450)
<b>MISCELLANEOUS EXPENDITURE</b> (To the extent not written off or adjusted)	8	73,649,886	44,882,087
<b>PROFIT AND LOSS ACCOUNT</b>		49,352,533	Nil
		<u>3,507,129,768</u>	<u>2,444,159,070</u>

For notes forming part of the accounts, refer to Schedule 11

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


As per our report of even date attached

For S.B. BILLIMORIA & CO.  
Chartered Accountants

  
ATUL DHAWAN  
Partner

For and on behalf of  
NOIDA TOLL BRIDGE COMPANY LIMITED

  
Managing Director

  
Vice President - Finance

  
Director

  
Company Secretary

New Delhi

Date: 30 APR 2001

New Delhi

Date: 25 APR 2001



**NOIDA TOLL BRIDGE COMPANY LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2001**


	<u>Schedule Reference</u>	<u>As At 31.03.2001 Rupees</u>	<u>As At 31.03.2000 Rupees</u>
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS'S FUNDS</b>			
Equity Share Capital	1	1,016,200,070	616,200,070
Loan Funds	2	<u>2,490,929,698</u> <u>3,507,129,768</u>	<u>1,827,959,000</u> <u>2,444,159,070</u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross block	3	3,740,748,824	8,061,310
Less depreciation		<u>2,362,611</u>	<u>2,417,614</u>
		3,738,386,213	5,643,696
<b>CAPITAL WORK IN PROGRESS</b>		75,871,867	2,509,444,775
<b>INVESTMENTS</b>	4	101,704,377	191,210,962
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Cash and bank balances	5	29,625,124	53,984,924
Loans & advances	6	<u>39,194,063</u> <u>68,820,187</u>	<u>27,444,851</u> <u>81,429,775</u>
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>	7	<u>600,655,275</u>	<u>388,452,225</u>
<b>NET CURRENT ASSETS</b>		(531,835,088)	(307,022,450)
<b>MISCELLANEOUS EXPENDITURE</b> (To the extent not written off or adjusted)	8	73,649,866	44,882,087
<b>PROFIT AND LOSS ACCOUNT</b>		49,352,533	Nil
		<u>3,507,129,768</u>	<u>2,444,159,070</u>

For notes forming part of the accounts, refer to Schedule 11

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

As per our report of even date attached

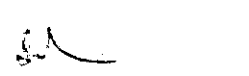
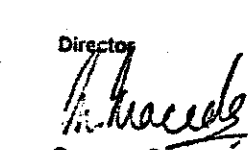
For S.B. BILLIMORIA & CO.  
Chartered Accountants

  
ATUL DHAWAN  
Partner

For and on behalf of  
NOIDA TOLL BRIDGE COMPANY LIMITED

  
Managing Director

  
Vice President - Finance

  
Director  
  
Company Secretary

New Delhi

Date : 28 APR 2001

New Delhi

Date : 28 APR 2001

**NOIDA TOLL BRIDGE COMPANY LIMITED**  
**PROFIT & LOSS ACCOUNT FOR THE PERIOD 7 FEBRUARY to 31 MARCH 2001**

	<u>Schedule Reference</u>	<u>For the period ended 31.03.2001 Rupees</u>
<b>INCOME</b>		
Toll revenue		11,600,938
Interest on investment		1,266,259
Other income		109,284
		<u>12,976,481</u>
<b>EXPENDITURE</b>		
Operating and administration expenses	9	10,383,316
Finance charges	10	49,659,497
Depreciation		2,286,201
		<u>62,329,014</u>
Loss carried forward to Balance Sheet		<u>(49,352,533)</u>

For notes forming part of the accounts, refer to Schedule 11

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

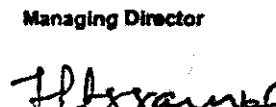
As per our report of even date attached

For S.B BILLIMORIA & CO.  
Chartered Accountants

  
ATUL DHAWAN  
Partner

For and on behalf of  
NOIDA TOLL BRIDGE COMPANY LIMITED

  
Managing Director

  
Vice President - Finance

  
Company Secretary

New Delhi  
Date : 26 APR 2001

New Delhi  
Date : 26 APR 2001

**NOIDA TOLL BRIDGE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

	<u>As At</u> <u>31.03.2001</u> <u>Rupees</u>	<u>As At</u> <u>31.03.2000</u> <u>Rupees</u>
<b>SCHEDULE 1</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
125,000,000 (Previous year 125,000,000) Equity shares of Rs.10 each	<u>1,250,000,000</u>	<u>1,250,000,000</u>
<b>Issued, Subscribed and Paid up</b>		
1,01,620,007 (Previous year 61,620,007) Equity shares of Rs.10 each fully paid up	<u>1,016,200,070</u>	<u>616,200,070</u>

**NOIDA TOLL BRIDGE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

	<u>As At</u> <u>31.03.2001</u> Rupees	<u>As At</u> <u>31.03.2000</u> Rupees
<b>SCHEDULE 2</b>		
<b>LOAN FUNDS</b>		
<b>Secured Loans</b>		
<b>a. Debenture and Bonds</b>		
207,800, 14% Fully Convertible Debentures of Rs. 1000 each (See Note 6 a)	207,800,000	207,800,000
100,000, Deep Discount Bonds of face value of Rs 45,000 each	4,500,000,000	4,500,000,000
Less: Unexpired Discount (See Note 6 b)	<u>3,892,027,000</u>	<u>3,969,841,000</u>
	607,973,000	530,159,000
<b>b. Term Loans (See Note 6 c)</b>		
Banks	955,000,000	440,000,000
Financial Institutions	120,000,000	50,000,000
Others	<u>600,000,000</u>	<u>600,000,000</u>
	1,675,000,000	1,090,000,000
Interest Accrued & due on term loans	156,698	NIL
	<u>2,490,929,698</u>	<u>1,827,959,000</u>

**Notes:**

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

**NOIDA TOLL BRIDGE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

**SCHEDULE 1**

**FIXED ASSETS**  
**A. (01.04.2000-06.02.2001)**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As At 1 April, 2000	Additions upto Feb. 8, 2001	Deletions	As At 6 Feb. 2001	As At 1 April, 2000	For the period upto Feb. 8, 2001	Deletions	As At Feb. 8, 2001	As At Feb. 8, 2001
Data Processing Equipment	1,018,561	443,040		2,302,504	790,185	509,516		1,302,701	1,059,803
Office Equipment	2,081,369	412,112	125,876	2,400,605	4,16,738	292,004	19,270	689,568	1,711,049
Vehicles	2,00,000	1,86,117		4,09,416	670,718	512,712		1,383,450	2,714,096
Furniture & Fixtures	1,423,073	197,842	78,915	1,542,000	333,953	186,396	10,809	509,460	1,032,540
<b>Total</b>	<b>5,061,310</b>	<b>2,547,026</b>	<b>204,791</b>	<b>10,403,545</b>	<b>2,417,614</b>	<b>1,497,718</b>	<b>30,165</b>	<b>3,885,167</b>	<b>6,518,378</b>

**B. (07.02.2001 - 31.03.2001)**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 7 Feb., 2001	Additions during the period	Deletions	As At 31 March, 2001	As At Feb. 7, 2001	For the period	Deletions	As At 31 March, 2001	As At 31 March, 2001	As At 31 March, 2000
DELTA NODA LINK BRIDGE		3,733,402,670		3,733,402,670		2,004,155		2,004,155	3,731,398,515	
		3,733,402,670		3,733,402,670		2,004,155		2,004,155	3,731,398,515	
Data Processing Equipment	1,059,803	308,500		1,368,303		88,583		88,583	1,279,720	1,122,379
Office Equipment	1,711,049	184,190		1,895,239		62,250		62,250	1,832,989	1,667,531
Vehicles	2,714,096	237,390		2,952,346		152,743		152,743	2,799,603	1,764,506
Furniture & Fixtures	1,032,540	97,720		1,130,260		54,880		54,880	1,075,380	1,069,120
<b>Total</b>	<b>6,518,378</b>	<b>3,744,230,440</b>		<b>3,746,748,824</b>		<b>2,262,611</b>		<b>2,262,611</b>	<b>3,738,386,213</b>	<b>564,5006,00</b>

Note : 1. Total depreciation on assets upto 6 February, 2001 has been transferred to Pre-operative expenses for allocation to assets on completion of project.  
2. The net value of assets as at 6 February, 2001 has been considered for computing depreciation for the period 7 February to 31 March, 2001.  
3. Depreciation for the period 7 February to 31 March, 2001 includes Rs. 76,410 which has been transferred to preoperative expenditure for the Ashram Flyover project.

**Noida Toll Bridge Company Limited**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

	As At 31.03.2001 Rupees	As At 31.03.2000 Rupees
<b>SCHEDULE 4</b>		
<b>INVESTMENTS (at cost)</b>		
<b>A) (Current, quoted other than trade investments)</b>		
(i) Templeton Gilt Fund -- NIL (previous year 6,362,336) units of face value of Rs.10 each)	Nil	64,418,740
(ii) Kotak Mahindra K-Gilt (Investment Plan) -- NIL units (previous year 807,429 units of face value of Rs.10 each)	Nil	8,458,139
(iii) SBI Liquibond Fund -- NIL units (previous year 4,884,100 units of face value of Rs.10 each)	Nil	50,000,000
(iv) Sun F&C Money Value Fund -- NIL units (previous year 3,124,749 units of face value of Rs.10 each)	Nil	31,341,235
(v) Prudential ICICI Income Fund -- NIL units (previous year 985,629 units of face value of Rs.10 each)	Nil	10,023,846
(vi) Chola Freedom income (Regular Plan) -- NIL units (previous year 2,678,153 units of face value of Rs.10 each)	Nil	26,969,002
	<u>Nil</u>	<u>191,210,962</u>
<b>B) Long term, unquoted</b>		
9739 (previous year - Nil) unsecured bonds of face value of Rs.100,000 each purchased from ICICI Ltd at an issue price of Rs.10443 each (See Note 5c)	101,704,377	Nil
	<u>101,704,377</u>	<u>Nil</u>
<b>Total A+B</b>	<u>101,704,377</u>	<u>191,210,962</u>

Notes:-

1. Aggregate value of quoted investment:

	As At 31.03.2001 Rupees	As At 31.03.2000 Rupees
Cost	Nil	195,541,758
Market value	Nil	191,210,962

2. Aggregate value of unquoted investment

101,704,377      Nil

**NOIDA TOLL BRIDGE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

	<u>As At</u> <u>31.03.2001</u> Rupees	<u>As At</u> <u>31.03.2000</u> Rupees
<b>SCHEDULE 5</b>		
<b>CASH AND BANK BALANCES</b>		
Cash in hand	91,994	14,683
Balances with the scheduled banks		
In Current accounts	17,034,225	3,970,241
In Deposit accounts	<u>12,499,905</u>	<u>50,000,000</u>
	<u>29,626,124</u>	<u>53,984,924</u>

**NOIDA TOLL BRIDGE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

	<b>As At 31.03.2001 Rupees</b>	<b>As At 31.03.2000 Rupees</b>
<b>SCHEDULE 6</b>		
<b>LOANS AND ADVANCES</b>		
Advances recoverable in cash or kind for value to be received	23,886,930	10,546,851
Advance Tax (net of provision)	117,524	Nil
Deposits with others	13,923,350	16,898,000
Interest accrued and not due on investments	1,266,259	Nil
	<u><b>39,194,063</b></u>	<u><b>27,444,851</b></u>
Of the above;		
a. Amount fully secured	11,600,000	11,600,000
b. Unsecured, considered good	<u>27,594,063</u>	<u>15,844,851</u>
	<u><b>39,194,063</b></u>	<u><b>27,444,851</b></u>
c. Amounts due from Directors	250,443	284,042
d. Maximum amount due from Directors during the year	416,854	383,636



**NOIDA TOLL BRIDGE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

	<u>As At</u> <u>31.03.2001</u> <u>Rupees</u>	<u>As At</u> <u>31.03.2000</u> <u>Rupees</u>
<b>SCHEDULE 7</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>Current Liabilities</b>		
Sundry creditors	578,565,727	340,944,776
Advance payments and unexpired discounts	994,511	
Other liabilities	15,210,211	45,008,379
Interest accrued but not due on secured loans	<u>5,289,605</u>	<u>1,777,281</u>
	600,060,054	387,730,436
<b>Provisions</b>		
Provision for Wealth Tax	16,277	7,110
Provision for retirement benefits (See Note 2e)	578,944	595,221
	<u>600,655,275</u>	<u>388,452,225</u>

**Noida Toll Bridge Company Limited**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

	As At 31.03.2001 Rupees	As At 31.03.2000 Rupees
<b>SCHEDULE 8</b>		
<b>MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)</b>		
a. Preliminary Expenses		
Balance brought forward	3,789,155	3,789,155
Amount charged to Profit & Loss account	110,041	-
	<u>3,679,114</u>	<u>3,789,155</u>
b. Expenses incurred on public issue of Fully Convertible debentures and Deep Discount Bonds		
Balance brought forward	41,045,500	41,092,932
Amount charged to Profit & Loss account	1,192,006	-
	<u>39,853,494</u>	<u>41,092,932</u>
c. Deferred revenue expenses (See Note 13)		
Transferred from preoperative expenses	31,018,057	
Amount charged to Profit & Loss account	900,799	
	<u>30,117,258</u>	
	<u>73,649,866</u>	<u>44,832,087</u>

**Noida Toll Bridge Company Limited**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

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**For the Period  
ended  
31.03.2001**

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**SCHEDULE 9**

**OPERATING AND ADMINISTRATION EXPENSES**

Fees paid to O&M contractor	1,294,085.00
Salaries	1,722,434.00
Contribution to provident & other funds	220,875.00
Staff welfare	220,614.00
Rent	534,359.00
Repair & maintenance -others	43,002.00
Telephone & fax	111,889.00
Travelling and conveyance	655,679.00
Director's sitting fees	8,000.00
Legal & professional charges	1,729,599.00
Business promotion	52,537.00
Miscellaneous expenditure written off	2,202,846.00
Electricity	103,886.00
Insurance	981,932.00
General office expenses	501,579.00
	<b><u>10,383,316.00</u></b>

**NOIDA TOLL BRIDGE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

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**For the Period  
ended  
31.03.2001**

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**SCHEDULE 10**

**FINANCE CHARGES**

Interest on Fully Convertible Debentures	4,224,472
Interest on Deep Discount Bonds	11,299,019
Interest on Term loan	32,576,211
Others	1,559,795
	<u><u>49,659,497</u></u>

**NOIDA TOLL BRIDGE COMPANY LIMITED**  
**SCHEDULES FORMING PART OF THE ACCOUNTS**

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**SCHEDULE 11 : NOTES FORMING PART OF THE ACCOUNTS**

**1. Background**

Noida Toll Bridge Company Limited (the Company) has been set up to develop, establish, construct, operate and maintain a project relating to the construction of the Delhi Noida Link Bridge under the "Build-Own-Operate-Transfer" (BOOT) basis. A 'Concession Agreement' entered into between the Company, Infrastructure Leasing and Financial Services Limited and the New Okhla Industrial Development Authority, Government of Uttar Pradesh, conferred the right to the Company to implement the project and recover the project cost with a designated rate of return over the 30 year concession period commencing 30 December, 1998, the date of Certificate of Commencement, or till such time the designated return is recovered, whichever is earlier. The rate of return is computed with reference to the project costs, cost of major repairs and the shortfall in the recovery of the assured returns in the previous year(s). The recoveries shall be made through the levy of fees/ toll revenue over the concession period as per the Concession Agreement.

The project cost referred to above includes the cost of a flyover to be constructed at the landfall of the Delhi Noida Link bridge for which a separate agreement has been entered into within the Government of the NCT of Delhi which is co-terminus with the Concession Agreement.

The Delhi Noida Link Bridge (other than the flyover) was substantially completed on 6 February, 2001 and commercial operation of the same commenced from 7 February, 2001.

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 6 February, 2001 on provisional basis pending certain payments, which would be affected after completion of the 12 months defect liability period. The independent auditors have also determined the accrued return as designated under the Concession Agreement and due to the company till 29 December, 2000. As per the independent auditors the total amount to be recovered upto 29 December, 2000 under the Concession Agreement including 20% return on project cost aggregates to Rs. 4001.35 million.

**2. Significant Accounting Policies**

**a. Basis of accounting**

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting. The Company commenced commercial operations with effect from 7 February, 2001. Accordingly, the profit and loss account has been prepared for the period 7 February to 31 March, 2001. This being the first period of preparation of the Profit & Loss account, previous period comparatives have not been given.

**b. Fixed assets**

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

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

**c. Depreciation**

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

Depreciation on the Delhi Noida Link Bridge is charged using the sinking fund method from 7 February, 2001 (the date of commencement of commercial operations) to 31 March, 2001. The Company has obtained the approval of the Department of Company Affairs, Government of India, vide their letter reference no. 6/18/98 – CL.V dated 11 August, 1998 to provide depreciation using sinking fund method. (See also Note 5 below)

**d. Revenue Recognition**

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

**e. Retirement benefits**

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

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

**f. Investments**

Investments are valued at cost.

**g. Foreign currency transactions**

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

**h. Miscellaneous expenditure**

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

**3. Capitalisation of the bridge**

Pending receipt of the final bill from the contractor for expenses incurred on the project from 1 January to 31 March, 2001, the Company has capitalised the same at estimated costs aggregating to Rs. 251.64 million as certified by the project engineer. (See also Note 7d below). Any change in the cost of the project on receipt of the contractor's final bill will be revised in subsequent year(s). The extent of such adjustments, if any can not be determined at this stage.

#### 4. Capital Work In Progress and Preoperative expenditure

Consequent to commencement of commercial operations of the Delhi Noida Link Bridge on 7 February, 2001, all indirect expenditure incurred upto that date have been allocated to the cost of the bridge and capitalised. The amounts remaining to be allocated represent costs incurred on the flyover and have been carried forward as unallocated expenditure to be capitalised on its completion. The details of costs capitalised and those carried forward are as follows:

##### a. Capital work in progress

	As at 31.03.2001 (Rs.)	As at 31.03.2000 (Rs.)
i. Project Assets (including leasehold land, road and bridge)	185,511,155	165,229,000
ii. Capital Advances	2,670,806,758	1,687,514,194
iii. Unallocated Project Preoperative Expenditure as at 6.2.2001 (previous year 31.03.2000) - See paragraph b below	952,956,624	656,701,581
	<u>3,809,274,537</u>	<u>2,509,444,775</u>
Less Cost of bridge capitalised	<u>3,733,402,670</u>	
Balance carried forward	<u>75,871,867</u>	<u>2,509,444,775</u>

##### b. Preoperative expenditure

	As At 31.3.2000 (Rs.)	1.4.2000 to 6.2.2001 (Rs.)	As At 6.2.2001 (Rs.)
Salaries	20,913,380	14,100,988	35,014,368
Contribution to provident & other funds	1,849,842	1,125,374	2,975,216
Staff welfare expenses	1,269,994	1,090,884	2,360,878
Rent	5,098,481	3,012,992	8,111,473
Repairs & Maintenance- others	540,669	487,285	1,027,954
Telephone and fax	2,383,790	817,661	3,201,451
Travelling and conveyance	16,540,531	4,896,349	21,436,880
Director sitting fees	286,000	94,000	380,000
Auditors remuneration	428,111	165,208	593,319
Legal & professional charges	149,690,221	45,241,702	194,931,923
Business promotion	1,976,253	275,863	2,252,116
Advertisement	761,467	165,897	927,364
General office expenses	6,569,384	2,082,953	8,672,337
Rates & taxes	31,377	37,508	68,885
Electricity	529,136	885,135	1,414,271
Depreciation (See Schedule 5A)	2,443,123	1,574,127	4,017,250
Interest & finance charges	418,608,308	250,107,497	668,715,805
Project management fees	40,420,000	-	40,420,000
Insurance	4,071,806	4,258,891	8,330,697
Marketing expenses		8,831,218	8,831,218
Listing fees		<u>162,411</u>	<u>162,411</u>

	As At 31.3.2000 (Rs.)	1.4.2000 to 6.2.2001 (Rs.)	As At 6.2.2001 (Rs.)
	674,431,873	339,413,943	1,013,845,816
Less: Income from investment - others net of provision for income tax (See Note 11)	17,730,292	12,140,842	29,871,134
	656,701,581	327,273,101	983,974,682
Less : Preoperative expenditure transferred to miscellaneous expenditure			31,018,057
Unallocated project preoperative expenditure			952,956,625

Capital work in progress at the year end includes direct and indirect expenses incurred and amounts paid/payable to contractors for the construction of the flyover (including estimates for work done in March 2001 and escalations due, as estimated by the Company for which bills are awaited).

#### 5. Depreciation of the Delhi Noida Link Bridge

Under the Sinking Fund Method of depreciation, the Company is required to make an investment such that the aggregate of the principal and the interest earned on a compounded basis over the concession period will equal the project cost. Accordingly, the charge for depreciation for any period will be equal to the interest earned on such investments together with the annual installment of the principal amortised over the remaining concession period.

Due to prevailing market conditions, the Company has been unable to invest in any security or other instrument for a period equal to the remaining life of the concession period which has commenced effective 30 December, 1998. The Company has instead, on 22 February, 2001, purchased 9739 Unsecured Bonds in the nature of debentures (having a face value of Rs. 100,000 each) from ICICI Limited to be redeemed after 20 years from the date of issue at an issue price of Rs. 10,443 each aggregating to Rs. 101.70 million, offering an annualised yield of 11.95%. The Company proposes to renew such investments at the time of maturity of 20 years to the end of the concession period.

Based on the above, the depreciation charge for the period 7 February to 31 March, 2001 is Rs. 2,004,155.

Investments made by the Company under the Sinking Fund Method of depreciation will be periodically reviewed and appropriately adjusted for changes in interest rates, additional capital expenditure, tax effects, etc.

#### 6. Secured Loans

- a. Fully Convertible Debentures (FCDs) are secured by second charge in favour of the trustees on all the project assets of the Company which include the Delhi Noida Link Bridge and all tangible and intangible assets including, but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds. Further, Infrastructure Leasing & Financial Services Limited has provided an unconditional and irrevocable guarantee for the payment of interest on FCDs.



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

## 7. Contingent Liabilities

Contingent liabilities in respect of:

		As at 31.03.2001 Rs./Million	Previous Year Rs./Million
a.	Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances paid against such contracts Rs. 2279.01 million (Previous year Rs. 1674.55 million)	175.29	725.52
b.	Bank guarantee submitted by the Company to The UP Stock Exchange Association Limited, Kanpur in terms of the listing agreement	NIL	3.54
c.	Based on an environment and social assessment, compensation for rehabilitation and resettlement of project-affected persons has been estimated and considered as part of the project cost and provided for based on estimates made by the Company.		

- d. Claims made by the contractor aggregating to Rs. 218.99 million have not been accepted by the Company and both parties are taking necessary steps to refer the matter to arbitration in accordance with the contractual arrangements.

8. **Expenditure in Foreign Currency**

	Year Ended 31.03.2001 Rupees	Previous Year Rupees
a. Travel	961,277	678,774
b. Payments to Contractors	77,185,282	481,302,710
c. Consultancy	3,396,058	10,344,907

9. **Managerial Remuneration**

The Managing Director's remuneration includes:

	Year Ended 31.03.2001 Rupees	Previous Year Rupees
a. Salaries	2,880,744	1,205,550
b. Contribution to Provident and other funds (excluding gratuity)	430,306	315,563
c. Monetary value of perquisites	836,131	690,653
<b>TOTAL</b>	<b>4,147,181</b>	<b>2,211,971</b>

As there are no profits during the year under section 349 of the Companies Act, 1956, the remuneration paid to the Managing Director is as per the approval of the Central Government dated 17.05.1999 and 01.11.2000.

10. **Auditors' Remuneration**

Auditors' remuneration for the year includes:

	Year Ended 31.03.2001 Rupees	Previous Year Rupees
a. As Auditors	100,000	100,000
b. For Other Services	60,010	114,990
c. Reimbursement of out of pocket expenses	7,455	5,816
d. Service Tax	13,000	10,650
<b>TOTAL</b>	<b>180,465</b>	<b>231,456</b>

# 11. Income

Income from investments and others for the year includes:

Particulars	1.4.2000 to 06.02.2001 (Rs.)	07.02.2001 to 31.03.2001 (Rs.)	Previous Year (Rs.)
Interest on deposits with scheduled banks	64,849	38,620	7,106,311
Dividends on mutual funds	7,800,978		19,979,665
Short term capital loss on sale of investments	1,620,508		(6,850,127)
Other income (net)	2,678,892	70,664	160,571
	12,165,227	109,284	20,396,420
Less: Provision for income tax	(24,385)		(2,760,059)
	12,140,842	109,284	17,636,361

# 12. Deep Discount Bonds

The Company has issued Deep Discount bonds for Rs. 5,000 each at a face value of Rs. 45,000 to be redeemed at the expiry of 16 years from the date of allotment. The interest on these bonds compounded @ 14.67% p.a. results in the redemption value of Rs. 45,000 over the period of the bond. The proportionate interest for the period 1 April, 2000 to 6 February, 2001 which pertains to project construction period has been included in the statement of preoperative expenses and necessary provision has been made in the Profit and Loss Account towards interest accrued during the operation period i.e. February 7, 2001 to March 31, 2001.

# 13. Miscellaneous Expenditure

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

# 14. Previous Year's Comparatives

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

For and on behalf of  
NOIDA TOLL BRIDGE COMPANY LIMITED

Managing Director

Vice President  
Finance

Director

Company Secretary

New Delhi

Date : 26 APR 2001

**NOIDA TOLL BRIDGE COMPANY LIMITED****BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

(In terms of amendment to Schedule VI Part IV)

**I Registration Details**

Registration No.	:	20-19759	State Code	:	20
Balance Sheet Date	:	March 31, 2001			

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

Public Issue	:	NIL	Right Issue	:	NIL
Bonus Issue	:	NIL	Private Placement	:	400000

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

Total Liabilities	:	3507130	Total Assets	:	3507130
Source of Funds					
Paid-up Capital	:	1016200	Reserve and Surplus	:	NIL
Secured Loans	:	2490930	Unsecured Loans	:	NIL
Application of Funds					
Net Fixed Assets (including Capital Work- in-progress)	:	3814258	Investments	:	101704
Net Current Assets	:	(531835)	Misc. Expenditure	:	73650
Accumulated Losses	:	49353			

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

Turnover & Other Income	:	12976	Total Expenditure	:	62329
Profit/Loss before Tax	:	49352	Profit/Loss after Tax	:	49352
Earning per Share in Rs.	:	N/A	Dividend rate %	:	N/A

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

Item Code No. (ITC Code)	NIL
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Product Description	The Company has been set up for the purpose of construction & operation of Delhi Noida Link Bridge Project on Build, Operate, Own & Transfer (BOOT) system
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# Noida Toll Bridge Company Limited

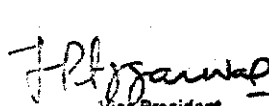
## CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2001

	Year ended 31 March, 2001 Rupees	Year ended 31 March, 2000 Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Loss for the year	(49,352,533)	Nil
Adjustments for :		
Depreciation	2,286,201	Nil
Miscellaneous Expenditure written off	2,092,805	Nil
Preliminary Expenses written off	110,041	Nil
Finance Charges	49,659,497	Nil
Interest on Investment	(1,266,259)	Nil
Other Income	(79,144)	Nil
Operating Loss Before Working Capital Changes	3,450,608	Nil
Adjustments for :		
Increase/(decrease) in Current Liabilities	198,207,773	215,310,652
Cash From/(Used In) Operating Activities	<u>201,658,381</u>	<u>215,310,652</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Preoperative Expenses	(87,732,319)	(68,193,400)
Purchase of fixed assets	(3,374,802)	(2,763,837)
Proceeds from sale of fixed assets	105,715	236,292
Investments made	(101,704,377)	(191,210,962)
Investments Sold	191,210,962	-
Interest/Other income received	12,288,897	17,666,342
Payment for Land and PAPS	(20,282,155)	68,380,000
Payment to Contractors	(983,292,565)	(923,147,115)
Cash From/(Used In) Investing Activities	<u>(992,780,644)</u>	<u>(1,099,032,680)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Share Capital received	400,000,000	298,757,598
Debentures and Bonds issued	Nil	707,800,000
Term loan from banks & financial institutions	585,000,000	180,000,000
Short term unsecured loan	Nil	(133,798,723)
Interest paid	(218,283,972)	(218,288,500)
Public Issue expenses	47,435	(38,514,671)
Cash From/(Used In) Financing Activities	<u>766,763,463</u>	<u>795,955,704</u>
Net Increase /Decrease in Cash and Cash Equivalents	(24,358,800)	(87,766,324)
Cash and Cash Equivalents as at April 1, 2000	53,984,924	141,751,248
Cash and Cash Equivalents as at March 31, 2001	<u>29,626,124</u>	<u>53,984,924</u>

For and on behalf of  
Noida Toll Bridge Company Limited

  
Managing Director

Director

  
Vice President  
Finance


  
Company Secretary

New Delhi  
26 April, 2001

### AUDITORS' CERTIFICATE

We have verified the above cash flow statement of Noida Toll Bridge Company Limited derived from the audited financial statements of the Company for the year ended 31 March, 2001 and found the statement to be in accordance therewith and also with the requirements of clause 32 of the listing agreement with the Stock exchanges.

For S.B. BILLIMORIA & CO.  
Chartered Accountants

  
ATUL DHAWAN  
Partner

New Delhi  
26 April, 2000