

DIRECTORS' REPORT

The Directors have pleasure in presenting their report and Accounts for the year ended March 31, 2012.

1. FINANCIAL RESULTS

The key financial parameters for the year ended March 31, 2012 are:

Amount (Rupees Lakhs)

Description	2011-12	2010-11
Profit before depreciation & tax	(43.65)	(158.06)
Depreciation on Tangible Assets	140.21	77.13
Amortisation on Intangible Assets	4285.97	4377.76
Profit / (Loss) before tax	(4469.83)	(4612.95)
Exceptional Items	221.49	–
Provision for tax	–	–
Profit / (Loss) after tax	(4248.34)	(4612.95)
Balance brought forward from	(12,191.69)	(7,578.74)
Previous year	(12191.69)	(7578.74)
Balance carried to Balance Sheet	(16444.03)	(12191.69)

2. PERFORMANCE OF THE COMPANY

1. There venue for the Company rose by 8.63% from Rs. 38.70 Cr in 2010-11 to Rs. 42.04 Cr in 2011-12
2. Safety enhancement by means of installation of Antiglare on medians and convex mirrors at blind turns
3. Panipat Hi-Festival celebrated from February 1-4th, 2012 – “Safe Roads” theme – Street Plays, Safety march, painting competition etc. organized.
4. Safety week celebrated – January 1-7th, 2012 – Banners, flyer distribution, participated in safety marathon.

3. DIVIDEND

The Board of Directors has not recommended any dividend for the year 2011-12.

4. CAPITAL EXPENDITURE

As at March 31, 2012, the gross fixed assets stood at Rs. 7,618,154,017 and the net fixed assets stood at Rs. 5,979,611,141.

5. DEPOSITS

The Company has not accepted any deposits from the public.

6. AUDITORS' REPORT

The Auditors' Report to the Shareholders does not contain any qualifications.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy

The operations of your Company are not energy intensive as Company is not engaged in manufacturing activity and your Company is not under the list of industries which should furnish information in form A (Rule 2).

B. Technology Absorption

No technology has been developed and / or imported by way of foreign collaboration.

C. Foreign Exchange Earnings and Outgo

During the year, there is no expenditure in foreign currency.

8. DISCLOSURE OF PARTICULARS

As the primary object of the Company is Operation of the BOT Project, there are no particulars to be disclosed as per the Companies' (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

9. PARTICULARS OF EMPLOYEES

There are no employees covered by the provisions of the Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

At the Board Meeting held on 20.12.2011 Mr. Sanjay Tikku was appointed as Manager of the Company.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

1. that in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
2. that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012;
3. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the annual accounts have been prepared on a going concern basis.
5. that proper systems are in place to ensure compliance of all laws applicable to the Company.

11. DIRECTORS

Mr. K. Venkatesh, Mr. C. S. Damle, and Mr. B. Ramakrishnan are the Current Directors of the Company.

Mr. T. S. Venkatesan resigned as a Director of the Company with effect from April 6, 2012.

Mr. B. Ramakrishnan, retires by rotation at the Seventh Annual General Meeting and being eligible offers himself for re-appointment.

12. AUDIT COMMITTEE

The Audit Committee was re-constituted consequent upon the resignation of Mr. T. S. Venkatesan on April 6, 2012.

The Members of the Audit Committee are :

1. Mr. K. Venkatesh;
2. Mr. C. S. Damle; and
3. Mr. B. Ramakrishnan

The role, terms of reference, the authority and power of Chairman are in conformity with the requirements of the Companies Act, 1956.

The Committee met periodically during the year and held discussions with the auditors on internal control systems and internal audit report.

13. AUDITORS

The Auditors, M/s. M. K. Dandekar & Co., Chartered Accountants, being statutory auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment.

Certificate from Auditors has been received to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

14. COMPLIANCE WITH VOLUNTARY CORPORATE GOVERNANCE GUIDELINES, 2009

The Company has familiarized itself with the requirement of the Corporate Governance Voluntary Guidelines 2009 issued by the Ministry of Corporate Affairs and it is in the process of implementing many of the suggestions. Our compliance with the said guidelines is given below–

A) Separation of Offices of Chairman & Chief Executive

The Chairman is elected during each Board Meeting by the Directors from amongst those present. All the Directors are Non-Executive and the role of Chairman is confined to the proper conduct of the Board Meeting. The Manager of the Company, as per the Companies Act 1956, handles the responsibilities envisaged for a Chief Executive and the occupant of the position is not a Board Member and attends the Board Meetings only as invitee. In this manner the separation of offices of Chairman & Manager is ensured as per the requirement of guidelines.

B) Remuneration of Directors

The Directors are not paid any remuneration by way of sitting fees, etc.

C) Independent Directors

None of the Directors is involved in the day to day affairs of the Company.

Number of Companies in which an Individual may become a Director

The Company has apprised its board members about the restriction on number of other directorships and the same is being complied with.

D) Responsibilities of the Board

Presentations to the Board in areas such as financial results, budgets, business prospects etc. give the Directors, an opportunity to interact with senior managers and other functional heads. Directors are also updated about their role, responsibilities and liabilities.

The Company ensures necessary training to the Directors relating to its business through formal/ informal interactions. Systems, procedures and resources are available to ensure that every Director is supplied, in a timely manner, with precise and concise information in a form and of a quality appropriate to effectively enable/ discharge his duties. The Directors are given time to study the data and contribute effectively to Board discussions. The Non-Executive Directors through their interactions and deliberations give suggestions for improving overall effectiveness of the Board and its Committees. Their inputs are also utilized to determine the critical skills required for prospective candidates for election to the Board. The system of risk assessment and compliance with statutory requirements are in place.

E) Statutory Auditors

The Company has obtained a certificate from the auditors certifying its independence and arm's length relationship with the Company. The Company does not advocate rotation of Auditors as envisaged in these guidelines in view of the domain knowledge acquired by the Auditors over a period of time. However, the signing partners are rotated at regular frequency.

F) Internal Auditors

The Internal Audit of the Company is conducted by M/s. G. K.Agrawal & Company, New Delhi.

G) Internal Control

The Board ensures the effectiveness of the Company's system of internal controls including financial, operational and compliance controls and risk management systems.

H) Secretarial Audit

The Secretarial Audit, at regular intervals, is conducted by the Corporate Secretarial department of Larsen & Toubro Limited, which has competent professionals to carry out the said audit.

15. ACKNOWLEDGEMENTS

The Directors acknowledge the invaluable support extended to the Company by the financial institutions, bankers, employees of the Company, staff and management of the parent Company.

For and on behalf of the Board

Place : Chennai
Date : April 26, 2012

K. VENKATESH
Director

B. RAMAKRISHNAN
Director

AUDITORS' REPORT

TO THE MEMBERS OF L&T PANIPAT ELEVATED CORRIDOR LIMITED

We have audited the attached Balance Sheet of L&T PANIPAT ELEVATED CORRIDOR LIMITED as at March 31, 2012 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In accordance with the provisions of Section 227 of the Companies Act, 1956, we report that:

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
 - (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit;
 - (b) in our opinion, proper books of accounts as required by law have been kept by the Company, so far as it appears from our examination of those books;
 - (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the Books of accounts;
 - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) in our opinion, this Company is a going concern as explained in Note No 32 to the accounts.
 - (f) on the basis of the written representations received from the Directors of the Company as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and
 - (g) 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 significant accounting policies and notes appearing thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - ii) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date;
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

M. K. DANDEKER & CO.
Chartered Accountants
(ICAI Registration No 000679S)

K. J. DANDEKER
Partner
Membership No. 18533

Place : Chennai
Date : April 24, 2012

ANNEXURE TO AUDITOR'S REPORT

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

With reference to the Annexure referred to in paragraph 1 of the report of the Auditors to the Members of L&T PANIPAT ELEVATED CORRIDOR LIMITED on the accounts for the year ended March 31, 2012, we report that:

- (i)
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) We are informed that the management of the Company has physically verified during the year all its fixed assets and no material discrepancies were noticed on such verification.
 - (c) The Company has not disposed of any of its fixed assets so as to affect the going concern status.
- (ii) The Company is engaged in the business of infrastructure development and maintenance and hence the clauses 4(ii)(a), (b) & (c) of the Companies (Auditor's Report) Order 2003 relating to inventory are not applicable.

L&T PANIPAT ELEVATED CORRIDOR LIMITED

- (iii) According to the information & explanation given to us, the Company has not granted or taken any loans, secured or unsecured, to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Hence reporting under clause-4(iii)(b) to (g) of the Companies (Auditor's Report) Order, 2003 does not arise.
- (iv) In our opinion, and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business, for the purchase of fixed assets. In our opinion, and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- (v) In our opinion, and according to the information and explanations given to us, there are no transactions that need to be entered into the register in pursuance of Section 301 of the Companies Act, 1956 and hence reporting under clause 4(v)(b) of the Companies (Auditor's Report) Order, 2003 does not arise .
- (vi) The Company has not accepted deposits from the public within the meaning of Section 58A, 58AA or any other relevant provisions of the Companies Act 1956. Hence Clause 4(vi) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (vii) In our Opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) The Company is maintaining the cost records as prescribed by the Central Government under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues, Income tax, and other statutory dues during the year with the appropriate authorities. As at March 31, 2012, there are no undisputed statutory dues payable for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues which have not been deposited on account of any dispute of income tax.
- (x) The Company has accumulated losses of Rs 164,40,03,033 at the end of the financial year, which is more than 50% of the Networth of the Company. Also, the Company has incurred cash loss of Rs. 4,364,774 in the current financial year and of Rs 15,806,090 in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to any banks or financial institutions.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures. However, the surplus funds have been invested in mutual funds. Proper records have been maintained for the transactions and contracts for the investment in mutual funds and are updated on a timely basis. The investments have been held by the Company in its own name.
- (xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) Based on the information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanation given to us, the Company has not raised funds on short term basis. Hence, the provisions of clause 4(xvii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, during the year.
- (xix) The Company has not issued debentures during the year. Accordingly, no security or charge needs to be created.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) During the course of our examination of the books and the records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by management.

M. K. DANDEKER & CO.
Chartered Accountants
(ICAI Registration No. 000679S)

K. J. DANDEKER
Partner
Membership No. 18533

Place : Chennai
Date : April 24, 2012

BALANCE SHEET AS AT MARCH 31, 2012

	Note No.	As at 31.03.2012 Rupees	Rupees	As at 31.03.2011 Rupees	Rupees
EQUITY AND LIABILITIES					
Shareholders' Funds					
(a) Share Capital	1	843,000,000		843,000,000	
(b) Reserves & Surplus	2	(1,644,003,033)		(1,219,168,820)	
			(801,003,033)		(376,168,820)
Non-current liabilities					
(a) Long-term borrowings	3	2,461,506,423		2,415,186,032	
(b) Other Long term liabilities	4	3,509,000,000		3,509,000,000	
(c) Long-term provisions	5	23,200,000		16,000,000	
			5,993,706,423		5,940,186,032
Current liabilities					
(a) Short-term borrowings	6	419,168,880		357,432,299	
(b) Current maturities of long term borrowings	7	370,959,808		687,386,188	
(c) Trade payables	8	13,899,568		28,967,806	
(d) Other current liabilities	9	1,335,971		16,703,043	
(e) Short-term provisions	10	615,668		376,419	
			805,979,895		1,090,865,755
TOTAL			5,998,683,285		6,654,882,967
ASSETS					
Non-current assets					
(a) Fixed assets					
(i) Tangible assets	11	50,689,350		64,659,660	
(ii) Intangible assets		5,928,921,791		6,572,342,183	
(b) Long-term loans and advances	12	10,000		10,000	
			5,979,621,141		6,637,011,843
Current Assets					
(a) Cash and bank balances	13	16,737,388		14,416,684	
(b) Short-term loans and advances	14	2,324,756		3,454,441	
			19,062,144		17,871,125
TOTAL			5,998,683,285		6,654,882,967
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	22				

As per our report of even date

For and on behalf of the Board

M. K. DANDEKER & CO.Chartered Accountants
(ICAI Registration No. 000679S)**K. J. DANDEKER**Partner
Membership No.18533**SANJAY TIKKU**

Manager

K. VENKATESH

Director

B. RAMAKRISHNAN

Director

Place : Chennai

Date : April 24, 2012

Place : Chennai

Date : April 26, 2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

		2011-2012		2010-2011	
	Note	Rupees	Rupees	Rupees	Rupees
INCOME					
Revenue from Operations	15	420,409,672		386,964,998	
Other Income	16	2,726,766		568,075	
TOTAL REVENUE			423,136,438		387,533,073
EXPENSES					
Operating and maintenance expenses	17	59,475,987		47,993,807	
Employee benefit expenses	18	12,189,992		8,638,528	
Administration and other expenses	19	21,980,849		30,579,623	
Finance costs	20	333,854,384		316,127,204	
Depreciation of Tangible Assets	21	14,021,537		7,712,777	
Amortisation of Intangible Assets		428,596,756		437,775,848	
TOTAL EXPENDITURE			870,119,505		848,827,788
Profit Before Tax, Extraordinary and Exception Items			(446,983,067)		(461,294,715)
Exceptional Items	29		(22,148,854)		—
Profit/(Loss) Before And After Taxes			(424,834,213)		(461,294,715)
Balance brought forward from previous period			(1,219,168,820)		(757,874,105)
Profit/(Loss) to be Carried Forward			(1,644,003,033)		(1,219,168,820)
Earnings per share					
- Basic & Diluted			(5.04)		(5.47)
Nominal Value per share			10.00		10.00

As per our report of even date

M. K. DANDEKER & CO.Chartered Accountants
(ICAI Registration No. 000679S)

For and on behalf of the Board

K. J. DANDEKERPartner
Membership No.18533**SANJAY TIKKU**

Manager

K. VENKATESH

Director

B. RAMAKRISHNAN

Director

Place : Chennai

Date : April 24, 2012

Place : Chennai

Date : April 26, 2012

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	2011-2012 Rupees	2010-2011 Rupees
A Cash Flow from operating activities		
Profit before tax (excluding extraordinary items)	(424,834,213)	(461,294,716)
Adjustments for :		
Depreciation and amortisation	442,618,293	445,488,625
Interest Expense	333,854,384	316,127,206
Unrealized foreign exchange difference - net (gain) / loss	-	90,093
(Profit) / Loss on sale of investments (net)	(1,078,229)	(556,631)
Operating profit before working capital changes	350,560,235	299,854,577
Adjustments For :		
(Increase) / Decrease in Loans and Advances	1,129,685	(1,857,242)
Increase / (Decrease) in trade payables	(22,996,061)	356,831,280
Cash generated from operations	328,693,859	654,828,615
Direct taxes paid (net of refund)	-	-
Net cash from operating activities	328,693,859	654,828,615
B Cash Flow from Investing activities :		
(Purchase)/Adjustments of fixed assets (net)	214,772,409	(108,983,604)
Purchase of investments	(269,993,517)	(268,880,256)
Sale of investments	271,071,746	269,436,887
Net cash (used in) / from investing activities	215,850,638	(108,426,973)
C Cash Flow from financing activities		
(Repayment) / proceeds from other borrowings	(208,369,408)	(221,038,845)
Interest paid	(333,854,383)	(316,127,206)
Net cash (used in) / from financing activities	(542,223,791)	(537,166,051)
Net (decrease)/ increase in cash and cash equivalents (A+B+C)	2,320,706	9,235,590
Cash and cash equivalents as at the beginning of the year	14,416,683	5,181,094
Cash and cash equivalents as at end of the year	16,737,388	14,416,683

NOTES

1. Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard 3; "Cash Flow Statement" as per Companies (Accounting Standards) Rules, 2006.
2. Cash and cash equivalents represent cash and bank balances.
3. Previous year's figures have been regrouped/reclassified wherever applicable.

As per our report of even date

For and on behalf of the Board

M. K. DANDEKER & CO.Chartered Accountants
(ICAI Registration No. 000679S)**K. J. DANDEKER**Partner
Membership No.18533**SANJAY TIKKU**

Manager

K. VENKATESH

Director

B. RAMAKRISHNAN

Director

Place : Chennai

Date : April 24, 2012

Place : Chennai

Date : April 26, 2012

NOTES TO FINANCIAL STATEMENTS**1 SHARE CAPITAL**

	As at 31.03.2012		As at 31.03.2011	
	Rupees	Rupees	Rupees	Rupees
Authorised Share Capital				
85,000,000 Equity Shares of Rs.10 each (previous year :85,000,000 Equity Shares of Rs. 10 each)		850,000,000		850,000,000
Issued, Subscribed and Paid up share capital				
84,300,000 Equity Shares of Rs.10 each fully paid up (previous year : 84,300,000 Equity Shares of Rs. 10 each fully paid up)		843,000,000		843,000,000
TOTAL		843,000,000		843,000,000

a. Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period:

	As at 31.03.2012		As at 31.03.2011	
	No of Shares	Rupees	No of Shares	Rupees
Equity Shares:				
At the beginning of the period	84,300,000	843,000,000	84,300,000	843,000,000
Issued during the year as fully paid	—	—	—	—
Outstanding at the end of the period	84,300,000	843,000,000	84,300,000	843,000,000

b. Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

During the year ended March 31, 2012, no dividend is declared by Board of Directors. (Previous year - Nil)

c. Shares held by Holding / Ultimate holding Company and/or their subsidiaries/associates:

	Relationship	As at 31.03.2012	As at 31.03.2011
		Rupees	Rupees
L&T Infrastructure Development Projects Limited	Holding Company		
84,300,000 Equity Shares of Rs. 10 each fully paid up		84,300,000	84,300,000

d. Details of Shareholders holding more than 5% shares in the Company:

	As at 31.03.2012		As at 31.03.2011	
	No of Shares	%	No of Shares	%
Equity Shares of Rs. 10 each fully paid				
L&T Infrastructure Development Projects Limited, Holding Company	84,300,000	100.00%	84,300,000	100.00%

NOTES TO FINANCIAL STATEMENTS (Contd.)

	As at 31.03.2012		As at 31.03.2011	
	Rupees	Rupees	Rupees	Rupees
2 RESERVES & SURPLUS				
Surplus / (deficit) in the Statement of Profit and Loss				
Balance as per the last financial statement		(1,219,168,820)		(757,874,105)
Add: Profit/(Loss) for the period		(424,834,213)		(461,294,715)
Closing Balance		(1,644,003,033)		(1,219,168,820)
TOTAL OF RESERVES AND SURPLUS		(1,644,003,033)		(1,219,168,820)
3 LONG TERM BORROWINGS				
a) Term loans From Banks (Secured)				
State Bank of India	661,803,945		775,903,945	
State Bank of Bikaner & Jaipur	349,721,963		409,721,963	
State Bank of Hyderabad	350,016,598		410,016,598	
State Bank of Mysore	349,880,745		409,880,745	
State Bank of Patiala	349,662,780		409,662,780	
		2,061,086,031		2,415,186,032
b) Loans and advances from related parties (Unsecured)		400,420,392		—
TOTAL		2,461,506,423		2,415,186,032

3 (A1). Details of Term Loans: (Secured) - Including Current Maturities of Long Term Debt (Refer Note 7)

	Rate of Interest	Amount (Rs. In Crores)	Terms of Repayment
1. State Bank of India	12% p.a. payable Monthly	775,903,945	Repayable in 114 monthly installments from July 2009 to December 2018 as per the amortisation schedule of the common loan agreement
2. State Bank of Bikaner & Jaipur	12% p.a. payable Monthly	409,721,963	
3. State Bank of Hyderabad	11.50% p.a. payable Monthly	410,016,598	
4. State Bank of Mysore	12% p.a. payable Monthly	409,880,745	
5. State Bank of Patiala	12% p.a. payable Monthly	409,662,780	
TOTAL		2,415,186,032	

3 (A2). Security for the Term Loans:

Term loans are secured by mortgage of,

- i) Immovable property by way of first charge having pari passu rights at a certain location.
- ii) Movable properties, Assignment of project documents, Insurance policies, Investments, Receivables and general assets.

NOTES TO FINANCIAL STATEMENTS (Contd.)**3 (A3). Presentation of Term Loans in the Balance Sheet is as follows:**

i) Long Term Borrowings	Rs. 2,061,086,031
ii) Current Portion of Long Term Borrowings	Rs. 354,100,000

3 (B1). Details of Loans from Related Parties: (Unsecured)

	Rate of Interest	Amount (Rs. In Crores)	Terms of Repayment
Loans and advances from related parties (Fellow Subsidiary)	9.50% p.a. payable quarterly	417,280,200	Repayable in 42 unequal quarterly installments from December 2011 to March 2022 at per amortisation schedule of the agreement.

3 (B2). Presentation of Loans from Related Parties in the Balance Sheet is as follows:

i) Long Term Borrowing	Rs.400,420,392
ii) Current Portion of Long Term Borrowing	Rs. 16,859,808

	As at 31.03.2012	As at 31.03.2011
	Rupees	Rupees
4 OTHER LONG TERM LIABILITIES		
Negative grant to National Highways Authority of India	3,509,000,000	3,509,000,000
TOTAL	3,509,000,000	3,509,000,000

^ The Payment to National Highways Authority of India (NHAI) shall commence from 2014-15 and shall be paid till 2020-21

5 LONG TERM PROVISIONS

Periodic major maintenance	23,200,000	16,000,000
TOTAL	23,200,000	16,000,000

6 SHORT-TERM BORROWINGS**Loans and advances from related parties**

L&T Infrastructure Development Projects Limited, the Holding Company	419,168,880	357,432,299
TOTAL	419,168,880	357,432,299

NOTES TO FINANCIAL STATEMENTS (Contd.)

	As at 31.03.2012		As at 31.03.2011	
	Rupees	Rupees	Rupees	Rupees
7 CURRENT MATURITIES OF LONG TERM BORROWINGS				
a) Term loans From Banks (Secured)				
State Bank of Bikaner & Jaipur	60,000,000		44,968,775	
State Bank of Hyderabad	60,000,000		45,210,261	
State Bank of India	114,100,000		85,515,812	
State Bank of Mysore	60,000,000		45,245,242	
State Bank of Patiala	60,000,000		44,996,766	
Subordinate loan from State Bank of India	—		421,449,333	
		354,100,000		687,386,188
b) Loans and advances from related parties (Unsecured)		16,859,808		—
TOTAL		370,959,808		687,386,188
7 (A1). Security for the Term Loans:				
Term loans are secured by mortgage of,				
i) Immovable property by way of first charge having pari passu rights at a certain location.				
ii) Movable properties, Assignment of project documents, Insurance policies, Investments, Receivables and general assets.				
8 TRADE PAYABLES				
Due to Micro and small enterprises *		—		—
Due to others		13,899,568		28,967,806
TOTAL		13,899,568		28,967,806
* There have been no claimed transactions with Micro and Small Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act 2006. Hence, reporting details of principal and interest does not arise.				
9 OTHER CURRENT LIABILITIES				
Statutory liabilities		1,275,056		4,699,337
Dues to related parties (Ultimate Holding Company)		60,915		12,003,706
TOTAL		1,335,971		16,703,043
10 SHORT TERM PROVISIONS				
Provisions for Employee Benefits				
Provision for gratuity		290,368		222,810
Provision for leave encashment		325,300		153,609
TOTAL		615,668		376,419

NOTES TO FINANCIAL STATEMENTS (Contd.)**11 FIXED ASSETS**

(Rupees)

Particulars	Cost				Depreciation / Amortization				Book Value	
	As at 01.04.2011	Additions	Sale/Adjustment	As at 31.03.2012	Up to 31.03.2011	For the year	Sale/Adjustment	Up to 31.03.2012	As at 31.03.2012	As at 31.03.2011
Tangible Assets										
Freehold Land	1,299,680	–	–	1,299,680	–	–	–	–	1,299,680	1,299,680
Plant and Machinery	70,541,152	85,000	–	70,626,152	13,172,456	12,365,681	–	25,538,137	45,088,015	57,368,696
Office Equipment	1,126,743	4,490	(47,300)	1,083,933	515,850	368,187	37,518	846,519	237,414	610,893
Airconditioning & Refrigeration	217,408	96,000	(52,600)	260,808	44,860	21,494	17,793	48,561	212,247	172,548
Computers	1,667,975	32,500	(108,920)	1,591,555	1,202,766	259,201	104,435	1,357,532	234,023	465,209
Furniture & Fixture	2,479,346	–	(242,547)	2,236,799	859,962	206,692	124,858	941,796	1,295,003	1,619,384
Vehicles	4,620,465	–	–	4,620,465	1,497,215	800,282	–	2,297,497	2,322,968	3,123,250
Total	81,952,769	217,990	(451,367)	81,719,392	17,293,109	14,021,537	284,604	31,030,042	50,689,350	64,659,660
Previous year	79,626,431	2,326,338	–	81,952,769	9,580,332	7,712,777	–	17,293,109	64,659,660	70,046,099
Intangible Assets										
Specialized Software	275,000	–	–	275,000	275,000	–	–	275,000	–	–
Toll Collection Rights	7,773,132,115	–	(236,972,490)	7,536,159,625	1,200,789,932	428,596,756	22,148,854	1,607,237,834	5,928,921,791	6,572,342,183
Total	7,773,407,115	–	(236,972,490)	7,536,434,625	1,201,064,932	428,596,756	22,148,854	1,607,512,834	5,928,921,791	–
Previous year	7,666,749,847	106,657,268	–	7,773,407,115	763,289,084	437,775,848	–	1,201,064,932	–	6,572,342,183

Note: Freehold Land and other assets of the Company have been mortgaged in favour of the lenders who have sanctioned term loans to the project.

	As at 31.03.2012		As at 31.03.2011	
	Rupees	Rupees	Rupees	Rupees
12 LONG TERM LOANS AND ADVANCES				
Security Deposit				
Unsecured, Considered good		10,000		10,000
TOTAL		10,000		10,000

13 CASH AND BANK BALANCES**Cash and Cash Equivalents**

Balances with banks	3,698,724	8,286,665
Bank deposits with less than 3 months maturity	7,500,000	–
Cash on hand	5,538,664	6,130,018
TOTAL	16,737,388	14,416,683

14 SHORT TERM LOANS AND ADVANCES

Advances recoverable in Cash or in kind	1,084,257	3,454,441
Dues from related parties (Ultimate Holding Company)	1,240,499	–
TOTAL	2,324,756	3,454,441

NOTES TO FINANCIAL STATEMENTS (Contd.)

	2011-12		2010-11	
	Rupees	Rupees	Rupees	Rupees
15 REVENUE FROM OPERATIONS				
Fee Collections from users of facility		420,409,672		386,964,998
TOTAL		<u>420,409,672</u>		<u>386,964,998</u>
16 OTHER INCOME				
Net Gain on Sale of Investments		1,078,229		556,630
Other Non-operating Income		1,646,266		11,445
Interest income on fixed deposits		2,271		—
TOTAL		<u>2,726,766</u>		<u>568,075</u>
17 OPERATING AND MAINTENANCE EXPENSES				
Toll Management Fees		17,084,078		15,965,110
Insurance		2,288,635		3,368,134
Repairs & maintenance				
Civil/Electrical Maintenance	22,114,203		18,203,255	
Toll Equipment Maintenance	4,901,139		334,516	
Vehicles Maintenance	980,965		1,658,290	
Other Maintenance	353,424		191,021	
		28,349,731		20,387,082
Power & electricity charges		11,753,542		8,273,481
TOTAL		<u>59,475,986</u>		<u>47,993,807</u>
18 EMPLOYEE BENEFIT EXPENSES				
Salaries, wages & bonus		10,222,725		6,862,604
Contribution to and provision for				
Provident and Other Funds		439,545		337,494
Gratuity Expense		67,558		54,298
Leave encashment		198,825		—
Staff welfare expenses		1,261,339		1,384,132
TOTAL		<u>12,189,992</u>		<u>8,638,528</u>

NOTES TO FINANCIAL STATEMENTS (Contd.)

	2011-12		2010-11	
	Rupees	Rupees	Rupees	Rupees
19 ADMINISTRATIVE AND OTHER EXPENSES				
Rent, Rates & taxes		134,763		167,939
Professional fees		3,173,532		4,495,473
Operation & Maintenance fees		4,659,911		4,248,370
Auditors' Remuneration (ref details below)		282,630		260,861
Printing & stationery		972,674		1,175,925
Postage & Communication		317,875		493,872
Travelling & conveyance		1,662,890		900,680
Periodic Major Maintenance		7,200,000		16,000,000
Bank Guarantee Charges		2,095,080		1,562,460
Miscellaneous expenses		1,481,494		1,274,043
TOTAL		21,980,849		30,579,623
Auditors' Remuneration		31.03.2012		31.03.2011
As Auditor				
Audit Fees		224,720		220,600
Tax Audit Fees		27,575		27,575
In other capacity				
Certification Fees		30,335		12,686
TOTAL		282,630		260,861
20 FINANCE COSTS				
Interest expenses				
Interest on fixed loans		312,872,468		316,106,027
Interest on Intercompany deposits		20,981,916		—
Interest others		—		21,177
TOTAL		333,854,384		316,127,204
21 DEPRECIATION AND AMORTISATION EXPENSES				
Depreciation of Tangible Assets		14,021,537		7,712,777
Amortisation of Intangible Assets		428,596,756		437,775,848
TOTAL		442,618,293		445,488,625

NOTES TO FINANCIAL STATEMENTS (Contd.)

22 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation:

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ("GAAP") and in compliance with provisions of the Companies Act, 1956 and the Accounting Standards as specified in the Companies (Accounting Standard) Rules, 2006 prescribed by the Central Government. However, certain escalation and other claims, which are not ascertainable or acknowledged by customers, are not taken into account.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include useful life of tangible and intangible fixed assets, provision for doubtful debts / advances, future obligations in respect of retirement benefit plans etc. Actual results could differ from these estimates.

b. Income:

- a) Fee collections from users are accounted for as and when the amount is due and recovery is certain.
- b) Dividend income is recognized when the right to receive is established.
- c) Interest income is accrued at applicable rates.
- d) License fees for wayside amenities are accounted on accrual basis, based on contract.
- e) Other items of income are accounted as and when the right to receive arises.

c. Employee Benefits

(i) Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

(ii) Post-Employment Benefits

a. Defined Contribution Plans: the Company's obligation to employees provident fund is a defined contribution plan. The contribution paid/payable is recognized in the period in which the employee renders the related service.

b. Defined Benefit Plans: The Company's obligation towards gratuity is a defined benefit plan.

The present value of the obligation under such Defined Benefit Plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

(iii) Long Term Employee Benefits

The obligation for long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans as mentioned in (ii) (b) above.

d. Fixed Assets

Tangible

Tangible Fixed Assets are stated at original cost less accumulated depreciation

Intangible Assets and Amortization

Intangible assets are recognized as per the criteria specifies in Accounting Standard (AS) 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India and approved under the Companies Acts (Rules) and are amortized as follows:

- a. Specialized Software: over a period of three years.
- b. Toll Collection Rights representing right to fee collections from users are obtained in consideration for rendering construction, operation and maintenance services in relation to building and maintenance of the project on Build, Operate and Transfer basis. The cost of such Carriageway comprises of construction cost and other preoperative costs incurred during the construction phase.

Such Toll Collection Rights on completion are capitalized as Intangible Asset and are amortised over the period of rights given under the Concession Agreement as they represent right to receive annuity during the concession period.

NOTES TO FINANCIAL STATEMENTS (Contd.)**e. Depreciation**

Accounting Standard (AS) 6 “Depreciation Accounting” requires depreciation to be provided on a systematic basis in each accounting period during the useful life of the asset. The rates specified in Schedule XIV to the Companies Act 1956 are only minimum requirements. However, in respect of the following asset categories the Depreciation is provided at higher rates in line with their revised estimated useful life.

Category of Asset	Depreciation Rate (% per annum)
Building – Residential	2.00%
Office Equipment	25.00%
Computers – Desktop	16.67%
Computers – Laptop	25.00%
Furniture and Fixtures	10.00%
Motor Cars	14.29%
Motor Bike	9.50%
Air conditioners	8.33%
Toll Equipments	14.29%

Depreciation on impaired assets is provided by adjusting the depreciation charge in the remaining periods so as to allocate the assets revised carrying amount over its remaining useful life.

Depreciation on additions/deductions is calculated pro-rata from/to the month of additions/deductions.

Amortization:

Toll Collection Rights are amortized over the period of rights given under the Concession Agreement as they represent right to collect Toll revenue during the concession period.

f. Investments

Current Investments are stated at lower of cost or market value.

g. Leases

a) Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

b) Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Profit & Loss Account on accrual basis.

h. Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

i. Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on expected outcome of assessments / appeals.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

j. Impairment of Assets

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

a. The provision for impairment loss, if any required; or

b. The reversal, if any, required of impairment loss recognized in previous period

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

NOTES TO FINANCIAL STATEMENTS (Contd.)

Recoverable amount is determined:

- a. In the case of an individual asset, at the higher of the net selling price and the value in use;
- b. In the cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's net selling price and the value in use;

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life)

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

j. Provisions, Contingent Liabilities and Contingent Assets

- a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
 - (i) the Company has a present obligation as a result of a past event.
 - (ii) a probable outflow of resources is expected to settle the obligation, and
 - (iii) the amount of the obligation can be reliably estimated.
- b) Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.
- c) Contingent Liability is disclosed in the case of
 - a. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
 - b. a present obligation when no reliable estimate is possible, and
 - c. a possible obligation arising from past events where the probability of outflow of resources is not remote.
- d) Contingent Assets are neither recognized, nor disclosed.
- e) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

23 CORPORATE INFORMATION

The Company has been awarded on Build Operate and Transfer (BOT) basis, the widening of existing four-lane ten kilometer stretch covering Panipat city on National Highway No.1 in Haryana to six-lane elevated structure covering specific stretches and widening and construction of peripheral lanes and operation and maintenance thereof, under the Concession Agreement dated 27th July, 2005 with National Highways Authority of India (NHAI). The Concession Agreement is for a period of 20 years from 23rd January 2006, being the Appointed Date stated in clause 1.1 of the said agreement. At the end of the concession period, the entire facility will be transferred to NHAI.

24 EARNINGS PER SHARE

Basic and Diluted Earnings per share (EPS) computed in accordance with Accounting Standard (AS 20) "Earnings per Share"

Particulars	2011-12	2010-11
Basic / Diluted		
Profit after tax as per Accounts (Rs.)	(424,834,213)	(461,294,715)
Profit after tax available to Equity Share holders	(424,834,213)	(461,294,715)
Weighted Average number of shares (Rs.)	84,300,000	84,300,000
Basic / Diluted EPS (Rs.)	(5.04)	(5.47)

NOTES TO FINANCIAL STATEMENTS (Contd.)**25 GRATUITY AND OTHER POST EMPLOYMENT BENEFITS**

1. Provisions for gratuity and leave encashment are made on actuarial basis as summarized below		
2. Gratuity		
A. Results of Acturial Valuation		
1. Valuation as on	March 31, 2012	<i>March 31, 2011</i>
2. Retirement Age	As per rule of the Company	<i>As per rule of the Company</i>
3. No of Employees	18	<i>19</i>
4. Notional Benefit Obligations (Accrued benefits) on Current Salary	98,281	<i>293,827</i>
5. Present value of future obligations		
6. Current Service cost	67,558	<i>54,298</i>
B. Principal rules to compute Benefit Obligations		
1. Salary recknoed for calculating Benefit Obligations	As per rule of the Company	<i>As per rule of the Company</i>
2. Vesting Period	5 years of Gratuity	<i>5 years of Gratuity</i>
3. Benefit formula for Gratuity for all exits except death	B1 X Completed year of Service X 15/26 subject to benefit having vested	
4. Benefit formula for Gratuity on death	Same as B3 but no vesting condition	
3. Leave Salary		
A. Summary of Staff		
1. No of Employees	18	<i>19</i>
2. Notional Benefit Obligations (Accrued benefits) on Current Salary	331,434	<i>167,333</i>
3. Present value of future obligations		
4. Current Service cost	198,825	<i>(11,445)</i>
B. Principal rules to compute Benefit Obligations		
1. Salary recknoed for calculating Benefit Obligations	As per rule of the Company	<i>As per rule of the Company</i>
2. Benefit formula for all exits	B1 X Leave Balance / 30	
4. Summary of Acturial Assumptions		
A. Mean Financial Assumptions		
1. Discount Rate per unit per annum	8.50%	<i>7.50%</i>
2. Salary escalation rate per unit per annum	6.00%	<i>6.00%</i>
3. Expected rate of return on Plan Assets per unit per annum	N.A	<i>N.A</i>
B. Mean Demographic Assumptions		
1. Mortality Rate	LIC 94 – 96 Rates	
2. Withdrawal / Attrition Rate	5% at younger ages reducing to 1% at older ages	<i>15% for all age</i>
3. Disability / Ill health retirement	No Explicit Assumption	
	As at March 31, 2012	
Current Service Cost	68,812	
Net Actuarial losses recognised during the period	130,013	
Total actuarial losses recognised during the period	198,825	
5. Contribution to the Provident Fund is made to regional provident fund office		

26 SEGMENTAL INFORMATION

The Company is engaged only in the business of building and operating the Toll road and Bypass road. Accordingly furnishing segment details is not applicable. Further the Company is carrying on its business in only one geographical segment and hence furnishing details of geographical segment does not arise.

NOTES TO FINANCIAL STATEMENTS (Contd.)**27 RELATED PARTY TRANSACTIONS****A. List of Related Parties**

Holding Company	L&T Infrastructure Development Projects Limited
Ultimate Holding Company	Larsen and Toubro Limited
Subsidiary Company	Nil
Associate Company	Nil
Fellow Subsidiaries	L&T Transco Private Limited
	L&T Chennai Tada Tollway Limited
	L&T Western Andhra Tollways Limited
	L&T Krishnagiri Thopur Tollroad Limited
	L&T Krishnagiri Walajahpet Tollway Limited
	Narmada Infrastructure Construction Enterprise Limited
	L&T Interstate Road Corridor Limited
	L&T Seawoods Private Limited
	L&T Samakhali Gandhidham Tollway Limited
	L&T Vadodara Bharuch Tollway Limited
	L&T Halol Shamlaji Tollway Ltd
	L&T Urban Infrastructure Limited
	L&T Rajkot Vadinar Tollway Limited
	L&T Ahmedabad Maliya Tollway Ltd

B. Transactions with related parties:

Amount in Rupees

Name / Nature of transaction	2011-12			2010-11		
	Amount of transaction	Due to	Due from	Amount of transaction	Due to	Due from
L&T Infrastructure Development Projects Limited (Holding Company)						
i) Reimbursement of Expenses	5,420,897	–	–	2,996,911	–	–
iii) Supply Of Goods & Services	4,659,911	368,880	–	4,248,370	332,299	–
iii) Funds received	280,200,000	418,800,000		327,400,000	357,100,000	–
Larsen and Toubro Limited (Ultimate Holding Company)						
i) For Supply of Goods and Services	12,800,337	–	–	–	12,003,706	–
ii) Reimbursement of Expenses to	8,563,464	60,915	–	10,537,232	–	–
iii) Reimbursement of Expenses from	1,267,999	–	1,240,499	–	–	–
L&T Transco Private Limited						
i) Reimbursement of Expenses	–	–	–	507,932	–	–
L&T Chennai Tada Tollway Limited						
i) Reimbursement of Expenses to	4,710,947	–	–	2,017,073	–	–
L&T Western Andhra Tollways Limited						
i) Reimbursement of Expenses to	86,988	–	–	41,456	–	–
ii) Change money received	–	–	–	2,000,000	–	–
L&T Krishnagiri Thopur Toll Road Limited						
i) Reimbursement of Expense to	63,823	–	–	51,492	–	–

NOTES TO FINANCIAL STATEMENTS (Contd.)

Name / Nature of transaction	2011-12			2010-11		
	Amount of transaction	Due to	Due from	Amount of transaction	Due to	Due from
L&T Krishnagiri Walajahpet Tollway Limited						
i) Reimbursement of Expenses to	15,961			501,585	–	–
ii) Change money received	–	–	–	2,000,000	–	–
Narmada Infrastructure Construction Enterprise Limited						
i) Reimbursement of Expenses	70,979	–	–	–	–	–
ii) Intercompany corporate received	421,500,000	417,280,200	–	–	–	–
iii) Interest Paid on Intercompany deposits	20,981,916	–	–	–	–	–
iv) Change money provided	1,000,000	–	–	3,000,000	–	–
L&T Interstate Road Corridor Limited						
i) Reimbursement of Expenses	–	–	–	8,132	–	–
L&T Seawoods Private Limited						
i) Reimbursement of Expenses	–	–	–	6,675	–	–
L&T Samakhali Gandhidham Tollway Limited						
i) Reimbursement of Expenses from	272,151	–	–	653,138	–	–
L&T Vadodara Bharuch Tollway Limited						
i) Reimbursement of Expenses	18,230	–	–	53,479	–	–
ii) Change money received	2,000,000	–	–	2,000,000	–	–
L&T Halol Shamlaji Tollway Limited						
i) Reimbursement of Expenses	119,773	–	–	–	–	–
L&T Urban Infrastructure Limited						
i) Reimbursement of Expenses	25,363	–	–	–	–	–
L&T Rajkot Vadinar Tollway Limited						
i) Reimbursement of Expenses	166,666	–	–	–	–	–
L&T Ahmedabad Maliya Tollway Limited						
i) Reimbursement of Expenses	29,651	–	–	–	–	–

C. Managerial Remuneration

Manager's salary and perquisites of Rs. 19,21,421 (Previous year: Rs. 18,30,774) for the year 2011-12 have been charged to the accounts.

28 IMPAIRMENT OF ASSETS

The Company has revised the future discounted cash flows based on value in use of fixed assets and is satisfied that the recoverable amount is more than the amount carried in the books. Accordingly, no provision is required to be made for the impairment in the accounts.

29 EXCEPTIONAL ITEM

The Company has received claims from National Highways Authority of India (NHAI) of Rs. 230,109,950 during the current year pertaining to reimbursement of claims with the authority and has accordingly adjusted the same against the toll collection rights. Accordingly, the depreciation amount of Rs. 22,148,854 provided on the same during the previous periods has been written back in the books of accounts.

NOTES TO FINANCIAL STATEMENTS (Contd.)**30 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

a) During the current year the Company has provided for periodic Major Maintenance of Rs. 72,00,000 in respect of its resurfacing obligation every five years, as per Schedule L Clause 4.3.1 of the Concession Agreement with NHAI.

b) There are no contingent liabilities as of the Balance Sheet date. (*previous year – Nil*)

31 MOVEMENT OF CURRENT YEAR PROVISION

Description	Opening Balance as on 1-4-2011	Addition during the year	Paid/Reversed during the year	Balance as on 31-3-2012
Major Maintenance Reserve	16,000,000	7,200,000	–	23,200,000
TOTAL	16,000,000	7,200,000		23,200,000

32 GOING CONCERN BASIS

The financial statements are prepared on a going concern basis on the basis that, L&T Infrastructure Development Projects Limited, will continue to provide or arrange to provide financial support to the Company to enable the Company discharge its obligations as and when they fall due.

33 CAPITAL COMMITMENTS

The estimated amount of contracts remaining to be executed on capital account and not provided for Rs. NIL (previous year : Nil).

34 WEALTH TAX

The Company does not have any taxable wealth under the provisions of the Wealth Tax Act, 1957.

35 PREVIOUS YEAR FIGURES

The Company was using the Pre-revised Schedule VI to the Companies Act, 1956, for the preparation and presentation of its financials statements till the year ended March 31, 2011. During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company. The Company has reclassified the previous year figures to conform to this year's classification.

As per our report of even date

For and on behalf of the Board

M. K. DANDEKER & CO.

*Chartered Accountants
(ICAI Registration No. 000679S)*

K. J. DANDEKER

*Partner
Membership No.18533*

*Place : Chennai
Date : April 24, 2012*

SANJAY TIKKU

Manager

*Place : Chennai
Date : April 26, 2012*

K. VENKATESH

Director

B. RAMAKRISHNAN

Director