

## DIRECTORS' REPORT

The Directors have pleasure in presenting their report and Accounts for the year ended March 31, 2011.

### 1. FINANCIAL RESULTS

The key financial parameters for the year ended March 31, 2011 are:

	Amount (Rupees Lakhs)	
Description	2010-11	2009-10
<b>Profit before depreciation &amp; tax</b>	<b>2,668.10</b>	<b>2,065.45</b>
Depreciation	<b>5,119.75</b>	<b>5,073.06</b>
<b>Profit / (Loss) before tax</b>	<b>(2,451.65)</b>	<b>(3,007.61)</b>
Prior Period Adjustments	—	—
Provision for tax	—	—
<b>Profit / (Loss) after tax</b>	<b>(2,451.65)</b>	<b>(3,007.61)</b>
Balance brought forward from previous year	<b>(3,556.38)</b>	<b>(548.77)</b>
<b>Balance carried to Balance Sheet</b>	<b>(6,008.03)</b>	<b>(3,556.38)</b>

### 2. PERFORMANCE OF THE COMPANY

L&T KTTRL is an NHAI project on BOT (Toll) basis, located on NH-7 in Tamil Nadu from Km 94.000 in Krishnagiri to Km 180.000 in Thopurghat. The project has a concession period of 20 years (including construction) and the Commercial Operations for the project began on February 6, 2009. The 86 Km long 4 lane stretch comprises of 1 ROB, 12 bridges, 136 culverts, 4 truck lay-byes and 1 way-side amenity.

- Revenue for L&T KTTRL jumped by 19.8% from Rs. 66.85 Crore in 2009-10 to Rs. 80.09 Crore in 2010-11.
- O&M Expense for the Company came down by 5% from Rs. 8.01 Crore in 2009-10 to Rs. 7.63 Crore in 2010-11.
- The project has successfully completed all the punch list items.
- The Company has also initiated various green earth initiatives, setting up of Centre of Excellence for learning and innovation, and installation of signages and safety equipments on the project stretch to reduce the number of accidents.
- With idea of building an all inclusive workplace and commitment towards providing equal work opportunities for all, Project piloted Equal Opportunity Employer approach in its true sense. Merit based people are not excluded here from fair employment opportunities, making it the first-of-its-kind on any National Highway Projects across India to have enrolled socially disadvantaged people viz. differently-abled people and women.
- Project became first in India to have received consent letter from the State Road Transport Authority for mounting amber flashing-light & public address system on Emergency Response Units.

### 3. DIVIDEND

The Board of Directors has not recommended any dividend for the year 2010-11.

### 4. CAPITAL EXPENDITURE

As at March 31, 2011, the gross fixed assets stood at Rs. 886,85,34,800 and the net fixed assets stood at Rs. 776,38,85,067.

### 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

- |  |               |
|--|---------------|
| i. CIF Value of Import of Toll Equipment | Rs. 3,26,661  |
| ii. Amount paid for Toll Equipment       | Rs. 11,76,952 |

## 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 September 18, 2009, Mr. Parayee Vineesh Kumar 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, 2011;
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. C. S. Damle, Mr. T. S. Venkatesan, Mr. B. Ramakrishnan and Mr. Karthikeyan T. V. are the present Directors of the Company.

There was no cessation in the office of any of the Directors during the year.

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

## 12. AUDIT COMMITTEE

The Audit Committee was re-constituted at the Board Meeting held on March 22, 2010 . The Members of the Audit Committee are :

1. Mr. T. S. Venkatesan
2. Mr. B. Ramakrishnan; and
3. Mr. C. S. Damle

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 Corporate Audit Services department of Larsen & Toubro Limited provides internal audit services to the Company.

**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 25, 2011

**T. S. VENKATESAN**  
Director

**KARTHIKEYAN T. V.**  
Director

## AUDITORS' REPORT

### TO THE MEMBERS OF L&T KRISHNAGIRI THOPUR TOLL ROAD LIMITED

We have audited the attached Balance Sheet of L&T Krishnagiri Thopur Toll Road Limited as at March 31, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of accounts;
  - (d) in our opinion, the Balance Sheet, Profit and Loss Account 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) on the basis of the written representations received from the Directors of the Company as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956; and
  - (f) 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 in Schedule K 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, 2011;
    - ii) in the case of the Profit and Loss Account, 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.

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

**K. J. DANDEKER**  
*Partner*  
Membership No. 18533

Place : Chennai  
Date : April 25, 2011

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## ANNEXURE TO THE AUDITOR'S REPORT

With reference to the Annexure referred to in paragraph 1 of the report of the Auditors to the Members of L&T Krishnagiri Thopur Toll Road Limited on the accounts for the year ended March 31, 2011, 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.

- (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 Sections 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 engaged in service activity and we are informed that maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 is not applicable to the Company.
- (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, 2011, 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 and cess.
- (x) The Company has accumulated losses as on 31.03.2011, however it has not incurred any cash losses in the financial year ended on that date or 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) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they 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.

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

**K. J. DANDEKER**  
Partner  
Membership No. 18533

Place : Chennai  
Date : April 25, 2011

**BALANCE SHEET AS AT MARCH 31, 2011**

Particulars	Schedules	As at 31.03.2011		As at 31.03.2010	
		Rupees	Rupees	Rupees	Rupees
<b>SOURCES OF FUNDS</b>					
<b>Shareholders' Funds</b>					
Share Capital	A		787,500,000		787,500,000
<b>Loan Funds</b>					
Secured Loans	B		4,182,785,823		4,340,454,900
Deferred Credit (Refer Note No.7 in Schedule L)			3,425,600,000		3,533,800,000
<b>TOTAL</b>			<b>8,395,885,823</b>		<b>8,661,754,900</b>
<b>APPLICATION OF FUNDS</b>					
<b>Fixed Assets</b>	C				
<b>Tangible Assets</b>					
Gross Block		149,214,484		142,900,984	
Less: Depreciation		24,873,886		11,307,605	
Net Block			124,340,598		131,593,379
<b>Intangible Assets</b>	D				
Gross Block		8,719,320,316		8,719,320,316	
Less: Amortisation		1,079,775,847		581,544,687	
Net Block			7,639,544,469	8,137,775,629	8,137,775,629
<b>Investments</b>	E		—		—
<b>Current Assets, Loans &amp; Advances</b>	F				
Cash and Bank Balances		150,207,665		85,135,030	
Loans and Advances		17,459,093		14,255,233	
		167,666,758		99,390,263	
<b>Less: Current Liabilities &amp; Provisions</b>	G				
Current Liabilities		75,255,438		62,229,799	
Provisions		61,213,087		412,319	
		136,468,525		62,642,118	
<b>Net Current Assets</b>			31,198,233		36,748,145
<b>Profit &amp; Loss Account</b>			600,802,523		355,637,747
<b>TOTAL</b>			<b>8,395,885,823</b>		<b>8,661,754,900</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	K				
<b>NOTES ON ACCOUNTS</b>	L				

The Schedules referred to above form an integral part of the Balance Sheet.

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

For and on behalf of the Board

**K. J. DANDEKER**  
Partner  
Membership No. 018533

**R. G. RAMACHANDRAN**  
Secretary

**T. S. VENKATESAN**  
Director

**KARTHIKEYAN T. V.**  
Director

Place : Chennai  
Date : April 25, 2011

Place : Chennai  
Date : April 25, 2011

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

Particulars	Schedules	2010-2011		2009-2010	
		Rupees	Rupees	Rupees	Rupees
<b>INCOME</b>					
Fee collection from users of facility		917,161,268		668,489,526	
Less: NHAI Share on Additional Stretch Income		(115,760,904)		—	
			801,400,364		668,489,526
Other Income	H		7,871,832		5,589,426
<b>TOTAL</b>			<b>809,272,196</b>		<b>674,078,952</b>
<b>EXPENDITURE</b>					
Operating and Maintenance Expenses	I		138,332,597		80,110,256
Finance cost	J		404,129,832		387,423,494
Depreciation of tangible assets			13,743,383		9,044,507
Amortisation of intangible assets			498,231,160		498,261,717
<b>TOTAL</b>			<b>1,054,436,972</b>		<b>974,839,974</b>
<b>Profit / (Loss) Before Taxes</b>			<b>(245,164,776)</b>		<b>(300,761,022)</b>
Taxes			—		—
<b>Profit / (Loss) After Taxes</b>			<b>(245,164,776)</b>		<b>(300,761,022)</b>
Add: Profit / (Loss) brought forward from previous year			<b>(355,637,747)</b>		<b>(54,876,725)</b>
<b>Balance Carried to Balance Sheet</b>			<b>(600,802,523)</b>		<b>(355,637,747)</b>
<b>Earnings per share</b>					
- Basic & Diluted			(3.11)		(3.82)
Face Value per share			10.00		10.00
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	K				
<b>NOTES ON ACCOUNTS</b>	L				

The Schedules referred to above form an integral part of the Profit & Loss Account.

**FOR M. K. DANDEKER & CO.**  
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For and on behalf of the Board

**K. J. DANDEKER**  
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Director

Place : Chennai  
Date : April 25, 2011

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Date : April 25, 2011

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011**

	2010-2011 Rupees	2009-2010 Rupees
<b>A Cash Flow from Operating Activities</b>		
<b>Net Profit / (Loss) before tax &amp; extraordinary items</b>	<b>(245,164,776)</b>	<b>(300,761,022)</b>
<b>Adjustments For :</b>		
Dividend & Capital gains received	<b>(5,014,194)</b>	<b>(5,450,402)</b>
Depreciation and Amortisation	<b>511,974,543</b>	<b>507,306,224</b>
Interest paid	<b>404,129,832</b>	<b>387,423,494</b>
Interest received	<b>(1,877,205)</b>	<b>(139,024)</b>
<b>Operating Profit before working capital changes</b>	<b>664,048,201</b>	<b>588,379,270</b>
<b>Adjustments For :</b>		
<b>(Increase) / Decrease in Loans and Advances</b>	<b>(3,203,859)</b>	<b>1,649,452</b>
Increase / (Decrease) in Trade payables	<b>73,826,407</b>	<b>(82,497,203)</b>
Cash generated from operations	<b>734,670,749</b>	<b>507,531,519</b>
<b>Direct taxes paid</b>	<b>-</b>	<b>-</b>
<b>Net Cash inflow from Operating Activities (A)</b>	<b>734,670,749</b>	<b>507,531,519</b>
<b>B. Cash Flow from Investing Activities</b>		
<b>Purchase of Fixed Assets</b>	<b>(6,490,602)</b>	<b>(5,702,497)</b>
<b>Dividend received from other investments</b>	<b>5,014,194</b>	<b>5,450,402</b>
<b>Interest received</b>	<b>1,877,205</b>	<b>139,024</b>
<b>Net Cash used in / (from) Investing Activities (B)</b>	<b>400,797</b>	<b>(113,071)</b>
<b>C. Cash Flow from Financing Activities</b>		
<b>(Repayment) / Proceeds from Borrowings</b>	<b>(157,669,077)</b>	<b>(59,106,781)</b>
<b>Deferred Credit</b>	<b>(108,200,000)</b>	<b>(72,100,000)</b>
<b>Interest paid</b>	<b>(404,129,832)</b>	<b>(387,423,494)</b>
<b>Net cash from Financing Activities (C)</b>	<b>(669,998,909)</b>	<b>(518,630,275)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>65,072,635</b>	<b>(11,211,827)</b>
<b>Cash and Cash equivalents as at the beginning (including cash credit from banks)</b>	<b>85,135,030</b>	<b>96,346,857</b>
<b>Cash and Cash equivalents as at the end (including cash credit from banks)</b>	<b>150,207,665</b>	<b>85,135,030</b>

**NOTES**

- Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard 3: "Cash Flow Statements" as specified in the Companies (Accounting Standards) Rules, 2006.
- Cash and cash equivalents represent cash and bank balances.
- Purchase of Fixed Assets includes movement of Capital work-in-progress during the year.
- Previous year figures have been regrouped / reclassified wherever applicable.

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

For and on behalf of the Board

**K. J. DANDEKER**  
Partner  
Membership No. 018533

**R. G. RAMACHANDRAN**  
Secretary

**T. S. VENKATESAN**  
Director

**KARTHIKEYAN T. V.**  
Director

Place : Chennai  
Date : April 25, 2011

Place : Chennai  
Date : April 25, 2011



**SCHEDULES FORMING PART OF BALANCE SHEET**

	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
<b>SCHEDULE - A</b>		
<b>SHARE CAPITAL</b>		
<b>Authorized</b>		
8,00,00,000 Equity Shares of Rs. 10 each	800,000,000	800,000,000
(Previous year: 8,00,00,000 Equity Shares of Rs. 10 each)		
<b>Issued Subscribed &amp; Paid-up</b>		
7,87,50,000 Equity Shares of Rs. 10 each fully paid up	787,500,000	787,500,000
(All the shares are held by L&T Infrastructure Development Projects Limited, the holding Company and its nominees)		
(Previous year: 7,87,50,000 Equity Shares of Rs. 10 each)		
<b>TOTAL</b>	<b>787,500,000</b>	<b>787,500,000</b>
<b>SCHEDULE - B</b>		
<b>SECURED LOANS</b>		
<b>Senior Loan from Banks</b>		
Canara Bank	464,993,012	485,000,000
Punjab National Bank	313,700,000	327,300,000
State Bank of Patiala	464,944,675	484,955,498
State Bank of India	323,919,490	338,196,112
State Bank of Mysore	232,353,830	242,342,867
UCO Bank	464,997,846	485,000,000
Union Bank of India	—	725,517,374
United Bank of India	697,359,596	727,359,596
<b>Senior Loan from Institutions</b>		
IIFCL	695,517,374	—
(Secured by paripassu charge on all the movable & immovable assets of the Company, both present and future)		
Subordinate Loan from State Bank of India	350,000,000	349,783,453
Subordinate Loan from Punjab National Bank	175,000,000	175,000,000
(Secured by Second charge on all the movable & immovable assets of the Company, both present and future)		
<b>TOTAL</b>	<b>4,182,785,823</b>	<b>4,340,454,900</b>

**SCHEDULE - C****FIXED ASSETS - TANGIBLE**

PARTICULARS	COST				DEPRECIATION				NET BLOCK	
	As at 01.04.2010	Additions	Deletions	As at 31.03.2011	Up to 31.03.2010	For the year	Deductions	Up to 31.03.2011	As at 31.03.2011	As at 31.03.2010
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Tangible Assets										
Building	2,514,800	—	—	2,514,800	266,487	144,490	—	410,977	2,103,823	2,248,313
Office Equipment	1,357,490	334,788	161,140	1,531,138	247,792	629,019	(35,872)	840,939	690,199	1,109,698
Electrical Installations	297,724	—	—	297,724	62,160	24,682	—	86,842	210,882	235,564
Computers	1,154,192	38,000	—	1,192,192	412,301	324,197	—	736,498	455,694	741,891
Furniture & Fixture	2,699,896	—	398,973	2,300,923	842,615	137,925	(141,230)	839,310	1,461,613	1,857,281
Vehicles	7,296,350	—	—	7,296,350	823,721	835,338	—	1,659,059	5,637,291	6,472,629
Tractors and Others	7,058,624	—	—	7,058,624	624,985	793,468	—	1,418,453	5,640,171	6,433,639
Plant and Machinery	120,521,908	6,500,825	—	127,022,733	8,027,544	10,854,264	—	18,881,808	108,140,925	112,494,364
<b>Total</b>	<b>142,900,984</b>	<b>6,873,613</b>	<b>560,113</b>	<b>149,214,484</b>	<b>11,307,605</b>	<b>13,743,383</b>	<b>(177,102)</b>	<b>24,873,886</b>	<b>124,340,598</b>	<b>131,593,379</b>
Previous Year	137,203,538	5,874,246	176,800	142,900,984	2,268,149	9,044,507	(5,051)	11,307,605	131,593,379	134,935,389

**SCHEDULES FORMING PART OF BALANCE SHEET (Contd.)****SCHEDULE - D****FIXED ASSETS - INTANGIBLE**

PARTICULARS	COST			AMORTISATION				NET BLOCK	
	As at 01.04.2010	Additions	As at 31.03.2011	Up to 31.03.2010	For the year	Deductions	Up to 31.03.2011	As at 31.03.2011	As at 31.03.2010
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Intangible Assets									
Toll Collection Rights	8,719,045,316	–	<b>8,719,045,316</b>	581,269,688	498,231,160	–	<b>1,079,500,848</b>	<b>7,639,544,468</b>	8,137,775,628
Specialized Software	275,000	–	275,000	274,999	–	–	274,999	1	1
<b>Total</b>	<b>8,719,320,316</b>	–	<b>8,719,320,316</b>	<b>581,544,687</b>	<b>498,231,160</b>	–	<b>1,079,775,847</b>	<b>7,639,544,469</b>	<b>8,137,775,629</b>
<i>Previous Year</i>	<i>8,719,320,316</i>	–	<b>8,719,320,316</b>	<i>83,282,970</i>	<i>498,261,717</i>	–	<i>581,544,687</i>	<i>8,137,775,629</i>	<i>8,636,037,346</i>

**As at 31.03.2011**  
**Rupees**

*As at 31.03.2010*  
*Rupees*

**SCHEDULE - E****INVESTMENTS**

Current Investments

–

–

**TOTAL**

–

–

**Details of Investments purchased and sold during the year****MUTUAL FUNDS:**

	Face Value Rs. per unit	Unit Nos.	Cost (Rs.)
NLPIG Canara Robeco Treasury Advantage Institutional Growth Fund	10	3,232,066	50,600,000
NLPIG Canara Robeco Liquid Fund - Growth	10	710,589	12,420,108
Hdfc Floating Rate Income Fund - Short Term Plan - Retail Option - Growth*	10	4,607,880	73,500,000
Hdfc Cash Management Fund - Treasury Advantage Plan - Retail - Growth*	10	547,475	11,000,000
Hdfc Cash Management Fund - Treasury Advantage Plan - Wholesale - Growth*	10	4,839,610	105,700,000
Tflg Tata Floater Fund - Growth	10	2,931,314	41,000,000
Religare Ultra Short Term Fund - Institutional Growth	10	7,932,443	103,400,000
GFBG IDFC Money Manager Fund - Treasury Plan - Inst Plan B-Growth	10	9,912,967	160,024,340
GFBG IDFC Cash Fund - Inst Plan B-Growth	10	2,153,025	37,600,000
Kotak Floater Long Term - Growth	10	3,013,704	55,600,000
Kotak Liquid (Institutional) Growth	10	729,080	11,000,000
SBI SHF Ultra Short Term Fund Institutional Plan - Growth	10	4,667,777	56,900,000
L&T Freedom Income STP-Inst.-Cum-Org	10	1,292,849	38,000,000
L&T Liquid Inst.Plus - Cumulative	10	1,204,471	19,555,255
Birla Sun Life Saving Fund Instl. - Growth	10	1,143,151	20,000,000
Birla Sun Life Short Term Institutional - Growth	10	482,558	8,700,000
Reliance Money Manager Fund-Institutional Option - Growth Plan	1,000	77,603	99,400,000
Reliance Medium Term Fund-Retail Plan - Growth Plan - Growth Option	10	1,379,084	26,500,000

**SCHEDULES FORMING PART OF BALANCE SHEET (Contd.)**

	As at 31.03.2011 Rupees	Rupees	As at 31.03.2010 Rupees	Rupees
<b>SCHEDULE - F</b>				
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>				
<b>Cash and Bank Balances</b>				
Cash on Hand		6,998,663		8,942,509
Balances with Scheduled Banks				
On Current Accounts	8,640,580		26,192,521	
On Deposit Accounts	134,568,422		50,000,000	
		143,209,002		76,192,521
		150,207,665		85,135,030
<b>Loans and Advances</b>				
Unsecured				
Considered good				
Advances recoverable in cash or in kind or for value to be received		17,459,093		14,255,233
<b>TOTAL</b>		167,666,758		99,390,263
<b>SCHEDULE - G</b>				
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>				
<b>Liabilities</b>				
Sundry Creditors				
Due to Micro and Small Enterprises	—		—	
Due to NHAI	43,689,274		—	
Others	31,566,164		62,229,799	
		75,255,438		62,229,799
<b>Provisions</b>				
Provisions for				
Gratuity	347,171		224,415	
Leave Encashment	365,916		187,904	
Periodic Major Maintainance	60,500,000		—	
		61,213,087		412,319
<b>TOTAL</b>		136,468,525		62,642,118

**SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT**

	2010-2011 Rupees	2009-2010 Rupees
<b>SCHEDULE - H</b>		
<b>OTHER INCOME</b>		
Dividend Income from mutual funds	–	1,306,752
Profit on Sale of Investments	5,014,194	4,143,650
Interest Income on Fixed deposits (Tax Deduction at Source Rs. 68049) (Previous year: Rs. 18490)	1,877,205	114,257
Prior Period Income	–	24,767
Miscellaneous Income	980,433	–
<b>TOTAL</b>	<b>7,871,832</b>	<b>5,589,426</b>

<b>SCHEDULE - I</b>		
<b>OPERATING &amp; MAINTENANCE EXPENSES</b>		
Toll Management Charges	8,840,473	7,372,527
Security Charges	9,943,213	9,797,134
Professional Charges	3,270,868	6,817,820
Salaries & Wages	8,251,789	6,115,620
Contribution to		
Provident Fund	351,129	277,676
Leave Encashment	178,012	114,945
Gratuity	122,756	119,150
Staff Welfare	1,109,494	597,335
Rent, Rates & Taxes	9,600	194,134
Printing & Stationery	282,274	431,606
Travelling & Conveyance	653,342	946,320
Electricity Charges	6,945,204	6,547,171
Insurance	1,833,873	2,989,694
Repairs & Maintenance		
Toll Road & Bridges	17,300,138	25,348,324
Plant & Machinery	13,033,341	9,546,210
Others	–	49,653
Periodic Major Maintenance	60,500,000	–
Postage & Telephone Expenses	563,958	470,048
Prior Period Expenses	393,544	289,669
Bank Charges	1,271,829	132,521
Bank Guarantee Charges	2,326,672	–
Miscellaneous Expenses	1,151,088	1,952,699
<b>TOTAL</b>	<b>138,332,597</b>	<b>80,110,256</b>

<b>SCHEDULE - J</b>		
<b>FINANCE COST</b>		
Interest on Senior Loans	341,560,006	330,131,255
Interest on subordinate Loans	62,569,826	57,292,239
<b>TOTAL</b>	<b>404,129,832</b>	<b>387,423,494</b>

## SCHEDULES FORMING PART OF ACCOUNTS

### SCHEDULE - K

#### SIGNIFICANT ACCOUNTING POLICIES

##### 1. Basis of Accounting

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ("GAAP"), in compliance with the provisions of the Companies Act, 1956 and the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, prescribed by the Central Government. However, certain escalation and other claims, which are not ascertainable, 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 year, 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 the useful lives 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 and would be recognized in the period in which the results are known.

##### 2. Revenue Recognition

Fee collection from the users of the facility are accounted for as and when the amount is due and recovery is certain.

Dividend income is recognized when the right to receive is established.

Interest income is accounted at applicable rates.

Other items of income are accounted as and when the right to receive arises.

##### 3. Fixed Assets

###### Tangible

Tangible Fixed Assets are stated at original cost less accumulated depreciation.

###### Intangible Assets

Intangible assets are recognized as per the criteria specified in Accounting Standard (AS) 26 "Intangible Assets" as specified in the Companies (Accounting Standards) Rule, 2006.

Carriageway representing toll collection rights 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 comprise of construction cost, negative grant payable to NHAI and other preoperative costs incurred during the construction phase.

##### 4. Depreciation and Amortisation

###### Depreciation

Depreciation on assets has been provided on straight-line basis at the rates specified in the Schedule XIV of the Companies Act, 1956. However where the rate of depreciation provided in Schedule XIV of the Companies Act, 1956 does not depreciate the asset fully over the period of concession, such tangible assets are depreciated over the period of rights given under the Concession Agreement. Where there is a revision of the estimated useful life of an asset, the unamortised depreciable amount is charged over the revised remaining useful life.

However w.e.f. January 1, 2011, in respect of the following categories of fixed assets, the Depreciation has been provided at a higher rate in line with their estimated useful life.

Category of asset	Estimated Useful Life (Years)	Depreciation Rate (% per annum)
Building – Flats	50	2.00%
Office Equipment	4	25.00%
Electrical Installations	9	11.11%
Computers – Desktop	6	16.67%
Computers – Laptop	4	25.00%
Furniture & Fixtures	10	10.00%
Vehicles – Cars	7	14.29%
Vehicles – Motor Cycle	11	9.09%
Tractors and Others	9	11.11%
Plant and Machinery	9	11.11%
Toll Equipment	9	11.11%

## ***SCHEDULES FORMING PART OF ACCOUNTS (Contd.)***

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

Individual assets whose value is below Rs. 5,000 is fully depreciated at 100% in the year of purchase.

### **Amortization**

Intangible Assets representing carriage ways are amortized over the period of rights given under the Concession Agreement as they represent right to collect Toll revenue during the concession period.

Preliminary Expenses are written off in the year of commencement of operations.

Specialized Software is written off over a period of 3 years.

### **5. Borrowing Costs**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying asset are capitalized as part of the cost of such asset, till such time as the asset is ready for its intended use or sale. 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 recognized as an expense in the period in which they are incurred.

### **6. Employee Benefits**

The following are the accounting policies of the Company with regard to employee benefits as per Accounting Standard (AS) 15:

#### **(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.

#### **(iii) Long Term Employee Benefits**

The obligation for long term employee benefits such as long term compensated absences is determined based on actuarial valuation.

### **7. Investments**

Current investments are carried at lower of cost or market value.

### **8. Taxes**

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and qualified 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 realized.

### **9. Lease**

Assets acquired on lease where a significant portion of the risks and reward of ownership are retained by the lessor are classified as operating lease.

### **10. Foreign Currency Transactions and Derivatives**

- (i) The reporting currency of the Company is the Indian Rupee.
- (ii) Foreign Currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate on the date of the transaction.
- (iii) At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences that arise on settlement of monetary items or on reporting at each Balance sheet date, of Monetary items at the closing rate are adjusted in capital work in progress during the construction phase of the project and recognized as income or expense in the operations phase in which they arise.

### **11. 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.

## SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

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

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)

### 12. Provisions and Contingent Liabilities and Contingent Assets

Provision are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a. The Company has a present obligation as a result of a past event
- b. A probable outflow of resources is expected to settle the obligation and
- c. The amount of the obligation can be reliably estimated

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

Maintenance Obligations: Contractual obligations to maintain, replace or restore the infrastructure (principally resurfacing costs and major repairs and unscheduled maintenance which are required to maintain the Toll Road in operational condition except for any enhancement element) are recognized and measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. The provision for the resurfacing is built up in accordance with the provisions of AS 29, Provisions, Contingent Liabilities and Contingent Assets

Contingent Liability is disclosed in the case of

- a. A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- b. A possible obligation, unless the probability of outflow of resources is remote

Contingent Assets are neither recognized, not disclosed

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

### SCHEDULE - L

#### NOTES ON ACCOUNTS

1. The Company has been awarded on Build Operate and Transfer (BOT) basis, the widening of 62.5 kms and improvement of 7.4 kms on National Highway No. 7 at Krishnagiri to Thopur in Tamilnadu State under Concession Agreement dated January 17, 2006 with the National Highways Authority of India (NHAI). The Concession Agreement is for a period of 20 years from the Appointed Date of July 17, 2006 in clause 1.1 of the said agreement. At the end of the concession period the entire facility will be transferred to NHAI.
2. There have been no transactions during the year 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.
3. The Company is a service Company and accordingly information required under paragraph 4(C) of Part II of Schedule VI to the Companies Act, 1956 has not been furnished.
4. During the year NHAI has extended the toll road length by 16.6 KM on July 13, 2010. This additional stretch will be maintained and tolled by the Company during the entire concession period. Out of the toll collection, the Company has to remit 83.80% as revenue share on the toll collected from additional stretch. As on March 31, 2011, Rs. 4,36,89,274 is outstanding to be remitted towards NHAI.
5. Manager's salary and contribution to Provident Fund of Rs. 12,02,833 (*Previous year Rs. 6,37,452*) for the year has been charged to the accounts.
6. Auditor's Remuneration (excluding Service Tax):

Remuneration	Rupees	
	2010-11	2009-10
Audit Fees	2,00,000	1,00,000
Tax Audit Fees	25,000	25,000
Certification Fees	10,000	4,500
Other Expenses	9,000	1,147

## SCHEDULES FORMING PART OF ACCOUNTS (Contd.)

7. Deferred Credit represents total negative grant of Rs. 342.56 Crores payable to NHAI as per clause 23.1 of the Concession Agreement. Out of total Rs. 360.59 Crores, Rs. 10.82 Crores has been paid during the current year. (*Previous year - Rs.7.21 Crores*).
8. The Company has reviewed the useful life of certain categories of fixed assets w.e.f January 1, 2011. Consequently, depreciation rates have been revised resulting in additional charge of depreciation of Rs. 4,60,28,880 (*Previous Period - Not Applicable*) and the loss before tax for the year are higher to that extent.
9. During the current year, the Company has provided for periodic Major Maintenance of Rs. 6,05,00,000 in respect of its resurfacing obligation every five years, as per Schedule L Claus 4.3.1 of the Concession Agreement with NHAI. This includes Rs. 3,07,00,000 pertaining to previous periods.
10. a) The Company does not have taxable income and hence provision of current tax has not been made. The Company is eligible for deduction under Section 80IA of the Income Tax Act and the concession period of the Company's project falls within the tax holiday period as defined in Section 80IA. Since deferred tax on timing difference between accounting income and taxable income arising during the year is reversing during such tax holiday period no deferred tax asset / liability is provided for in the accounts.  
b) The Company does not have taxable wealth under the provisions of the Wealth Tax Act, 1957.
11. During the current financial year, Rs. 70,30,17,374 Term Loan Outstanding from Ms Union Bank of India was taken over by IIFCL as per the same terms & conditions of the Common Loan Agreement that was executed with Ms Union Bank of India and the other Senior Lenders.
12. Employee Benefits:
  - (1) Provisions for gratuity is made on actuarial basis as summarized below:

### (2) A. Results of Actuarial Valuation - Gratuity

1.	Valuation as on	March 31, 2011	March 31, 2010
2.	Retirement Age	As per rule of the Company	As per rule of the Company
3.	No. of Employees	21	18
4.	Notional Benefit Obligations		
	(Accrued benefits) on Current Salary in Rupees	Rs. 5,25,692	Rs. 2,80,370
5.	Benefit Value of Benefit Obligations in Rupees	Rs. 3,47,171	Rs. 2,24,415

### B. Principle Rules to Compute Benefit Obligations

1.	Salary reckoned for calculating Benefit Obligations	As per rule of the Company
2.	Vesting Period	5 Years for Gratuity
3.	Benefit formula for Gratuity for all exists except death	B 1 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 Valuation

#### A Summary of Staff data

1.	No. of Employees	21	18
2.	Notional benefit obligation on current salary in Rupees	Rs. 5,61,420	Rs. 2,36,574
3.	Projected actuarial value of benefit obligation in Rupees	Rs. 3,65,916	Rs. 1,87,904

#### B Principle rule to compute benefit Obligations

1.	Salary reckoned for calculating Benefit Obligations	As per rule of the Company
2.	Benefit formula for all exits	B1 x Leave Balance / 30

### (4) Summary of actuarial Assumptions

#### A Mean Financial Assumptions

1.	Discount Rate per unit per annum	8.00%	7.50%
2.	Salary escalation rate per unit per annum	6.00%	6.00%
3.	Expected rate of return on Plan Assets per Unit per annum	N.A	N.A

#### B Mean Demographic assumptions

1.	Monthly rate	LIC 94-96 Rates	
2.	Withdrawal / attrition rate	5% for all age	5% for all age
3.	Disability / ill health retirement	No Explicit Assumption	No Explicit Assumption



**SCHEDULES FORMING PART OF ACCOUNTS (Contd.)**

Current Service Cost:	<b>Rs. 7,13,087</b>
Interest on Defined Benefit Obligation	-
Exempted Return on Plan Assets	-
Net actuarial Losses / (Gain) Recognized during the period	-
Past Service Cost:	-
Losses / (Gain) on "Curtailements & Settlements"	-
<b>Total</b>	<b>Rs. 7,13,087</b>
Actual Return on Plan Assets	-

(5) Contribution to provident fund is made to the regional provident fund office on actual basis.

13. Disclosure of related parties/ related party transactions.

A. List of related parties

Holding Company	: L&T Infrastructure Development Projects Limited (Holding Company) Larsen & Toubro Limited (Ultimate Holding Company)
Fellow Subsidiaries	: L&T Chennai Tada Tollways Limited L&T Panipat Elevated Corridor Limited L&T Vadodara Baruch Tollway Limited L&T Samakhiali Gandhidham Tollway Limited L&T Krishnagiri Walajapet Tollway Limited L&T Bangalore Airport Hotel Limited L&T Western Andhra Tollways Limited

B. Transactions with Related Parties and amounts due to / due from related parties

Rupees

S. No.	Nature of transaction	Amount of Transaction	Amount Due to	Amount Due From
1	Larsen & Toubro Limited			
	i) Purchase of Goods & Services	<b>Nil</b> (1,87,510)	<b>Nil</b> (Nil)	<b>Nil</b> (Nil)
	ii) Reimbursement of Expenses	<b>2,16,911</b> (1,21,606)	<b>Nil</b> (Nil)	<b>Nil</b> (Nil)
	iii) Electrical items ( Toll Plaza)	<b>31,73,534</b> (79,20,200)	<b>Nil</b> (Nil)	<b>Nil</b> (Nil)
2	L&T Infrastructure Developmental Projects Limited			
	i) Reimbursement of Expenses	<b>2,21,621</b> (7,42,343)	<b>Nil</b> (Nil)	<b>Nil</b> (Nil)
	ii) Purchase of Goods & Services	<b>88,40,473</b> (73,72,527)	<b>Nil</b> (Nil)	<b>Nil</b> (Nil)
3	L&T Chennai Tada Tollways Limited	<b>1,78,499</b>	<b>Nil</b>	<b>Nil</b>
	i) Reimbursement of Expenses	(1,71,749)	(Nil)	(Nil)
4	L&T Panipat Elevated Corridor Limited	<b>51,492</b>	<b>Nil</b>	<b>Nil</b>
	i) Reimbursement of Expenses	(Nil)	(Nil)	(Nil)
5	L&T Vadodara Baruch Tollway Limited	<b>17,18,060</b>	<b>Nil</b>	<b>Nil</b>
	i) Reimbursement of Expenses	(Nil)	(Nil)	(Nil)
6	L&T Samakhiali Gandhidham Tollway Limited	<b>68,691</b>	<b>Nil</b>	<b>Nil</b>
	i) Reimbursement of Expenses	(Nil)	(Nil)	(Nil)
7	L&T Krishnagiri Walajapet Tollway Limited	<b>6,90,236</b>	<b>Nil</b>	<b>Nil</b>
	i) Reimbursement of Expenses	(Nil)	(Nil)	(Nil)
8	L&T Bangalore Airport Hotel Limited	<b>2,129</b>	<b>Nil</b>	<b>Nil</b>
	i) Reimbursement of Expenses	(Nil)	(Nil)	(Nil)
9	L&T Western Andhra Tollways Limited	<b>Nil</b> (15,477)	<b>Nil</b> (Nil)	<b>Nil</b> (Nil)

Figures in brackets relate to previous year

C. No amount due to / due from has been written off or written back during the year.

**SCHEDULES FORMING PART OF ACCOUNTS (Contd.)**

## 14. Expenditure in foreign currency:

Nature of Expenses	Rupees	
	2010-11	2009-10
CIF Value of import of Toll Equipment	Rs. 3,26,661	Nil
Amount paid for Toll Equipment	Rs. 11,76,952	Rs. 26,03,724

## 15. Basic and Diluted Earnings per Share (EPS) computed in or

Particulars	2010-11	2009-10
<b>Basic and Diluted EPS</b>		
Profit after tax (Rs.)	(245,164,777)	(30,07,67,022)
Weighted average number of equity shares	7,87,50,000	7,87,50,000
Basic and Diluted EPS (Rs.)	(3.11)	(3.82)

16. The Company is engaged only in the business of developing and operating the BOT Project. Accordingly, furnishing segment details is not applicable. Further, the Company is carrying its business in only one geographical segment.

17. Based on a review of the future discounted cash flows, the recoverable amount of the project facility is more than its carrying amount. Accordingly, no provision for impairment is made for in the accounts.

18. Disclosure required by Accounting Standard (AS) 29 'Provisions, Contingent Liabilities and Contingent Assets'.

## a) Movement in provisions:

S.No	Particulars	Balance as at 01-04-2010	Additional Provision during the year	Paid / reversed during the year	Balance as at 31-03-2011
1	Periodic Major Maintenance	–	6,05,00,000	–	6,05,00,000
	<b>Total</b>	–	<b>6,05,00,000</b>	–	<b>6,05,00,000</b>

19. Figures for the previous year have been regrouped / reclassified wherever necessary.

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

For and on behalf of the Board

**K. J. DANDEKER**  
Partner  
Membership No. 018533

**R. G. RAMACHANDRAN**  
Secretary

**T. S. VENKATESAN**  
Director

**KARTHIKEYAN T. V.**  
Director

Place : Chennai  
Date : April 25, 2011

Place : Chennai  
Date : April 25, 2011

