

## 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:

Particulars	2011-2012 Rs. Lakhs	2010-2011 Rs. Lakhs
Income for the year	863	–
Less: Expenditure	1,461	30
Profit Before Depreciation & Tax (PBDT)	(598)	(30)
Less: Depreciation	939	–
<b>Profit / (Loss) before tax (PBT)</b>	<b>(1,538)</b>	<b>(30)</b>
Less: Provision for tax	–	–
Profit / (Loss) after tax (PAT)	(1,538)	(30)
Balance brought forward from previous year	(58)	(29)
<b>Balance carried to Balance Sheet</b>	<b>(1,596)</b>	<b>(58)</b>

### 2. PERFORMANCE OF THE COMPANY

1. Toll Operations of the project commenced on February 1, 2012
2. Provisional Completion Certificate was received from GSRDC on January 27, 2012
3. Refinancing of Term Loans have led to substantial reduction in Interest Rates for senior debt from 14.50% to 11.95%

### 3. DIVIDEND

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

### 4. CAPITAL EXPENDITURE(RS. LAKHS):

As at March 31, 2012, the gross fixed assets (tangible) stood at Rs. 2,382/- and the net fixed assets (tangible) stood at Rs. 2,306/-.

The gross fixed assets (intangible) stood at Rs. 93,766/- and the net fixed assets (intangible) stood at Rs. 92,881/-

### 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, the expenditure in foreign currency was Rs. 2,89,58,490/- (Previous year Rs. 2,22,68,698/-).

During the year earnings in Foreign currency was Rs. Nil (Previous year Rs. Nil).

### 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 March 23, 2010 Mr. Neeraj Kumar Barua 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; and
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 and Mr. B. Ramakrishnan are the current Directors of the Company.

Mr. M. H. Desai resigned as Director of the Company with effect from August 22, 2011.

Mr. T. S. Venkatesan, retires by rotation at the Fourth Annual General Meeting and being eligible offers himself for re-appointment.

**12. AUDIT COMMITTEE**

The Audit Committee was constituted at the Board Meeting held on 23/03/2010 . The Members of the Audit Committee are :

1. Mr.T.S.Venkatesan
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 Gianender & Associates, 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 an 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**

M/s. G.K.Choksi & Co., Ahmedabad has been appointed as Internal Auditor of 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 24, 2012

**T. S. VENKATESAN**  
Director

**B. RAMAKRISHNAN**  
Director

## AUDITORS' REPORT

### TO THE MEMBERS OF L&T RAJKOT - VADINAR TOLLWAY LIMITED

We have audited the attached Balance Sheet of L & T Rajkot Vadinar Tollway Limited as at March 31, 2012, 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 amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditors' Report) Order, 2003 (as amended) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 as amended, 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 as follows:
  - a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our 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 account;
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-Section (3C) of Section 211 of the Companies Act, 1956; and
  - e. On the basis of written representation received from the directors as on 31st March, 2012 and taken on record by the board of Directors, We report that none of the directors are disqualified as on 31st march, 2012 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the companies Act, 1956.
  - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with accompanying notes to accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    1. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
    2. in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date, and;
    3. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**FOR GIANENDER AND ASSOCIATES**

*Chartered Accountants*  
ICAI Regn. No. 004661N

**G. K. AGARWAL**  
*Partner*  
M. No. 081603

Place : New Delhi  
Date : April 25, 2012

**ANNEXURE TO THE AUDITORS' REPORT**

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

Re: L&amp;T Rajkot Vadinar Tollway Limited

- (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 all its fixed assets during the period and no material discrepancies were found on such verification.
- (c) The Company has not disposed off 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 its maintenance and hence the clauses 4(ii)(a), (b) and (c) of the Companies (Auditor's Report) Order, 2003 relating to inventory are not applicable.
- (iii) According to the information and the explanations given to us the Company has not granted or taken any loans, secured or unsecured to or from Companies, firms or other parties covered in the register maintained under Section 301 of the Act. 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 the explanations given to us, there are adequate internal control procedures 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 the explanations given to us, there is no contract or arrangement that needs to be entered in the register required to be maintained in pursuance of Section 301 of the Companies Act.
- (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.
- (vii) In our opinion, the Company has internal audit system commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the books of accounts maintained by the Company pursuant to rules made by the Central Government for maintenance of cost records under Section 209(1)(d) of the Act and are of the opinion that prima facie the prescribed Accounts and records have been made and maintained.
- (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 regular in depositing undisputed statutory dues including Income tax and other statutory dues during the year with the appropriate authorities. As at 31st March, 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 disputed statutory liabilities in respect of Income tax, Service Tax or any other Cess.
- (x) The Company is in existence for a period less than five years; hence reporting on accumulated losses under clause 4(x) of the Companies (Auditor's Report) Order 2003 is not required.
- (xi) The Company has not defaulted in repayment of dues to any bank or financial institution.
- (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 any special statute applicable to the chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company.
- (xiv) In our opinion and according to the information and the explanations given to us, though the Company has not dealing or trading in shares, securities, debentures and other investments, It parks surplus funds in approved mutual funds. In our opinion, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The investments have been held by the Company in its own name.
- (xv) In our opinion and according to the information and the explanations given to us, the company has not given any guarantees for loans taken by others from bank or financial institutions.
- (xvi) In our opinion and according to the information and the explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were raised.
- (xvii) According to the information and explanations given to us, the Company has not raised funds on short term basis. Accordingly, 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 Act on the terms and conditions which are prejudicial to the interest of the company.
- (xix) The Company has not issued debentures during the period and hence no security or charge needs to be created.
- (xx) The Company has not raised any money by public issue during the period.
- (xxi) During the course of our examination of the books of account, 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 any fraud on or by the Company, noticed or reported during the period nor have we been informed of any such case by management.

**FOR GIANENDER AND ASSOCIATES**Chartered Accountants  
ICAI Regn. No. 004661N**G. K. AGARWAL**

Partner

M. No. 081603

Place : New Delhi

Date : April 25, 2012

**BALANCE SHEET AS AT MARCH 31, 2012**

Particulars	Note no.	As at 31.03.2012		As at 31.03.2011	
		Rupees	Rupees	Rupees	Rupees
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share Capital	1	1,100,000,000		550,151,000	
Reserves & Surplus	2	(159,598,464)	940,401,536	(5,823,913)	544,327,087
Share application money pending allotment			–		350,000,000
Non-current liabilities					
Long-term borrowings	3		6,039,025,535		3,438,100,000
Current liabilities					
Short-term borrowings	4	48,500,000		–	
Other current liabilities	5	2,514,523,152		683,797,892	
Short-term provisions	6	944,948	2,563,968,100	324,061	684,121,953
			9,543,395,171		5,016,549,040
ASSETS					
Non-current assets					
Fixed Assets	7				
Tangible Assets		230,598,666		1,468,711	
Intangible Assets		9,288,131,001		–	
Capital work-in-progress		–		50,810,896	
Intangible Assets under Development		–		4,587,054,320	
Long-term loans and advances	8	1,171,597	9,519,901,264	314,227,234	4,953,561,161
Current Assets					
Cash and Bank balances	9	19,970,471		60,336,515	
Short-term loans and advances	10	3,423,436		2,651,364	
Other current assets	11	100,000	23,493,907	–	62,987,879
			9,543,395,171		5,016,549,040
SIGNIFICANT ACCOUNTING POLICIES	18				

See accompanying notes to the financial statements.

In terms of our report of even date

For and on behalf of the Board

For **GIANENDER & ASSOCIATES**Chartered Accountants  
ICAI Regn. No. 004661N**G. K. AGRAWAL**

Partner

M. No. 081603

**NEERAJ KUMAR BARUA**

Manager

**T. S. VENKATESAN**

Director

**B. RAMAKRISHNAN**

Director

Place : New Delhi

Date : April 25, 2012

Place : Chennai

Date : April 24, 2012

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

Particulars	Note No.	As at 31.03.2012		As at 31.03.2011	
		Rupees	Rupees	Rupees	Rupees
<b>REVENUE</b>					
Revenue from Operations	12	84,491,698			
Other Income	13	1,776,784		—	
<b>Total Revenue</b>			86,268,482		—
<b>EXPENSES</b>					
Operating and maintenance expenses	14	22,783,676		—	
Employee benefit expenses	15	3,959,032		—	
Administration and other expenses	16	6,739,818		—	
Finance cost	17	112,629,872		—	
Depreciation and amortisation expenses	7	93,930,636		—	
<b>Total Expenses</b>			240,043,034		—
<b>Profit / (Loss) before tax</b>			(153,774,551)		—
Prior Period Expenses / (Income)			—		(2,958,981)
			(153,774,551)		2,958,981
Tax expense:					
Current tax			—		—
<b>Profit/(Loss) after tax</b>			(153,774,551)		2,958,981
Earnings per equity share (Basic & Diluted)	29		(2.80)		(0.05)
Face value per share			10.00		10.00

See accompanying notes to the financial statements.

In terms of our report of even date

For and on behalf of the Board

For **GIANENDER & ASSOCIATES**Chartered Accountants  
ICAI Regn. No. 004661N**G. K. AGRAWAL**Partner  
M. No. 081603**NEERAJ KUMAR BARUA**

Manager

**T. S. VENKATESAN**

Director

**B. RAMAKRISHNAN**

Director

Place : New Delhi

Date : April 25, 2012

Place : Chennai

Date : April 24, 2012

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

	2011 - 2012 Rupees	2010 - 2011 Rupees
<b>Cash Flow from operating activities</b>		
<b>Profit before tax</b>	(153,774,551)	—
Adjustments for :		
Depreciation	93,930,636	—
Interest paid	112,629,872	—
Interest received	(36,848)	—
Prior Period Expenses	—	(2,958,981)
(Profit) / Loss on sale of investments	(1,739,936)	—
<b>Operating profit before working capital changes</b>	<b>51,009,172</b>	<b>(2,958,981)</b>
<b>Adjustments For :</b>		
(Increase) / Decrease in long term loans and advances	313,055,637	314,227,234
(Increase) / Decrease in short term loans and advances	(772,072)	9,457,605
(Increase) / Decrease in other current assets	(100,000)	—
Increase / (Decrease) in other current liabilities	1,879,225,260	535,724,840
Increase / (Decrease) in short term provision	620,887	(1,042,708)
<b>Cash generated from operations</b>	<b>2,243,038,885</b>	<b>855,407,990</b>
Direct taxes paid (net of refund)	—	—
<b>Net cash from operating activities - A</b>	<b>2,243,038,885</b>	<b>855,407,990</b>
<b>Cash flow from Investing activities :</b>		
Purchase of fixed assets	(4,973,326,377)	(3,812,646,470)
Profit on sale of investments	1,739,936	2,812,593
Interest received	36,848	11,068
<b>Net cash (used in) / generated from investing activities - B</b>	<b>(4,971,549,593)</b>	<b>(3,809,822,809)</b>
<b>Cash flow from financing activities</b>		
Equity share capital received	199,849,000	—
Equity share application money received	—	350,000,000
(Repayment) / proceeds from other borrowings	2,600,925,535	2,541,700,000
Interest paid	(112,629,872)	—
<b>Net cash (used in) / generated from financing activities - C</b>	<b>2,688,144,664</b>	<b>2,891,700,000</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>(40,366,044)</b>	<b>(62,714,818)</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>60,336,515</b>	<b>123,051,334</b>
<b>Cash and cash equivalents as at end of the year</b>	<b>19,970,471</b>	<b>60,336,515</b>

**Notes:**

- 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.
- See accompanying notes to the financial statements.
- Components of Cash and cash equivalents:

**Balances with banks:**

- on current account	3,773,423	20,325,447
- on Bank balances with less than 3 months original maturity	11,001,205	40,011,068
Cash in hand	5,195,843	—
<b>TOTAL</b>	<b>19,970,471</b>	<b>60,336,515</b>

In terms of our report of even date

For **GIANENDER & ASSOCIATES**  
Chartered Accountants  
ICAI Regn. No. 004661N

For and on behalf of the Board

**G. K. AGRAWAL**  
Partner  
M. No. 081603

**NEERAJ KUMAR BARUA**  
Manager

**T. S. VENKATESAN**  
Director

**B. RAMAKRISHNAN**  
Director

Place : New Delhi  
Date : April 25, 2012

Place : Chennai  
Date : April 24, 2012



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012**

	As at 31.03.2012		As at 31.03.2011	
	No. of Shares	Rupees	No. of Shares	Rupees
<b>1. SHARE CAPITAL</b>				
<b>Authorised:</b>				
11,00,00,000 Equity Shares of Rs.10/- each	110,000,000	1,100,000,000	110,000,000	1,100,000,000
<b>Issued Subscribed &amp; Paid-up:</b>	110,000,000	1,100,000,000	55,015,100	550,151,000
11,00,00,000 Equity Shares of Rs 10/- each fully paid up				
<b>TOTAL</b>		<b>1,100,000,000</b>		<b>550,151,000</b>

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

At the beginning of the year	55,015,100	550,151,000	55,015,100	550,151,000
Issued during the year as fully paid	54,984,900	549,849,000	-	-
<b>Outstanding at the end of the year</b>	<b>110,000,000</b>	<b>1,100,000,000</b>	<b>55,015,100</b>	<b>550,151,000</b>

**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, if any, 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:**

Particulars	Relationship	As at 31.03.2012 Rupees	As at 31.03.2011 Rupees
<b>L&amp;T Infrastructure Development Projects Limited and its Nominees</b>	Holding Company		
10,99,99,900 Equity Shares of Rs 10 each fully paid up (Previous year - Nil)		<b>1,099,999,000</b>	-
<b>Larsen and Toubro Limited</b>			
100 Equity Sares of Rs.10 each fully paid up (Previous year 5,50,15,100 of Rs. 10 each)	Ultimate holding company	<b>1,000</b>	550,151,000

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

Particulars	Relationship	As at 31.03.2012		As at 31.03.2011	
		No of Shares	%	No of Shares	%
<b>Equity Shares of Rs.10/- each fully paid</b>					
L&T Infrastructure Development Projects Limited & its Nominee	Holding Company	<b>109,999,900</b>	<b>100.00%</b>	-	-
Larsen and Toubro Limited	Ultimate Holding Company	<b>100</b>	<b>0.00%</b>	55,015,000	100.00%

**2. RESERVES & SURPLUS**

Particulars	As at 31.03.2012 No of Shares	As at 31.03.2011 No of Shares
Surplus / (deficit) in the Statement of Profit and Loss		
Balance as per the last financial statement	<b>(5,823,913)</b>	(2,864,932)
Add: Profit (Loss) for the Year	<b>(153,774,551)</b>	(2,958,981)
Closing Balance	<b>(159,598,464)</b>	(5,823,913)
<b>Total of Reserves and Surplus</b>	<b>(159,598,464)</b>	<b>(5,823,913)</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012**

	As at 31.03.2011		As at 31.03.2010	
	Rupees	Rupees	Rupees	Rupees
<b>3. LONG TERM BORROWINGS</b>				
<b>a) Term loans</b>				
<b>- Secured Loan</b>				
- From banks	5,412,374,535		3,045,600,000	
- From Financial Institution	-	5,412,374,535	392,500,000	3,438,100,000
<b>b) Loans and advances from related parties</b>				
<b>- Unsecured Loan</b>				
- From Promoters				
L&T Infrastructure Development Projects Limited		626,651,000		-
<b>TOTAL</b>		<b>6,039,025,535</b>		<b>3,438,100,000</b>

**Details of Terms of Secured Loans as at March 31, 2012:**

Particulars	Details
1. Interest rate	i) Floating rate i.e., Base rate of Yes Bank (Lead Bank) plus 145 basis points. Presently 11.95% per annum as on March 31, 2012. ii) Interest payable monthly basis.
2. Repayment terms	i) 141 monthly unequal installments which ranges from Rs. 73,000/- to Rs. 17,16,23,000/-. ii) Repayment starts from Dec 2012 and last repayment date is August 2024.
3. Security for the term loans	All the above term loans are secured by pari passu first charge on all the immovable properties both present and future of the company and hypothecation of tangible movable properties present & future including book debt, cash & bank balance, stock-in-trade, intangible assets, uncalled share capital, etc. except project assets as defined in the concession agreement.
4. Presentation of Term Loans in the Balance Sheet	i) Long Term borrowings Rs. 5,41,23,74,623/- ii) Current portion of long term borrowing Rs. 5,41,204/-

Particulars	As at 31.03.2012 Rupees	As at 31.03.2011 Rupees
<b>4. SHORT-TERM BORROWINGS</b>		
L&T Infrastructure Development Projects Limited	48,500,000	-
<b>Total of Reserves and Surplus</b>	<b>48,500,000</b>	<b>-</b>

Particulars	As at 31.03.2012 Rupees	As at 31.03.2011 Rupees
<b>5. OTHER CURRENT LIABILITIES</b>		
Other payables		
- Due to Micro and small enterprises*	-	-
- Due to ultimate holding company	2,176,932,032	473,345,198
- Due to holding company	99,662,699	-
- Due to others	195,745,542	176,257,943
- Statutory liabilities	41,054,087	34,194,751
- Current maturities of long term debts from banks	541,292	-
- Others	587,500	-
<b>Total of Reserves and Surplus</b>	<b>2,514,523,152</b>	<b>683,797,892</b>

\* There have been no claimed transactions during the period with Micro and Small enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act 2006. Hence details of principal and interest have not been reported

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Particulars	As at 31.03.2012 Rupees	As at 31.03.2011 Rupees
<b>6. SHORT TERM PROVISIONS</b>		
Provisions for Employee Benefits		
For gratuity	432,004	154,953
For leave encashment	512,944	169,108
<b>Total of Reserves and Surplus</b>	<b>944,948</b>	<b>324,061</b>

## 7. FIXED ASSETS

Particulars	Gross Block				Depreciation				Carrying Value	
	As at 01.04.2011	Additions	Adjustments	As at 31.03.2012	Up to 31.03.2011	For the year [Refer note]	Deductions	Up to 31.03.2012	As at 31.03.2012	As at 31.03.2011
<b>Tangible Assets</b>										
Computers	1,079,187	1,512,966	-	2,592,153	392,369	364,769	-	757,138	1,835,015	686,818
Furniture & Fixtures	506,231	7,133,253	-	7,639,484	118,837	291,056	-	409,893	7,229,591	387,394
Office Equipment	466,530	1,409,006	-	1,875,536	72,031	543,052	-	615,083	1,260,453	394,499
Vehicles	-	18,040,981	-	18,040,981	-	870,484	-	870,484	17,170,497	-
Highway Traffic Management System	-	119,679,767	-	119,679,767	-	2,849,518	-	2,849,518	116,830,249	-
Plant & Machinery	-	23,793,805	-	23,793,805	-	590,601	-	590,601	23,203,204	-
Toll Collection System	-	64,607,941	-	64,607,941	-	1,538,284	-	1,538,284	63,069,657	-
<b>Total</b>	<b>2,051,948</b>	<b>236,177,719</b>	<b>-</b>	<b>238,229,667</b>	<b>583,237</b>	<b>7,047,764</b>	<b>-</b>	<b>7,631,001</b>	<b>230,598,666</b>	<b>1,468,711</b>
Previous year	1,796,778	255,170	-	2,051,948	249,184	334,053	-	583,237	1,468,711	

Note:

- (i) Depreciation for the period from April 1, 2011 to January 31, 2012 amounting to Rs. 15,75,517/- transferred to preoperative expenses and capitalised as Intangible assets upon achievement of commercial operation on February 1, 2012.
- (ii) Depreciation for the period from February 1, 2012 to March 31, 2012 amounting to Rs.54,72,247/- charged to Statement of Profit and Loss.

Intangible Assets										
Particulars	Gross Block				Amortisation				Carrying Value	
	As at 01.04.2011	Additions	Adjustments	As at 31.03.2012	Up to 31.03.2011	For the year	Deductions	Up to 31.03.2012	As at 31.03.2012	As at 31.03.2011
Capital Work in Progress	3,998,405,835	4,017,179,791	(8,015,585,626)	-	-	-	-	-	-	-
Pre-operative expenses (Refer note 7.1)	588,648,486	772,355,279	(1,361,003,765)	-	-	-	-	-	-	-
Carriageway - Toll Collection rights	-	9,376,589,390	-	9,376,589,390	-	88,458,388	-	88,458,388	9,288,131,001	-
<b>Total</b>	<b>-</b>	<b>9,376,589,390</b>	<b>(9,376,589,390)</b>	<b>9,376,589,390</b>	<b>-</b>	<b>88,458,388</b>	<b>-</b>	<b>88,458,388</b>	<b>9,288,131,001</b>	<b>-</b>
Previous year - CWIP	1,182,018,368	3,405,035,952	-	4,587,054,320	-	-			4,587,054,320	-

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012****7.1 Notes forming part of Balance Sheet**

Particulars	Opening Balance as at 01.04.2011 Rupees	For the year 2011-2012 Rupees	Closing Balance as at 31.03.2012 Rupees.
Pre-operative Expenses pending allocation:			
Staff Cost	18,563,088	12,981,649	31,544,737
Contribution to & provision for:			–
- Provident fund	646,781	436,403	1,083,184
- Leave encashment	187,108	7,313	194,421
- Gratuity	154,953	–	154,953
Office Expenses	9,269,311	4,301,204	13,570,515
Audit fees	386,050	179,238	565,288
Professional Fees	77,636,061	160,509,155	238,145,216
Communication Expenses	657,900	344,367	1,002,267
Travelling and Conveyance	10,643,711	8,069,527	18,713,238
Rent, Rates & Taxes	2,165,880	958,288	3,124,168
Depreciation	583,237	1,575,517	2,158,754
Project expenses	7,521,039	14,589,380	22,110,419
Bank & Finance Charges	51,984,079	46,914,267	98,898,346
Interest on term loan	254,330,907	518,517,558	772,848,465
Fees paid to GSRDCL under Concession Agreement	154,960,004	2	154,960,006
Insurance	4,103,973	4,298,179	8,402,152
Printing & Stationary	637,045	261,981	899,026
	594,431,127	773,944,029	1,368,375,155
<b>Less: Income from short term investments:</b>			
For current year	2,823,660	1,588,750	4,412,410
For previous years	2,958,981	–	2,958,981
<b>TOTAL</b>	588,648,486	772,355,279	1,361,003,765
Less: Transferred to Carriageway- Toll collection rights upon capitalisation [B]			(1,361,003,765)
<b>Balance</b>			–

**8. LONG TERM LOANS AND ADVANCES****Particulars**

Capital advances

Unsecured, Considered good

Security deposits

Unsecured, Considered good

**Total**

As at 31.03.2012  
Rupees

As at 31.03.2011  
Rupees

– 314,202,234

1,171,597 25,000

1,171,597 314,227,234

**9. CASH AND BANK BALANCES****Particulars**

Cash and cash equivalents

Balances with banks:

on Current account

on Bank deposits with less than 3 months original maturity

Cash on hand

**Total**

3,773,423 20,325,447

11,001,205 40,011,068

5,195,843 –

19,970,471 60,336,515

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012**

	<b>As at 31.03.2012 Rupees</b>	<b>As at 31.03.2011 Rupees</b>
<b>Other bank balances</b>		
on Margin Money Deposit 1,00,000	-	-
Less : Amount disclosed under (1,00,000) other current assets		
	-	-
<b>10. SHORT TERM LOANS AND ADVANCES</b>		
<b>Particulars</b>		
Security deposits		
Unsecured, Considered good	426,548	119,750
Other Loans and Advances		
Unsecured, Considered good		
Prepaid Expenses	2,950,804	2,522,604
Others	46,084	9,010
<b>TOTAL</b>	<b>3,423,436</b>	<b>2,651,364</b>
<b>11. OTHER CURRENT ASSETS</b>		
<b>Particulars</b>		
Others		
On margin money @	100,000	-
<b>TOTAL</b>	<b>100,000</b>	<b>-</b>
@ Margin money given as security against bank guarantee issued to Telecom Department.		
	<b>2011-2012 Rupees</b>	<b>2010-2011 Rupees</b>
<b>12. REVENUE FROM OPERATIONS</b>		
<b>Particulars</b>		
Fee Collections from usage of facility	97,061,112	-
Less : Additional Concession Fee paid to GSRDC	(12,569,414)	-
<b>TOTAL</b>	<b>84,491,698</b>	<b>-</b>
<b>13. OTHER INCOME</b>		
<b>Particulars</b>		
<b>Income from</b>		
Interest on bank deposits	2,898	-
Income from mutual funds	1,739,936	-
Other interest	33,950	-
<b>TOTAL</b>	<b>1,776,784</b>	<b>-</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012**

	2011-2012 Rupees	2010-2011 Rupees
<b>14. OPERATING AND MAINTENANCE EXPENSES</b>		
<b>Particulars</b>		
Toll Management Fees	931,943	—
Consultancy charges	6,732,534	—
Insurance	9,520	—
Repairs & maintenance		
Toll Operations	9,042,154	—
Civil maintenance	3,913,147	
Others	811,618	—
Power & electricity charges	1,342,760	—
<b>TOTAL</b>	<b>22,783,676</b>	<b>—</b>
<b>15. EMPLOYEE BENEFIT EXPENSES</b>		
<b>Particulars</b>		
Salaries, wages & bonus	2,452,962	—
Contribution to and provision for		
- Provident fund	237,205	—
- Gratuity	277,051	—
- Leave encashment	352,691	—
Staff welfare expenses	639,123	—
<b>TOTAL</b>	<b>3,959,032</b>	<b>—</b>
<b>16. ADMINISTRATIVE AND OTHER EXPENSES</b>		
<b>Particulars</b>		
Office expenses	977,553	
Rent, Rates & taxes	224,470	—
Printing & stationery	558,225	—
Postage & Communication	200,095	—
Business promotion expenses	1,105,454	—
Travelling & conveyance	3,387,453	—
Miscellaneous expenses	286,568	—
<b>TOTAL</b>	<b>6,739,818</b>	<b>—</b>
<b>Payment to Auditor</b>		
As Auditor		
- Audit Fees	224,720	165,450
- Tax Audit Fees	84,270	—
In other capacity		
Certification Fees	93,755	44,120
Other Service	—	82,725
<b>TOTAL</b>	<b>402,745</b>	<b>292,295</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012**

	2011-2012 Rupees	2010-2011 Rupees
<b>17. FINANCE COST</b>		
<b>Particulars</b>		
Interest expenses		
Interest on term loans	112,369,150	—
Bank Charges	260,722	—
<b>TOTAL</b>	<b>112,629,872</b>	<b>—</b>

**18. CORPORATE INFORMATION**

The Company is a Special Purpose Vehicle (SPV) and has been awarded on Build Operate and Transfer (BOT) basis, the widening of existing two-lane, 131.65 kilometers Road stretch covering Rajkot Jamnagar Vadinar to make it four lane divided Carriageway facility under Viability Gap Funding scheme of GOI and operation and maintenance thereof, under the Concession Agreement dated 17th September, 2008. The Concession is for a period of 20 years including the construction period. At the end of the 20 years the entire facility will be transferred to Gujarat State Road Development Corporation Ltd. The company achieved commercial operation on February 1, 2012 upon receipt of the provision completion certificate.

**19. BASIS OF PREPARATION**

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ("GAAP") except for the revaluation of certain fixed assets, 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 / 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 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 year in which the results are known.

**20. REVENUE RECOGNITION**

Income:

- a) Fee collections from users of facility are accounted for as and when the amount is due and recovery is certain. Income from the sale of smart cards are recognised as and when the amount is received from the users of the cards.
- b) Dividend income is recognized when the right to receive is established.
- c) Interest income is accrued at applicable rates.
- d) Other items of income are accounted as and when the right to receive arises.

**21. EMPLOYEE BENEFITS****(i) Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences etc. and the expected cost of bonus are recognized in the period in which the employee renders the related service.

**(ii) Post-Employment Benefits**

Defined Contribution Plans:

Provident fund contribution is made to State Governed Recognized Provident Fund. The contribution paid / payable under the schemes is recognized during the period in which the employee renders the related service.

**(iii) Long Term Employee Benefits**

The obligation for long term employee benefits like long term compensated absences, gratuity etc. 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. Actuarial gains and losses are recognized immediately in the Statement of Profit & Loss.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### 22. FIXED ASSETS

#### Tangible

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

#### Intangible Assets

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

Carriage ways represents Toll Collection Rights, which 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 carriage ways comprises of construction cost and other preoperative costs incurred during the implementation phase. Such carriage ways on completion are capitalized as Intangible Asset.

### 23. DEPRECIATION AND AMORTIZATION

#### 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 unabsorbed 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	Depreciation Rate (% per annum)
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%
Toll Equipments	14.29%

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

Items below Rs.5,000/- have been depreciated at the rate of 100%.

#### Amortization:

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

### 24. INVESTMENTS

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

### 25. LEASES

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

### 26. BORROWING COST

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. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost are recognized as an expense in the period in which they are incurred.

In compliance of AS-16 "Borrowing Cost", income earned on temporary investments, out of funds borrowed, which is inextricably linked with the project, is deducted from the related borrowing costs incurred.

### 27. TAXES ON INCOME

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, and based on the expected outcome of assessments/appeals.

Deferred tax is recognized on timing differences between the income accounted in financial statements 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.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gain" are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Other 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.

### 28. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

- The Company has a present obligation as a result of a past event.
- A probable outflow of resources is expected to settle the obligation and
- 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.

Contingent Liability is disclosed in the case of

- 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.
- A possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized, nor disclosed.

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

### 29. EARNINGS PER SHARE

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

Particulars	2011-12 Rupees	2010-11 Rupees
Basic / Diluted		
Profit after tax as per Accounts	(153,774,551)	(2,958,981)
PAT available to Equity Share holders	(153,774,551)	(2,958,981)
Weighted Average number of equity shares	55,013,756	55,015,100
Basic / Diluted EPS	(2.80)	(0.05)

### 30. MANAGERIAL REMUNERATION

Manager's salary and perquisites of Rs. 15,93,186/- (Previous Year Rs. 11,17,360/-) for the year 2011-12 have been charged to the accounts.

### 31. GRATUITY AND OTHER POST EMPLOYMENT BENEFITS

Particulars	As at 31.03.2012 As per rule of the Company	As at 31.03.2011 As per rule of the Company
<b>1. Gratuity</b>		
<b>A. Results of Actuarial Valuation</b>		
1. Valuation as on		
2. Retirement Age		
3. No of Employees	50	11
4. Notional Benefit Obligations (Accrued benefits) on Current Salary	563,476	194,769
5. Present Value of Benefit Obligations	432,004	154,953
<b>B. Principal rules to compute Benefit Obligations</b>		
1. Salary reckoned for calculating Benefit Obligations	As per rule of the Company	As per rule of the Company
2. Vesting Period	5 years of Gratuity	5 years of Gratuity
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	

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012**

Particulars	As at 31.03.2012 As per rule of the Company	As at 31.03.2011 As per rule of the Company
<b>2. Leave Salary</b>		
<b>A. Summary of Staff</b>		
1. No of Employees	50	11
2. Notional Benefit Obligations (Accrued benefits) on Current Salary	665,841	213,571
3. Projected actuarial value of benefit obligation in Rupees	512,944	169,108
<b>B. Principal rules to compute Benefit Obligations</b>		
1. Salary reckoned for calculating Benefit Obligations	As per rule of the Company	As per rule of the Company
2. Benefit formula for all exits	B1 X Leave Balance / 30	
3. Summary of Actuarial Assumptions		
<b>A. Mean Financial Assumptions</b>		
1. Discount Rate per unit per annum	8.50%	8.25%
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>B. Mean Demographic Assumptions</b>		
1. Mortality 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	

**32. SEGMENT INFORMATION**

The Company is engaged in the single business segment of building and operating the Toll 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 is also not applicable.

**33. 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 Ahmedabad - Maliya Tollway Limited
	L&T Halol - Shamlaji Tollway Limited
	L&T Interstate Road Corridor Limited
	L&T Transco Private Limited
	L&T Vadodara - Bharuch Tollway Limited
	L&T Urban Infrastructure Limited
	L&T Samakhiali Gandhidham Tollway Limited
	L&T Krishnagiri Walajahpet Tollway Limited
	L & T Panipat Elevated Corridor Limited
	L&T Chennai - Tada Tollway Limited
	L&T Western Andhra Tollways Limited
	L&T Transportation Infrastructure Limited

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012****B. Transactions with related parties:**

Amount in Rupees

Name / Relationship/ Nature of transaction	2011-12			2010-11		
	Amount of transaction	Due to	Due from	Amount of transaction	Due to	Due from
<b>L&amp;T Infrastructure Development Projects Limited</b>						
\$ Subscription in Equity	549,849,000	–	–	–	–	–
\$ Short-term borrowings	48,500,000	48,500,000	–	–	–	–
\$ Promoters mezzanine debt	626,651,000	–	–	–	–	–
\$ Purchase of Goods & Services	122,583,580	99,662,699	–	5,227,864	1,445,231	–
\$ Reimbursement of Expenses to	1,010,257	–	–	2,091,013	709,782	–
\$ Reimbursement of Expenses from	383,254	–	–	–	–	–
<b>Larsen &amp; Toubro Limited</b>						
\$ Subscription in Equity	–	–	–	350,000,000	–	–
\$ EPC Cost	3,474,514,207	2,178,584,229	–	3,455,104,677	473,345,198	–
\$ Mobilisation Advance recovered	314,202,234	–	–	325,797,766	–	314,202,234
\$ Share application money pending allotment	–	–	–	–	–	–
\$ Reimbursement of Expenses From	1,703,827	–	1,703,827	7,341,452	–	–
\$ Reimbursement of Expenses to	1,501,669	51,630	–	322,636	8,291	–
\$ Cost of Services	–	–	–	412,426	–	–
\$ Performance Security Bank Guarantee Limits	–	–	–	–	387,400,000	–
<b>L&amp;T Ahmedabad - Maliya Tollway Limited</b>						
\$ Reimbursement of Expenses from	114,979	–	–	213,870	–	–
\$ Reimbursement of Expenses to	104,000	–	–	–	–	–
<b>L&amp;T Halol - Shamlaji Tollway Limited</b>						
\$ Reimbursement of Expenses from	56,414	–	–	2,811,722	–	–
<b>L&amp;T Interstate Road Corridor Limited</b>						
\$ Reimbursement of Expenses from	–	–	–	6,596	–	–
<b>L&amp;T Transco Private Limited</b>						
\$ Reimbursement of Expenses to	12,378,925	–	–	2,835,370	694,266	–
<b>L&amp;T Vadodara - Bharuch Tollway Limited</b>						
\$ Reimbursement of Expenses to	144,731	–	–	31,210	–	–
\$ Change Money	3,090,000	–	–	–	–	–
<b>L&amp;T Urban Infrastructure Limited</b>						
\$ Reimbursement of Expenses to	–	–	–	40,082	–	–
<b>L&amp;T Samakhiali Gandhidham Tollway Limited</b>						
\$ Reimbursement of Expenses to	–	–	–	2,200	–	–
<b>L&amp;T Krishnagiri Walajahpet Tollway Limited.</b>						
\$ Reimbursement of Expenses to	75,798	–	–	–	–	–
<b>L &amp; T Panipat Elevated Corridor Limited</b>						
\$ Reimbursement of Expenses to	166,666	–	–	–	–	–
<b>L&amp;T Chennai - Tada Tollway Limited</b>						
\$ Reimbursement of Expenses to	81,984	–	–	–	–	–
<b>L&amp;T Western Andhra Tollway Limited</b>						
\$ Reimbursement of Expenses to	18,067	–	–	–	–	–
<b>L&amp;T Transportation Infrastructure Limited</b>						
\$ Reimbursement of Expenses to	43,403	–	–	–	–	–

**SCHEDULES FORMING PART OF ACCOUNTS (CONTD.)****34. CAPITAL AND OTHER COMMITMENTS**

- (i) Estimated amount of contracts remaining to be executed on capital account (net of advances) as at March 31, 2012 is Rs. 1,19,46,45,232/- (Previous year Rs. 4,49,41,32,549/-). For want of certain clearances, work on Railway Over Bridges, Bridge rehabilitation and balance works could not be completed and the same will be capitalised as and when completed.
- (iii) Letter of credit outstanding as on March 31, 2012 is Rs. 1,24,45,04,600/-

**35. TAXATION**

The Company is eligible for deduction under Section 80IA of the Income Tax Act 1961 and the concession period of the company's project falls within the tax holiday period as defined in the Section 80IA. Since deferred tax on timing difference between Accounting Income and Taxable Income that arise during the year is reversing during such Tax Holiday Period, no deferred tax assets/ liability arises and accordingly no provision is made in the accounts. The company does not have taxable wealth and hence no provision for wealth tax under Wealth Tax Act 1957 has been made.

**36. LEASES**

The Company has taken premises on cancellable operating lease. Lease rent for the year is Rs.11,36,358/- (PY Rs.7,78,806/-).

**37. VALUE OF IMPORTS CALCULATED ON CIF BASIS**

Particulars	2011-2012	2010-2011
Purchase of Highway traffic management system and Toll software	28,958,490	22,268,698

**38 EARNINGS IN FOREIGN CURRENCY**

During the year the company does not have any earnings in foreign currency

**39. 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.

**40. PREVIOUS YEAR FIGURES**

The Company was using the Pre-revised Schedule VI to the Companies Act, 1956, for the preparation and presentation of its financial 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.

In terms of our report of even date

For **GIANENDER & ASSOCIATES**

Chartered Accountants  
ICAI Regn. No. 004661N

**G. K. AGRAWAL**  
Partner  
M. No. 081603

Place : New Delhi  
Date : April 25, 2012

For and on behalf of the Board

**NEERAJ KUMAR BARUA**  
Manager

**T. S. VENKATESAN**  
Director

**B. RAMAKRISHNAN**  
Director

Place : Chennai  
Date : April 24, 2012