



L&T IDPL

L&T Interstate Road, Corridor Limited
(A subsidiary of L&T IDPL)
Toll Plaza Complex, NH-14,
Near Khemana Patia, Post - Palanpur,
Dist - Banaskantha - 385 001, India
Tel : +91 2742 284051 - 52 Fax : +91 2742 284053

NOTICE

Notice is hereby given for the **NINTH ANNUAL GENERAL MEETING** of **L&T INTERSTATE ROAD CORRIDOR LIMITED** to be held on Friday, 25th September 2015 at 11.00 A.M at Mount Poonamallee High Road, Manapakkam, Chennai – 600 089 to discuss the following business:

ORDINARY BUSINESS:

1. To receive and adopt the audited Financial Statement for the period 1st April 2014 to 31st March 2015 and the report of the Directors and Auditors thereon.
2. Appointment of a Director in the place of Mr. Manoj Anil Dave (DIN No: 02397312) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint the Statutory Auditors of the Company and to fix their Remuneration:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013, if any, M.K.Dandekar & Co., Chartered Accountants, (Firm Reg no: 000679S) having its office at No. 244(Old 138), Angappa Naicken St., 2nd Floor, Chennai 600 001 who have given their consent and certificate under Section 139 of Companies Act 2013 and who have been recommended by the Audit Committee, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of fourth consecutive Annual General Meeting (i.e., Annual General Meeting 2018) of the Company at Rs.2,64,000/- per annum excluding Service Tax and Out of Pocket Expenses for the Financial year 2015-16”

“RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorized to file necessary forms with Registrar of Companies”

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modifications if any, the following Resolution as **ORDINARY RESOLUTION:**

“RESOLVED THAT Mr. Sharad Goel (DIN No: 02294059) who was appointed as an Additional Director under Section 161 of the Companies Act 2013 holds office until the date of this Annual General Meeting, and in respect of whom notice has been received for appointment as Director from a Member under Section 160 of the Companies Act 2013, be and is hereby appointed as Director liable to retire by rotation”

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“RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorized to file necessary forms with Registrar of Companies”

5. To consider and, if thought fit, to pass, with or without modifications if any, the following Resolution as **ORDINARY RESOLUTION**:

“RESOLVED THAT Dr.Esther Malini (DIN No: 07124748) who was appointed as an Additional Director under Section 161 of the Companies Act 2013 holds office until the date of this Annual General Meeting, and in respect of whom notice has been received for appointment as Director from a Member under Section 160 of the Companies Act 2013, be and is hereby appointed as Director liable to retire by rotation”

“RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorized to file necessary forms with Registrar of Companies”

By the Order of the Board
For L&T INTERSTATE ROAD CORRIDOR LIMITED



**ESTHER MALINI
DIRECTOR**

DIN NO: 07124748

OLD NO.58, NEW NO.66,4TH MAIN ROAD,GANDHINAGAR,
ADYAR, CHENNAI-600020

Date: 01.09.2015

Notes:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under items no.4 & 5 set out above is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or where that is allowed, one or more proxies, to attend and vote instead of himself and that a proxy need not be a member.
3. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.

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4. Proxy form should be submitted to the company atleast 48 hours before the commencement of the meeting.
5. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
6. Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company to be held on September 25, 2015 are provided in Annexure A of this Notice.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013 the following explanatory statement sets out material facts relating to the business under item no.4 & 5 of the accompanying Notice dated 01.09.2015.

Item No.4

TO CONSIDER AND APPROVE APPOINTMENT OF MR.SHARAD GOEL AS DIRECTOR OF THE COMPANY

The Board of Directors appointed Mr.Sharad Goel (DIN No: 02294059) as an Additional Director under Section 161 of the Companies Act, 2013 on 27.03.2015. Pursuant to Section 161 of the Companies Act 2013, he holds office upto the date of this Annual General Meeting.

The Company has received notice from one of its Members namely, L&T Infrastructure Development Projects Limited for appointing him as Director of the Company with effect from the date of this Annual General Meeting.

Hence, the Directors recommend the resolution under Item No.4 as an Ordinary Resolution for the approval of the Shareholders.

Mr.Sharad Goel is interested in the business to the extent of his appointment.

None of the other Directors except Mr.Sharad Goel or KMP of the Company or their relatives thereof are directly or indirectly concerned or interested in this resolution.

Item No.5

TO CONSIDER AND APPROVE APPOINTMENT OF DR.ESTHER MALINI AS DIRECTOR OF THE COMPANY

The Board of Directors appointed Dr.Esther Malini (DIN No: 07124748) as an Additional Director under Section 161 of the Companies Act, 2013 on 27.03.2015. Pursuant to Section 161 of the Companies Act 2013, she holds office until the date of this Annual General Meeting. Accordingly, she being eligible for appointment, offers herself to be appointed as Director in the Company.

The Company has received notice from one of its Members namely, L&T Infrastructure Development Projects Limited for appointing her as Director of the Company with effect from the date of this Annual General Meeting.

Hence, the Directors recommend the resolution under Item No.5 as an Ordinary Resolution for the approval of the Shareholders.

Dr.Esther Malini is interested in the business to the extent of her appointment.

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None of the other Directors except Dr.Esther Malini or KMP of the Company or their relatives thereof are directly or indirectly concerned or interested in this resolution.

By the Order of the Board
For L& T INTERSTATE ROAD CORRIDOR LIMITED



ESTHER MALINI
DIRECTOR

DIN NO: 07124748

OLD NO.58, NEW NO.66,4TH MAIN ROAD,GANDHINAGAR,
ADYAR, CHENNAI-600020



Date: 01.09.2015
Place: Chennai

L&T INTERSTATE ROAD CORRIDOR LIMITED

Annexure A

Details of the directors seeking Appointment/ Re-Appointment in the forthcoming Annual General Meeting

Name of Director	Mr.Sharad Goel	Dr.Esther Malini	Mr.Manoj Anil Dave
Date of Birth	30/04/1957	28/04/1969	23/05/1962
Nationality	Indian	Indian	Indian
Date of Appointment on the Board	27/03/2015	27/03/2015	05/07/2012
Qualification	Masters (M.Tech) in Mechanical Engineering from IIT Kharagpur	Ph.D. in Management Studies at the Indian Institute of Science	Diploma in Mechanical Engineering
Experience	Thirty Three (33) years in Larsen & Toubro Limited with 24 years in Design & Engineering, Execution and Marketing of Material Handling Systems in Bulk Material Handling Business Unit and Nine Years with L&T IDPL in Marketing & Business Development, Implementation, Construction and Operationalization of Dhamra Port including Sale of the asset in 2014.	Research Experience-5 Years, Corporate Experience -17 Years	33 Years
Directorships in other companies	1.L&T BPP Tollway Limited 2.L&T Port Kachchigarh Limited 3.L&T Sambalpur - Rourkela Tollway Limited 4.L&T Vadodara Bharuch Tollway Limited 5.L&T Panipat Elevated Corridor Limited 6.L&T Western India Tollbridge Limited	1.L&T Krishnagiri Walajahpet Tollway Limited 2.L&T Krishnagiri Thopur Toll Road Limited 3. L & T Interstate Road Corridor Limited 4. L&T Ahmedabad - Maliya Tollway Limited 5. L&T Halol - Shamlaji Tollway Limited	1.L&T Vadodara Bharuch Tollway Limited 2.L&T Krishnagiri Thopur Toll Road Limited 3.PNG Tollway Limited 4.L&T Krishnagiri Walajahpet Tollway Limited 5.L&T Chennai Tada Tollways Limited 6.L&T Devihalli Hassan Tollway Limited

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	7.Kudgi Transmission Limited	6. L&T Rajkot - Vadinar Tollway Limited	7.L&T Western Andhra Tollways Limited 8. Indian Highways Management Company Limited 9. L&T Samakhiali Gandhidham Tollway Limited
Memberships/ Chairmanships of committees across all companies	<u>L&T Sambalpur - Rourkela Tollway Limited</u> 1.Audit Committee 2.Nomination and Remuneration Committee <u>L&T Panipat Elevated Corridor Limited</u> 1.Audit Committee 2.Nomination and Remuneration Committee <u>L&T Interstate Road Corridor Limited</u> 1.Audit Committee 2.Nomination and Remuneration Committee 3.Corporate Social Responsibility Committee <u>L&T Western India Tollbridge Limited</u> 1. Audit Committee 2.Nomination and Remuneration Committee	<u>L&T Krishnagiri Thopur Toll Road Limited</u> 1.Audit Committee 2.Nomination and Remuneration Committee	Nil
Shareholding in the Company	1 share jointly with L&T Infrastructure Development Projects Limited	Nil	Nil
Relationship with Directors	Nil	Nil	Nil

BOARD'S REPORT

The Directors of your Company are pleased to present their Report and the Company's audited financial statement for the financial year ended March 31, 2015.

FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2015 is summarised below:

Description	2014-15 ₹	2013-14 ₹
Profit before depreciation, exceptional and extra ordinary items & Tax	41,03,34,445	45,34,77,355
Less: Depreciation, amortization and obsolescence	45,42,23,700	44,37,33,245
Profit / (loss) before exceptional and extraordinary items and tax	(4,38,89,255)	97,44,110
Profit / (loss) before extraordinary items and tax	(4,38,89,255)	97,44,110
Profit /(loss) before tax	(4,38,89,255)	97,44,110
Less: Provision for tax	–	19,48,897
Profit / (loss) after tax from continuing operations	(4,38,89,255)	77,95,213
Profit / (loss) after tax for the year carried to the Balance Sheet	(4,38,89,255)	77,95,213
Add: Balance brought forward from previous year	31,93,27,771	31,15,32,558
Balance carried to Balance Sheet	27,54,38,516	31,93,27,771

CAPITAL EXPENDITURE

As at March 31, 2015 the gross tangible and intangible assets including leased assets, stood at ₹ 6,34,95,77,438 and the net tangible and intangible assets, including leased assets, at ₹ 3,91,68,39,395. Capital Expenditure incurred during the year amounted to ₹ 9,30,29,136. Intangible assets under development stood at ₹ 85,03,859(previous year: ₹ 79,78,211)

CAPITAL & FINANCE

During the year the Company had raised ₹ 409,40,00,000 by issue of Non-Convertible Debentures primarily to refinance its debts including foreign currency loans.

DEPOSITS

The Company has not accepted deposits from the public hence no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company did not have any requirement to transfer funds to Investor Education and Protection Fund during the year.

SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

The Company does not have any Subsidiary/Associate/Joint Venture Company.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY

Since the Company is engaged in the business of developing infrastructure facility, the provisions of Section 186 except sub-section (1) are not applicable to the Company. However the details of loans given, investments made and guarantees/securities provided by the Company are given in the Notes H (I) of the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into such contracts or arrangements or transactions during the year.

The Company will adhere to the RPT Policy of the Holding Company and guidelines thereunder.

As per the provisions of the Companies Act, 2013 disclosure in Form AOC-2 has been enclosed in Annexure I to this Report.

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The Total income for the financial year under review were ₹ 94,83,20,290/- as against ₹ 98,65,38,545/- for the previous financial year. The Company has been rated [ICRA] AAA+ (SO) by ICRA Limited, an independent professional investment information and credit rating agency in India.

AMOUNT TRANSFERRED TO RESERVES

The Company incurred a loss during the financial year and no appropriation of profits to any specific reserve has been made.

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DIVIDEND

The Company has posted losses during the year and no dividend is recommended.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

No material changes and commitments have occurred affecting the financial position of the Company between the end of the financial year and the date of this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status of the Company and the Company's operations in future.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

In view of the nature of activities which are being carried on by the Company, Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, conservation of energy and technology absorption does not apply to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year your Company has incurred foreign exchange outgo as given below:

Particulars	Amount in ₹
Interest	4,85,17,885
Repayment of principal	2,97,95,87,002
Break Charges	16,38,000
Total	3,02,97,42,887

There were no foreign exchange earnings during the year.

RISK MANAGEMENT POLICY

The Risk Management Policy of Holding Company is applicable to our Company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit functions are carried out by M/s Grant Thornton India LLP. The firm monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, process owners undertake corrective action, if any, in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions, if any are presented to the Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility ("CSR") committee of directors comprising of Mr.Sharad Goel, Dr.Ashwin Mahalingam and Mrs. Samyuktha Surendran as the Members.

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every Company having a net worth of ₹ 500 crore or more, or turnover of ₹ 1,000 crore or more or a net profit of ₹ 5 crore or more during any financial year shall ensure that the Company spends, in every financial year, at least 2% of average net profits made during the three immediately preceding financial years, in pursuance of its CSR Policy. The provisions pertaining to CSR as prescribed under the Companies Act, 2013 are applicable to your Company.

The amount spent during the current financial year and the manner in which it was spent towards CSR are given below:

Particulars	Amount in ₹
Average Net Profit of the Company for the last three financial years	7,94,23,291

Prescribed CSR expenditure

15,88,466

Amount unspent

Nil

DETAILS OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2014-15

Amount in ₹

Sr. No	CSR project/ activity identified	Sector in which the Project is covered	Projects/Programs 1) Local area or other 2) specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project / program wise	Amount spent on the project / programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads	Cumulative spend upto the reporting period	Amount spent (Direct / implementing agency)
1	Contribution to Prime Minister National Relief Fund	Contribution to Central Government	India	₹9,118	₹9,118	₹9,118	Implementing Agency - Prime Minister National Relief Fund
2	Contribution to Swachh Bharat Kosh	Contribution to Central Government	India	₹15,80,000	₹15,80,000	₹15,80,000	Implementing Agency - Swachh Bharat Kosh
Total				15,89,118	15,89,118	15,89,118	

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP") APPOINTED/RESIGNED DURING THE YEAR

CHANGES IN DIRECTORS AND KMP

Mr.Manoj Anil Dave, Director, who retires by rotation at this Annual General Meeting, being eligible, offers himself for re-appointment.

Mr. Sharad Goel who has been appointed as Additional Director of the Company on 27th March 2015, holds office upto the conclusion of this Annual General Meeting. The Members are requested to consider his appointment as Director.

Dr.Esther Malini who has been appointed as Additional Director of the Company on 27th March 2015, holds office upto the conclusion of this Annual General Meeting. The Members are requested to consider his appointment as Director.

Dr.Ashwin Mahalingam was appointed as Independent Director, in the Extraordinary General Meeting of the Company held on 30th March, 2015.

Mrs.Samyuktha Surendran was appointed as Independent Director, in the Extraordinary General Meeting of the Company held on 30th March, 2015.

Mr.B.Ramakrishnan and Mr.J.Subramanian resigned as Directors of the Company on 27th March, 2015. The Directors record their sincere and deep gratitude for the invaluable contribution made by them towards the development of the Company since inception.

Mr.S.Sai krishna was appointed as Chief Financial Officer of the Company on 29th October, 2014.

The Board of Directors of the Company as on March 31, 2015 is as follows:

Sr. No.	Name	Designation
1	Mr.Manoj Anil Dave	Director
2	Mr.Sharad Goel	Additional Director
3	Dr.Esther Malini	Additional Director
4	Dr.Ashwin Mahalingam	Independent Director
5	Mrs.Samyuktha Surendran	Independent Director

The Key Managerial Personnel (KMP) of the Company as on March 31, 2015 are as given below:

Sr. No.	Name	Designation
1	Mr.S.Sai Krishna	Chief Financial Officer
2	Mr.P.V.Murali Krishna	Manager
3	Mr.Sridhar Ramakrishnan	Company Secretary

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. Additional Meetings of the Board of Directors are held when required.

During the year under review 6 meetings were held. The details of the Board meetings conducted during the year under review are given below:

Date	Board Strength	No of Directors Present
May 5, 2014	3	3
July 14, 2014	3	2
October 29, 2014	3	2
January 13, 2015	3	2
February 24, 2015	3	2
March 27, 2015	5	5

The Agenda of the Meeting is circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal.

AUDIT COMMITTEE

The Company has constituted an Audit Committee in terms of the requirements of the Companies Act, 2013. The Members of the Audit Committee are Mr.Sharad Goel, Dr.Ashwin Mahalingam and Mrs.Samyuktha Surendran.

During the year under review, 5 meetings were held. The details of the meetings conducted during the year under review are given below:

Date	Strength of the Committee	No. of members present
May 5, 2014	3	3
July 14, 2014	3	2
October 29, 2014	3	2
January 13, 2015	3	2
February 24, 2015	3	2

In accordance with the requirements of the Companies Act, 2013, the Company has established a Vigil Mechanism framework for Directors and employees to report genuine concerns. The Chief Internal Auditor of the Holding Company was the co-ordinator for the Vigil Mechanism and responsible for receiving, validating, investigating and reporting to the Audit Committee during the year.

The Whistle Blower Policy of the Company meets the requirement of the Vigil Mechanism framework under the Companies Act, 2013.

COMPANY POLICY ON DIRECTOR APPOINTMENT AND REMUNERATION

The Company has constituted the Nomination and Remuneration Committee in accordance with the requirements of the Companies Act, 2013 read with the rules made thereunder. The Members of the Nomination and Remuneration Committee are Mr.Sharad Goel, Dr.Ashwin Mahalingam and Mrs.Samyuktha Surendran.

The Committee has formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the key managerial personnel and other employees and the criteria for determining qualifications, positive attributes and independence of a Director.

DECLARATION OF INDEPENDENCE

The Company has received a Declaration of Independence as stipulated under Section 149(7) of the Companies Act, 2013 confirming that he/she is not disqualified from continuing as an Independent Director.

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No. MGT - 9 is enclosed as Annexure II to this Report.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures:
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period:
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:
- The Directors have prepared the Annual Accounts on a going concern basis:
- The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statement and the said system is operating effectively.
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

The Company had appointed Independent Directors only on 30th March, 2015. Hence, this process is being taken up during this calendar year.

DISCLOSURE OF REMUNERATION

The Board of Directors wish to express their appreciation to all the employees for their outstanding contribution to the operations of the Company during the year. The information required under Section 197(12) of the Companies Act, 2013 and the Rules made thereunder, is provided below.

The Directors of the Company are not paid any remuneration. Hence, the remuneration of the Directors to that of the employees of the Company is not comparable.

REMUNERATION OF KMP

Amount in ₹

Name of the KMP	Designation	Remuneration in FY 2014-15	Remuneration in FY 2013-14	% decrease in remuneration of FY 2014-15 as compared to previous financial year	Performance of the Company	
					% increase in revenue of FY 2014-15 as compared to previous financial year	% decrease in profit after tax of FY 2014-15 as compared to previous financial year
P.V.Murali Krishna	Manager	16,05,000	16,05,000	Nil	NIL*	-663.03%
S.Saikrishna	Chief Financial Officer	Nil	Nil	Nil		
Sridhar Ramakrishnan	Company Secretary	Nil	Nil	Nil		

*Since it is an annuity project, revenue is stable till the end of concession period.

The Median Remuneration of Employees ("MRE") was ₹ 4,23,730 and ₹ 3,26,622 in the financial year 2014-15 and 2013-14 respectively. The increase in MRE in the financial year 2014-15 over the previous financial year is 29.73%.

The number of permanent employees on the rolls of the Company as of March 31, 2015 and March 31, 2014 was 10 and 10 respectively.

The revenue growth during the financial year over the previous financial year was Nil and net profit decreased by 663.03%. The average remuneration of employees grew by 11.49% over the previous financial year. The major reason for decrease in profits is due to the expiry of the Hedging Contract of the Company's outstanding external commercial borrowings in March, 2014. Hence the increase in remuneration of employees and KMP is not comparable with the performance of the Company.

Average percentage increase made in the salaries of employees other than the KMP in the financial year 2014-15 was 16.91%. There is no change in remuneration of Manager over the previous financial year. This was based on the Company Policy.

The remuneration paid to the employees is as per the remuneration policy of the Company.

The Company has no employee employed throughout the financial year who was in receipt of a remuneration of ₹ 60 lakhs or more, or employed for part of the year and was in receipt of a remuneration ₹ 5 lakh or more a month under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

AUDITORS AND AUDITORS' REPORT**STATUTORY AUDITORS**

M/s.M.K.Dandeker & Co., hold office until the conclusion of the ensuing Annual General Meeting ("AGM"). The Board recommends the appointment of M/s.M.K.Dandeker & Co., as Auditors of the Company from the conclusion of the ensuing AGM until the conclusion of the fourth consecutive AGM. Certificate from the said audit firm has been received to the effect that they are eligible to act as auditors of the Company under Section 141 of the Companies Act, 2013.

The Auditors' Report for the financial year 2014-15 is unqualified. The Notes to the accounts referred to in the Auditors' Report are self-explanatory and do not call for any further clarifications under Section 134(3)(f) of the Companies Act, 2013.

SECRETARIAL AUDITORS

M/s. Alagar & Associates, a firm of Company Secretaries in practice, was appointed to conduct the secretarial audit of the Company for the financial year 2014-15, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for the financial year 2014-15 is attached as Annexure III to this Report and it does not contain any qualification, reservation or adverse remark.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the employees, Financial Institutions, Banks, NHAI and other Central and State Government authorities, Regulatory authorities, Stock Exchanges and all the various stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

Place : Chennai
Date : April 28, 2015

SHARAD GOEL
Director
DIN: 02294059

Dr. ESTHER MALINI
Director
DIN: 07124748

ANNEXURE I

FORM NO. AOC.2

**FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO
BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE
COMPANIES ACT, 2013 INCLUDING CERTAIN ARM'S LENGTH TRANSACTIONS UNDER THIRD PROVISIO THERETO**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

The Company has not entered into such transactions during the year.

2. Details of material contracts or arrangement or transactions at arm's length basis

Name of the related party	Nature of relationship	Nature of contract/ arrangement/ transactions	Duration of contract/ arrangement/ transactions	Salient terms of contract/ arrangement/ transactions	Amount paid as advance
The Company has not entered into material contracts or arrangement or transactions entered during the year.					

For and on behalf of the Board

SHARAD GOEL

Director
DIN: 02294059

Dr. ESTHER MALINI

Director
DIN: 07124748

Place : Chennai

Date : April 28, 2015

ANNEXURE II**FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on March 31, 2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	U45203TN2006PLC058735
2	Registration Date	02/02/2006
3	Name of the Company	L& T INTERSTATE ROAD CORRIDOR LIMITED
4	Category / Sub-Category of the Company	Company Limited by shares/Indian Non-government Company
5	Address of the Registered office and contact details	P.O.BOX.979, MOUNT POONAMALLEE ROAD, MANAPAKKAM, CHENNAI- 600089
6	Whether listed Company Yes / No	Yes, Non-Convertible Debentures(NCDs) listed on BSE
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Services India Pvt. Ltd. 13 AB Samitha Warehousing Complex,2nd Floor, Saki Naka Telephone Exchange Lane, Sakinaka, Andheri East Mumbai - 400072 (Phone: +91 22 67720329)Mobile: +919833515383

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of Shares held	Applicable Section
1	L&T Infrastructure Development Projects Limited	U65993TN2001PLC046691	Holding	99.99%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	–	–	–	–	–	–	–	–	–
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt (s)									
d) Bodies Corp.	42298396	14861604*	57160000	100	42298394	14861604*	57159998	99.9999	(0.0001)
e) Banks / FI	–	–	–	–	–	–	–	–	–
f) Any Other....	–	–	–	–	–	–	–	–	–
Sub-total (1):-									
(2) Foreign									
a) NRIs - Individuals	–	–	–	–	–	–	–	–	–
b) Other - Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corp.	–	–	–	–	–	–	–	–	–
d) Banks / FI	–	–	–	–	–	–	–	–	–
e) Any Other....	–	–	–	–	–	–	–	–	–
Sub-total (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	42298396	14861604*	57160000	100	42298394	14861604*	57159998	99.9999	(0.0001)

L&T INTERSTATE ROAD CORRIDOR LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	2	-	2	0.0001	0.0001
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Sub-total (B)(2):-	-	-	-	-	2	-	2	0.0001	0.0001
Total Public Shareholding (B)=(B)(1) + (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	42298396	14861604*	57160000	100	42298396	14861604*	57160000	100	-

* Including shares held by nominees of L&T Infrastructure Development Projects limited

(ii) Shareholding of Promoters

SI No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Share	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	L&T Infrastructure Development Projects Limited(including nominees)	57160000	100%	26%	57159998	99.999%	26%	0.001%
	Total	57160000	100%	26%	57159998	99.999%	26%	0.001%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	57160000	100%	57160000	100%
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	09.12.2014 2(decrease)	0.001%	57159998	99.999%
3	At the End of the year	57159998	99.999%	57159998	99.999%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	–	–	–	–
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	2(increase)	0.001	2	0.001
3	At the End of the year (or on the date of separation, if separated during the year)	2	0.001	2	0.001

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	–	–	–	–
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	–	–	–	–
	At the End of the year	–	–	–	–

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment Loans

from banks/institutions:

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4,12,11,44,570	–	–	4,12,11,44,570
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	2,79,348	–	–	2,79,348
Total (i + ii + iii)	4,12,14,23,918	–	–	4,12,14,23,918
Change in Indebtedness during the financial year				
Addition	9,23,49,509	–	–	9,23,49,509
Reduction	4,21,37,73,427	–	–	4,21,37,73,427
Net Change	(4,12,14,23,918)	–	–	(4,12,14,23,918)
Indebtedness at the end of the financial year				
i) Principal Amount	–	–	–	–
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i + ii + iii)	–	–	–	–

NCD

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	–	–	–	–
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	–	–	–
Change in Indebtedness during the financial year				
Addition	4,09,40,00,000	–	–	4,09,40,00,000
Reduction	–	–	–	–
Net Change	4,09,40,00,000	–	–	4,09,40,00,000
Indebtedness at the end of the financial year				
i) Principal Amount	4,09,40,00,000	–	–	4,09,40,00,000
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	7,34,80,839	–	–	7,34,80,839
Total (i+ii+iii)	4,16,74,80,839	–	–	4,16,74,80,839

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

₹

Sl. no.	Particulars of Remuneration	Name of Manager : Mr.P.V.Murali Krishna, Manager	Total Amount
1.	Gross salary	16,05,000	16,05,000
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under Section 17(3) Income tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission		
	- as % of profit		
	- others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	16,05,000	16,05,000
	Ceiling as per the Act	62,18,000 per annum	62,18,000 per annum

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Dr.Ashwin Mahalingam	Mrs. Samyuktha Surendran		
1.	Independent Directors Fee for attending board / committee meetings Commission Others, please specify	NIL	NIL		NIL
	Total (1)	NIL	NIL		
		Mr.Sharad Goel	Mr.Manoj Anil Dave	Dr.Esther Malini	
2.	Other Non-Executive Directors Fee for attending board / committee meetings Commission Others, please specify	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL
	Total (B) = (1 + 2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act (including sitting fees)	Not more than ₹ 1,00,000/- per meeting of Board or Committee.			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
			Mr. Sridhar Ramakrishnan	Mr. S. Sai Krishna	
1.	Gross salary	Not Applicable	NIL	NIL	NIL
	(a) Salary as per Provisions contained in Section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		NIL	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961				
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL	NIL
	- as % of profit				
	- others, specify				
5.	Others, please Specify	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board

SHARAD GOEL
Director
DIN: 02294059

Dr. ESTHER MALINI
Director
DIN: 07124748

Place : Chennai

Date : April 28, 2015

ANNEXURE III

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year 2014-15

To,

The Members,

L& T Interstate Road Corridor Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **L& T INTERSTATE ROAD CORRIDOR LIMITED** (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the L& T Interstate Road Corridor Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the year ended March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by “the Company” for the year ended March 31, 2015 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - Not Applicable;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder - Not Applicable;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not Applicable;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- Not Applicable;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992- Not Applicable;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not Applicable;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not Applicable ;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not Applicable;
2. We have also examined compliance with the Listing Agreements entered into by the Company with Stock Exchange(s).
3. We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable labour & industrial laws, Environmental laws, rules, regulations and guidelines. The list of labour and industrial laws covered under the internal compliance report by the Company are as follows;
 - A. The Equal Remuneration Act, 1976
 - B. The Payment of Bonus Act, 1965
 - C. The Employees Provident Fund Scheme, 1952
 - D. The Contract Labour (Regulation And Abolition) Act, 1970
 - E. The Minimum Wages Act, 1948 And The Minimum Wages (Central) Rules, 1950
 - F. The Payment Of Gratuity Act, 1972
 - G. The Payment Of Wages Act, 1936
 - H. The Personal Injuries (Compensation) Insurance Act, 1963
 - I. Information Technology Act, 2000
 - J. Air (Prevention And Control Of Pollution) Act, 1981
 - K. Water (Prevention And Control Of Pollution) Act, 1974

- L. Electricity Rules, 1956
 - M. (Prevention And Control Of Pollution) Act, 1981
 - N. Forest Conservation Act, 1980
 - O. Motor Vehicles Act, 1988
 - P. The Gas Cylinder Rules, 2004
 - Q. Petroleum Act, 1934 And Petroleum Rules, 2002
 - R. The Building And Other Construction Workers' (Regulation Of Employment And Conditions Of Service) Central Rules, 1998
 - S. The National Highways (Collection of Fees by any Person for the use of Section of national highways/ Permanent Bridge/ Temporary Bridge on National Highways) Rules, 1997
 - T. Indian Telegraph Act, 1885, and Indian Telegraph Rules, 1951
 - U. Transfer Of Property Act, 1882, Indian Stamp Act, 1899,
 - V. Indian Registration Act, 1908,
- 4. We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - 5. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to at least seven days in advance.
 - 6. During the period under review the Company has issued debentures on private placement basis and the same was listed in the Bombay Stock Exchange Limited. The Company has complied with the provisions of the Companies Act, 2013, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Debt listing Agreement in this regard.
 - 7. We further report that during the audit period, there are no instances of:
 - i. Public / Rights / Preferential issue of shares / sweat equity.
 - ii. Redemption / buy-back of securities.
 - iii. Merger / amalgamation / reconstruction etc.
 - iv. Foreign technical collaborations.

FOR M.ALAGAR & ASSOCIATES

M. ALAGAR

FCS No: 7488

C P No.: 8196

Place : Chennai

Date : April 22, 2015

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF L & T INTERSTATE ROAD CORRIDOR LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **L & T INTERSTATE ROAD CORRIDOR LIMITED**, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

L&T INTERSTATE ROAD CORRIDOR LIMITED

As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.

For **M. K. DANDEKER & CO.**

(ICIA Reg. No. 000679S)

K. J. DANDEKER

Partner

Chartered Accountants

Membership No. 018533

Place : Chennai

Date : April 28, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

1. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. The Fixed Assets have been physically verified by the Management at regular Intervals and no material discrepancies were noticed on such verification.
2. The Company is engaged in the business of infrastructure development and maintenance and hence, reporting under clause 3 (ii) (a), (b) & (c) of the Companies (Auditor's Report) Order 2015 relating to inventory are not applicable.
3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act. Hence, reporting under clause 3 (iii) (a) & (b) of the Companies (Auditor's Report) Order 2015 does not arise.
4. According to the information and explanations given to us, the Company is having adequate Internal Control system commensurate with the size of the Company and the nature of its business. Also, there is no continuing failure to correct major weaknesses in internal control system.
5. The Company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.
6. The Company is maintaining the cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act in respect of services carried out by the Company.
7. a. The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- b. Details of statutory dues which have not been deposited as on 31.03.2015 on account of dispute are given below:

Name of the statute	Nature of Dues	Period to which the amount relates	Forum where the dispute is pending	Amount (₹)
Income Tax Act, 1961	Income Tax	A.Y. 2008-09	CIT (Appeals)	5,37,54,090

- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
8. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
9. The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
10. The Company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
11. The term loans were applied for the purpose for which the loans were obtained.
12. Based on the information and explanation given to us and based on the audit procedures followed by us, there were no frauds on or by the Company that has been noticed or reported during the year.

For **M. K. DANDEKER & CO.**

(ICIA Reg. No. 000679S)

K. J. DANDEKER

Partner

Chartered Accountants

Membership No. 018533

Place : Chennai

Date : April 28, 2015

BALANCE SHEET AS AT MARCH 31, 2015

	Notes No.	As at 31.03.2015		As at 31.03.2014	
		₹	₹	₹	₹
EQUITY AND LIABILITIES:					
Shareholders' funds					
Share capital	A	571,600,000		571,600,000	
Reserves and surplus	B	275,438,516		319,327,771	
			847,038,516		890,927,771
Non-current liabilities					
Long-term borrowings	C(I)	3,304,000,000		3,789,880,247	
Long-term provisions	C(II)	209,462,865		1,462,865	
			3,513,462,865		3,791,343,112
Current liabilities					
Trade payables	D(I)	5,865,148		27,141,701	
Other current liabilities	D(II)	875,822,690		356,604,577	
Short-term provisions	D(III)	997,535		2,646,142	
			882,685,373		386,392,420
TOTAL			5,243,186,754		5,068,663,303
ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	E(I)	30,391,712		52,648,702	
Intangible assets	E(II)	3,886,447,683		4,225,925,695	
Intangible asset under development	E(III)	8,503,859		7,978,211	
			3,925,343,254		4,286,552,608
Long-term loans and advances	F		1,827,826		1,827,826
Other non-current assets	G		54,011,000		54,011,000
Current assets					
Current investments	H(I)	883,724,720		495,344,492	
Trade receivables	H(II)	16,438,587		16,261,828	
Cash and bank balances	H(III)	256,913,661		159,798,383	
Short-term loans and advances	H(IV)	71,205,686		54,867,166	
Other current assets	H(V)	33,722,020		—	
			1,262,004,674		726,271,869
TOTAL			5,243,186,754		5,068,663,303
CONTINGENT LIABILITIES					
	I				
Commitments					
	J				
Other notes forming part of accounts					
	Q				
Significant accounting policies					
	R				

As per our report attached

For and on behalf of the Board

M. K. DANDEKER & CO.

Chartered Accountants

(Firm's Registration No. 000679S)

By the hand of

K. J. DANDEKER

Partner

Membership No. 018533

SHRIDHAR RAMAKRISHNAN

Company Secretary

SAIKRISHNA SRIRAM MANOHAR

CFO

SHARAD GOEL

Director

DIN: 02294059

ESTHER MALINI VICTOR

Director

DIN: 07124748

Place : Chennai

Date : April 28, 2015

Place : Chennai

Date : April 28, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Note	As at March 31, 2015		As at March 31, 2014	
		₹	₹	₹	₹
REVENUE					
Revenue from Operations	K	864,200,000		864,200,000	
Other income	L	84,120,290		122,338,545	
			948,320,290		986,538,545
TOTAL REVENUE			948,320,290		986,538,545
EXPENSES					
Operating expenses	M	287,300,554		266,144,556	
Employee benefit expenses	N	6,076,015		6,200,797	
Finance costs	O	220,153,644		239,213,014	
Depreciation and amortisation	E	454,223,700		443,733,245	
Administration and other expenses	P	24,455,632		21,502,823	
			992,209,545		976,794,435
TOTAL EXPENSES			992,209,545		976,794,435
Profit/(loss) before tax			(43,889,255)		9,744,110
Tax Expense:					
Current tax		—		1,948,897	
			—		1,948,897
Profit/(loss) after tax for the year			(43,889,255)		7,795,213
Earnings per equity share (Basic and Diluted)	Q(8)		(0.77)		0.14
Face value per equity share			10.00		10.00
OTHER NOTES FORMING PART OF ACCOUNTS	Q				
SIGNIFICANT ACCOUNTING POLICIES	R				

As per our report attached

For and on behalf of the Board

M. K. DANDEKER & CO.

Chartered Accountants

(Firm's Registration No. 000679S)

By the hand of

K. J. DANDEKER

Partner

Membership No. 018533

SHRIDHAR RAMAKRISHNAN

Company Secretary

SAIKRISHNA SRIRAM MANOHAR

CFO

SHARAD GOEL

Director

DIN: 02294059

ESTHER MALINI VICTOR

Director

DIN: 07124748

Place : Chennai

Date : April 28, 2015

Place : Chennai

Date : April 28, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	2014-15 ₹	2013-14 ₹
A Net profit / (loss) before tax and extraordinary items	(43,889,255)	9,744,110
Adjustment for		
Depreciation and amortisation expense	454,223,700	443,733,245
Interest expense	220,153,644	239,213,014
Interest income	(43,341,764)	(39,988,491)
(Profit)/loss on sale of current investments(net)	(27,113,558)	(22,698,633)
Operating profit before working capital changes	560,032,767	630,003,245
Adjustments for:		
Increase / (Decrease) in provisions and liabilities	172,362,672	(204,925,325)
(Increase) / Decrease in loans / advances and other current assets	(50,060,540)	14,909,341
Net cash generated from/(used in) operating activities	682,158,140	439,987,261
Direct taxes paid (net of refunds)	-	(1,948,897)
Net Cash(used in)/generated from operating activities	682,158,140	438,038,364
B Cash flow from investing activities		
Purchase of fixed assets	(664,837)	(2,437,493)
Purchase of current investments	(1,314,383,527)	(2,084,193,152)
Sale of current investments	953,116,856	2,119,768,238
Interest received	43,341,764	62,687,124
Net cash (used in)/generated from investing activities	(318,589,744)	95,824,716
C Cash flow from financing activities		
Repayment of long term borrowings	(4,213,494,078)	(346,703,857)
Issue of Non-Convertible Debentures	4,094,000,000	-
Interest paid	(146,959,040)	(239,213,014)
Net cash (used in)/generated from financing activities	(266,453,118)	(585,916,871)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	97,115,278	(52,053,791)
Cash and cash equivalents as at the beginning of the year	159,798,383	211,852,173
Cash and cash equivalents as at the end of the year	256,913,661	159,798,383

- Notes**
1. Cash flow statement has been prepared under the 'Indirect Method' .
 2. Cash and cash equivalents represent cash and bank balances in current account, in Fixed Deposits, Margin Money Deposit.
 3. Previous year's figures have been regrouped/reclassified wherever applicable.
 4. Components of cash and cash equivalents : -

	2014-15 ₹	2013-14 ₹
Balances with banks:		
-on current account	153,096,644	464,030
-on Fixed Deposits with less than 3 months maturity	103,806,289	159,323,576
Cash in hand and transit	10,728	10,777
	256,913,661	159,798,383

As per our report attached

For and on behalf of the Board

M. K. DANDEKER & CO.
Chartered Accountants
(Firm's Registration No. 000679S)
By the hand of

K. J. DANDEKER
Partner
Membership No. 018533

SHRIDHAR RAMAKRISHNAN
Company Secretary

SAIKRISHNA SRIRAM MANOHAR
CFO

SHARAD GOEL
Director
DIN: 02294059

ESTHER MALINI VICTOR
Director
DIN: 07124748

Place : Chennai
Date : April 28, 2015

Place : Chennai
Date : April 28, 2015

NOTES TO FINANCIAL STATEMENTS**NOTE A – SHARE CAPITAL****A.(i) Authorised, issued, subscribed and paid up**

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	₹	No. of Shares	₹
Authorised:				
Equity shares of ₹ 10 each	58,000,000	580,000,000	58,000,000	580,000,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	57,160,000	571,600,000	57,160,000	571,600,000

A.(ii) Reconciliation of the number of equity shares and share capital issued, subscribed and paid-up:

Particulars	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	₹	No. of Shares	₹
At the beginning of the year	57,160,000	571,600,000	57,160,000	571,600,000
Issued during the year as fully paid	—	—	—	—
Outstanding at the end of the year	57,160,000	571,600,000	57,160,000	571,600,000

A.(iii) Terms / rights attached to shares

The Company has only one class of equity share having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The Company has not issued any securities during the year with the right/option to convert the same into equity shares at a later date.

The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.

The shares issued carry equal rights to dividend declared by the Company and no restrictions are attached to any class of shareholder.

No dividend is declared by Board of Directors for the year ended 31st March, 2015. (Previous year - ₹ Nil)

A.(iv) Details of Shares held by Holding Company/Ultimate Holding Company/its subsidiaries or associates:

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	₹	No. of Shares	₹
Holding Company				
L&T Infrastructure Development Projects Limited (including nominees holding)	57,159,998	571,599,980	57,160,000	571,600,000
	57,159,998	571,599,980	57,160,000	571,600,000

A.(v) Details of Shareholders holding more than 5% shares in the Company:

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	%	No. of Shares	%
L&T Infrastructure Development Projects Limited (including nominees holding)	57,159,998	100	57,160,000	100

A.(vi) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL**A.(vii) Calls unpaid : NIL; Forfeited Shares : NIL****NOTE B – RESERVES AND SURPLUS**

Particulars	As at March 31, 2015		As at March 31, 2014	
	₹	₹	₹	₹
Surplus/(Deficit) as per Statement of Profit and loss:				
As per last Balance Sheet	319,327,771		311,532,558	
Add: Profit/(Loss) for the year	(43,889,255)		7,795,213	
	275,438,516		319,327,771	
TOTAL	275,438,516		319,327,771	

NOTES TO FINANCIAL STATEMENTS (Contd.)

	As at March 31, 2015		As at March 31, 2014	
	₹	₹	₹	₹
NOTE C (I) – LONG TERM BORROWINGS				
Secured term loans banks (Note C(I)(a))				
a) From Banks	–		2,956,131,545	
b) From Financial Institutions	–		833,748,702	
c) Non Convertible Debentures	3,304,000,000		–	
		3,304,000,000		3,789,880,247
TOTAL		3,304,000,000		3,789,880,247

C(I)(a) Details of term loans

Particulars	Rate of Interest	Terms of Repayment
	As at March 31, 2015	
Non Convertible Debentures	As Per Agreement	Redeemable at face value in 18 Half yearly installments from April 2015 to October 2023 at specified amounts.

C(I)(b) Nature of Security

A pari passu first charge on all the immovable and movable properties of the Company relating to the Project, both present and future except Project Assets as defined in the Concession Agreement and hypothecation of tangible movable properties both present and future including all bank accounts of the Company and all authorized investments or other securities representing all amounts credited in the bank accounts, book debts, uncalled share capital, intangible assets etc.

	As at March 31, 2015		As at March 31, 2014	
	₹	₹	₹	₹
C(I)(c) Presentation of Long Term Borrowings in the Balance sheet is as follows:				
(i) Long term borrowings	3,304,000,000		3,789,880,247	
(ii) Current maturities of long term borrowings [Refer Note D(II)]	790,000,000		331,264,323	
TOTAL	4,094,000,000		4,121,144,570	

NOTE C (II) – LONG-TERM PROVISIONS

Periodic Major Maintenance (Note Q (13)(a))	209,462,865	1,462,865
TOTAL	209,462,865	1,462,865

NOTE D(I) – TRADE PAYABLES

Due to		
Ultimate Holding Company	3,322,526	–
Holding Company	2,231,810	19,069,499
Others	310,812	8,072,202
TOTAL	5,865,148	27,141,701

D(II)(a) There are no transactions during the year (previous year: ₹ Nil) with Micro and Small enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Hence reporting details of principal and interest paid/outstanding does not arise.

NOTES TO FINANCIAL STATEMENTS (Contd.)

	As at March 31, 2015	As at March 31, 2014
	₹	₹
NOTE D(II) – OTHER CURRENT LIABILITIES		
Current maturities of long term debt	790,000,000	331,264,323
Interest accrued but not due on borrowings	73,473,952	279,348
Security deposits received	44,500	44,500
Statutory liabilities	1,137,402	4,056,172
Other current liability	10,966,836	20,960,234
Due to Holding Company	200,000	–
TOTAL	875,822,690	356,604,577

NOTE D(III) – SHORT TERM PROVISIONS**Provision for employee benefits**

Gratuity (Refer note Q(3)(ii))	469,843	307,843
Compensated absences	525,068	375,499
Bonus Provision	2,624	13,903
	997,535	697,245
Others :		
Current Tax	–	1,948,897
TOTAL	997,535	2,646,142

NOTE E(I) – TANGIBLE ASSETS

Particulars	COST				DEPRECIATION				BOOK VALUE	
	As at April 1, 2014	Additions	Deductions	As at March 31, 2015	Upto March 31, 2014	For the year	Deductions	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Owned										
Building	2,793,350	–	–	2,793,350	954,816	70,816	–	1,025,632	1,767,718	1,838,534
Plant and Equipment	109,506,710	–	–	109,506,710	69,990,275	18,882,951	–	88,873,226	20,633,484	39,516,435
Computers & laptops	1,302,602	26,979	45,000	1,284,581	1,037,666	146,286	30,211	1,153,741	130,840	264,936
Office equipment	878,504	127,000	90,731	914,773	852,309	44,744	90,731	806,322	108,451	26,195
Furniture and fixtures	2,024,326	–	–	2,024,326	1,106,139	196,936	–	1,303,075	721,251	918,187
Electrical installations	1,118,948	–	–	1,118,948	308,141	108,461	–	416,602	702,346	810,807
Vehicles	19,233,978	–	–	19,233,978	9,960,371	2,945,985	–	12,906,356	6,327,622	9,273,607
Total	136,858,418	153,979	135,731	136,876,666	84,209,717	22,396,179	120,942	106,484,954	30,391,712	–
<i>Previous year</i>	137,148,501	213,932	504,015	136,858,418	63,573,057	21,140,675	504,015	84,209,717	–	52,648,701

The Company has reviewed the useful life of fixed assets and revised the useful life of computers, Plant & Equipment and Motor Bike. Consequently, depreciation for the year is lower by ₹ 90,473/- and profit before tax for the year higher to that extent.

NOTE E(II) – INTANGIBLE ASSETS

Particulars	COST				AMORTISATION				BOOK VALUE	
	As at April 1, 2014	Additions	Deductions	As at March 31, 2015	Upto March 31, 2014	For the year	Deductions	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Specialized Software	275,000	–	–	275,000	274,999	–	–	274,999	1	1
Toll collection rights (Note E (II) (a))	6,120,076,263	92,349,509	–	6,212,425,772	1,894,150,569	431,827,521	–	2,325,978,090	3,886,447,682	4,225,925,694
Total	6,120,351,263	92,349,509	–	6,212,700,772	1,894,425,568	431,827,521	–	2,326,253,089	3,886,447,683	–
<i>Previous year</i>	5,810,910,089	309,441,174	–	6,120,351,263	1,471,832,998	422,592,570	–	1,894,425,568	–	4,225,925,695

NOTES TO FINANCIAL STATEMENTS (Contd.)**NOTE E (III) – INTANGIBLE ASSETS UNDER DEVELOPMENT**

Particulars	COST				AMORTISATION				BOOK VALUE	
	As at April 1, 2014	Additions	Deductions	As at March 31, 2015	Upto March 31, 2014	For the year	Deductions	Upto March 31, 2015	As at March 31, 2015	As at March 31, 2014
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Specialized Software	7,978,211	525,648	—	8,503,859	—	—	—	—	8,503,859	7,978,211
Total	7,978,211	525,648	—	8,503,859	—	—	—	—	8,503,859	—
<i>Previous year</i>	<i>5,754,650</i>	<i>2,223,561</i>	—	<i>7,978,211</i>	—	—	—	—	—	<i>7,978,211</i>

As at March 31, 2015**As at March 31, 2014**

₹ ₹ ₹ ₹

NOTE F – LONG TERM LOANS AND ADVANCES

Secured, considered good

Security deposits

1,827,826**1,827,826****TOTAL****1,827,826****1,827,826****NOTE G – OTHER NON-CURRENT ASSETS**

Cash and Bank balance not available for Immediate use (Note H (III))

54,011,000**54,011,000****TOTAL****54,011,000****54,011,000****NOTE H (I) – CURRENT INVESTMENTS****Particulars****Face Value per unit****As at March 31, 2015****As at March 31, 2014**

₹ ₹

Current Investment, Values at lower of cost or Market Value , Unless stated otherwise (Note G (I) (a))

Investment in Mututal funds - Quoted

Birla Sun Life Cash Plus regular Growth (No. of Units CY Nil (PY - 82,098)

100

—

16,081,553

IDFC cash Fund Plan - Super Inst Plan C-Growth (No. of Units CY -9,100 (PY - 75,986)

1,000**15,193,222****116,939,795**

HDFC Cash Management Fund- Saving Growth (No. of Units CY Nil (PY - 6,98,251)

10

—

17,838,069

TATA Liquid Plan A Growth (No. of Units CY 52,472 (PY -36,118)

1,000**135,010,708****84,500,000**

SBI Premier Liquid Fund - Super Institutional - Growth (No. of Units CY Nil (PY - 44,737)

1,000

—

89,999,995

L&T Ultra Short Term Fund Growth (No. of Units CY Nil (PY - 97,463)

1,000

—

30,000,000

Reliance Liquidity Fund Growth (No. of Units CY 38,358 (PY - Nil)

1,000**80,587,264**

—

Religare Invesco Liquid Fund Growth (No. of Units CY Nil (PY -

1,000

—

169,985,082**Commercial Paper:**

9% CP,2014, L&T Infrastrcuture Development Projects Limited

652,933,525

—

Face Value Per Unit - ₹ 5,00,000/-

TOTAL**883,724,720****495,344,492**

NOTES TO FINANCIAL STATEMENTS (Contd.)

	As at March 31, 2015 ₹	As at March 31, 2014 ₹
Note H (I) (a) Details of Quoted Investments:		
Aggregate amount of quoted current investment and market value thereof :		
Book Value	230,791,195	495,344,494
Market Value	231,493,323	501,174,857

	As at March 31, 2015 ₹	As at March 31, 2014 ₹
NOTE H (II) – TRADE RECEIVABLES		
Secured, considered good		
Debtor outstanding for a period less than six months	16,438,587	16,261,828
TOTAL	16,438,587	16,261,828

NOTE H (III) – CASH AND BANK BALANCES**Cash and cash equivalents**

Balances with banks		
In current accounts	153,096,644	464,030
In deposit accounts with maturity less than three months (including interest accrued thereon)	100,018,494	157,616,522
Cash on hand	10,728	10,777

Other bank balances

In deposit accounts with maturity more than three months (including interest accrued thereon)	11,990	16,641
Margin money deposit against bank guarantee issued (including interest accrued thereon)	57,786,805	55,701,413

Less : Cash and Bank balance not available for immediate use	(54,011,000)	(54,011,000)
TOTAL	256,913,661	159,798,383

NOTE H (IV) – SHORT TERM LOANS AND ADVANCES

Unsecured, considered good

Related parties:

Ultimate Holding Company	–	59,084
Advances recoverable in cash or kind	–	24,800
Others	71,205,687	54,783,284

TOTAL	71,205,687	54,867,168
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NOTE H (V) – OTHER CURRENT ASSETS

Interest accrued on Investment	33,722,020	–
TOTAL	33,722,020	–

NOTE I

The Company has a Contingent liability of ₹ 5,37,54,090/- towards demand notice under Section 156 of the Income Tax Act, 1961 pertaining to assessment year 2008-09 from the Income Tax Department. (previous year- ₹ 5,37,54,090/-)

NOTES TO FINANCIAL STATEMENTS (Contd.)

	2014-15		2013-14	
	₹	₹	₹	₹
NOTE K – REVENUE FROM OPERATIONS				
Operating revenue:				
Annuity Income		864,200,000		864,200,000
TOTAL		864,200,000		864,200,000
NOTE L – OTHER INCOME				
Interest income from:				
Bank deposits	9,619,744		5,229,841	
On Commercial paper	33,722,020		34,670,793	
Others	–		87,857	
		43,341,764		39,988,491
Net gain on sale of current investments		27,113,558		22,698,633
Other non-operating income		13,664,968		59,651,421
TOTAL		84,120,290		122,338,545
NOTE M – OPERATING EXPENSES				
Concession fee		1		1
Toll Management fees		21,613,427		19,362,792
Security services		1,771,852		1,681,104
Insurance		2,387,953		2,718,069
Repairs and maintenance				
Periodic Major Maintenance Expenses	208,000,000		161,566,865	
Toll road & bridge	17,833,662		29,873,422	
Plant and machinery	2,512,987		8,209,613	
Others	9,498,454		9,796,555	
		237,845,103		209,446,455
Professional fees		10,562,351		21,452,828
Power and fuel		13,119,867		11,483,307
TOTAL		287,300,554		266,144,556
NOTE N – EMPLOYEE BENEFIT EXPENSES				
Salaries, wages and bonus		4,988,730		5,009,780
Contributions to and provisions for:				
Provident fund (Note Q(3)(i))	263,860		249,766	
Gratuity (Note Q(3)(ii))	162,000		34,125	
Compensated absences	182,005		36,191	
		607,865		320,082
Staff welfare expenses		479,420		870,935
TOTAL		6,076,015		6,200,797

NOTES TO FINANCIAL STATEMENTS (Contd.)

	As at March 31, 2015	As at March 31, 2014
	₹	₹
NOTE O – FINANCE COSTS		
Interest on		
Borrowings	133,751,405	184,530,807
Exchange Loss (Attributable to finance cost)	–	54,289,947
NCD	73,480,839	–
Other borrowing cost	12,921,400	392,260
TOTAL	220,153,644	239,213,014

NOTE P – ADMINISTRATION AND OTHER EXPENSES

Rent, Rates and taxes	1,434,861	220,008
Professional fees (Refer note (a) below)	16,265,358	14,600,837
Postage and communication	741,962	1,027,381
Printing and stationery	89,549	88,900
Travelling and conveyance	2,095,506	1,947,372
CSR expenses	1,589,368	137,566
Repairs and Maintenance - Others	840,196	2,221,788
Miscellaneous expenses	1,398,832	1,258,970
TOTAL	24,455,632	21,502,822

P(a) Professional fees includes Auditors remuneration including service tax as follows:

a) For Statutory audit fees	247,192	247,192
b) For Taxation matters	56,180	56,180
c) For Company law matters	16,854	16,854
d) For Other services	121,461	88,989
e) For Reimbursement of expenses	74,794	65,351
TOTAL	516,481	474,566

NOTE Q(1) – CORPORATE INFORMATION

L & T Interstate Road Corridor Ltd is a Special Purpose Vehicle (SPV) incorporated on 09th September, 2008. The Company has been awarded a contract on Build Operate and Transfer (BOT) Annuity basis to widen the existing two-lane seventy six kilometer stretch from KM 601.000 to 677.000 of National Highway No. 27 (formerly known as Km 340.00 to Km 264.00 on Palanpur – Swaroopgunj Section of National Highway No.14) in the State of Gujarat and Rajasthan and operation and maintenance thereof, under the Concession Agreement dated 28th March, 2006 with National Highways Authority of India. The Concession Agreement is for a period of 17.5 years from 24th September 2006, being the Commencement Date stated in clause 1.1 of the said agreement. At the end of Concession period, the entire facility will be transferred to NHAI.

Q(2) The Company has incurred ₹ 3,48,51,748/- as interest expense in foreign currency during the year. The interest expense incurred during the year is upto Jan 2015, as the Term Loan was fully repaid on 20th January 2015 (previous year: ₹ 6,53,97,222/-)

Q(3) Disclosure pursuant to Accounting Standard (AS) 15 (revised) on “Employee benefits”:**(i) Defined contribution plan:**

An amount of ₹ 263,860/- (previous year : ₹ 249,766/-) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note N) in the Statement of Profit and loss.

NOTES TO FINANCIAL STATEMENTS (Contd.)**(ii) Defined benefit plans:**

a) The amounts recognised in Balance Sheet are as follows:

Particulars	Gratuity plan	
	As at March 31, 2015	As at March 31, 2014
	₹	₹
A) Present value of defined benefit obligation		
- Wholly funded	-	-
- Wholly unfunded	469,843	307,843
	469,843	307,843
Less : Fair value of plan assets	-	-
Amount to be recognised as liability or (asset)	469,843	307,843
B) Amounts reflected in the Balance Sheet		
Liabilities	469,843	307,843
Assets	-	-
Net Liability / (asset)	469,843	307,843

b) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Gratuity plan	
	As at March 31, 2015	As at March 31, 2014
	₹	₹
1 Current service cost	66,086	60,574
2 Interest on Defined benefit obligation	27,473	22,171
3 Expected return on plan assets	-	-
4 Actuarial losses/(gains)	68,441	(48,620)
5 Past service cost	-	-
6 Actuarial gain/(loss) not recognised in books	-	-
7 Adjustment for earlier years	-	-
Total (1 to 7)	162,000	34,125
I Amount included in "employee benefit expenses"	162,000	34,125
II Amount included as part of "finance costs"	-	-
Total (I + II)	162,000	34,125
Actual return on plan assets	-	-

c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Gratuity plan	
	As at March 31, 2015	As at March 31, 2014
	₹	₹
Opening balance of the present value of defined benefit obligation	307,843	273,718
Add: Current service cost	66,086	60,574
Add: Interest cost	27,473	22,171
Add: Contribution by plan participants		
i) Employer	-	-
ii) Employee	-	-
Add/(less): Actuarial losses/(gains)	68,441	(48,620)
Less: Benefits paid	-	-
Add: Past service cost	-	-
Closing balance of the present value of defined benefit obligation	469,843	307,843

NOTES TO FINANCIAL STATEMENTS (Contd.)

d) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at March 31, 2015	As at March 31, 2014
1) Discount rate	7.80%	9.10%
2) Salary growth rate	6.00%	6.00%
3) Attrition rate	5.00%	5.00%

e) A table showing provision for Gratuity for last 5 years to be added as under:

Particulars	As at 31st March 2015	As at 31st March 2014	As at 31st March 2013	As at 31st March 2012	As at 31st March 2011
Gratuity Plan (Unfunded)	469,843	307,843	273,718	189,071	122,486

Q(4) Disclosure pursuant to Accounting Standard (AS) - 16 "Borrowing Costs"

Borrowing cost capitalised during the year ₹ Nil. (previous year : ₹ Nil)

Q(5) Segment Information

The Company is engaged in the business of construction, operation and maintenance of Toll road projects on a Build Operate Transfer basis in a single business segment. Hence reporting on primary segment does not arise. The Company does not have operations outside India. Hence, disclosure of secondary / geographical segment information does not arise.

Q(6) Disclosure of related parties / related party transactions pursuant to Accounting Standard (AS) 18 "Related Party Disclosures"**a) List of related parties**

Holding company	:	L&T Infrastructure Development Projects Limited
Ultimate Holding company	:	Larsen & Toubro Limited
Fellow Subsidiaries	:	L&T Krishnagiri Thoppur TollRoad Limited
		L&T BPP Tollway Limited
		L&T Samakhiali Gandhidham Tollway Limited
		L&T Panipat Elevated Corridor Limited
		L&T East West Tollway Limited *
		L&T General Insurance Company Limited
Key Managerial Personnel	:	Manager: Mr. P V Murali Krishna

*Merged with L&T Infrastructure Developments Projects Limited vide order dated February 25, 2015 w.e.f April 1, 2014.

b) Details of transactions with related parties

Nature of transaction	2014-15 Amount ₹	2013-14 Amount ₹
1. Purchase of goods and services incl. taxes		
Ultimate Holding company Larsen & Toubro Limited	123,625	5,982,571
Holding company L&T Infrastructure Development Projects Limited	20,095,020	404,693,363
Fellow subsidiaries including:		
L&T General Insurance Company Limited	2,075,965	—
	22,294,610	410,675,934
2. Sale of assets		
Fellow subsidiaries including:		
L&T Panipat Elevated Corridor Limited	15,528	—
	15,528	—
3. Purchase of assets		
Holding company L&T Infrastructure Development Projects Limited	—	—
Fellow subsidiaries including:	—	—
L&T East West Tollway Limited	26,979	—
	26,979	—

NOTES TO FINANCIAL STATEMENTS (Contd.)

Nature of transaction	2014-15 Amount ₹	2013-14 Amount ₹
4. Purchase of Commercial Paper		
Holding company L&T Infrastructure Development Projects Limited	451,937,208	
Fellow subsidiaries including:		
L&T Krishnagiri Thoppur TollRoad Limited	200,996,318	177,735,007
	652,933,525	—
5. Redemption of Commercial Paper		
Holding company L&T Infrastructure Development Projects Limited		678,654,584
Fellow subsidiaries including:		
L&T Krishnagiri Thoppur TollRoad Limited		177,735,007
	—	678,654,584
6. Reimbursement of expenses charged to Fellow subsidiaries including:		
L&T Panipat Elevated Corridor Limited	1,241,042	
L&T Samakhiali Gandhidham Tollway Limited	510,638	
L&T BPP Tollway Limited	745,468	
	2,497,148	—
7. Reimbursement of expenses charged from Holding company		
L&T Infrastructure Development Projects Limited	354,551	
	354,551	—
8. Refundable deposit received for Director's Nomination Holding company		
L&T Infrastructure Development Projects Limited	200,000	
	200,000	—
9. Key Managerial Personnel - Salary and Perquisites		
Manager: Mr.P.V.Murali Krishna	1,605,000	1,605,000
	1,605,000	1,605,000

c) Amount due to and due from related parties (Net) :

Particulars	2014-15 Due to ₹	2014-15 Due from ₹	2013-14 Due to ₹	2013-14 Due from ₹
i. Ultimate Holding company				
Larsen & Toubro Limited	3,322,526	—		59,084
ii. Holding company				
L&T Infrastructure Development Projects Limited	2,231,810		19,069,499	

d) No amount due to or due from related parties has been written back or written off during the year (Previous year is ₹ Nil)

Q(7) Disclosure pursuant to Accounting Standard (AS) 19 "Leases"

The Company has not acquired any assets under Finance lease.

The expense from cancellable operating lease is accounted on accrual basis .

The Company has taken residential premises under cancellable operating lease . Lease amount paid (₹ 26,250/- is debited to the statement of Profit and Loss.)

The Company has given its residential premises at Pune on lease. Lease amount received (₹ 1,37,000/- is credited to the statement of Profit and Loss.)

NOTES TO FINANCIAL STATEMENTS (Contd.)**Q(8) Disclosure pursuant to Accounting Standard (AS) 20 “Earnings per share”**

Basic and Diluted Earnings per share (EPS) computed in accordance with Accounting Standard (AS 20) “Earnings per share”.

Particulars		2014-15	2013-14
Basic and Diluted			
Profit after tax as per accounts (₹)	A	(43,889,255)	7,795,213
Weighted average number of shares outstanding	B	57,160,000	57,160,000
Basic and Diluted EPS (₹)	A / B	(0.77)	0.14
Face value per equity share (₹)		10.00	10.00

Q(9) Disclosure pursuant to Accounting Standard (AS) 28 “Impairment of Assets”

Based on a review of the future discounted cash flows of the project facility, the recoverable amount is higher than the carrying amount and hence no provision for impairment is made for the year.

Q(10) Debenture Redemption Reserve

As the Company does not have profits for the current year, Debenture Redemption Reserve as defined under Section 71 of the Companies Act, 2013 has not been created.

Q(11) Taxation

The Company is governed by the provisions of Section 115JB of the Income Tax Act 1961 ie Minimum Alternate Tax. Since the tax under the normal computation is less. Accordingly provision for a sum of ₹ NIL/- (Previous Year ₹ 19,48,897/-) has been made.

Q(12) Effects Of Changes In Foreign Currency Rates

Until December, 2011, the Company was following the option offered by notification of the Ministry of Corporate Affairs (MCA) dated March 31, 2009 under the Companies (Accounting Standards) Amendment Rules, 2006 which amended Accounting Standard (AS) 11 “The Effects of Changes in Foreign Exchange Rates” by introducing Para 46. On 29th December 2011, the MCA issued a further notification extending the said option under Para 46 an providing additional option under Para 46A amending AS 11. The Company opted to apply the provisions under Para 46A of AS 11 with effect from 1st April, 2011. In line with the said notification, the exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, in so far as they relate to the acquisition of a depreciable capital asset, is added / deducted from the cost of the asset and amortized over the balance period of such long term asset by recognition as expense in each of such periods. However the Company has fully repaid foreign currency borrowing during the year.

Q(13) Disclosure pursuant to Accounting Standard (AS) 29 - “ Provisions, Contingent Liabilities and Contingent Assets “**(a) Major Maintenance Provision**

The Company is required to operate and maintain the project highway during the entire concession period and hand over the project back to the Authority (NHAI) as per the maintenance standards prescribed in Concession agreement.

For this purpose, periodic maintenances along with regular maintenance is required to be performed. Normally periodic maintenance includes resurface of pavements, repairs of structures and other equipments and maintenance of service roads.

As per Concession agreement with NHAI the periodic maintenance is expected to occur after a period 5 years . The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of prudence, based on estimates, a provision for major maintenance expenses is provided for in the books annually.

During the current year the Company has provided ₹ 20,80,00,000/- for periodic Major Maintenance in respect of its resurfacing obligation , as per Schedule L Clause 4.3.1 of the Concession Agreement with NHAI.

Description	As on April 1st 2014	Addition during the year	Utilised during the year	As on March 31st 2015
Major Maintenance Provision	1,462,865	208,000,000	–	209,462,865

(b) Contingent Liabilities

Disclosure in respect of contingent liabilities is given as part of Note no.(I) to Balance Sheet.

Q(14) Taxes on Income

The Company has not recognised any deferred tax liability in the books of accounts as the timing difference arising on account of differences in tax liability as per Income tax act,1961 and books of accounts falls within the tax holiday period under Section 80 IA of the Income Tax, 1961.

NOTES TO FINANCIAL STATEMENTS (Contd.)

Q(15) Non-Convertible Debentures

During the financial year, the Company has issued Non Convertible Debentures of units 8,188 at Face Value of ₹ 5,00,000/- to IDFC Limited aggregating to an amount of ₹ 4,09,40,00,000/- on 19th January 2015. The same has been utilised for repayment of all Senior Lenders. The NCDs are listed in Bombay Stock Exchange.

Q(16) Previous Year Figures

The Company has reclassified/regrouped the previous year figures wherever necessary.

NOTE (R) – SIGNIFICANT ACCOUNTING POLICIES

1 Basis for preparation of accounts

The Company maintains its accounts on accrual basis following the historical cost convention, except for the revaluation of certain fixed assets, in accordance with generally accepted accounting principles ["GAAP"] in compliance with the provisions of the Companies Act, 2013 and the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of The Companies (Accounts) Rules, 2014 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and relevant provisions of the Companies Act, 1956 read with the Circular No.07/2014 dated April 1, 2014 of the Ministry of Corporate Affairs. Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

2 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees rounded off to the nearest Rupee. Per share data is presented in Indian Rupees to two decimals places

3 Revenue Recognition

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

A. Revenue from Operations

a. Service income

- (i) Annuity collections are accounted for as and when the amount is due and recovery is certain.

b. Other Operating Income

- (i) Other operational revenue represents income earned from activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

B. Other Income

- (i) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.
- (ii) Profit/loss on sale of investments is recognised at the time of actual sale/redemption.
- (iii) Other items of income are accounted for as and when the right to receive arises.

4. Employee Benefits

(i) Short Term Employee Benefits

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

(ii) Post-Employment Benefits

- a) Defined Contribution Plans: The Company's obligation to employee's 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.

NOTES TO FINANCIAL STATEMENTS (Contd.)

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

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

Actuarial gains and losses are recognized in the Statement of Profit and loss.

(iii) Long Term Employee Benefits

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

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

Actuarial gains and losses are recognized immediately in the statement of Profit and Loss.

5. Fixed Assets

Tangible

Fixed assets are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment.

Administrative and other general overhead expenses that are specifically attributable to the construction or acquisition of fixed assets, for bringing the fixed asset to working condition are allocated and capitalised as a part of cost of fixed asset.

Intangible

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

Administrative and other general overhead expenses that are directly attributable to development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "intangible assets under development".

Annuity collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue during the concession period in respect of Build-Operate-Transfer (BOT). Annuity collection rights are capitalised as intangible asset upon completion of the project at the cumulative construction costs. Till completion of the project, the same is recognised as intangible assets under development. The revenue towards collection of toll/other income during the construction period is reduced from the cost of the intangible asset under development.

6. Depreciation and Amortisation

Depreciation

Depreciation on assets have been provided on straight-line basis at the rates specified in the Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions. For assets that are transferred/sold within the group, depreciation is calculated up to the month preceding the month of transfer/sale within the group.

The following asset categories have useful lives different from the life specified in Schedule II of the Companies Act, 2013 based on management's assessment.

Category of Asset	Useful life (years)
Motor cars	7
Office equipments	
Multifunctional devices printers, switches and projectors	4
Plant and Machinery	
Toll Collection System	7
Maintenance Vehicle	8
D G Set	12
Air Conditioning and refrigeration equipment	12
Split AC and Window AC	4

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

NOTES TO FINANCIAL STATEMENTS (Contd.)

Amortisation

Schedule II of the Companies Act 2013 has prescribed revenue based amortisation method for Toll Collection Rights in respect of Road Projects. However the Company amortizes the Toll Collection rights on straight line basis as prescribed under Para 63 of Accounting Standard 26 “Intangible Assets”. The amortisation calculated as per straight line basis is higher than as prescribed under Schedule II of the Companies Act 2013.

Specialised software is amortised over a period of three years on straight line basis from the month in which the addition is made.

Amortisation on impaired assets is provided by adjusting the amortisation charges in the remaining periods so as to allocate the assets' revised carrying amount over its remaining useful life.

7. Leases

Operating

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

Assets leased out under operating leases are capitalised. Rental income is recognized over the lease term.

Finance

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount.

Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

8. Impairment of Assets

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; and
- b. The reversal of impairment loss recognised in previous period, if any,

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

Recoverable amount is determined:

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

9. Investments

Investments which are readily realisable and are intended to be held for not more than one year from the date of acquisition are classified as current investment. All other investments are classified as long term investment.

Current Investments are stated at lower of cost and market value. The determination of carrying amount of such investments is done on the basis of weighted average cost of each individual investment.

Long term investments are carried at cost, after providing for any diminution, if other than temporary in nature.

10. Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being not free from more than insignificant risk of change are not included as part of cash and cash equivalents.

11. Borrowing costs

Borrowing costs include interest, commitment charges, amortization of ancillary costs, amortization of discounts / premium related to borrowings, finance charges in respect of finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest cost.

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

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

12. Foreign currency transactions

The reporting currency of the Company is the Indian Rupee.

Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items carried at historical cost denominated in a foreign currency, are reported using the exchange rate on the date of the transaction.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing rate are:

- (a) adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.
- (b) recognised as income or expense in the period in which they arise.

13. Segment accounting

- (i) Segment revenue includes sales directly identifiable with / allocable to the segment.
- (ii) Expenses that are directly identifiable with/allocable to the segments are considered for determining the segment result.
- (iii) Expenses which relate to the Company as a whole and not allocable to segments are included under “unallocable corporate expenditure”. Similarly Income which relate to the Company as a whole and not allocable to segments is included in “unallocable corporate income”.
- (iv) Segments assets and liabilities include those directly identifiable with respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

14. Taxes on Income

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

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

Deferred tax asset relating to unabsorbed depreciation/business losses and losses under the head “capital gains” are recognised and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised.

Other deferred tax asset are recognised 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 asset can be realised.

15. Provisions, Contingent Liabilities and Contingent Assets

Provisions 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 events.
- 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.

Contingent Liability is disclosed in the case of:

- a) A present obligation arising from a past events, when it is not probable that an outflow of resources will be required to settle the obligation
- b) a present obligation when no reliable estimate is possible and
- c) A possible obligation arising from a past events 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.

16. Operating cycle

Operating cycle for the business activities of the Company is taken as twelve months.

17. Cash flow Statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under indirect method, the net profit is adjusted for the effects of:

- i) Transactions of non-cash nature.
- ii) Any deferrals or accruals of past or future operating cash receipts or payments, and
- iii) Items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on date of Balance Sheet are also included under this category with a specific disclosure.

18. Commitments

Commitments are future liabilities for contractual expenditure. They are classified and disclosed as follows:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for;
- b) Uncalled liability on shares and other investments partly paid;
- c) Funding related commitment to subsidiary, associate and joint venture companies; and
- d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the management.

Other commitments related to sales / procurements made in the normal course of business are not disclosed to avoid excessive details.

19. Claims

- i. Claims against the Company are accounted for as and when accepted.
- ii. Claims by the Company are recognised and accounted for as and when received.

As per our report attached

For and on behalf of the Board

M. K. DANDEKER & CO.

Chartered Accountants

(Firm's Registration No. 000679S)

By the hand of

K. J. DANDEKER

Partner

Membership No. 018533

SHRIDHAR RAMAKRISHNAN

Company Secretary

SAIKRISHNA SRIRAM MANOHAR

CFO

SHARAD GOEL

Director

DIN: 02294059

ESTHER MALINI VICTOR

Director

DIN: 07124748

Place : Chennai

Date : April 28, 2015

Place : Chennai

Date : April 28, 2015

L&T INTERSTATE ROAD CORRIDOR LIMITED

ATTENDANCE SLIP
L&T INTERSTATE ROAD CORRIDOR LIMITED
CIN: U45203TN2006PLC058735

Regd. Office: P.O. Box. 979, Mount Poonamallee Road, Manapakkam, Chennai - 600089.

Ninth Annual General Meeting, Friday, 25th September 2015 at 11.00 A.M

Reg. Folio No. _____

No. of Shares _____

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the Ninth Annual General Meeting of the Company, held on Friday, 25th September 2015 at 11.00 A.M at the registered office of the Company at Mount Poonamallee Road, Manapakkam, Chennai - 600089.

Name of the member

Signature of Member

Name of the Proxy (In block letters)

Signature of Proxy

Note: Please fill the Attendance slip and hand it over at the Entrance of the Meeting Hall.

L&T INTERSTATE ROAD CORRIDOR LIMITED

PROXY FORM

Form No. MGT-11

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]*

CIN: U45203TN2006PLC058735

Name of the Company: L&T INTERSTATE ROAD CORRIDOR LIMITED

Regd. Office: P.O. Box. 979, Mount Poonamallee Road, Manapakkam, Chennai - 600089.

Name of the member (s) :	
Registered address :	
E-mail Id:	
Folio No/ Client Id :	
DP ID :	

I/We, being the member (s) of _____ shares of the above named company, hereby appoint:

1. Name:

Address:

E-mail Id:

Signature:

failing him

2. Name:

Address:

E-mail Id:

Signature:

failing him

3. Name:

Address:

E-mail Id:

Signature:

failing him

L&T INTERSTATE ROAD CORRIDOR LIMITED

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Ninth Annual General Meeting of the Company, to be held on Friday, 25th September 2015 at 11.00 A.M at the Registered office of the Company at Mount Poonamallee Road, Manapakkam, Chennai – 600089 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	For	Against
Ordinary Business			
1	Adoption of the audited Financial Statements for the period from 1 st April, 2014 to 31 st March 2015 and the Reports of the Directors and Auditors thereon.		
2	Appointment of a Director in the place of Mr.Manoj Anil Dave who retires by rotation and being eligible offers himself for re-appointment.		
3	Re-Appointment of Statutory Auditors of the Company and to fix their Remuneration.		
Special Business			
4	Appointment of Mr.Sharad Goel (DIN No: 02294059) as Director of the Company.		
5	Appointment of Dr.Esther Malini (DIN No: 07124748) as Director of the Company.		

Signed this _____ day of _____ 2015

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

L&T INTERSTATE ROAD CORRIDOR LIMITED

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

[illegible]

**L&T INTERSTATE ROAD
CORRIDOR LIMITED
(Near Miot International
Hospitals)**