

**ITNL ROAD INFRASTRUCTURE DEVELOPMENT  
COMPANY LIMITED**

**ANNUAL REPORT**

**2010-11**

## DIRECTORS' REPORT

The Shareholders

### **ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**

Your Directors have pleasure in presenting the Third Annual Report along with the Audited Statements of Accounts for the financial year ended March 31, 2011

#### **FINANCIAL RESULTS**

The financial results of the Company are as under:

	Year ended March 31, 2011	Fifteen Months ended March 31, 2010
Total Income	151,829,438	-
Total Expenses	256,136,364	514,205
Profit / (loss) Before Tax	(313,840,502)	(653,986)
Less: Provision for Tax	-	75,000
Profit After Tax	(313,840,502)	(728,986)
Balance carried forward	(314,632,276)	(791,774)

#### **DIVIDEND:**

Due to inadequacy of profits, your Directors have not recommended any dividend for the year under review

#### **OPERATIONS:**

During the year under review, your Company completed the Beawar – Gomti Road Project of National Highway No. 8 in the State of Rajasthan awarded by Ministry of Road, Transport and Highway (MORTH), Govt of India, on Design, Build, Finance, Operate and Transfer (“DBFOT”) Basis, five months ahead of scheduled completion date. The Provisional Completion Certificate was issued by the Authority on August 25, 2010 and the toll collection had commenced effective August 26, 2010. Your Company has undertaken the operation and maintenance activity of the road project. A 14 kms road stretch falling in the Wild Life Sanctuary section is yet to be completed pending clearance from the concerned authorities.

## **DIRECTORS:**

During the year under review, Mr. M K Mohan resigned as Director of the Company effective February 8, 2011. The Directors placed on record their sincere appreciation for the valuable guidance and support rendered by him

Mr Cherian George, will retire at the forthcoming Annual General Meeting and being eligible offers himself for reappointment. Your Directors recommend his re-appointment

## **AUDITORS:**

M/s Lakhani & Co., Chartered Accountants, Statutory Auditors, retires at the ensuing Annual General Meeting and have expressed their willingness to continue as Statutory Auditors, if re-appointed

## **DEPOSITS:**

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

## **CORPORATE GOVERNANCE:**

Four Board Meetings were held during the year under review on April 29, 2010, July 23, 2010, October 26, 2010 and January 25, 2011. The numbers of meetings attended by the Directors are as under:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>No. of Board Meetings held during tenure</b>	<b>No. of Board Meetings Attended</b>
1	Mr Mukund Sapre	4	3
2	Mr M K Mohan (upto February 8, 2011)	4	2
3	Mr Cherian George	4	4
4	Mr Harish Mathur	4	4

The Audit Committee has been constituted by the Company for observing good corporate governance and have focused attention on the affairs of the Company

The Audit Committee is comprised of Mr Mukund Sapre, Mr Cherian George and Mr Harish Mathur. The Audit Committee met four times in the year under review on April 29, 2010, July 23, 2010, October 26, 2010 and January 25, 2011

**PARTICULARS OF EMPLOYEES:**

There were no employees in respect of whom the statement is required to be prepared pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies Act, 1956 ("the Act") the Directors based on the representations received from the Operating Management, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) they 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 Loss of the Company for that period;
- (c) they have taken proper and sufficient care for the 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 fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

There was no earning or outgo of foreign exchange during the year under review.

Since your Company does not have any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable

**ACKNOWLEDGMENTS:**

The Directors place on record their appreciation for the continued support and co-operation received from various Government Authorities including the Ministry of Road, Transport and Highways and other Regulatory Authorities, Banks, Financial Institutions and Shareholders of the Company

For and on behalf of the Board

  
(Director)

  
(Director)

  
Date : April 19, 2011  
Place : Mumbai

## AUDITORS' REPORT TO THE MEMBERS OF ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

1. We have audited the attached Balance Sheet of ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED (the 'Company') as at 31<sup>st</sup> March, 2011, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (the 'Act'), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (iii) The Balance Sheet, Profit and Loss Account and also the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (iv) In our opinion, the Balance Sheet, the Profit and Loss Account and also the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ;
  - (v) On the basis of written representation received from the directors, as on 31<sup>st</sup> March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required



CHARTERED ACCOUNTANTS


by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011; and
- (b) in the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date.
- (c) in the case of the Cash Flows Statement, of the cash flows of the Company for the year ended on that date

For M/s. Lakhani & Co.  
Chartered Accountants  
Firm Regn No.105524W

Place : Mumbai

Date : 19.4.2011

  
(Parag Modi)  
Partner  
M.No. 114105



**Annexure to the Auditor's Report**

(Referred to in paragraph 3 of our report of even date to the members of ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED on the financial statements for the year ended 31<sup>st</sup> March, 2011)

- (i)(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified during the year by the Management.
- (c) The company has not disposed substantial part of its fixed assets during the year.
- (ii) The Company has no Inventory. Accordingly sub-clauses (a), (b), and (c) of clause 4(ii) of the Order is not applicable.
- (iii)
- (a) The Company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly sub-clauses (a), (b), (c), and (d) of clause 4(iii) of the Order are not applicable.
- (b) The Company has not taken any loan secured or unsecured from the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, reporting under this sub-clauses (e), (f) & (g) of clause 4(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control system.
- (v) According to the information and explanations given to us, there were no contracts or arrangements that were required to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly sub-clauses (a) and (b) of clause 4(v) of the Order are not applicable.
- (vi) The Company has not accepted any deposits from public within the meaning of the Sections 58A and 58AA or any other relevant provisions of the Act, and the rules framed there under. Accordingly clause 4(vi) of the Order is not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 with regard to the nature of the business of the Company.



## CHARTERED ACCOUNTANTS

- (ix)
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no undisputed dues payable in respect of provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess and other statutory dues as applicable, were in arrears, as at 31<sup>st</sup> March, 2011 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues in respect of wealth tax, service tax, sales tax, customs duty, excise duty and cess, which have not been deposited on account of any dispute.
- (x) Since the company is not registered for more than five years, clause 4(x) of the Order are not applicable.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has generally not defaulted in repayment of dues to Banks. The Company has not borrowed from any financial institution.
- (xii) Based on our examination and according to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly clause 4(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is not a chit fund, nidhi mutual benefit fund/ society. Accordingly clause 4(xiii) of the Order is not applicable.
- (xiv) According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly clause 4(xiv) of the Order is not applicable.
- (xv) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions during the year. Accordingly clause 4(xv) of the Order is not applicable.
- (xvi) To the best of our knowledge and belief and according to the information and explanations and explanations given to us, term loans availed by the company were, prima facie, applied by the company during the year for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, no funds raised on short-term basis have been used for long-term investment.






CHARTERED ACCOUNTANTS

- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to a parties or company covered in the register maintained under section 301 of the Act.
- (xix) The Company has not issued any debentures during the year. Accordingly clause 4(xix) of the Order is not applicable.
- (xx) The Company has not raised any money by public issue during the year. Accordingly clause 4(xx) of the Order is not applicable.
- (xxi) During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For M/s. Lakhani & Co.  
Chartered Accountants  
Firm Regn No.105524W

Place : Mumbai

Date : 19.4.2011

  
(Parag Modi)  
Partner  
M.No. 114105



**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**  
(Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)  
**BALANCE SHEET AS AT MARCH 31, 2011**

	Schedule	Rupees	As at March 31, 2011 Rupees	Rupees	As at March 31, 2010 Rupees
<b>SOURCES OF FUNDS</b>					
Shareholders' funds					
Capital	A	400,000,000		400,000,000	
Reserves and surplus	B	<u>390,000,000</u>	790,000,000	-	400,000,000
Loan funds	C				
Secured		2,547,100,000		1,331,800,000	
Unsecured		<u>213,000,000</u>	2,760,100,000	<u>133,300,000</u>	1,465,100,000
			<u><b>3,550,100,000</b></u>	<u><b>1,865,100,000</b></u>	
<b>APPLICATION OF FUNDS</b>					
Fixed assets	D				
Gross block		3,206,392,651		2,860,941	
Less: Depreciation		<u>209,968,528</u>		<u>425,331</u>	
Net fixed assets		2,996,424,123		2,435,610	
Capital work in progress		<u>64,265,079</u>	3,060,689,202	<u>1,860,147,241</u>	1,862,582,851
Investments	E		20,139		-
Current assets, loans & advances	F				
Cash and bank balances		367,593,402		155,488,099	
Other current assets		9,731,919		47,793	
Loans and advances		<u>90,531,259</u>		<u>320,069,311</u>	
		467,856,580		475,605,203	
Less : Current liabilities & provisions	G				
Current liabilities		<u>293,098,197</u>		<u>473,879,828</u>	
		293,098,197		473,879,828	
Net current assets			174,758,383		1,725,375
Profit and Loss Account			314,632,276		791,774
			<u><b>3,550,100,000</b></u>	<u><b>1,865,100,000</b></u>	
Significant accounting policies	L				
Notes to account	M				

Schedules "A" to "M" annexed hereto form part of the balance sheet and profit and loss account

As per our report of even date attached.

For **LAKHANI & CO.**  
Chartered Accountants  
Firm Registration No.105524W

  
**PARAG MODI**  
Partner

Place: Mumbai  
Date: 19/4/2010



For **ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**

  
Director

  
Director

# ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

(Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)

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

Schedule	For the Year ended March 31, 2011 Rupees	For the Fifteen Months ended March 31, 2010 Rupees
<b>INCOME</b>		
Income from operations	93,633,981	-
Other Income	58,195,457	-
	151,829,438	-
<b>EXPENSES</b>		
Administrative and general expenses	48,909,119	514,205
Interest and finance charges	207,227,245	-
Preliminary expenses written off	-	-
	256,136,364	514,205
PROFIT / (LOSS) BEFORE DEPRECIATION AND TAX	(104,306,926)	(514,205)
Depreciation	209,533,576	139,781
PROFIT / (LOSS) BEFORE TAX	(313,840,502)	(653,986)
Provision for tax	-	(75,000)
<b>PROFIT / (LOSS) AFTER TAX</b>	(313,840,502)	(728,986)
Balance of profit brought forward	(791,774)	(62,788)
<b>Balance carried forward</b>	<b>(314,632,276)</b>	<b>(791,774)</b>
Basic / Diluted earnings per share (Face value per share Rs.10/-)	(7.85)	(0.02)

Significant accounting policies  
Notes to account

L  
M


Schedules "A" to "M" annexed hereto form part of the balance sheet and profit and loss account

As per our report of even date attached.

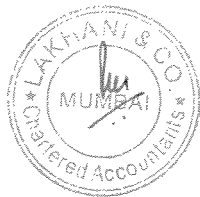
For **LAKHANI & CO.**

Chartered Accountants

Firm Registration No.105524W

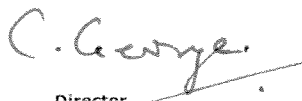
  
**PARAG MODI**  
Partner

Place: Mumbai  
Date: 19/4/2010



For **ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**

  
Director

  
Director

**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**  
(Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)  
CASHFLOW FOR THE YEAR ENDED MARCH 31, 2011

	For the Year ended March 31, 2011 Rupees	For the Fifteen Months ended March 31, 2010 Rupees
<b>Cash Flow from Operating Activities</b>		
Profit / (LOSS) Before Taxes	(313,840,502)	(653,986)
<b>Adjustments for :-</b>		
Interest on short term deposit	(10,745,318)	-
Interest and finance expense	207,227,245	-
Depreciation	209,533,576	139,781
<b>Operating profit before Working Capital Changes</b>	92,175,001	(514,205)
<b>Adjustments changes in working capital:</b>		
(Increase) / decrease in loans and advances	(8,459,908)	(11,000)
Increase / (decrease) in current liabilities & provisions	4,113,345	409,969
<b>Cash Generated from Operating Activities</b>	87,828,438	(115,236)
Direct Taxes (paid) / receivable (Net)	(7,259,489)	(87,908)
<b>Net Cash Flow from Operations (A)</b>	80,568,949	(203,144)
<b>Cash flow from Investing Activities</b>		
Purchase of fixed assets	-	(2,860,941)
Proceeds from sale of fixed assets	509,283	-
Purchase of / advance towards investments (net)	(20,139)	-
Addition to Capital Work In Progress	(1,331,409,939)	(1,760,500,056)
(Increase) / decrease in loans and advances	236,807,449	(320,093,196)
Increase / (decrease) in current liabilities & provisions	(184,894,976)	473,436,712
Fixed deposits for periods exceeding 3 months encashed / (placed)	(70,000,000)	-
Interest received	11,083,924	926,874
<b>Net Cash from Investing Activities (B)</b>	(1,337,924,398)	(1,609,090,607)
<b>Cash flow from Financing Activities</b>		
Share Issue	-	399,500,000
Proceeds from borrowings	1,404,500,000	1,465,100,000
Repayments of borrowings	(109,500,000)	-
Interest paid	(285,539,248)	(100,288,509)
Capital Grant from MORTH	390,000,000	-
<b>Net Cash from Financing Activities (C)</b>	1,399,460,752	1,764,311,491
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	142,105,303	155,017,740
Cash and Cash Equivalent at the beginning of the Year	155,488,099	470,359
Cash and Cash Equivalent at the end of the Year	297,593,402	155,488,099
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	142,105,303	155,017,740

**Notes:**

**Components of Cash & Cash Equivalent**

Cash on Hand	564,284	8,756
Balance with Scheduled Banks - Current Accounts	12,823,549	15,294,240
Balance with Scheduled Banks in term deposits (maturity less than 3 months)	284,205,569	140,185,103
	297,593,402	155,488,099
Fixed deposits placed for periods exceeding 3 months	70,000,000	-
Cash & Bank Balances	367,593,402	155,488,099

Significant accounting policies  
Notes to account

L  
M

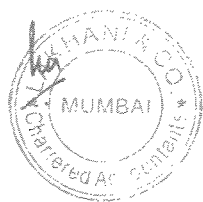
Schedules "A" to "M" annexed hereto form part of the balance sheet and profit and loss account

As per our report of even date attached.

For **LAKHANI & CO.**  
Chartered Accountants  
Firm Registration No.105524W

**PARAG MODI**  
Partner

Place: Mumbai  
Date: 19/4/2010



For **ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**

*[Signature]*  
Director

*[Signature]*  
Director

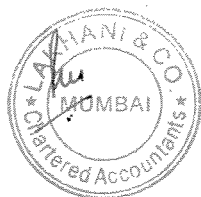
**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**  
 (Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)  
 SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011

**SCHEDULE A : CAPITAL**

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
<b>AUTHORISED</b>		
40,000,000 equity shares of Rs. 10/- each (Previous Period 40,000,000 equity shares)	400,000,000	400,000,000
	<b>400,000,000</b>	<b>400,000,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>		
40,000,000 equity shares of Rs. 10/- each fully paid up (Refer footnote) (Previous Period 40,000,000 equity shares)	400,000,000	400,000,000
	<b>400,000,000</b>	<b>400,000,000</b>

*Footnote:*

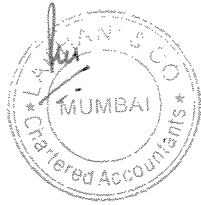
*All the above, 40,000,000 (Previous Period 40,000,000) shares are held by IL&FS Transportation Networks Limited the holding company*



**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**  
 (Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)  
 SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011

**SCHEDULE B : RESERVES AND SURPLUS**

	Rupees	As at March 31, 2011 Rupees	Rupees	As at March 31, 2010 Rupees
Capital reserve				
Grant From Ministry of Road Transport and Highways (Equity Support)		390,000,000		-
<b>Total reserves and surplus</b>		<u><u>390,000,000</u></u>		<u><u>-</u></u>



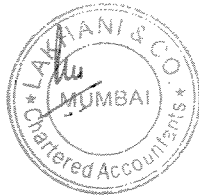
# ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

(Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)

SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011

## SCHEDULE C : LOAN FUNDS

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
<b>SECURED</b>		
From banks (Refer Note No.14 of Schedule M)	2,547,100,000	1,331,800,000
Total secured loans	<u>2,547,100,000</u>	<u>1,331,800,000</u>
<b>UNSECURED</b>		
From Others		
Sub - Debt - IL&FS Transportation Networks Limited	213,000,000	133,300,000
Total unsecured loans	<u>213,000,000</u>	<u>133,300,000</u>
<b>Total loan funds</b>	<u>2,760,100,000</u>	<u>1,465,100,000</u>

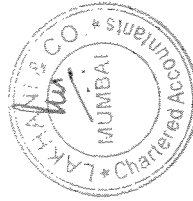


**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**  
(Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)  
**SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011**

Schedule D : FIXED ASSETS

Particulars	Gross Block				Depreciation			Net Block	
	Opening as at 01/04/2010	Additions	Deletions	Closing as at 31/03/2011	For the period	Upto 31/03/2011	Upto 01/04/2010	As at 31/03/2011	As at 31/03/2010
<b>Tangible Assets</b>									
Roads and bridges	-	3,204,209,876	-	3,204,209,876	209,114,205	209,114,205	-	2,995,095,771	-
Vehicles	1,414,746	-	409,576	1,005,170	367,604	323,149	92,020	682,021	1,367,191
Data Processing Equipments	577,468	-	-	577,468	143,169	222,368	-	355,099	498,268
Office Equipments	393,254	-	143,765	249,489	39,895	99,209	35,875	150,280	298,065
Furniture & Fixtures	475,473	-	124,925	350,548	47,307	209,596	41,088	140,952	272,096
Sub total	2,860,941	3,204,209,876	678,266	3,206,392,651	209,712,179	209,968,528	168,983	2,996,424,123	2,435,610
<b>Intangible Assets</b>									
Right Under Service Concession Arrangements	1,860,147,241	1,408,327,814	3,204,209,976	64,265,079	-	-	-	64,265,079	1,860,147,241
Sub Total	1,860,147,241	1,408,327,814	3,204,209,976	64,265,079	-	-	-	64,265,079	1,860,147,241
<b>Total fixed assets</b>	1,863,008,182	4,612,537,790	3,204,888,242	3,270,657,730	209,712,179	209,968,528	168,983	3,060,689,202	1,862,582,851
<b>Previous Period</b>	1,863,008,182	-	-	1,863,008,182	-	425,331	425,331	1,862,582,851	1,862,582,851

1. Depreciation for the year ended March 31, 2011 is Rs. 209,712,179/- of which depreciation on assets used during the construction period Rs.1,78,603/- has been included in "Capital Work in Progress". Therefore, the charge to the profit and loss account is lower by this amount for the year





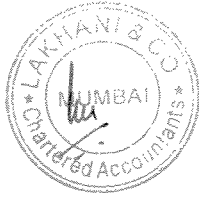
# ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

(Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)

SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011

## SCHEDULE E : INVESTMENTS

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
<u>Long term investments</u>		
Other investments	20,139	-
Sub total	<b>20,139</b>	-
<b>Total investments</b>	<b>20,139</b>	-



**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**  
 (Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)  
 SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011

**SCHEDULE F : CURRENT ASSETS AND LOANS & ADVANCES**

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
<b>CURRENT ASSETS</b>		
<b>CASH AND BANK BALANCES</b>		
Cash in hand	564,284	8,756
Balance with scheduled banks		
In current accounts	12,823,549	15,294,240
In fixed deposits	354,205,569	140,185,103
<b>Total cash and bank balances</b>	<b>367,593,402</b>	<b>155,488,099</b>
<b>OTHER CURRENT ASSETS</b>		
Interest accrued	1,281,919	47,793
Grant receivable from National Highway Authorities of India	8,450,000	-
<b>Total other current assets</b>	<b>9,731,919</b>	<b>47,793</b>
<b>LOANS AND ADVANCES (Unsecured Considered Good)</b>		
Advances recoverable in cash or in kind or for value to be received (Refer Note No.13 of Schedule M)	83,231,712	320,026,753
Deposits	27,150	29,650
Advance payment of taxes (net of provision)	7,272,397	12,908
<b>Total loans and advances</b>	<b>90,531,259</b>	<b>320,069,311</b>
<b>Total current assets and loans &amp; advances</b>	<b>467,856,580</b>	<b>475,605,203</b>



**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**

(Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)

SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011

**SCHEDULE G : CURRENT LIABILITIES AND PROVISIONS**

	As at March 31, 2011 Rupees	As at March 31, 2010 Rupees
<b>CURRENT LIABILITIES</b>		
Sundry creditors (Refer Note No.15 of Schedule M)	267,048,047	211,776,152
Other liabilities	26,028,306	262,103,676
Income received in advance	21,844	-
<b>Total current liabilities</b>	<b>293,098,197</b>	<b>473,879,828</b>
<b>PROVISIONS</b>		
Provision for Tax (net of advance)	-	-
<b>Total provisions</b>	<b>-</b>	<b>-</b>
<b>Total current liabilities &amp; provisions</b>	<b>293,098,197</b>	<b>473,879,828</b>

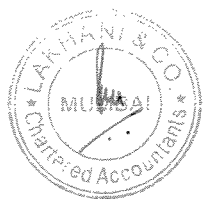


**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**

(Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)  
SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

## SCHEDULE H : INCOME FROM OPERATIONS

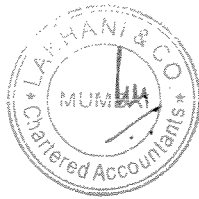
	For the Year ended March 31, 2011 Rupees	For the Fifteen Months ended March 31, 2010 Rupees
<b>Income from services</b>		
Toll revenue	93,633,981	-
<b>Total</b>	<b>93,633,981</b>	-
<b>Total income from operations</b>	<b>93,633,981</b>	-



**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**  
(Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)  
**SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

**SCHEDULE I : OTHER INCOME**

	For the Year ended March 31, 2011 Rupees	For the Fifteen Months ended March 31, 2010 Rupees
Interest on Short Term Deposit	10,745,318	-
Operation and Maintainace Grant from Ministry Of Road Transport And Highway	47,450,000	-
Miscellaneous income	139	-
<b>Total other income</b>	<b>58,195,457</b>	-



**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**

(Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)

**SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011****SCHEDULE J : ADMINISTRATIVE & GENERAL EXPENSES**

	For the Year ended March 31, 2011 Rupees	For the Fifteen Months ended March 31, 2010 Rupees
Operation & Maintenance Charges	38,681,233	-
Independent Engineer Fees	8,424,220	-
Travelling and conveyance	164,527	-
Business Promotion	31,791	-
Directors' fees	130,000	-
Internal Audit Fees	82,725	82,725
Profession Tax	2,500	-
Legal & Professional Fees	219,604	29,127
Tax Audit Fees	82,725	-
Micellaneous Expenses (Refer Note No. 10 of Schedule M)	1,089,794	402,353
<b>Total administrative &amp; general expenses</b>	<b>48,909,119</b>	<b>514,205</b>



**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**  
(Formerly Known as ITNL Chhattisgarh Road Infrastructure Company Limited)  
**SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

**SCHEDULE K : INTEREST & FINANCE CHARGES**

	For the Year ended March 31, 2011 Rupees	For the Fifteen Months ended March 31, 2010 Rupees
Interest on loans for fixed period	206,426,059	-
Finance charges	801,186	-
<b>Total interest and finance charges</b>	<b>207,227,245</b>	<b>-</b>



**ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**  
**(Formerly Known as ITNL Chhatisgarh Road Infrastructure Company Limited)**

**SCHEDULE 'L' : Accounting Policies**

**1. Basis of preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) in India, the provisions of the Companies Act, 1956, as adopted consistently by the Company and the applicable accounting standards issued by The Institute of Chartered Accountants of India and notified under the Companies Accounting Standards Rules, 2006. All income and expenditure having a material bearing on the financial statements are recognised on an accrual basis.

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including current liabilities) as of the date of the financial statements, the reported income and expenses during the reporting period and disclosure of contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates.

**2. Revenue Recognition**

Expenditure on the Project incurred upto project completion date in terms of the Concession Agreement has been capitalized. Toll Revenue is recognised on collections, which coincides with the usage of the toll roads.

**3. Fixed Assets and Depreciation / Amortisation:**

**(a) Fixed assets and depreciation**

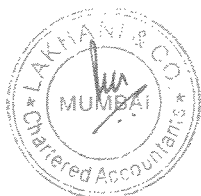
Fixed assets are reported at acquisition value, with deductions for accumulated depreciation and impairment losses, if any

The acquisition value includes the purchase price (excluding refundable taxes) and expenses directly attributable to the asset to bring the asset to the site and in the working condition for its intended use. Examples of directly attributable expenses included in the acquisition value are delivery and handling costs, installation, legal services and consultancy services.

Where the construction or development of any asset requiring a substantial period of time to set up for its intended use, is funded by borrowings, the corresponding borrowing costs are capitalised up to the date when the asset is ready for its intended use. Also, the administrative and general overhead expenses specifically attributed to the construction project are part of the cost of the project and capitalised to the date when the asset is ready for its intended use

For depreciation on following fixed assets the Company has adopted the Straight Line Method of depreciation so as to write off the cost of the following type of assets at rates higher than those prescribed under Schedule XIV to the Companies Act, 1956, based on the Management's estimate of useful life of such assets:

Asset Type	Useful Life
Computers	4 years
Specialised Office Equipment	3 years
Assets Provided to Employees	3 Years
Licensed Software	Over the license period





Depreciation on fixed assets, other than on assets above, has been provided for on the Written down Value Method at the rates provided under Schedule XIV of the Companies Act, 1956

All categories of assets costing less than or equal to Rs 5,000 each, mobile phones and items of soft furnishing are fully depreciated in the year of capitalisation

**(b) Amortisation**

Amortisation on the components of the Beawar – Gomti Road is charged to profit & loss account on a straight line basis provided for the period from the issuance of the provisional completion certificate dated August 24, 2010 over the remaining concession period ending on October 27, 2020.

**(c) Capital work in progress**

The construction cost includes borrowing cost, administrative and general overhead expenses specifically attributed to the construction project are part of the cost of the project and debited to capital work in progress up to the date when the asset is ready for its intended use.

**4. Cash Flow Statements**

Cash-flow statements are prepared in accordance with "indirect method" as explained in the Accounting Standard on Cash Flow Statements (AS-3) issued by the Institute of Chartered Accountants of India and notified under Companies Act 1956.

**5. Provisions and Contingencies**

- a) A provision is made based on reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation
- b) Contingent Liabilities, if material are disclosed by way of notes to accounts
- c) Contingent asset are not recognised or disclosed in the financial information.

**6. Taxation**

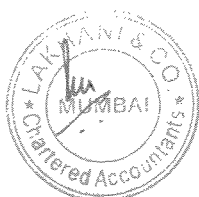
Income tax comprises of Current Tax and net changes in Deferred Tax Assets or liabilities during the year. Current Tax is determined at the amount of tax payable in respect of taxable income for the year as per the Income tax Act, 1961.

Deferred Tax Assets and Liabilities are recognised for the future tax consequences of timing differences between the book profit and the tax profit. Deferred Tax Assets and Liabilities other than carry forward losses and unabsorbed depreciation under tax laws are recognised when it is reasonably certain that there will be future taxable income. Deferred Tax Asset on carry forward losses and unabsorbed depreciation, if any, are recognised when it is virtually certain that there will be future taxable profit. Deferred Tax Assets and Liabilities are measured using substantively enacted tax rates. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the Profit and Loss Account in the period of substantive enactment of the change.

**7. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit after tax for the period attributable to equity shareholder of the Company by the weighted Average number of shares outstanding during the period.

Diluted earnings per share is calculated by dividing the net profit after tax or Loss for the period attributable to equity shareholder of the Company by the weighted Average number of shares outstanding during the period adjusted for the effects of all dilutive potential equity shares.



**8. Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognized as finance charges in the income statement in the period in which they are incurred

**9. Preliminary Expenditure**

Preliminary expenses incurred on incorporation of the Company are written off in the period during which it is incurred.

**10. Impairment of Assets**

The carrying values of assets of the Company's cash-generating units are reviewed for impairment annually or more often if there is an indication of decline in value. If any indication of such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognised, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor.



**SCHEDULE 'M' : Notes forming part of Accounts**

1. The Company was incorporated under the Co's Act 1956 on October 26,2007 vide Registration No U45400MH2007PLC175415.The Financial statements are prepared for the year ended March 31, 2011.
2. IL&FS Transportation Networks Ltd. (ITNL) had submitted bid on January 30, 2009 for development of Beawar-Gomti section of NH-8 (the Project) in the State of Rajasthan through private participation on Design, Build, Finance, Operate and Transfer (DBFOT) basis involving Grant of Rs.75,46,50,000/-. ITNL was declared as the "Successful Bidder" for the Project by the Department of Road Transport & Highway (DORTH) vide its Letter of Acceptance dated March 2, 2009. The Company has entered into a Concession Agreement (CA) on April 1, 2009 with The President of India, represented by Special Secretary and Director General (Road Development), DORTH (hereinafter referred to as the "Authority"), to Construct, Operate and Maintain the Project for a period of 30 years commencing from the Appointed date, provided that in the event of four-laning not undertaken for any reason in accordance with the provisions of CA, the Concession period shall be deemed to be 11 years including construction period of 455 days required for 2- laning of the Project.

IL&FS Transportation Networks Ltd. (ITNL) as the successful bidder has formed 'ITNL Road Infrastructure Development Company Limited' (the Company/IRIDCL), as a Special Purpose Vehicle to undertake and perform the obligations as a Concessionaire for implementation of the Project. The Company was originally formed as "ITNL Chhattisgarh Road Infrastructure Company Ltd on October 26, 2007. The Company's name was changed to 'ITNL Road Infrastructure Development Company Limited' w.e.f January 17, 2009 and consequent to the change in name of the Company, a fresh Certificate of Incorporation dated January 17, 2009 was issued by the Registrar of Companies (RoC), Maharashtra.

3. **Capital Commitment**

(Amount in Rupees)

Particulars	As at March 31, 2011	As at March 31, 2010
Estimated amount of contract remaining to be executed on capital account not provided for (net of advances paid)	184,515,605	1,093,429,830

4. MORTH has issued provisional completion certificate w.ef. August 24, 2010 in terms of clause 14.3.2 of the concession agreement for the project on completion of more than 75% of work.
5. The Company in accordance with the concession agreement signed with Department of Road Transport and Highways is entitled to Grant of Rs. 75,46,50,000/- (Rupees. Seventy Five Crore Forty Six Lacs Fifty Thousand Only.), being equity support during construction and any remaining balance as Operation and Maintenance support. Grant received during the year as follows:

Nature	For the year ended March 31, 2011	For the period ended March 31, 2010
Equity Support	39,00,00,000	NIL
Operation & Maintenance	3,90,00,000	NIL



6. **Segment Reporting**

The Company is engaged in the business detailed in Note 1 above and thus operates in a single business segment. Also it operates in a single geographical segment. In the absence of separate reportable business or geographical segments, the disclosures required under Accounting Standard (AS)-17 on "Segment Reporting" specified by the Central Government are not applicable.

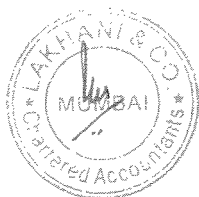
7. **Related Party Disclosures**

As per the Accounting Standard on "Related Party Disclosures" (AS 18) issued by the the Companies Accounting Standards Rules, 2006, the related parties of ITNL Road Infrastructure Development Company Limited (IRIDCL) as on March 31, 2011 are as follows: -

<b>Ultimate Holding Company</b>	Infrastructure Leasing & Financial services Limited (IL & FS)
<b>Holding Company:</b>	IL&FS Transportation Networks Limited (ITNL)
<b>Subsidiaries:</b>	NIL
<b>Fellow Subsidiaries:</b> (with whom the company has transaction during the period)	IL&FS Trust Company Limited
<b>Key Management Personnel:</b>	Mr. M. K. Mohan( resign w.e.f. 08/02/2011)

**TRANSACTION WITH RELATED PARTY**

Name of The Company	Nature of Transaction	Amount in Rupees	
		Transaction for the Year ended March 31, 2011	Transaction for the Period ended March 31, 2010
IL&FS Transportation Networks Limited	Unsecured Loan taken	79,700,000	133,300,000
	Unsecured short-term loan Taken	109,500,000	NIL
	Unsecured short-term loan Repaid	109,500,000	NIL
	Interest on Loan	28,179,387	18,985,336
	Development Cost	1,280,672,678	929,811,395
	O & M Start up Cost	34,100,000	NIL
	Operation & Maintenance charges	38,681,233	NIL
	Sale of Fixed Assets	509,283	NIL
IL&FS Trust Company Limited	Security Trusteeship Fees	551,500	2,292,124



(c) Balances during the period with the above related parties were as follows -

Name of The Company	Nature of Transaction	Balance as on March 31, 2011	Balance as on March 31, 2010
IL&FS Transportation Networks Limited	Share Capital	400,000,000	400,000,000
	Unsecured Loan	213,000,000	133,300,000
	Mobilisation Advance	57,469,547	319,228,000
	Sundry Creditors	207,592,604	434,079,232
	Retention Money	47,647,616	20,169,547

Note:

Amounts are inclusive of service tax.

8. Mr M.K.Mohan has been appointed as a Managing Director of the Company in previous period and resign w.e.f. 08/02/2011, with no remuneration. Accordingly, the statement showing computation of net profits in accordance with section 349 of the Companies Act, 1956, has not been given.
9. Out of Fixed Deposit of amounting Rs. 35,42,05,569/-, Rs. 7,00,00,000/- is placed as per terms of common loan agreement for the purpose of Debt Service Reserve.
10. Other information required pursuant to provision in Part VI to the Companies Act 1956, to the extent applicable (inclusive of service tax)

	For the year ended March 31, 2011	For the Period ended March 31, 2010
Audit Fees	165,450	165,450
Fees for other services	329,607	214,885
Tax Audit Fees	82,725	NIL
<b>Total</b>	<b>577,782</b>	<b>380,335</b>

11. Earning Per Share

As per AS-20 notified under the Companies Accounting Standards Rules, 2006. EPS has been computed by dividing the loss for the period by No of Equity Shares for the respective period as under: -

	For the year ended March 31, 2011	For the period Ended March 31, 2010
Loss after Tax	(313,840,502)	(728,986)
Weighted average no of equity shares in calculating EPS	40,000,000	32,221,802
EPS : Basic	(7.85)	(0.02)
Diluted	(7.85)	(0.02)



12. In accordance with the Accounting Standard on "Accounting for Taxes on Income" (AS-22), deferred tax assets and liability should be recognised for all timing differences in accordance with the said standard. However considering the present financial position and requirement of the said Accounting Standard-22 regarding certainty/virtual certainty, the carried forward losses is not provided for as an asset. However, the same will be re-assessed at subsequent Balance Sheet date and will be accounted for in the year of certainty/virtual certainty in accordance with the aforesaid Accounting Standard.
13. Advances recoverable in cash or in kind includes Mobilisation advance of Rs.57,469,547/- towards construction of road and paid to EPC Contractor.
14. **Secured Loans:**  
Term loans from banks are secured by hypothecation of:
- All movable, tangible and intangible assets, receivables, cash and investments created as part of the projects.
  - All the monies lying in Escrow Account into which all the investments in the Project and all Project revenues and insurance proceeds are to be deposited
  - Assignment of all rights, title, benefits, claims and demands of the Borrowers under Project Agreements i.e. Concession agreement, Substitution agreement, Construction contract and operations contract, etc.
  - Assignment of all rights under project guarantees obtained pursuant to development contract or operations contract, if any relating to the project
  - First ranking assignment of all contract, documents insurance contracts/insurance Proceeds (Security Trustee to be named as loss payee), clearances and interests of the Borrower
  - Debt Service Reserve Account and any other accounts required to be created by the Borrower under any Project agreement contract
15. **Dues to Micro, Small and Medium Enterprises.**  
There is no supplier covered under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act"). This information has been determined based on the details regarding the status of suppliers obtained by the Company and the same has been relied upon by the Auditors.
16. The company has not taken any derivative instrument during the period and there is no derivative instrument outstanding as at the period end. Further, at the period end there is no outstanding foreign currency exposure in respect of receivables and payables.



17. Capital Work in Progress

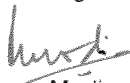
Amount In Rupees

	As at 31-Mar-10 Rs.	Addition During The Period Rs.	CWIP Rs.	Transferred to Road Rs.
Interest & Finance Charges	97,996,385	78,092,914	-	176,089,299
Rent	157,333	119,000	-	276,333
Depreciation on Fixed Assets	285,550	178,604	-	464,154
Legal & Professional Fees	1,156,918	201,368	-	1,358,286
Contractual Charges	260,274,360	-	-	260,274,360
Milestone Payment	929,811,395	1,170,672,678	57,293,909	2,043,190,164
Milestone Payment - Bright Home	-	122,093,882	-	122,093,882
Operation Start up Cost	-	34,100,000	-	34,100,000
Toll Plaza	-	110,000,000	-	110,000,000
Project Development Fees	551,500,000	-	-	551,500,000
Rates & Taxes	3,300,855	410	-	3,301,265
Repairs, Maintenance & Assets Running Expenses	598,412	439,183	-	1,037,595
Security Trusteeship Fees	2,292,124	219,089	-	2,511,213
General & Miscellaneous Expenses	13,700,783	15,877,300	6,971,170	22,606,913
<b>(A)</b>	<b>1,861,074,115</b>	<b>1,531,994,428</b>	<b>64,265,079</b>	<b>3,328,803,464</b>
<b>Less: Indirect Income</b>				
Interest on Bank Fixed Deposit	(926,874)	(1,572,732)	-	(2,499,606)
Milestone Payment - MORTH	-	(122,093,882)	-	(122,093,882)
<b>(B)</b>	<b>(926,874)</b>	<b>(123,666,614)</b>	<b>-</b>	<b>(124,593,488)</b>
<b>Total (A) - (B)</b>	<b>1,860,147,241</b>	<b>1,408,327,814</b>	<b>64,265,079</b>	<b>3,204,209,976</b>

18. Previous period figures regrouped & rearranged wherever necessary.

19. Previous year figures are for the period fo Fifteen Months hence it is not comparable.


For Lakhani & Co.  
Chartered Accountants  
Firm Registration No.105524W

  
Parag Modi  
Partner  
M.No: 114105  
Mumbai  
Date: 19/4/2010



For and on behalf of the Board

  
Director

  
Director