

VANSH NIMAY INFRAPROJECTS
LIMITED

ANNUAL REPORT

2009 - 10

DIRECTORS' REPORT

The Shareholders,
VANSH NIMAY INFRA PROJECTS LIMITED

Your Directors have pleasure in presenting the Fourth Annual Report along with the Audited Accounts for the year ended on March 31, 2010

FINANCIAL RESULTS:

	(Amount. in Rs.)	
	For the financial period ended on March 31, 2010	For the financial period ended on March 31, 2009
Total Income	283,459,977	88,749,701
Total Expenses	319,577,384	131,708,201
Profit for the year	(36,117,407)	(42,958,500)
Profit Before Tax	(36,117,407)	(42,958,500)
<u>Less:</u> Provision for Tax	-	78,961
Profit After Tax	(36,117,407)	(43,037,461)
Balance carried forward	(107,284,765)	(71,167,358)

DIVIDEND:

Your Directors do not recommend dividend for the period under review

OPERATIONS:

Your Company had been awarded a project for running and maintaining the Nagpur City Bus Services on Build, Own and Operate (BOO) Basis (the "Project") by The Municipal Corporation of Nagpur (NMC) for a specified concession period of 10 years and the Company has subsequently entered into a Concession Agreement (the "agreement") with NMC on February 9, 2007.

As per the agreement, the Company was to operate 200 buses. Subsequently, the number of buses to be mobilized had been revised to 230 (150 standard buses and 80 small buses). Vansh Nimay Infraprojects Limited (VNIL) had mobilized 230 buses and all the buses are in operation.

Keeping in view the public transport requirements of city of Nagpur, NMC got approval under JNNURM scheme to induct additional 300 buses apart from existing 230 buses being operated by VNIL. As per the JNNURM norms, NMC shall contribute 30% of the cost of acquisition of 300 buses and the remaining 70% shall be funded by Central and State Governments. Towards contribution of 30% of funding to be made by NMC, NMC

had requested VNIL to fund 30% of cost of acquisition of buses against operation and maintenance obligations as well as collection of fare and other revenues as per the terms mutually agreed between NMC and VNIL

During the year, the Company had signed a supplementary agreement with NMC on March 3, 2010 for infusion of additional 300 (240 standard buses and 60 small buses) new buses into its existing fleet of buses under the JNNURM scheme. VNIL shall operate and maintain the entire fleet of 530 buses for a period of 10 years from the date of completion of deployment of 300 buses by NMC. The agreement provides for an extension of the concession period by another 5 years subject to satisfactory operations of the Project by VNIL.

NMC had handed over VNIL 60 new buses under JNNURM scheme in first tranche.

VNIL had arranged funding for existing 230 buses from PMDO facility through IL&FS Urban Infrastructure Mangers Limited (IUIML). PMDO is yet to release Rs. 11 crore out of sanctioned amount of Rs. 39.17 crore. For 30% of contribution for additional 300 buses, VNIL has approached one of the lenders of PMDO facility and discussions are in progress

For advertisement revenue, VNIL and NMC shall share 300 buses of JNNURM and the routes equally.

With a view to operating the bus services for the entire concession period, the Company has focused on establishing appropriate systems, procedures and manpower for regular upkeep and maintenance of these buses.

DIRECTORS:

During the period under review, Mr Mukund Sapre was appointed as Additional Director at the Board Meeting held on May 14, 2009. He was then regularized as Director at the Annual General Meeting held on September 7, 2009

Mr Neeraj Kumar, Mr Amitava Sinha and Mr Pankaj Jain, Directors resigned with effect from May 4, 2009 from the Board of Directors of the Company

Mr Narayanan Doraiswamy was as Manager for the period of two years with effect from May 14, 2009

The Board wishes to place on record its appreciation for the valuable contribution made by Mr Neeraj Kumar, Mr Amitava Sinha and Mr Pankaj Jain during their association with the Company

AUDITORS:

Messrs Lakhani & Co., Chartered Accountants, retire at the ensuing Annual General Meeting of the Company and have expressed their willingness to continue as Statutory Auditors, if re-appointed

DEPOSITS:

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

CORPORATE GOVERNANCE:

Six Board Meetings were held during the period under review on May 14, 2009, June 17, 2009, June 26, 2009, September 3, 2009, November 23, 2009 and March 22, 2010. The numbers of meetings attended by the Directors are as under:

Sr. No.	Name of Directors	No. of Board meetings held	No. of Board Meetings Attended
1	Mr Mukund Sapre	6	4
2	Mr Cherian George	6	4
3	Mr Ravi Sreehari	6	5
4	Mr Ajay Dhawangale	6	6
5	Mr Neeraj Kapadia	6	3

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

The Audit Committee is comprised of Mr Mukund Sapre, Mr Cherian George, Mr Ravi Sreehari and Mr Ajay Dhawangale, Directors. The Audit Committee met two times during the year under review on May 14, 2009 and November 23, 2009

PARTICULARS OF EMPLOYEES:

There was 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

DIRECTORS RESPONSIBILITY STATEMENT:

Section 217(2AA) of the Companies Act, 1956 requires the Board of Directors to provide a statement to the members of the Company in connection with the maintenance of books, records, preparation of Annual Accounts in conformity with accepted accounting standards and past practices followed by the Company. Pursuant to the foregoing and on the basis of representations received from the Operating Management, and after due enquiry, it is confirmed 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) 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 loss of the company for that period;

- (c) 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;
- (d) the Directors have prepared the annual accounts on a going concern basis

FOREIGN EXCHANGE EARNINGS AND OUTGO:

There was no income/earning or outgo of foreign exchange during the period 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:

Relationships with Shareholders, Central and State Government/Agencies, Bankers and Regulatory Authorities remained excellent during the period under review. Your Directors are grateful for the support extended by them and look forward to receiving their continued support and encouragement.

For and on behalf of the Board

Sd/-

Sd/-

(Director)

(Director)

Date : May 10, 2010

Place : Mumbai

**Auditor's Report to the Members of
VANSH NIMAY INFRAPROJECTS LIMITED.**

1. We have audited the attached Balance Sheet of VANSH NIMAY INFRAPROJECTS LIMITED (the 'Company') as at 31st March 2010, 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 the 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. Without qualifying our opinion, we draw reference to Note no.22 of Schedule M relating to change in the method of accounting for depreciation on Fixed Assets (buses) from Written Down Value Method to Straight line method and hence the depreciation charge for the year is lower by Rs. 6,34,01,770/- and Rs. 2,85,39,601/- pertaining to the earlier years has been reversed, as detailed in the note.
5. Without qualifying our opinion, we draw attention to Note no.23 of Schedule M to the financial statements. The Company has incurred a net loss of Rs.36,117,407/- during the year ended March 31, 2010 and has negative net worth of Rs. 7,284,765/- as at March 31, 2010. However, based on the management's business plans, in the opinion of the management, no adjustment is required to the carrying value of the assets and liabilities of the company as of the Balance Sheet date and accordingly these financial statements have been prepared on a going concern basis.
6. 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, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- (iv) In our opinion, the Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2010 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 financial statements together with the notes thereon and attached thereto give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
 - (b) in the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



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


(Parag Modi)
Partner
M.No.114105

Place : Mumbai
Date : May 10, 2010

Annexure to the Auditor's Report

(Referred to in paragraph 3 of our report of even date to the members of VANSH NIMAY INFRAPROJECTS LIMITED on the financial statements for the year ended 31st March, 2010)

- (i)
- (a) The Company has maintained 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 reasonable intervals and no material discrepancies have been noticed on such verification
 - (c) The Company has not disposed off a substantial part of the fixed assets during the year.
- (ii)
- a) As per the information furnished, the inventories have been physically verified during the year by the management. In our opinion, having regard to the nature and location of stocks, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company is maintaining proper records of inventory. In our opinion the discrepancies noticed on verification of physical stocks and the book records were not material and have been properly dealt with the books of account.
- (iii)
- (a) The Company has granted interest bearing unsecured loans during the year to 2 Companies and interest free unsecured loans to 2 parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 8,62,659/- and the year end balance was Rs. Nil.
 - (b) In our opinion, the rate of interest, wherever charged, and the other terms and conditions in respect of unsecured loans granted by the Company to companies and parties (referred to in (a) above) is not prima-facie prejudicial to the interest of the Company.
 - (c) According to the information and explanations given to us, the receipts of principal amount and interest are generally regular.
 - (d) There are no overdue amounts over Rs.1,00,000/- outstanding at the year end.



- (e) The Company has not taken any loans from any party covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, 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, the internal control systems have improved since the last year, however, efforts need to be put to make it commensurate with the size of the Company and the nature of its business with regard to purchases of spares and sale of services. 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 continuing failure to correct major weaknesses in the aforesaid internal control systems.
- (v)
- (a) According to the information and explanations given to us, we are of the opinion that the contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time except in respect of certain contracts or arrangements for which no comparable market price or alternate source exists for obtaining comparative quotations for which we are unable to express our opinion.
- (vi) The Company has not accepted any deposits from public within the meaning of the provisions of Sections 58A and 58AA or any other relevant provisions of the act, and the rules framed there under.
- (vii) The Internal Audit is conducted by a firm of practicing Chartered Accountants for part of the period under review. The audit needs to be conducted covering the complete financial year.
- (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 in respect of services carried by the Company.
- (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, investor education and protection fund, income tax, state value added tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues as applicable, with the appropriate authorities *except Passenger Tax and Nutrition Tax*. Based on our audit



procedure and according to the information and explanations given to us, no undisputed dues payable in respect of provident fund, investor education and protection fund, employee's state insurance, income tax, state value added tax, wealth tax, customs duty, excise duty and cess were in arrears, as at 31st March, 2010 for a period of more than six months from the date they became payable, *except in case of passenger tax and nutrition tax amounting to Rs.91,44,755/- and Rs.51,20,131/- respectively.*

- (b) According to the information and explanations given to us, there are no dues in respect of income tax, wealth tax, service tax, state value added tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) The Company has been incorporated for the period less than five years. Accordingly clause 4(x) of the Order is 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 not defaulted in the repayment of dues to the Banks and financial institution. There were no amounts outstanding on account of debentures during the year.
- (xii) The Company has not granted 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) The Company is not a chit fund, nidhi or mutual fund or a 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. 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 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.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.

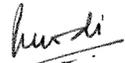


- (xix) The Company has not issued any debentures. Accordingly clause 4(xix) of the Order is not applicable.
- (xx) The Company has not raised any money by public issue during the year. Accordingly clause 4(xx) of the Order is not applicable.
- (xxi) During the course of our examination of the books 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 to 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.



Place : Mumbai
Date : 10 May 2010

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


Parag Modi
Partner
M.No.114105

VANSH NIMAY INFRAPROJECTS LIMITED

BALANCE SHEET AS AT MARCH 31, 2010

	Schedule	As at 31st March 2010 Rupees	As at 31st March 2010 Rupees	As at 31st March 2009 Rupees	As at 31st March 2009 Rupees
SOURCES OF FUNDS					
SHARE HOLDERS' FUNDS					
Share Capital	A		100,000,000		100,000,000
LOAN FUNDS					
- Secured Loans	B	262,231,483		60,220,698	
- Unsecured Loans		110,000,000		140,859,013	
			372,231,483		201,079,711
			472,231,483		301,079,711
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	C	413,638,309		234,159,946	
Less: Accumulated Depreciation		88,629,300		56,535,450	
Net Block		325,009,009		177,624,496	
Add: Capital Work In progress		15,582,981		65,225,030	
			340,591,990		242,849,526
INVESTMENTS					
	D		1,000		440,000
CURRENT ASSETS, LOANS AND ADVANCES					
- Cash and Bank balances	E	89,047,824		7,993,035	
- Inventories of Spares & Consumables		1,674,146		-	
- Loans and Advances		6,417,237		6,513,348	
		97,139,207		14,506,383	
LESS: CURRENT LIABILITIES & PROVISIONS					
- Current Liabilities	F	69,554,515		27,356,683	
- Provisions		3,230,964		526,873	
		72,785,479		27,883,556	
NET CURRENT ASSETS			24,353,728		(13,377,173)
PROFIT AND LOSS ACCOUNT					
	G		107,284,765		71,167,358
			472,231,483		301,079,711

Notes forming part of Accounts

M

Schedule A to M annexed hereto form part of
Financial Statements

As per our report of even date

For Lakhani & Co
Chartered Accountants

For and on behalf of the Board

Parag Modi
Partner
Membership Number: 114105
Place: Mumbai
Date:

Director

Director

Manager

VANSH NIMAY INFRAPROJECTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

	Schedule	For the year ended 31st March, 2010 Rupees	For the year ended 31st March, 2009 Rupees
<u>INCOME:</u>			
Collections from Tickets & Passes	H	278,410,206	87,512,985
Other Income	I	5,049,771	1,236,716
		283,459,977	88,749,701
<u>EXPENSES:</u>			
Direct & Operating Expenses	J	222,086,859	67,124,909
Interest & Finance Charges	K	46,625,980	21,490,037
Administrative & General Expenses	L	18,451,712	11,187,988
Depreciation (Refer Note No. 22 of Schedule M)		32,412,833	31,905,267
		319,577,384	131,708,201
Profit / (Loss) before tax		(36,117,407)	(42,958,500)
Provision for Tax / Fringe Benefit Tax		-	(78,961)
Net Profit / (Loss) after Tax		(36,117,407)	(43,037,461)
Less: Prior Period Item		-	(3,591,037)
Balance of Profit / (Loss) brought forward		(71,167,358)	(24,538,860)
Balance carried to Balance Sheet		(107,284,765)	(71,167,358)

Earning Per Share

Basic	(3.61)	(30.26)
Diluted	(3.61)	(30.26)

Schedule A to M annexed hereto form part of
Financial Statements

As per our report of even date

For Lakhani & Co
Chartered Accountants

For and on behalf of the Board

Parag Modi
Partner
Membership Number: 114105
Place: Mumbai
Date:

Director

Director

Manager

Cash Flow Statement for the year ended March 31, 2010			
		March 31, 2010 Rupees	March 31, 2009 Rupees
Cash Flow From Operating Activities			
Net Profit / (Loss) Before Tax		(36,117,407)	(46,628,498)
Depreciation		32,093,850	31,905,267
Interest Expenses		46,625,980	21,490,037
Interest Income		(1,453,637)	(576,427)
Provision for doubtful debts		215,000	-
Provision for gratuity and Leave encashment		2,790,932	-
Operating Profit Before Working Capital Changes		44,154,718	6,190,378
Movement in Working Capital			
(Increase) / Decrease in Current Assets, Loans & Advances		(1,428,697)	(3,684,290)
(Increase) / Decrease in Current Liabilities and Provisions		22,872,585	20,913,589
Net change in working capital		21,443,888	17,229,299
Income Tax Paid		(236,179)	(126,438)
Net Cash generated from Operating Activities	[A]	65,362,427	23,293,239
Cash Flow from Investing Activities			
Purchase of Fixed Asset		(179,178,115)	(147,639,704)
(Increase) / Decrease in Capital WIP		49,642,049	(65,225,030)
(Increase) / Decrease in Investments		439,000	-
Interest Income		1,453,637	576,427
Net Cash used in Investing Activities	[B]	(127,643,429)	(212,288,307)
Cash Flow from Financing Activities			
Increase in Equity Share Capital		-	95,000,000
Increase / (Decrease) in Unsecured Loan		(30,859,013)	135,362,374
Increase / (Decrease) in Secured Loan		202,010,785	(13,717,314)
Interest Expenses		(27,815,981)	(21,490,037)
Net Cash generated from Financing Activities	[C]	143,335,791	195,155,023
Net Increase/ (Decrease) in Cash and Cash Equivalents	[A+B+C]	81,054,789	6,159,956
Cash and Cash Equivalents at the beginning of the period		7,993,035	1,833,079
Cash and Cash Equivalents at the end of the period		89,047,824	7,993,035
As per our report of even date			
For Lakhani & Co. Chartered Accountants		For and on behalf of the Board	
Parag Modi Partner Membership Number: 114105 Place : Mumbai Dated :		Director	Director
		Manager	

Schedule forming part of Balance Sheet

SCHEDULE A : SHARE CAPITAL

	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
Authorised : 1,00,00,000 Equity Shares of Rs. 10/- each	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, Subscribed and Paid - up : 1,00,00,000 Equity Shares of Rs. 10/- each fully paid up	100,000,000	100,000,000
Total	100,000,000	100,000,000

SCHEDULE B : LOAN FUNDS

	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
SECURED LOANS		
- Term Loan from Banks (Secured by Hypothecation of all movable properties and assets including Buses, movable plant and machinery, spares, tools and accessories both present and future of the company)	199,921,700	59,946,190
- Term Loan from Body Corporates (Secured by Hypothecation of all movable properties and assets including Buses, movable plant and machinery, spares, tools and accessories both present and future of the company)	62,309,783	-
	262,231,483	59,946,190
- Term Loan for Vehicle from Bank (Secured by Hypothecation of Vehicle)	-	274,508
	-	274,508
Total	262,231,483	60,220,698
UNSECURED LOANS		
- IL&FS Transportation Networks Ltd (Repayable within one year)	110,000,000	137,450,841
- ORIX Auto Infrastructure Services Ltd (Repayable within one year)	-	3,408,172
Total	110,000,000	140,859,013

VANSH NIMAY INFRAPROJECTS LTD.

Schedule forming part of Balance Sheet

Schedule C : FIXED ASSETS

Description of Assets	Opening as at 1st April 2009 Rupees		Gross Block (at cost)		Depreciation				Net Block		
	Opening as at Rupees	Additions Rupees	Deductions / Adjustments Rupees	Closing as at 31st March 2010 Rupees	Accumulated upto 1st April 2009 Rupees	Deductions / Adjustments Rupees	Deduction due to change in Policy Rupees	For the period Rupees	Accumulated upto 31st March 2010 Rupees	As at 31st March 2010 Rupees	As at 31st March 2009 Rupees
Furniture & Fixtures	948,057	272,929	-	1,220,986	206,282	-	-	228,656	434,938	786,048	741,775
Office Equipments	381,638	366,113	-	747,751	30,122	-	-	191,597	221,719	526,032	351,516
Computers & Software	320,509	621,077	-	941,586.05	78,359	-	-	178,399	256,758	684,828	242,150
Vehicles- Buses	228,021,931	174,219,064	-	402,240,995	55,333,911	-	28,539,601	58,281,957	85,076,267	317,164,728	172,688,020
Vehicles- Others	1,143,814	2,691,461	1,143,814	2,691,461	152,846	318,983	-	400,774	234,637	2,456,824	990,968
ETS Machine	2,957,500	2,275,000	-	5,232,500	704,030	-	-	1,597,476	2,301,506	2,930,994	2,253,470
Plant & Machinery	386,497	176,533	-	563,030	29,900	-	-	73,575	103,475	459,555	356,597
16	234,159,946	180,622,177	1,143,814	413,638,309	56,535,450	318,983	28,539,601	60,952,434	88,629,300	325,009,009	177,624,496
Previous Year	86,520,242	147,639,704	-	234,159,946	24,630,183	-	-	31,905,267	56,535,450	177,624,496	61,890,059
Capital Work In Progress	-	-	-	15,582,981	-	-	-	-	-	15,582,981	-
Previous Year	-	-	-	65,225,030	-	-	-	-	-	65,225,030	-

Schedule forming part of Balance Sheet

SCHEDULE D : INVESTMENTS

	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
INVESTMENTS - LONG TERM - UNQUOTED		
- Shares of Buldana Urban Credit Co-operative Society (Marked lien in favour of and in possession of Buldana Urban Credit Co-operative Society)	-	440,000
- Investment in NSC (Marked lien in favour of and in possession of Ordinance Factory, Nagpur)	1,000	-
Total	1,000	440,000

SCHEDULE E : CURRENT ASSETS AND LOANS AND ADVANCES

		As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
(A) Current Assets :			
(a) Cash and Bank Balance			
- Cash in hand	861,308		1,469,463
- Balances with Scheduled Bank :			
- In Current Accounts	32,470,886		4,060,202
- Fixed Deposit (Refer Note:18 of Schedule M)	55,715,630		2,463,370
		89,047,824	7,993,035
(b) Inventories of Spares and Consumables (Refer Note:20 of Schedule M)		1,674,146	-
Sub-Total (A)		90,721,970	7,993,035
(B) Loans and Advances : (Unsecured, Considered Good)			
(a) Deposits		391,650	180,000
(b) Tax deducted at Source		259,596	126,438
(c) Findge Benefit Tax (Net of Provision)		16,180	-
(d) Advances Receivable in Cash or Kind		5,749,811	6,206,910
Sub-Total (B)		6,417,237	6,513,348
Total (A) + (B)		97,139,207	14,506,383

Schedule forming part of Balance Sheet

SCHEDULE F : CURRENT LIABILITIES AND PROVISIONS

	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
(A) Current Liabilities :		
(a) Sundry Creditors		
- For Goods	5,370,034	5,670,282
- For Expenses	6,898,973	3,323,047
(b) Advance Income from Advertisement & Pass Collection	2,099,511	2,270,826
(c) Interest accrued on Loan	18,809,999	-
(d) Other Liabilities	36,375,999	16,092,528
Sub-Total (A)	69,554,515	27,356,683
(B) Provisions:		
(a) Provision for Income Tax / FBT (Net of Advance Taxes paid)	-	86,841
(b) Provision for Gratuity & Leave Encashment	3,230,964	440,032
Sub-Total (B)	3,230,964	526,873
Total (A) + (B)	72,785,479	27,883,556

Schedule forming part of Profit and Loss account

SCHEDULE G : PROFIT AND LOSS ACCOUNT

	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
Opening Balance	71,167,358	24,538,860
Less: Loss during the year	36,117,407	46,628,498
Closing Balance	107,284,765	71,167,358

SCHEDULE H : INCOME

	For the year ended 31st March, 2010 Rupees	For the year ended 31st March, 2009 Rupees
City Bus Collection(ETS)	235,198,442	78,176,232
City Bus Pass Collection	42,903,847	9,184,401
Penalty Charges	307,917	152,352
Total	278,410,206	87,512,985

SCHEDULE I : OTHER INCOME

	For the year ended 31st March, 2010 Rupees	For the year ended 31st March, 2009 Rupees
Other Income	489,315	85,452
Interest on FDR (Tax deducted at source current year Rs.127806, previous year Rs.66260)	1,405,751	238,899
Income from Advertisement on Buses	2,270,826	756,942
Insurance Claim	835,993	151,150
Interest on Loan	47,886	4,273
Total	5,049,771	1,236,716

Schedule forming part of Profit and Loss account

SCHEDULE J : DIRECT AND OPERATING EXPENSES

	For the year ended 31st March, 2010 Rupees	For the year ended 31st March, 2009 Rupees
Employee Cost (Drivers and Conductors)	50,343,881	12,518,458
Repair & Maintenance (Refer Note:21 of Schedule M)	9,135,160	5,235,148
Spares, Tools and Consumables (Refer Note:20 of Schedule M)	9,611,903	
Less : Closing Stock	<u>1,674,146</u>	
Rates & Taxes	7,937,757	-
Royalty to Municipal Authority	15,145,682	4,798,831
Ticketing Expenses	8,277,680	2,529,939
Diesel & Fuel Expenses	1,743,340	718,237
Other Operating Expenses	128,332,586	40,724,035
Service Van & Vehicle Expenses	735,729	396,261
	435,044	204,000
TOTAL	222,086,859	67,124,909

SCHEDULE K : INTEREST AND FINANCE CHARGES

	For the year ended 31st March, 2010 Rupees	For the year ended 31st March, 2009 Rupees
Interest on Secured Loan	22,404,174	8,882,643
Interest on Unsecured Loan	21,689,128	5,506,872
Interest on Vehicle Loan	29,656	34,230
Security Trustee and Asset Management Fees	2,503,022	7,066,292
TOTAL	46,625,980	21,490,037

SCHEDULE L : ADMINISTRATIVE AND GENERAL EXPENSES

	For the year ended 31st March, 2010 Rupees	For the year ended 31st March, 2009 Rupees
Employee Cost (Admin and other staff)	3,348,949	2,874,454
Travelling Expenses	1,884,845	759,302
Local conveyance	149,397	107,934
Legal & Professional Fees	2,879,309	1,300,350
Advertising Expenses	576,343	54,779
Business Promotional Expenses	97,286	87,522
Insurance Expenses	1,522,801	544,986
Computer consumables	134,621	42,095
Shares Issue & Allotment expenses	-	785,250
Directors Remuneration (Refer Note:19 of Schedule M)	1,450,000	1,800,000
Electricity Expenses	311,832	62,352
Office & Administrative Expenses	284,574	200,413
Miscellaneous Expenses	2,465,872	511,259
Rent	1,367,015	861,000
Guest House Rent and other Expenses	372,940	394,861
Office Repair & Maintenance Expenses	526,977	60,885
Printing & Stationary	657,921	283,484
Professional Tax	2,500	2,500
Royalty for Advertisement	-	270,000
Telephone & Mobile Expenses	418,530	184,562
TOTAL	18,451,712	11,187,988

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

1. Nature of Operations

The Company has been set up with the main object of running, operating and maintaining public transport service within the limits of Nagpur Municipal Corporation (NMC). The Company has entered into an Agreement with the Nagpur Municipal Corporation on 9th February, 2007 under the terms of which, the Company has been granted a Concession to operate and maintain the project / project facilities for a period of 10 years commencing on March, 2007 and ending on February, 2017. The revenue is generated by collecting fare at a specified rate as mentioned in the agreement. The Agreement Period can be extended for a period of additional 5 years if the services provided by VNIL are satisfactory.

2. Significant Accounting Policies

(2.1) BASIS OF ACCOUNTING:

The Financial Statements have been prepared under the historical cost convention and in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 1956, and the applicable Accounting Standards. All income and expenditure having material bearing on the financial statements are recognised on accrual basis and comply with the Accounting Standards prescribed as referred to in Section 211(3C) of the Companies Act, 1956.

(2.2) REVENUE RECOGNITION:

Revenue is accounted for on accrual basis. Revenue is recognized when no significant uncertainty on measurability and collectability exists.

In case of excess amount collected by the conductors, amount of excess collection remaining unsettled for a period exceeding three months is recognized as revenue.

(2.3) FIXED ASSETS AND DEPRECIATION/AMORTISATION

Tangible fixed assets and depreciation

Tangible fixed assets acquired by the Company 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 working condition for its intended use such as 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.

Depreciation on tangible fixed assets is computed as under:

- (i) In respect of premises, depreciation is computed on the Straight Line Method at the rates provided under Schedule XIV of the Companies Act, 1956.
- (ii) Depreciation on Buses is provided under the straight-line method in the manner and as per the rates prescribed in Schedule XIV to the Companies Act, 1956.
- (iii) The Company has adopted the Straight Line Method of depreciation so as to depreciate 100% of 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:

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

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 specified in Note (2.3) (i),(ii) & (iii) above, is provided for on the Written Down Value Method at the rates provided under Schedule XIV of the Companies Act, 1956. Depreciation is computed pro-rata from the date of acquisition of and upto the date of disposal.

- (iv) Leasehold improvement costs are capitalised and amortised on a straight-line basis over the period of lease agreement unless the corresponding rates under Schedule XIV are higher, in which case, such higher rates are used.

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

(2.4) INVESTMENTS

Investments are capitalised at actual cost including costs incidental to acquisition.

Investments are classified as long term or current at the time of making such investments.

Long-term investments are individually valued at cost, less provision for diminution, other than temporary.

Current investments are valued at the lower of cost and market value.

(2.5) FINANCIAL INCOME AND BORROWING COST

Financial income and borrowing cost include interest income on bank deposits and interest expense on loans.

Interest income is accrued evenly over the period of the corresponding instrument.

Borrowing costs are recognised in the period to which they relate, regardless of how the funds have been utilised, except where it relates to financing of construction of development of assets requiring a substantial period of time to prepare for their intended future use. Interest is capitalised up to the date when the asset is ready for its intended use. The amount of interest capitalised (gross of tax) for the period is determined by applying the interest rate applicable to appropriate borrowings outstanding during the period to the average amount of accumulated expenditure for the assets during the period.

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

(2.6) CASH AND CASH EQUIVALENTS

Cash and bank balances, include current investments with a maturity of less than 3 months and have limited risk of change in value.

(2.7) CASH FLOW STATEMENTS

The Cash-Flow Statement is prepared in accordance with the “Indirect Method” as explained in the Accounting Standard (AS) 3 on Cash Flow Statements.

(2.8) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes to the financial statement. A contingent asset is neither recognised nor disclosed.

(2.9) EARNINGS PER SHARE:

Basic Earnings per share is calculated by dividing the net profit after tax for the period attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

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

(2.10) PRELIMINARY EXPENSES:

Preliminary expenses are written off fully in the period during which the commercial operations of the project is commenced.

(2.11) ACCOUNTING FOR TAXES ON INCOME:

Current tax is determined on the basis of the amount of tax payable in respect of taxable income for the period.

Deferred tax is calculated at current statutory income tax rate and is recognised, subject to the consideration of prudence, on timing differences, being differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets are recognised on unabsorbed depreciation and carry forward of losses only to the extent that there are timing differences, the reversal of which will result in sufficient income or there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date.

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

(2.12) 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.

(2.13) EMPLOYEE BENEFITS:

Employee benefits are recognised as an expense at the discounted amount expected to be paid over the period of services rendered by the employees to the Company.

Expenses for defined-benefit gratuity plans are calculated as at the balance sheet date by independent actuary in a manner that distributes expenses over the employee's working life. These commitments are valued at the present value of expected future payments, with consideration for calculated future salary increases, using a discount rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees.

Other Employee Benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses in the year in which the employees perform the services that the benefit covers at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment or encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method

3. Of the issued, subscribed and paid up capital of 10,000,000 equity shares, 8,000,000 equity shares are held by IL&FS Transportation Networks Limited. (ITNL) and balance 2,000,000 are equally held by Vansh Infotech Private Limited and Dayajeet Nimay Bus Logistics Private Limited respectively. ITNL is subsidiary of Infrastructure Leasing and Financial Services Limited. (IL&FS).

4. Related Party Disclosures

Disclosures as required by the Accounting Standard on "Related Party Disclosures" (AS-18) notified under the Companies (Accounting Standards) Rules, 2006, are made below:

(A) Name of the related parties and description of relationship:

Ultimate Holding Company:	Infrastructure Leasing & Financial Services Limited. (IL&FS)
Holding Company:	IL & FS Transportation Networks Limited. (ITNL) since 25.03.2009
Fellow Subsidiaries:	IL&FS Urban Infrastructure Managers Limited.(IUIML) since 25.03.2009
	IL&FS Trust Company Limited.(ITCL) since 25/03/2009
Key Management Personnel	Narayanan Doraiswamy

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

	Ajay Dhawangale upto 07.10.2008
	Neeraj Kapadia upto 07.10.2008
	Jayesh Somaiya upto 07.10.2008
Relative of the Above	Sonal Dhawangale upto 07.10.2008
	Vijay Dhawangale upto 07.10.2008
Company in which KMP is holding substantial interest	Dhawangale Infotech Private Limited (DIPL) upto 07.10.2008
Company holding substantial interest in the Company	Vansh Infotech Private Limited(VIPL) upto 18.02.2009
	Dayajeet Nimay Bus Logistics Pvt. Limited(DNBLPL) upto 18.02.2009
	IL&FS Transportation Networks Limited(ITNL) from 19.02.09 to 24.03.09
	ORIX Auto Infrastructure Services Limited(ORIX) from 19.02.09 to 24.03.09
	Kanishka NK Holdings Pvt Ltd upto 07.10.2008

Note: The Company has no control over fellow subsidiaries, hence only fellow subsidiaries with whom company has transactions are disclosed.

B) Transactions:

(Rs.)

Nature of Transaction	Key Management Personnel and Relatives	VIPL	DIPL	IL&FS	ITNL	IUIML	ITCL	Kanishka NK Holdings Pvt Ltd	IFIN
Upfront fees				1,00,646					22,14,447
Asset Management Fees and Traveling & Other Expenses				-	-	20,36,735 15,56,667	-		
Security Trustee Fees				1,68,540	-		4,41,200 11,47,724		
Director Remuneration									
Ajay Dhawangale	10,00,000								
Neeraj Kapadia	5,00,000								
Jayesh Somaiya	3,00,000								
Rent									
VIPL		7,65,000							
Ajay Dhawangale	1,56,000								
Vijay Dhawangale	96,000								
Sonal Dhawangale	48,000								

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

Nature of Transaction	Key Management Personnel and Relatives	VIPL	DIPL	IL&FS	ITNL	IUIML	ITCL	Kanishka NK Holdings Pvt Ltd	IFIN
Loan Taken		-	-	2,72,00,000	-				
		-	-	-	13,33,00,000				
Ajay Dhawagale	18,40,000								
Neeraj Kapadia	12,45,000								
Jayesh Somaiya	16,45,000								
Loan Repaid				20,27,692	2,33,00,000				
				-	-				
Ajay Dhawagale	28,85,000								
Neeraj Kapadia	27,45,000								
Jayesh Somaiya	27,45,000								
Purchase of Capital Asset		2,27,500							
Sale of Capital Asset									
Neeraj Kapadia	-							2,67,205	
	-							-	
Expenses		16,843			22,86,316				
					3,28,611				
Ajay Dhawaganle	29,453								
Neeraj Kapadia	3,39,972								
Jayesh Somaiya	48,651								
Interest on Loan		(4,216)	(57)	27,26,126	2,15,79,210				
				-	53,67,006				

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

(C) Balances outstanding:

(Rs.)

Particulars	Key Management Personnel and Relatives	VIPL	DIPL	IL&FS	ITNL	IUIML	ITCL
Deposits Given				-	-	-	-
Interest Accrued				-	1,88,09,999	-	-
				-	53,67,006	-	-
Loan		-	-	2,51,72,308	11,00,00,000	-	-
		<i>(1,54,216)</i>	<i>(1,00,057)</i>	-	13,33,00,000	-	-
Asset Management Fees / Security Trustee Fees						(24,578)	(3,654)
						-	10,17,686
Creditors		9,92,922	38,48,647		4,74,826		
		<i>1,66,889</i>	<i>8,100</i>		-		
Vijay Dhawangale	-						
	<i>32,000</i>						
Sonal Dhawangale	-						
	<i>(53,440)</i>						

* Amount shown in brackets are debit balances

Note : Previous period figures are shown in *italics*

(5) Loans given to companies in which Directors are having substantial interest:

(Rs.)

Particulars	Vansh Infotech Pvt Ltd	Dhawangale Infotech Pvt Ltd
Maximum amount outstanding during the year	1,82,951	1,19,208
	<i>1,54,216</i>	<i>1,00,057</i>
Closing outstanding	-	-
	<i>1,54,216</i>	<i>1,00,057</i>

Note : Previous period figures are shown in *italics*

(6) In the opinion of the Management and to the best of their knowledge and belief, the value on realizations of loans, advances and other assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet and provision for all known liabilities has been made.

(7) Term loans of the company are secured by way of hypothecation of all movable properties and assets including Buses, movable plant and machinery, spares, tools and accessories both present and future of the company.

(8) The company acquired 118 buses during the period from 1st April 2009 to 31st March 2010 and increased the fleet to total 230 buses comprising 150 large buses and 80 small buses.

(9) As the company is engaged in providing services, quantitative details and information required under paragraphs, 3, 4C and 4D of part II of Schedule VI of the companies Act 1956 have not been furnished.

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

(10) Auditors' Remuneration

Particulars	Rs.	
	For the year ended 31 st March, 2010	For the year ended 31 st March, 2009
Statutory Audit Fees	2,50,000	2,50,000
Tax Audit Fees	60,000	60,000
For Other Services	2,89,250	4,54,500
Service Tax on the above	61,773	88,107

(11) Earnings Per Share (EPS)

	For the year ended 31 st March, 2010	For the year ended 31 st March, 2009
Profit/(Loss) for the Period after tax	(3,61,17,407)	(43,037,461)
Add / (Less) :Prior Period Items	-	(3,591,037)
Profit available after Prior Period Items	(3,61,17,407)	(46,628,498)
Weighted average no of Equity Shares in calculating EPS	1,00,00,000	15,41,095.98
Basic Earnings Per Share	(3.61)	(30.26)
Diluted Earnings Per Share	(3.61)	(30.26)

(12) In terms of the Revised Accounting Standard 15 on Employee Benefits (AS-15) as notified by the Companies Accounting Standard Rules, 2006, the following disclosures have been made as required by the Standard.

The Company has provided for the amount of gratuity liability as required under the Act, in the absence of specific funding plans and the details of actuarial provision are as below:

(i). Reconciliation of Defined Benefit Obligation

Particulars	For the year ended 31 st March, 2010	For the year ended 31 st March, 2009
Opening Defined Benefit Obligation	268,748	92,414
Current Service Cost	3,23,547	91,104
Interest Cost	20,156	6,931
Actuarial Losses	8,90,863	78,300
Benefits paid	-	-
Closing Defined Benefit Obligation	15,03,314	2,68,748

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

(ii). Reconciliation of Fair value of Plan Assets

Particulars	For the year ended 31st March, 2010	For the year ended 31st March, 2009
Opening Fair value of Plan Assets	-	-
Expected return on Plan Assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain	-	-
Closing Fair value of Plan Assets	-	-

(iii). Amount to be Recognized in Balance Sheet

Particulars	For the year ended 31st March, 2010	For the year ended 31st March, 2009
Liability at the end of the year	15,03,314	2,68,748
Fair Value of Plan Assets at the end of the Period	-	-
Difference	15,03,314	2,68,748
Amount Recognized in the Balance Sheet	15,03,314	2,68,748

(iv). Expenses Recognised in the Profit and Loss Account

Particulars	For the year ended 31st March, 2010	For the year ended 31st March, 2009
Current Service Cost	3,23,547	91,104
Interest Cost	20,156	6,931
Expected return on Plan Assets	-	-
Actuarial Losses (net)	8,90,863	78,300
Net gratuity expenses included in 'Payments to and provisions for employees'	12,34,566	176,334

(v). Summary of Actuarial Assumptions

Particulars	For the year ended 31st March, 2010	For the year ended 31st March, 2009
Discount Rate	7.75 %	-
Expected rate of return on Assets	7.75 %	-
Salary Escalation Rate	4.50%	-
Mortality	LIC (1994-96) ULTIMATE	-

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

(vi). Actual Return on Plan Assets

Particulars	For the year ended 31 st March, 2010	For the year ended 31 st March, 2009
Expected Return on Plan Assets	-	-
Actuarial gain/(loss) on Plan Assets	-	-
Actual return on Plan Assets	-	-

The Company has made provision of Rs.15,03,314/- in its book of accounts as its aggregate liability towards Gratuity for its employees as on the Balance Sheet date, based on Actuarial Valuation for the same in accordance with the Accounting Standard (AS) – 15 on Retirement Benefits to Employees.

(13) Contingent Liabilities

Royalty: Concession agreement with NMC, stipulates royalty payable @ Rs.3750/- per bus per month for the period from March 2007 to December 2011 and @ Rs.4000/- per bus per month for the period from January 2012 to February 2017.

Company was required to deploy 200 buses from the date of agreement, however the time limit to deploy the buses were extended upto 31st August, 2007. Since Company could deploy only 45 buses till 31st August, 2007, sought for further extension of time limit, which was granted till 28th February, 2008. Royalty though was stipulated to be paid on 200 buses, Company continued to pay on deployment basis.

Final extension for deployment of 200 buses was provided by the Standing Committee (governing body of NMC) for a period upto 31st March, 2009. The communication received in this regard from the Standing Committee (governing body of NMC) does not insist on payment of royalty based on deployment originally stipulated.

In view of this and a specific mention in clause 14.4 of the Concession agreement, the company continues to pay royalty on the basis of buses plied on road instead of 200 buses.

The Company has paid royalty on the basis of buses plied on road in the current period and as of March 31, 2010, has paid on all 230 buses.

There has been no addition in the amount of Contingent liability and is similar to that as on 31st March 2009.

Particulars	Rs.	
	As at 31 st March, 2010	As at 31 st March, 2009
Royalty to NMC	1,07,43,750	1,07,43,750

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

(14) Capital Commitments

Estimated amount of contracts remaining to be executed on capital amount and not provided for (net of capital advances): Rs. NIL (P.Y.Rs.10,51,28,918).

(15) Sundry Debtors and Sundry Creditors are subject to balance confirmation, if any.

(16) (a) The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been given.

(b) The Company has no information as to whether any of its suppliers constitute Small Scale Industrial Undertaking and therefore the amount due to such suppliers has not been identified.

(17) The Company is engaged in service business and is a Special Purpose Vehicle (SPV) formed for the specific purpose detailed in note no.1 above and thus operates in a single business segment. Also it operates in a single geographic segment. In the absence of separate reportable business or geographic segments the disclosures required under the Accounting Standard on "Segment Reporting" (AS-17) notified under the Companies (Accounting Standards) Rules,2006, have not been made.

(18) Out of the total Fixed deposit (FD) of Rs.5,57,15,630/- as at March 31, 2010 (P.Y. Rs.23,94,771) FD amounting to Rs.1,15,00,000/- (P.Y.Rs.NIL) with IDBI Bank and Rs.24,93,979/- (P.Y.Rs.23,94,771) with Saraswat Bank are marked lien, in favour of and in possession of Nagpur Municipal Corporation (NMC).

(19) Directors remuneration

Particulars	For the year ended 31 st March, 2010	For the year ended 31 st March, 2009
Remuneration	14,50,000	18,00,000

Note: Application to Central Government for approval has been submitted.

(20) The Spares, Tools and Consumables purchased during the year are charged off to Profit and Loss account, excepting to the extent of physical stock in hand as at 31st March, 2010 as verified and certified by the management. Details of stock are as under :

Particulars	Opening Stock		Receipts		Issued		Closing Stock	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Clutch	202	1,43,457	119	2,48,120	136	2,05,052	185	1,86,525
Gear	247	1,64,217	123	1,34,666	74	70,595	296	2,28,288
Glasses	27	1,47,006	122	60,980	107	11,822	42	1,96,164
Other Sundries	-		-		-		-	10,63,169
Total								16,74,146

(Rs.)

VANSH NIMAY INFRAPROJECTS LTD.

SCHEDULE – M: Notes Forming Part of Accounts for the year ended As on 31st March, 2010

(21) Repairs and Maintenance includes the cost of repairs under insurance claim. Claims settled from the insurance claims are credited to Profit and loss account on receipt.

(22) During the year the Company has changed its Depreciation Policy for buses from Written Down Value method to Straight Line Method basis as prescribed in Companies Act 1956.

Consequent to this change, there is lower charge of Rs.2,85,39,601/- for depreciation in the Profit & Loss account during the year, which relates to the previous years. Had there been no change in the policy on depreciation, the depreciation charge for the year would have been higher by Rs.6,34,01,770/- excluding the charge related to the previous year. Consequently, the net block of Fixed Assets is higher by Rs. 9,19,41,371/- , Accumulated loss is lower by the equal amount and Net Loss for the year of Rs. 3,61,17,407/- would have been Net Loss for the year of Rs. 12,80,58,778/-.

(23) The Company has incurred net losses of Rs. 3,61,17,407/- during the year and has negative net worth of Rs. 72,84,765/- as at March 31, 2010. The Company's management believes that the Company will be able to operate as a going concern in the foreseeable future and meet all its obligations as they fall due for payment, based on the projected business plan envisaged.

(24) As a matter of prudence the Company has provided for passenger tax charged at 3.15% of the ticket revenue and nutrition tax at 15 paise per ticket, which is as per the Bombay Motor Vehicles(Taxation of Passengers) Act, 1958 and not accrued the subsidy receivable from the Government towards passes issued to Students, Senior Citizens and Freedom Fighters as per clause 8.13 of the Concession Agreement..

(25) Figures for the previous period have been regrouped / rearranged to confirm to the classification of the current year.

For And on Behalf of the Board

As per the Report of Even Date
For Lakhani & Co.
Chartered Accountants

Director

Director

Parag Modi

Partner

M. No.: 114105

Manager

Place: Mumbai

Date : May 10, 2010

VANSH NIMAY INFRAPROJECTS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

1	6	6	1	4	9
---	---	---	---	---	---

 State Code

1	1
---	---

Balance Sheet Date

3	1
---	---

 /

0	3
---	---

 /

2	0	1	0
---	---	---	---

Date Month Year

II. Capital raised during the year (Amount in Rs. Thousand)

Public Issue										Rights Issue									
N	A									N	A								
Bonus Issue										Private Placement									
N	A									N	A								

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)

Total Liabilities										Total Assets									
4	7	2	2	3	1					4	7	2	2	3	1				
Sources of Funds																			
Paid-Up Capital										Reserve and Surplus									
1	0	0	0	0	0					-									
Secured Loans										Unsecured Loans									
2	6	2	2	3	1					1	1	0	0	0	0				
Deferred Tax Liability																			
-																			
Application of Funds																			
Net Fixed Assets										Investments									
3	4	0	5	9	2					1									
Net Current Assets										Misc. Expenditure									
2	4	3	5	3						N	I	L							
Accumulated Losses																			
1	0	7	2	8	5														

IV. Performance of Company (Amount in Rs. Thousand)

Turnover										Total Expenditure									
2	8	3	4	6	0					3	1	9	5	7	7				
+ - Profit / Loss before Tax										+ - Profit / Loss after Tax									
	✓	3	6	1	1	7					✓	3	6	1	1	7			
<i>(Please tick Appropriate box + for Profit - for Loss)</i>																			
Earning Per Share in Rs.										Dividend Rate %									
-	3	.	6	1						-									

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Items Code No. (ITC Code)	Product Description
N.A.	N.A.

Director Director