

**ITNL ROAD INFRASTRUCTURE DEVELOPMENT
COMPANY LIMITED**

ANNUAL REPORT

2011-12

DIRECTORS' REPORT

The Shareholders

ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Your Directors have pleasure in presenting the Fourth Annual Report along with the Audited Statements of Accounts for the year ended March 31, 2012

FINANCIAL RESULTS

The financial results of the Company are as under:

	(Amount in ₹)	
	Year ended March 31, 2012	Year ended March 31, 2011
Total Income	257,228,408	151,829,438
Total Expenses	839,609,481	465,669,940
Profit / (loss) Before Tax	(582,381,073)	(313,840,502)
Less: Provision for Tax	-	-
Profit After Tax	(582,381,073)	(313,840,502)
Balance carried forward	(897,013,349)	(314,632,276)

OPERATIONS:

During the year under review, your Company continued to maintain the Beawar – Gomti stretch of NH- 8 in the State of Rajasthan to quality standards in accordance with the contractual requirements. A 14 km road stretch falling in the Wild Life Sanctuary section is yet to be completed pending clearance from the concerned authorities. The toll revenue earned during the year 2011-12 was Rs. 16.81 Crores

DIVIDEND:

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

DIRECTORS:

During the year under review, Mr. Mukund Sapre resigned as Director of the Company effective January 19, 2012. The Directors place on record their sincere appreciation for the valuable guidance and support rendered by him. During the year under review, Mr. Ashutosh Chandwar and Mr. M B Bajulge were appointed as Managing Director and Additional Directors, respectively on the Board of the Company with effect from January 19, 2012

In terms of the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr Harish Mathur, will retire at the forthcoming Annual General Meeting of the Company and being eligible offers himself for reappointment. Your Directors recommend his re-appointment

AUDITORS:

M/s Lakhani & Co., Chartered Accountants, Statutory Auditors, 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 year under review

CORPORATE GOVERNANCE:

Four Board Meetings were held during the year under review on April 19, 2011, July 20, 2011, October 18, 2011 and January 19, 2012. The numbers of meetings attended by the Directors are as under:

Sr. No.	Name of Directors	No. of Board Meetings held during tenure	No. of Board Meetings Attended
1	Mr Mukund Sapre	4	3
2	Mr Cherian George	4	4
3	Mr Harish Mathur	4	3
4	Mr. Ashutosh Chandwar (w.e.f. January 19, 2012)	1	1
5	Mr. M B Bajulge (w.e.f. January 19, 2012)	1	1

The Audit Committee was constituted in accordance with the provisions of the Companies Act, 1956. The Audit Committee is comprised of Mr. Mukund Sapre, Mr. Cherian George and Mr. Harish Mathur. The Audit Committee was re-constituted on January 19, 2012 consequent upon the resignation of Mr. Mukund Sapre by appointing Mr. M B Bajulge in his place. The Audit Committee met four times in the year under review on April 19, 2011, July 20, 2011, October 18, 2011 and January 19, 2012

PARTICULARS OF EMPLOYEES:

There were no employees in respect of whom the information is required to be provided pursuant to Section 217(2A) of the Companies Act, 1956

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 and hence not provided

ACKNOWLEDGMENTS:

The Directors place on record their appreciation for the 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

By the Order of the Board

Sd/-
Director

Sd/-
Director

Date : April 19, 2012
Place : Mumbai

AUDITORS' REPORT TO THE MEMBERS OF

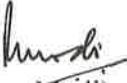
ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

1. We have audited the attached Balance Sheet of ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED (the 'Company') as at 31st March, 2012, the statement of Profit and Loss 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. Without qualifying our opinion, we draw attention to Note No. 32 to the financial statement. The company has incurred a net loss of Rs. 58,23,81,073/- during the year ended March 31, 2012, has negative net worth of Rs. 10,70,13,349/- and excess of current liabilities over current assets by Rs. 69,16,26,581/- as at March 31, 2012. However, based on the management's business plan, in the opinion of the management, no adjustment is required to the carrying value of the assets and liabilities of the company as of Balance sheet date and accordingly these financial statements have been prepared on a going concern basis.
4. 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.
5. 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, Statement of Profit and Loss 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 statement of Profit and Loss and also the Cash Flow Statement dealt with by this report comply with the Accounting



- (iv) In our opinion, the Balance Sheet, the statement of Profit and Loss 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 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 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 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, 2012;
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (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


(Parag Modi)
Partner
M.No. 114105



Place : Mumbai
Date : 19/04/2012

Annexure to the Auditor's Report

The Annexure referred to in our report of even date to the members of ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED on the financial statements for the year ended 31st March, 2012)

- (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 are 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 prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 and on the basis of the certificate of the cost accountant certifying the maintenance of cost records, we are of the opinion that the Company has



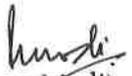
made and maintained the same. However, we are not required to make a detailed examination of the same.

- (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 31st March, 2012 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, funds raised on short-term basis have not been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to any 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


(Parag Modi)
Partner
M.No. 114105



Place : Mumbai
Date : 19/04/2012

ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

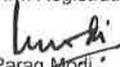
Balance Sheet As At March 31, 2012

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	Particulars	Note	As At	
			March 31, 2012	March 31, 2011
I	EQUITY AND LIABILITIES			
1	SHAREHOLDERS' FUNDS			
	(a) Share capital	2	400,000,000	400,000,000
	(b) Reserves and surplus	3	(507,013,349)	75,367,724
			(107,013,349)	475,367,724
2	NON-CURRENT LIABILITIES			
	(a) Long-term borrowings	4	2,367,800,000	2,607,400,000
	(b) Deferred tax liabilities (Net)	7	-	-
	(b) Other long term liabilities	5	10,965,411	47,647,616
			2,378,765,411	2,655,047,616
3	CURRENT LIABILITIES			
	(a) Current maturities of long-term debt		239,600,000	152,700,000
	(b) Short-term borrowings	6	540,000,000	-
	(c) Trade payables	7	71,431,217	239,693,529
	(d) Other current liabilities	8	2,661,039	3,603,216
	(e) Short-term provisions	9	2,254,083	2,153,836
			855,946,339	398,150,581
	TOTAL		3,127,698,401	3,528,565,921
II	ASSETS			
1	NON CURRENT ASSETS			
	(a) Fixed assets	10		
	(i) Tangible assets		2,947,458,601	2,996,397,513
	(ii) Intangible assets		15,660	26,610
	(iii) Capital work-in-progress		-	64,265,079
			2,947,474,261	3,060,689,202
	(b) Non-current investments	11	21,782	20,139
	(c) Long-term loans and advances	12	15,882,600	10,345,443
			15,904,382	10,365,582
2	CURRENT ASSETS			
	(a) Cash and bank balances	13	134,115,069	367,593,402
	(b) Short-term loans and advances	14	-	78,054,451
	(c) Other current assets	15	30,204,689	11,863,284
			164,319,758	457,511,137
	TOTAL		3,127,698,401	3,528,565,921

Notes 1 to 33 form part of the financial statements.

In terms of our report attached.
For Lakhani & Co.
Chartered Accountants
Firm Registration No.105524W


Parag Modi
Partner

Membership Number : 114105
Place: Mumbai
Date:




Managing Director


Director

For ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Statement of Profit and Loss for the Year Ended March 31, 2012

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Particulars	Note	Year ended March 31, 2012	Year ended March 31, 2011
I Revenue from operations	16	247,431,247	141,083,981
II Other income	17	9,797,161	10,745,457
III Total revenue (I + II)		257,228,408	151,829,438
IV Expenses			
Operating expenses	18	64,200,000	38,681,233
Finance costs	19	408,122,874	207,227,245
Administrative and general expenses	20	11,918,602	10,227,886
Depreciation and amortization expense	10	355,368,005	209,533,576
Total expenses		839,609,481	465,669,940
V Profit before taxation (III-IV)		(582,381,073)	(313,840,502)
VI Tax expense:			
(1) Current tax		-	-
(2) Tax relating to earlier year		-	-
(3) Deferred tax		-	-
Total tax expenses (VI)		-	-
VII Profit for the year (V-VI)		(582,381,073)	(313,840,502)
Earnings per equity share (Face value per share Rupees 10/-):	21		
(1) Basic		(14.56)	(7.85)
(2) Diluted		(14.56)	(7.85)

Notes 1 to 33 form part of the financial statements.

In terms of our report attached.
For Lakhani & Co.
Chartered Accountants
Firm Registration No.105524W

For ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Notes 1 to 33 form part of the financial statements.

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




Managing Director


Director

CASHFLOW FOR THE YEAR ENDED MARCH 31, 2012

	Year ended March 31, 2012	Year ended March 31, 2011 Rupees
Cash Flow from Operating Activities		
Profit / (Loss) Before Taxes	(582,381,073)	(313,840,502)
Adjustments for :-		
Interest on short term deposit	(9,795,518)	(10,745,318)
Interest on NSC	(1,643)	(139)
Interest and finance expense	408,122,874	207,227,245
Depreciation	355,368,005	209,533,576
Operating profit before Working Capital Changes	171,312,645	92,174,862
Adjustments changes in working capital:		
(Increase) / Decrease in Other Current, Other Non-Current Assets & Trade Receivables	(20,777,142)	(8,459,908)
Increase / (Decrease) in Other Current, Other Non-Current Liabilities & Trade Payables	(1,037,814)	4,113,345
Cash Generated from Operating Activities	149,497,689	87,828,299
Payment of Taxes	(4,941,768)	(7,259,489)
Net Cash Flow from Operations (A)	144,555,921	80,568,810
Cash flow from Investing Activities		
Purchase of Fixed Assets (Including Intangible Assets)	(242,439,327)	(1,331,409,939)
Proceeds from Sale of Fixed Assets	286,263	509,283
Investment Other Long-term Investments	-	(20,000)
(Increase) / Decrease in Current and Non-Current Assets	79,569,519	236,807,449
Increase / (Decrease) in Current and Non-Current Liabilities	(204,748,633)	(184,894,976)
Fixed deposits for periods exceeding 3 months encashed / (placed)	(50,000,000)	(70,000,000)
Interest received	10,120,798	11,083,924
Net Cash from Investing Activities (B)	(407,211,380)	(1,337,924,259)
Cash flow from Financing Activities		
Short term loans taken	540,000,000	-
Proceeds from Long-term Borrowings	-	1,295,000,000
Repayment of Long-term Borrowings	(152,700,000)	-
Interest and Finance Charges Paid	(408,122,874)	(285,539,248)
Capital Grant from MORTH	-	390,000,000
Net Cash from Financing Activities (C)	(20,822,874)	1,399,460,752
Net Increase in Cash & Cash Equivalents (A+B+C)	(283,478,333)	142,105,303
Cash and Cash Equivalent at the beginning of the Year (Note No.12)	297,593,402	155,488,099
Cash and Cash Equivalent at the end of the Year (Note No.12)	14,115,069	297,593,402
Net Increase / (Decrease) in Cash & Cash Equivalents	(283,478,333)	142,105,303
Notes:		
Components of Cash & Bank Balances		
Cash on Hand	528,681	564,284
Balance with Scheduled Banks - Current Accounts	13,586,388	12,823,549
Balance with Scheduled Banks in term deposits (maturity less than 3 months)	-	284,205,569
	14,115,069	297,593,402
Fixed deposits placed for periods exceeding 3 months	120,000,000	70,000,000
Cash & Bank Balances	134,115,069	367,593,402
Notes 1 to 33 form part of the financial statements.		
In terms of our report attached. For Lakhani & Co. Chartered Accountants Firm Registration No.105524W		
Parag Modi Partner Membership Number : 114105 Place: Mumbai Date:		
	 Managing Director	 Director
	For ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED	

ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Note 1 – SIGNIFICANT 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



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

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.



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

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.

11. **Current/Non-current Assets and Liabilities :**

Assets are classified as current when it satisfies any of following criteria:

- a) It is expected to be realized within 12 months after the reporting date,
- b) All other assets are classified as Non-current

Liabilities are classified as current when it satisfies any of following criteria:

- a) It is expected to be settled within 12 months after the reporting date,
- b) All other liabilities are classified as Non-current



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 2: Share capital

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	₹	Number	₹
Authorised Equity Shares of Rupees 10/- each	40,000,000	400,000,000	40,000,000	400,000,000
Issued Equity Shares of Rupees 10/- each	40,000,000	400,000,000	40,000,000	400,000,000
Subscribed and Paid up Equity Shares of Rupees 10/- each fully paid (refer foot note no. i and ii)	40,000,000	400,000,000	40,000,000	400,000,000
Total	40,000,000	400,000,000	40,000,000	400,000,000

Foot Notes:

i. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2012		As at March 31, 2011	
	Equity Shares		Equity Shares	
	No. of Shares	₹	No. of Shares	₹
Shares outstanding at the beginning of the year	40,000,000	400,000,000	40,000,000	400,000,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	40,000,000	400,000,000	40,000,000	400,000,000

ii. Shareholding more than 5% shares

Name of Shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shares held	% of total holding	No. of Shares held	% of total holding
IL&FS Transportation Networks Limited (Holding Company)	40,000,000	100.00%	40,000,000	100.00%
Total	40,000,000	100.00	40,000,000	100.00



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 3: Reserves and surplus

₹

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Capital Reserve (Refer footnote (a) below)				
Opening balance	390,000,000		-	
(+) Created during the year (Grant From Ministry of Road Transport and Highways) (Equity Support)	-		390,000,000	
(-) Written back in current year	-	390,000,000	-	390,000,000
(b) Profit / (Loss) Surplus				
Opening balance	(314,632,276)		(791,774)	
(+) Profit for the current year	(582,381,073)	(897,013,349)	(313,840,502)	(314,632,276)
Total		(507,013,349)		75,367,724

Foot Note:

I. Capital Reserves:

(Grant from Ministry of Road Transport and Highways) (Equity Support): 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 of Rs.39,00,00,000/- during construction and remaining balance of Rs.36,46,50,000/- as Operation and Maintenance support.



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 4: Long-term borrowings

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Term Loans				
(i) Secured				
From banks (refer foot note no.1)	2,154,800,000	2,154,800,000	2,394,400,000	2,394,400,000
(ii) Unsecured				
From Holding Company (refer foot note no.2)	213,000,000	213,000,000	213,000,000	213,000,000
Total		2,367,800,000		2,607,400,000

Foot Notes:

1. Secured By:

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.

Terms of Repayment:

- The Borrower shall repay the term loans to each of the senior lenders as per the repayment schedule, as set out in Footnote.
- Amounts repaid by the Borrower shall not be re-borrowed.
- Any senior lenders may, in suitable circumstances, at the request of the Borrower and subject to consent of the other senior lenders revise or vary the repayment schedule or postpone the payment of any specific repayment installment(s) or part thereof, upon such terms and conditions shall form a part of this agreement as an amendment to repayment schedule hereto.
- In the event of any default in the payment of the repayment installments of principal, interest and default interest, postponement, if any, allowed by any of the senior lenders shall be at the rate of interest as may be stipulated by the concerned senior lenders at the time of postponement.

2. The Company has taken Subordinate Debt from the IL&FS Transportation Network Ltd. (The Holding Co.) against which there is a second pari passu charge over all the Borrowers's moveable properties (including plant and machinery) both present and future; revenues and receivables of the Borrower from the Project or otherwise; all Project Agreements, all guarantees, performance guarantees or bonds, letter of credit that may be provided by any party to any Project Agreement in favour of the Borrower and applicable Permits and all plant rights, titles, approvals, permits, clearances and interests and the Borrower's right, title, interest, benefit and claim in, to or under the Project Agreements and Clearances; all the Borrower's right, title, interest, benefit and claim of the Borrower in, to or under the Insurance Contracts and the Insurance Proceeds; all intangible assets of the Borrower including but not limited to goodwill. However the company has not created the charge on the aforesaid asset and hence the loan is considered as unsecured loan.

Footnote:

Repayment Schedule:

Total Loans Commitment is Rs. 2,547,100,000/- from Banks and Rs 213,000,000/- from Holding company as Sub Debt.
Senior Debt : In 32 unequal quarterly installments commencing on quarter ending September 30, 2011 and terminating on June 30, 2019.

Financial Year	Amount of Senior Debt Repayment	Amount of Sub Debt Repayment (Rs.)
2013-2014	262,500,000	-
2014-2015	331,200,000	-
2015-2016	418,900,000	-
2016-2017	448,400,000	-
2017-2018	358,400,000	-
2018-2019	268,400,000	-
2019-2020	67,000,000	106,500,000
2020-2021		106,500,000
Total	2,154,800,000	213,000,000

₹. 239,600,000/- which is repayable during F.Y.2012 - 2013 and is part of the Secured Term Loan from banks is classified under Current Liabilities as "Current Maturities of Long Term Debt"



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 5: Other long term liabilities

Particulars	As at March 31, 2012		As at March 31, 2011	
Trade Payables (refer foot note)				
To related parties	10,965,411		47,647,616	
To others	-	10,965,411	-	47,647,616
Total		10,965,411		47,647,616

Footnote:

According to the records available with the Company, there were no dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the end of the year with the interest paid / payable as required under the said Act have not been given.

Note 6: Short-term borrowings

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Loans and advances from related parties				
(i) Secured	-		-	
Unsecured	540,000,000	540,000,000	-	-
Total		540,000,000		-

Note 7: Trade Payables

Particulars	As at March 31, 2012		As at March 31, 2011	
Trade Payables (refer foot note)				
To related parties	70,223,140		207,592,604	
To others	1,208,077	71,431,217	32,100,925	239,693,529
Total		71,431,217		239,693,529

Footnote:

According to the records available with the Company, there were no dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the end of the year with the interest paid / payable as required under the said Act have not been given.

Note 8: Other current liabilities

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Income received in advance	22,852		21,844	
(b) Statutory liabilities	2,638,187	2,661,039	3,581,372	3,603,216
Total		2,661,039		3,603,216

Note 9: Short-term provisions

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Provision for expenses	2,254,083	2,254,083	2,153,836	2,153,836
Total		2,254,083		2,153,836



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 10: (a) Fixed assets

Particulars	Gross block			Accumulated depreciation		Net block				
	Balance as at April 1st 2011	Opening adjustments	Additions	Disposals	Balance as at 31, 2012	Balance as at April 1st 2011	Depreciation charge for the year	On disposals	Balance as at March 31, 2012	Net block Balance as at March 31, 2011
a) Tangible assets										
Roads and bridges	3,204,209,976	-	306,704,406	-	3,510,914,382	209,114,205	355,033,159	-	564,147,364	2,995,095,771
Vehicles	1,005,170	-	-	451,918	553,252	323,149	145,990	178,584	290,555	682,021
Data processing equipments	533,668	-	-	-	533,668	205,179	132,220	-	337,399	328,489
Office equipments	249,489	-	-	17,468	232,021	98,209	20,192	4,568	114,833	150,280
Furniture and fixtures	350,548	-	-	9,638	340,910	209,596	25,494	9,609	225,481	140,952
Total	3,206,348,851	-	306,704,406	479,024	3,512,574,233	209,951,338	355,357,055	192,761	565,115,532	2,996,397,513
b) Intangible assets										
Software / Licences	43,800	-	-	-	43,800	17,190	10,950	-	28,140	26,610
Total	43,800	-	-	-	43,800	17,190	10,950	-	28,140	26,610
Grand total	3,206,392,651	-	306,704,406	479,024	3,512,618,033	209,968,528	355,368,005	192,761	565,143,772	2,996,424,123
Previous Year	2,860,941	-	3,204,209,976	678,266	3,206,392,651	425,331	209,712,179	168,983	209,968,528	2,996,424,123



ITNL Road Infrastructure Development Company Limited

Note 10(b) : Details of Capital Work in Progress

₹

	Road As at 31-Mar-11	CWIP As at 31-Mar-11	Addition During The year	Addition to CWIP during The year	Transferred to Road
Interest & Finance Charges	176,089,299	-	-	-	176,089,299
Rent	276,333	-	-	-	276,333
Depreciation on Fixed Assets	464,154	-	-	-	464,154
Legal & Professional Fees	1,358,286	-	55,000	-	1,413,286
Contractual Charges	260,274,360	-	-	-	260,274,360
Milestone Payment	2,043,190,164	57,293,909	299,279,061	(57,293,909)	2,342,469,225
Milestone Payment - Bright Home	122,691,897	-	-	-	122,691,897
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	3,301,265	-	-	-	3,301,265
Repairs, Maintenance & Assets Running Expenses	1,037,595	-	-	-	1,037,595
Security Trusteeship Fees	2,511,213	-	-	-	2,511,213
General & Miscellaneous Expenses	22,606,913	6,971,170	7,370,345	(6,971,170)	29,977,258
(A)	3,329,401,479	64,265,079	306,704,406	(64,265,079)	3,636,105,885
Less: Indirect Income					
Interest on Bank Fixed Deposit	(2,499,606)	-	-	-	(2,499,606)
Milestone Payment - MORTH	(122,691,897)	-	-	-	(122,691,897)
(B)	(125,191,503)	-	-	-	(125,191,503)
Total (A) - (B)	3,204,209,976	64,265,079	306,704,406	(64,265,079)	3,510,914,382



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 11: Non-current investments

Particulars	As at March 31, 2012		As at March 31, 2011	
Investment in Government Securities				
- National Savings Certificate (Deposited with Sales Tax Department, Govt. of Rajasthan)	21,782	21,782	20,139	20,139
Total		21,782		20,139

Note 12: Long-term loans and advances

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Security Deposits				
Unsecured, considered good	6,150	6,150	27,150	27,150
(b) Other loans and advances				
Unsecured, considered good				
- Advance payment of taxes (net of provision)	12,214,165		7,272,397	
- Advance recoverable in cash or kind - others	3,662,285	15,876,450	3,045,896	10,318,293
- Loans to others	-		-	
Total		15,882,600		10,345,443

Note 13: Cash and bank balances

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Cash and cash equivalents				
Cash on hand	528,681		564,284	
Current accounts (refer footnote)	13,586,388		12,823,549	
Fixed Deposits placed for a period less than 3 months	-	14,115,069	284,205,569	297,593,402
(b) Other Bank Balance				
Fixed Deposits placed for a period more than 3 months (placed as per terms of common loan agreement for the purpose of Debt Service Reserve and under Bank lien).	120,000,000	120,000,000	70,000,000	70,000,000
Total		134,115,069		367,593,402

Footnote

- (a) Includes
- Balance of Rupees 3,354,336/- in an Escrow Account managed by Escrow Agent
 - Balance of Rupees 5,155,862/- towards Debt Service Reserve



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 14: Short-term loans and advances

₹

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Loans and advances to related parties				
Unsecured, considered good				
- Advance recoverable in cash or kind - related parties	-	-	57,469,547	
- Short term loans	-	-	-	57,469,547
(b) Other loans and advances				
Unsecured, considered good				
- Advance fringe benefit tax (net of provision)	-	-	-	
- MAT credit entitled	-	-	-	
- Advance towards share application money	-	-	-	
- Advance recoverable in cash or kind	-	-	20,584,904	20,584,904
Total		-		78,054,451

Note 15: Other current assets

₹

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Interest accrued	956,639		1,281,919	
(b) Grant receivable from Ministry of Road Transport and Highways	29,248,050	30,204,689	8,450,000	9,731,919
(c) Retention - Morth	-	-	2,131,365	2,131,365
Total		30,204,689		11,863,284



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 16: Revenue from operations

Particulars	Year ended March 31, 2012		Year ended March 31, 2011	
(a) Income from services				
Toll revenue	168,131,247		93,633,981	
Operation and maintainance Grant from MORTH	79,300,000	247,431,247	47,450,000	141,083,981
		247,431,247		141,083,981

Note 17: Other income

Particulars	Year ended March 31, 2012		Year ended March 31, 2011	
(a) Interest Income				
Interest on bank deposits	9,795,518		10,745,318	
Interest on NSC	1,643	9,797,161	139	10,745,457
		9,797,161		10,745,457

Note 18: Operating expenses

Particulars	Year ended March 31, 2012		Year ended March 31, 2011	
Operation and maintenance expenses	64,200,000	64,200,000	38,681,233	38,681,233
		64,200,000		38,681,233



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 19: Finance costs

Particulars	Year ended March 31, 2012		Year ended March 31, 2011	
(a) Interest expenses				
Interest on loans	407,102,599	407,102,599	206,426,059	206,426,059
(b) Other borrowing costs				
Finance charges	1,020,275	1,020,275	801,186	801,186
		408,122,874		207,227,245

Note 20: Administrative and general expenses

Particulars	Year ended March 31, 2012		Year ended March 31, 2011	
Legal and consultation fees	9,419,707		8,726,549	
Travelling and conveyance	270,122		164,527	
Rates and taxes	2,500		2,500	
Bank commission	598,783		-	
Insurance	20,908		-	
Directors' fees	120,000		130,000	
Miscellaneous expenses (Refer Footnote)	1,486,582	11,918,602	1,204,310	10,227,886
		11,918,602		10,227,886

Footnote:

Particulars (Name of party & description)	As at March 31, 2012	As at March 31, 2011
Lakhani & Co.		
Audit Fees	330,900	165,450
Taxation Matter	82,725	82,725
Certification Matter	27,851	64,887
Other Services	408,110	264,720

Note 21: Capital commitments & Other Information

A) Estimated amount of contracts remaining to be executed on capital and other account :

Particulars (Name of party & description)	As at March 31, 2012	As at March 31, 2011
IL&FS Transportation Networks Limited		
Estimated amount of contracts to be executed on capital account (net of capital advances of ₹ NIL [previous year ended March 31, 2011 ₹ 57,469,547/-])		184,515,605
Estimated amount of contracts to be executed on Operation & Maintenance (Base Price Rs.64,200,000/- p.a. for base financial year 2011, escalated @5% p.a. for the period upto the end of concession period)	648,480,545	712,680,545
IL&FS Trust Company Limited		
Estimated amount of contracts to be executed on security trusteeship fees (excluding taxes) (upto the end of repayment of last installment of term loan)	4,584,044	5,084,044



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 22: Earnings per equity share

Particulars	Unit	Year ended March 31, 2012	Year ended March 31, 2011
Profit after tax	Rupees	(582,381,073)	(313,840,502)
Profit available for Equity Shareholders	Rupees	(582,381,073)	(313,840,502)
Weighted number of Equity Shares outstanding	Numbers	40,000,000	40,000,000
Nominal Value of equity shares	Rupees	10.00	10.00
Basic Earnings per share	Rupees	(14.56)	(7.85)
Equity shares used to compute diluted earnings per share	Numbers	40,000,000	40,000,000
Diluted Earnings per share	Rupees	(14.56)	(7.85)

Note 23 : Details of Grant

From	Purpose	Sanctioned Grant Amount	Received	Utilised	Unutilised
Ministry of Road Transport & Highways	Equity Support	390,000,000	390,000,000	3,900,000,000	-
Ministry of Road Transport & Highways	Operation & Maintenance	364,650,000	97,500,000	97,500,000	-

Note 24:

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, 2012.

Note 25:

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.

Note 26 : Segment

As the Company operates in a single business as well as geographical segment, the disclosures required under the Accounting Standard on "Segment Reporting" (AS-17) notified under the Companies Accounting Standards Rules, 2006 are not applicable

Note 27 : Deferred Tax

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.



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 28: Related Party Disclosure

Related party Disclosures as per the AS-18 on "Related Party Disclosure" in respect of the Copmpany as on March 31, 2012 are as follows

Nature of Relationship	Name of Entity	Acronym used
Holding Company :	IL&FS Transportation Networks Limited	ITNL
Fellow Subsidiaries	IL&FS Trust Company Limited	ITCL
Associates :	NIL	NIL
Co - Venture :	NIL	NIL
Key Management personnel :	Mr. Ashutosh Chandwar	Managing Director

2. Details of balances and transactions during the period with related parties

Account head	Name of Entity	As At March 31, 2012	As At March 31, 2011
Balances:			
Share Capital	ITNL	400,000,000	400,000,000
Retention Money - Payable	ITNL	10,965,411	47,647,616
Sundry Creditors	ITNL	70,223,140	207,592,604
Mobilisation Advance Recoverable	ITNL	-	57,469,547
Unsecured Loan - Sub Debt	ITNL	213,000,000	213,000,000
Unsecured Loan - Short Term Loan	ITNL	540,000,000	-
Transactions:		For the Year ended March 31, 2012	For the Year ended March 31, 2011
Development Cost	ITNL	241,985,152	1,280,672,678
Operation & Maintainence Charges	ITNL	64,200,000	38,681,233
Interest on Loan	ITNL	53,393,076	28,179,387
Unsecured Loan Taken	ITNL	-	79,700,000
Unsecured Short Term Loan Taken	ITNL	540,000,000	109,500,000
Unsecured Short Term Loan Repaid	ITNL	-	109,500,000
O & M Start up Cost	ITNL	-	34,100,000
Sale of Fixed Assets	ITNL	-	509,283
Security Trustee Fees paid	ITCL	551,500	551,500
Director Sitting Fees	Managing Director	5,000	-

Note 29:

Fixed Deposits comprises of Rs.120,000,000/- (Previous Year Rs. 70,000,000/-) is placed as per terms of common loan agreement for the purpose of Debt Service Reserve

Note 30:

Long Term Borrowings, Short Term Borrowings, Loans & Advances and Trade Payables are subject to balance confirmations and reconciliation, if any

Note 31:

The Trade Receivables and Loans and Advances have a value on realization in ordinary course of business at least equal to amount at which they are stated in the Balance sheet and no provision for doubtful debts is required. In the opinion of the management all the Debtors are good and recoverable. The management is taking reasonable steps for recovery of the debts due.

Note 32: Going Concern

The Company has incurred net losses of Rs.582,381,073/- during the year from 1st April 2011 to 31st March 2012 and has a negative net worth of Rs.107,013,349/- and a negative working capital as at 31st March, 2012. The 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 as the Company has received a letter from the Ministry of Road Transport and Highways (MoRTH) dated March 2, 2012 along with the minutes of the meeting dated February 17, 2012 with MoRTH in which it was decided to award four laning of the existing two lane project from Gomti to Beawar with the consequential increase in revenues and profits over the increased concession period.

Based on the above, and the financial support from the promoters of the Company, the Financial Statements are prepared on a going concern basis



ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Year Ended March 31, 2012

Note 33:

The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date attached.

For Lakhani & Co
Chartered Accountants


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



For ITNL ROAD INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED


Managing Director


Director