

GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED



ANNUAL REPORT 2014

BOARD OF DIRECTORS

Mr. A. K. Sharma - IAS

Mr. P. C. Purabia

Mr. P. J. Patel

Mr. R. K. Chauhan

Mr. K. Ramchand

Mr. Ashok Totlani

Mr. Manu Kochhar

Mr. George Cherian

STATUTORY AUDITOR

Deloitte Haskins & Sells

Chartered Accountants

Indiabulls Financial Centre,

Tower 3, 27th -32nd Floor,

Senapati Bapat Marg,

Elphinstone Road (West),

Mumbai - 400 013

OUR BANKERS

Central Bank of India

Lal Darwaja Branch, Ahmedabad - 380 001

MCF Branch, Akota, Vadodara - 390 007

REGISTERED OFFICE

Office of the Secretary

Roads & Buildings Department,

Sachivalaya, Block No. 14, Second Floor,

Gandhinagar - 390 010

GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

301, Shapath - 1, Opp. Rajpath Club, Sarkhej-Gandhinagar Highway, Bodakdev, Ahmedabad – 380 015
Telephone: +91 79 26873413 Fax: +91 79 26870094 e-mail: gricl@vsnl.net CIN U65990GJ1999PLC036086

DIRECTORS' REPORT

To,
The Shareholders,
Gujarat Road and Infrastructure Company Limited

Your Directors have pleasure in presenting the Fifteenth Annual Report together with the Audited Accounts for the year ended March 31, 2014.

FINANCIAL RESULTS

The Company earned total revenues of Rs. 1,074.91 Mn during the year under review by the way of toll revenue and other income from the Ahmedabad Mehsana Road Project and Vadodara Halol Road Project. Toll revenue remained at more or less the same levels as in the previous year. Cost were marginally lower primarily on account of lower finance cost by Rs 45 Mn due repayment of loans of senior lenders in December 2012. The highlights for the Year 2013-2014 vis-à-Vis the Year 2012-2013 are presented below:

(Rs. in Mn)

Particulars	F.Y 2013-2014	F.Y 2012-2013
Income	1118.67	1,121.72
Expenses	512.10	560.13
Profit Before Taxes	606.57	561.59
(Provision for) / Reversal of Taxation	73.85	(206.46)
Profit After Taxes	680.42	355.13

During the financial year 2013-14, the Company issued 5 bonus equity shares for every 9 Equity Shares held. Pursuant to an order of the High Court of Gujarat dated January 31, 2014, the share capital of GRICL was reduced from Rs. 1,423,990,900 divided into 142,399,090 equity shares of Rs. 10/- each to Rs. 554,623,070 divided into 55,462,307 equity shares of Rs. 10/- each by cancelling 86,936,783 equity shares, by way of writing off the unamortized loan restructuring charges against the bonus issue and the paid up equity share capital.

DIVIDEND

As a formal communication for CDR exit has not received, the Directors not recommend dividend for the year.

OPERATIONS

During the year, the Company's operations have shown marginal increase in net cash flow compared to the previous year. There has been no major user complaint received for either of road projects of the Company.



VADODARA HALOL ROAD PROJECT

During the year, the Company had invited online offer for toll revenue and received an offer of Rs. 435.6 Mn. The tenure of the existing agency is for one year commencing from May 10, 2013. Prior to May 2013, the toll collection was arranged through departmental basis.

Routine Maintenance is being undertaken by the designated agency whereas maintenance of arboriculture and route operations services is being undertaken by the Company. The Company has a well equipped ambulance with trained medical assistants and towing facility in case of accidents and ensuring project road, free of hindrances.

AHMEDABAD MEHSANA ROAD PROJECT

As the tenure of the existing toll collection agency was ending on 1st April 2013, the Company had invited online offers for toll revenue and received an offer of 63.72 Cr.

Since for the year 2014-15, the Company had received the bid below the reserve price in the online toll revenue offer for toll auction, the Company had commenced the work of toll collection on a departmental basis by appointing professional agencies w.e.f April 7, 2014.

The Operation and Maintenance of the project road has been undertaken by the designated contractor as per requirements and there have been no major user complaints. Ambulances at both toll plaza's and the tow vehicle have been deployed to attend to accidents and to ensure free passage for the traffic.

CORPORATE GOVERNANCE:

The following Committee of the Board of Directors of the Company have been constituted for good corporate governance and focused attention on the affairs of the Company:

Audit Committee

The Audit Committee comprises of Mr. K Ramchand, Mr. P. J. Patel, Mr. Cherian George, Mr. Ashok Totlani and Mr. P.C. Purabia. During the year, the nomination of Mr. R.K.Singhvi has been withdrawn by IDBI Bank and accordingly he ceased to be a Director of the Company and a member of the Audit Committee. This Committee had four meetings during the year under review.

DIRECTORS

In terms of the provisions of the Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable) and Articles of Association of the Company, Mr. Ashok Totlani and Mr. R.K. Chauhan - Directors of the Company, retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offered themselves for reappointment.



DIRECTORS' RESPONSIBILITY STATEMENT

Section 217 (2AA) of the Companies Act, 1956 as amended in December 2000 requires the Board of Directors to provide a statement to the members of the Company in connection with the maintenance of the books, records, preparation of Annual Accounts in conformity with the accepted accounting standards and past practices followed by the Company. Pursuant to Section 217(2AA) of the Companies Act 1956, the Board of Directors confirms as under: -

- 1) Proper Accounting Standards have been adopted whilst preparing the annual accounts and proper explanations are given for any material departures there from except to the extent as disclosed in the notes to the Accounts.
- 2) Proper and reasonable accounting policies have been applied on a consistent basis.
- 3) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act and as per the Concession Agreement so as to safeguard the assets of the Company and prevent and detect fraud and irregularities.
- 4) The Annual Accounts for the year under review has been prepared on a going concern basis.

PARTICULARS OF EMPLOYEES

The Company did not have any employees drawing remuneration as set out under section 217(2A) of the companies Act 1956 read with Companies Particulars of Employees Rules, 1975 during the year under review.

ENERGY CONSERVATION, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The Company does not carry on any manufacturing activities hence particulars with regard to energy conservation, technology absorption are not applicable the Company. The Company has not incurred any foreign exchange expenditure on account of foreign travel during the year under review.

FIXED DEPOSIT

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

STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors of the Company retire and have expressed their willingness to continue as Auditors, if re-appointed, at the ensuing Annual General Meeting of the Company.



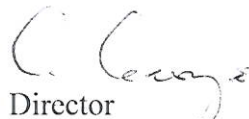
GOVERNMENT SUPPORT

As you would be aware, the Projects embarked upon by the company are in terms of the Concession Agreement for a period of 30 years from the date of commencement of commercial operations or till the time the designated return is recovered, whichever is earlier. The Company continues to receive valuable support from the State Government.

ACKNOWLEDGEMENTS

The Board of Directors place on record the continued and invaluable support received from Government of Gujarat, Financial Institutions and Banks of the Company.

By Order of the Board


Director
Gandhinagar


Director

Date: 28.04.2014

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial



statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

- (a) We draw attention to Note 2 [Footnote (e)] to the financial statements, wherein it is stated that the Company has received an approval order from the High Court of Gujarat at Ahmedabad vide order 318 of 2013 dated January 31, 2014 for writing off Rs.869,367,830/-, restructuring charges paid to the Consortium of lenders, by canceling 86,936,783 equity shares of the Company under a capital reduction scheme. The Order together with the minutes of the Shareholders meeting held on December 17, 2013 has been registered with the Registrar of Companies ("ROC") and ROC has issued certificate dated February 21, 2014 registering the order of the Hon'ble Gujarat High Court and confirming the reduction of the share capital. Consequently, the Company has adjusted the "Unamortised loan restructuring charges" paid to the Consortium of lenders to the Share Capital Account in the financial statements for the year ended March 31, 2014. The board in its meeting held today approved the cancellation of the 86,936,783 equity shares. However, cancellation of the physical share certificates will be done by the Company in due course.

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- (b) We draw attention to Note 2 [Footnote (d)] to the financial statements, wherein it is stated that the 10,000,000 Non-Cumulative Redeemable Convertible Preference Shares (NRCPS) were originally due for redemption on May 8, 2013, which was extended till February 7, 2014 as per the request made by the Company and accepted by the preference shareholder i.e., Government of Gujarat (GoG) with a condition that the deferred amount of redemption would carry interest @ 10% per annum. The Company has applied for further extension of the redemption date by 1 year i.e., till February 7, 2015. Accordingly, the Company has accounted simple interest payable to GoG @ 10% p.a. upto March 31, 2014 on the amount due for redemption on the basis that the GoG shall confirm / approve the extension of redemption date of NRCPS till February 7, 2015, as per same terms as accepted by GoG previously.

Our opinion is not qualified in respect of these two matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - (a) 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;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs); and

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- (e) On the basis of the written representations received from the directors as on March 31, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(ICAI Registration No. 117366W/W-100018)



Kalpesh J. Mehta
Partner
(Membership No. 48791)

MUMBAI, April 28, 2014
KJM/NDU

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT
(Re: GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED)
(Referred to in paragraph (1) of our report of even date)

- (i) Having regard to the nature of the Company's business / activities / results during the year, clauses (ii), (x), (xii), (xiii), (xiv), (xv), (xvi), (xviii) and (xx) of paragraph 4 of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) The Company has not granted or taken any loans, secured or unsecured, to or from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly sub-clauses (a) to (d) of clause (iii) of paragraph 4 of the Order are not applicable to the Company,
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services and during the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- (v) To the best of our knowledge and belief and according to the information and explanations given to us, there were no contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that needed to be entered in the register maintained under the said Section. Accordingly, sub-clause (b) of clause (v) of paragraph 4 of the Order is not applicable to the Company.

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- (vi) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
- (vii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed dues relating to Service Tax and Provident Fund. The Company has been regular in depositing other undisputed dues, including Income-tax, Sales Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Wealth Tax, Service Tax, Cess and other material statutory dues in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.
 - (c) There were no dues of Income-tax, Sales Tax, Service Tax and Cess which have not been deposited as on March 31, 2014 on account of any dispute.
- (x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- (xi) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- (xii) According to the information and explanations given to us, the Company has created security / charges in respect of the debentures and deep discount bonds issued.

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Haskins & Sells LLP**

- (xiii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(ICAI Registration No. 117366W/W-100018)


Kalpesh J. Mehta

Partner
(Membership No. 48791)

MUMBAI, April 28, 2014
KJM/NDU



GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Balance Sheet As At March 31, 2014

Particulars	Note No.	As At		As At	
		March 31, 2014	March 31, 2014	March 31, 2013	March 31, 2013
₹					
I EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	2	904,623,070		1,265,422,710	
(b) Reserves and surplus	3	2,174,123,531	3,078,746,601	2,189,433,930	3,454,856,640
2 Advance towards Capital/Debt	4		1,050,000,000		1,050,000,000
3 Non - current liabilities					
(a) Long - term borrowings	5	477,825,000		517,825,000	
(b) Deferred tax liabilities (Net)	6 (a)	169,627,000		245,575,411	
(c) Other long term liabilities	7	1,304,565,067		1,126,815,527	
(d) Long - term provisions	11	121,659,662	2,073,676,729	454,036	1,890,669,974
4 Current liabilities					
(a) Current maturities of long-term debt	10	40,000,000		-	
(b) Trade payables	9	51,208,417		15,239,162	
(c) Other current liabilities	8	33,807,474		8,801,680	
(d) Short - term provisions	12	106,619,848	231,635,739	3,031,581	27,072,423
TOTAL			6,434,059,069		6,422,599,037
II ASSETS					
1 Non - current assets					
(a) Fixed assets	13				
(i) Tangible assets (net)		13,955,689		16,107,129	
(ii) Intangible assets (net)		3,844,210,604		3,747,391,134	
(iii) Capital work-in-progress		100,451,648		157,905	
(b) Long - term loans and advances	14	452,048,540		287,971,129	
(c) Other non- current assets	18	1,952,760,666	6,363,427,147	1,993,567,863	6,045,195,160
2 Current assets					
(a) Trade receivables	16	6,834,905		253,808	
(b) Cash and cash equivalents	17	60,679,870		369,232,324	
(c) Short - term loans and advances	15	2,483,161		5,897,386	
(d) Other current assets	19	633,986	70,631,922	2,020,359	377,403,877
TOTAL			6,434,059,069		6,422,599,037

Notes 1 to 30 forms part of the Financial Statements.

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board

Kalpesh J. Mehta
Partner

Chief Executive Officer

Director

Director

Chief Financial Officer

Manager & Company Secretary

DATE : April 28, 2014
PLACE : Mumbai

DATE : April 28, 2014
PLACE : Gandhinagar



GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED


Statement of Profit And Loss For The Year Ended March 31, 2014

				₹
Particulars	Note No.	For The Year Ended March 31, 2014	For The Year Ended March 31, 2013	
I Revenue from operations	21	1,074,910,884	1,066,664,800	
II Other income	22	43,754,094	55,040,997	
III Total Revenue (I + II)		1,118,664,978	1,121,705,797	
IV Expenses:				
(a) Operating expenses	23	117,921,606	136,828,816	
(b) Employee benefits expenses	24	13,425,888	12,102,203	
(c) Finance costs	25	218,087,713	262,851,362	
(d) Other administrative expenses	26	37,497,682	26,746,980	
(e) Depreciation and amortization expenses	13	84,357,101	81,657,233	
(f) Amortisation of toll receivable account	18	40,807,197	39,928,137	
Total Expenses		512,097,187	560,114,731	
V Profit before tax (III - IV)		606,567,791	561,591,066	
VI Tax expenses:	6			
(a) Current tax		(137,800,000)	(120,400,000)	
(b) Deferred tax		75,948,411	(206,462,868)	
(c) MAT credit entitlement		135,700,000	120,400,000	
VII Profit after tax (V - VI)		680,416,202	355,128,198	
VIII Earnings per equity share (Face Value Rs. 10):	27			
(a) Basic		5.66	2.36	
(b) Diluted		5.66	2.36	



Notes 1 to 30 forms part of the Financial Statements.

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board


Kalpesh J. Mehta
Partner


Chief Executive Officer

 
Director Director


Chief Financial Officer


Manager & Company Secretary

DATE : April 28, 2014
PLACE : Mumbai

DATE : April 28, 2014
PLACE : Gandhinagar



GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Cash Flow Statement For The Year Ended March 31, 2014

	For The Year Ended March 31, 2014	For The Year Ended March 31, 2013
₹		
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	606,567,791	561,591,066
Adjustments for the year:		
Depreciation and amortisation expenses	84,357,101	81,657,233
Amortisation of toll receivable account	40,807,197	39,928,137
Provision for overlay	-	-
Provision for compensated absences	66,006	107,011
Provision for gratuity	(126,022)	87,787
Finance and interest charges	218,087,713	262,851,362
Loss on sale of assets	263,673	8,360
Sundry balances written back	(957,882)	-
Operating cash flows before working capital changes	949,065,577	946,230,956
Changes in Working Capital		
Increase in Trade receivables	(6,581,097)	(253,808)
Decrease in Long-term Loans & Advances, Short-term Loans & Advances and Other Current Assets	4,926,619	63,492
Increase in Other long term liabilities, Trade payables, Other current liabilities and Short - term provisions	66,438,132	10,305,836
	64,783,654	10,115,520
Cash generated from operations	1,013,849,231	956,346,476
Income Tax Paid (Net)	(99,730,524)	(119,471,624)
Net cash generated from Operating Activities (a)	914,118,707	836,874,852
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Assets purchased during the year (including capital advances)	(308,232,992)	(5,833,028)
Proceeds from sale of fixed assets	273,034	38,028
Fixed Deposits withdrawn / (placed) (Lien)	81,000,000	(81,000,000)
Net cash used in Investing Activities (b)	(226,959,958)	(86,795,000)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term Borrowings	-	(910,096,789)
Finance and Interest charges paid	(45,343,373)	(110,564,352)
Restructuring charges paid	(869,367,830)	-
Net Cash used in Financing Activities (c)	(914,711,203)	(1,020,661,141)
Net decrease in Cash & Cash Equivalents ((a)+(b)+(c))	(227,552,454)	(270,581,289)
Cash & Cash Equivalents as at the beginning of the year	288,232,324	558,813,613
Cash & Cash equivalents as at the end of the year	60,679,870	288,232,324
Net decrease in Cash & Cash Equivalents	(227,552,454)	(270,581,289)
COMPONENTS OF CASH & CASH EQUIVALENTS		
Cash in hand	28,089	26,638
Cash at toll plaza (VHRP)	-	2,340,010
Balances with Scheduled Bank :		
- Bank balance in Current Account	16,151,781	33,265,676
- Balance in bank deposit	44,500,000	252,600,000
	60,679,870	288,232,324
- Add: Balance in bank deposit (Lien)	-	81,000,000
Cash and Cash Equivalents as per Note 17	60,679,870	369,232,324

Notes 1 to 30 forms part of the Financial Statements.

In terms of our report attached.
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board

Kalpesh J. Mehta
Partner

Chief Executive Officer

Director

Director

Chief Financial Officer

Manager & Company Secretary

DATE : April 28, 2014
PLACE : Mumbai

Place: Gandhinagar



GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 1 - Significant Accounting Policies

(A) I Company Background

Consequent to the amalgamation of the erstwhile Vadodara Halol Toll Road Company Limited and the erstwhile Ahmedabad Mehsana Toll Road Company Limited with the Company, the concession agreements relating to the Vadodara Halol Road Project (VHRP) and Ahmedabad Mehsana Road Project (AMRP) devolved on the Company.

These agreements conferred the rights of implementing the VHRP and AMRP projects and recovering the respective project costs through levy of toll fees together with a designated rate of return over the balance period of the 30 years concession period from the dated of commercial operation commenced or till the time the designated return is recovered, whichever is earlier. The concession agreements also provide that in the event the project cost and the designated return are not recovered at the end of 30 years, the concession period will be extended by two years at a time until the project cost and the return thereon is recovered. However, the Company has made an application to GOG for restricting the concession period upto FY 2040 for VHRP and AMRP, acceptance of the application is awaited from the GOG. The required return is computed with reference to project costs, major maintenance expenses and the earnings determined at quarterly intervals.

The commercial operations at the VHRP and AMRP commenced on 24th October, 2000 and 20th February, 2003, respectively.

(B) I Basis of preparation of Financial Statements

These financial statement has been prepared under the historical cost convention in accordance with the accounting principles generally accepted in India and applicable accounting standards notified under Companies Act, 1956 (which continue to be applicable in respect of section 133 of the Companies Act, 2013 interms of general circular 15/2013 dated September 13, 2013 of Ministry of Corporate Affairs). All income and expenditure having a material bearing on the financial statements are recognised on an accrual basis.

II Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles 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. Actual results could differ from these estimates. Any change in such estimates is recognised prospectively.

III Fixed Assets

a Tangible fixed assets:

Fixed assets are stated at their original cost of acquisition less accumulated depreciation and impairment losses, if any. The acquisition cost 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.



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

b Intangible fixed assets:

- i) Fixed assets include the project assets (Vadodara Halol Road and Ahmedabad Mehsana Road),
- ii) Expenses incurred on the Project includes direct and attributable / allocated indirect expenses incurred for the construction of the road and is capitalized when the project is complete in all respects and when the Company receives the final completion certificate from the authority as specified in the Concession Agreement and not on completion of component basis as the intended purpose of the project is to have the complete length of the road available for use. The economics of the project is for the entire length of the road as per the bidding submitted by the Company. The component based certification which is received is an intermediate mechanism provided in the Concession Agreement to provide a right to collect a discounted toll to compensate the Company for cost recovery during construction period and for any delays beyond the control of the Company

iii) In the case of project assets, the estimated value of components removed or not reused are reduced from the gross block and the cost of overlay or renewal expenses incurred to increase serviceability and throughput or which are in the nature of preservation costs and which extend the useful life of the road over the concession period are capitalised on a component basis.

iv) Intangible assets (which comprises of software acquired) are reported at acquisition value with deductions for accumulated amortisation and any impairment losses.

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, which is when the complete length of the project as specified in the Concession Agreement is complete and on receipt of final completion certificate from the authority as specified in the Concession Agreement and not on component basis certifications received. Discounted Revenue collected on receipt of the component based certification received as an intermediate mechanism provided in the Concession Agreement is reduced from the cost of the Intangible asset as the construction work is still in progress and the entire asset is not ready for its intended purpose.

IV Depreciation / Amortisation

a Tangible fixed assets:

i) For depreciation on fixed assets other than project assets the Company has adopted the Straight Line Method of depreciation so as to write off the entire 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
Data Processing Equipments		4 years
Specialised Office Equipment		3 years
Assets Provided to Employees		3 Years

ii) In respect of Premises, depreciation is computed on the Straight Line Method at the rates provided under Schedule XIV of the Companies Act, 1956.

b Intangible fixed assets:

i) Depreciation on the components of Roads are charged to the statement of profit and loss on the basis of revenue for the year to the total estimated revenue over the balance period of concession, i.e., upto 2040. The cost of overlay / renewal are amortised over the expected period of next overlay / renewal on the basis of estimated traffic for the period to the total estimated traffic over the estimated life of the overlay / renewal.

ii) A review of the estimated useful life / the concession period as per the Concession Agreements of the project assets are undertaken by the Management at periodic intervals to assess the additional charge for depreciation, if any.

iii) Intangible assets are reported at acquisition value with deductions for accumulated amortisation and impairment losses, if any.



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Amortisation policy for various intangible assets is given below:

Asset Type	Useful Life
Software	4 years or the useful life of the software, whichever is shorter
Licensed Software	Over the license period

An assessment of impairment of Intangible Assets is done at each reporting period, and impairment loss, if any, is reported in statement of Profit and Loss.

- c Depreciation on fixed assets other than on assets specified in Notes IV (a) and (b) is provided on the Written Down Value method using the rates prescribed by Schedule XIV to the Companies Act, 1956.
- d 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.

V Impairment of Assets

The carrying values of assets of the Company's cash-generating unit 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.

VI Revenue Recognition

The Company's revenue is recognised on an accrual basis of accounting.

Where the toll collection activity is auctioned to third parties, the toll revenue is recognised evenly over the period for which the rights of toll collection are assigned. Any revenue collection until the capitalization of asset is credited to Intangible Asset

Fees for way-side facilities and access are accounted on accrual basis evenly over the period the facility is provided.

Interest income is recognised on an accrual basis.

VII Borrowing costs

Borrowing costs directly attributable to the acquisition, construction of the roads are capitalised up to the date of the final completion certificate of the asset / facility received from the authority as specified in Concession Agreement. All borrowing costs subsequent to the final completion certificate of the asset / facility as specified in Concession Agreement are charged to the Statement of Profit and Loss in the period in which such costs are incurred

VIII Taxes on Income

- i) The Company's income taxes include taxes on the Company's taxable profits, adjustment attributable to earlier periods and changes in deferred taxes.
- ii) Current tax is provided based on amount of tax payable in respect of taxable income for the year as per Income Tax Act, 1961.
- iii) Deferred tax assets are recognised with regard to all deductible timing differences to the extent that it is probable that taxable profit will be available against which deductible timing differences can be utilised using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. When the Company carries forward unused tax losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced by the extent that it is no longer probable that sufficient taxable profit will be available to allow all or a part of the aggregate deferred tax asset to be utilised.



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

- iv) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax in the future period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associates with it will flow to the Company.

IX Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate 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 financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

X Employee Benefits

a Short term

Short term employee benefits are recognised as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.

b Long term

The Company has both defined-contribution and defined-benefit plans, of which some have assets in special funds or similar securities. The plans are financed by the Company and in the case of some defined contribution plans by the Company along with its employees.

i. Defined-contribution plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund, family pension fund and superannuation fund. The Company's payments to the defined-contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

ii. Defined-benefit plans

Expenses for defined-benefit gratuity are calculated as at the balance sheet date by independent actuaries in a manner that distributes expenses over the employee's working life. These commitments are valued based on projected unit credit method, 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.

c Other 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 during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of 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.



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

XI Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares in issue during the year.

Diluted earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the company by the weighted number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

XII Cash and cash equivalents

Cash comprises of cash on hand, cheques on hand and demand deposits with Banks, Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to in significant risks of changes in value.

XIII Cash Flow Statements

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

XIV Toll Receivable Account

The Company had accounted Toll Receivable Account of Rs. 2,033,496,000 which represents the shortfall in the assured return as per the terms of the concession agreements up to September 30, 2003. The amount of Rs. 2,033,496,000 was recognised with a corresponding credit to the General Reserve as per the Order dated May 18, 2005 of the Honourable High Court of Gujarat, Ahmedabad, sanctioning the Scheme of Amalgamation of the erstwhile Vadodara Halol Toll Road Company Limited and Ahmedabad Mehsana Toll Road Company Limited with the Company. Such shortfall has not been recognised as an asset subsequent to the amalgamation as the income has not been earned under the concession agreement. Had the shortfall not been accounted for as aforesaid, the Toll Receivable Account and the General Reserve would not have reflected any balance.

Consequent to the application made by the Company for restricting the concession period, the Company has started amortising toll receivable account over the balance estimated period of concession. Amortisation is been done on the basis of revenue for the period to the total estimated revenue over the balance estimated period of concession agreement (i.e, upto 2040).



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 2 - Share Capital

Particulars	As At March 31, 2014		As At March 31, 2013	
	Number	₹	Number	₹
Authorised				
Equity Shares of Rs. 10/- each	150,000,000	1,500,000,000	100,000,000	1,000,000,000
Non Cumulative Redeemable Convertible Preference Shares of Rs. 10/- each	35,000,000	350,000,000	45,000,000	450,000,000
	185,000,000	1,850,000,000	145,000,000	1,450,000,000
Issued, Subscribed and Paid-up				
Equity Shares of Rs. 10/- each fully paid-up (Refer footnote (a), (b), (c) & (e) below)	55,462,307	554,623,070	91,542,271	915,422,710
Non Cumulative Redeemable Convertible Preference Shares of Rs. 10/- each fully paid-up (Refer footnote (a), (b) & (d) below)	35,000,000	350,000,000	35,000,000	350,000,000
Total	90,462,307	904,623,070	126,542,271	1,265,422,710

Footnote:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

Particulars	Equity Shares As At March 31, 2014		Equity Shares As At March 31, 2013	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	91,542,271	915,422,710	91,542,271	915,422,710
Bonus Shares Issued during the year #	50,856,819	508,568,190	-	-
Shares written off pursuant to the court order during year (Refer Footnote (e))	(86,936,783)	(869,367,830)	-	-
Shares outstanding at the end of the year	55,462,307	554,623,070	91,542,271	915,422,710

Issue of Bonus Shares:

As approved by the Shareholders at the Extraordinary General Meeting held on December 17, 2013, the Company issued 50,856,819 bonus equity shares of Rs.10/- each fully paid-up for every existing issued and paid-up equity share of Rs.10/- each in the ratio of 5:9. The shares so issued were accounted from surplus in Statement of Profit & Loss.

Particulars	Preference Shares As At March 31, 2014		Preference Shares As At March 31, 2013	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	35,000,000	350,000,000	35,000,000	350,000,000
Shares outstanding at the end of the year	35,000,000	350,000,000	35,000,000	350,000,000

(b) Shareholders holding more than 5 percent shares:

Particulars	Equity Shares As At March 31, 2014		Equity Shares As At March 31, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IL&FS Transportation Networks Limited	46,374,321	83.61%	76,542,266	83.61%
Government of Gujarat	9,087,983	16.39%	15,000,000	16.39%

Particulars	Preference Shares As At March 31, 2014		Preference Shares As At March 31, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IL&FS Transportation Networks Limited	-	0.00%	-	0.00%
Government of Gujarat	35,000,000	100.00%	35,000,000	100.00%

(c) Out of the total equity shares of the Company, 46,374,321 (March 31, 2013 - 76,542,266) shares are held by IL&FS Transportation Networks Limited, the Holding Company; Infrastructure Leasing & Financial Services Limited is the Ultimate Holding Company.



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 2 - Share Capital

(d) Non-Cumulative Redeemable Convertible Preference Shares:

The Company had originally issued Cumulative Redeemable Convertible Preference Shares (CRCPS) carrying 1% dividend, which were to be redeemed at the option of the subscribers to CRCPS ("Subscribers") at the end of the 13th year from the date of allotment at a premium of 60% on the par value. These CRCPS also carried an option to convert the redemption amount (including the redemption premium of 60% and 1% cumulative dividend) into Deep Discount Bonds (DDBs) of Rs.153.98 (maturity value) each @ of Rs.17.38 at the end of the 13th year, (i.e., 10,000,000 CRCPS on May 8, 2013 and 25,000,000 CRCPS on September 30, 2016) redeemable in 12 quarterly instalments starting from the end of the 5th year from the date of allotment of DDBs.

Consequent to the restructuring of the Company's corporate debt, the subscribers to the CRCPS agreed to a revision in the terms thereof to the effect that the dividends become non-cumulative and the CRCPS will become Non-Cumulative Redeemable / Convertible Preference Shares (NRCPS) with effect from April 1, 2004. As a part of the restructuring package approved by the Corporate Debt Restructuring Cell ("CDR"), the Company is not permitted to declare or pay any dividend on equity or preference shares without making good the sacrifices of the lenders. However, the Company has paid the Interest Recompense amount to the consortium of lenders in the current period, i.e., on December 16, 2013 which realised subsequently in the bank statement. Accordingly, the Company has accounted accumulated premium on NRCPS aggregating to Rs.181,130,764 in the Statement of Profit and Loss.

NRCPS aggregating to an amount of Rs. 100,000,000 along with premium on redemption of Rs. 60,000,000 was due for redemption on May 8, 2013. The Company has vide letter dated April 30, 2013, made a request to the Preference Shareholder (Government of Gujarat ("GoG")) for extending the redemption date of NRCPS for a period of nine months i.e., February 7, 2014. GoG vide letter dated December 3, 2013 has accepted the Company's request for extending the redemption date on a condition that the Company shall pay interest @ 10% per annum on the amount which was due for redemption on the above mentioned date.

Further, the Company has vide letter dated February 7, 2014, made a request to the Preference Shareholder (GoG) for further extending the redemption date of NRCPS for a period of one year i.e., February 7, 2015. However, the response from the GoG is still awaited and the Company is expecting to receive the approval for extension of the redemption.

Accordingly, the Company has accounted Interest payable to GoG amounting to Rs.14,728,427/- till March 31, 2014 in the Statement of Profit and Loss on the amount due for redemption on the basis that the GoG shall confirm the one year extension of redemption date of NRCPS from February 7, 2014, as per the same terms as accepted by GoG previously i.e., interest @ 10 p.a. on the amount due.

(e) Restructuring Charges:

Due to operational constraints and inability to service contracted bank and other liabilities, the Company had gone for debt restructuring under the Corporate Debt Restructuring (CDR) Scheme in the Financial Year 2004-2005. Restructuring was approved in June 2004 by Corporate Debt Restructuring Cell ("CDR"). One of the conditions of the CDR package was that the Lenders sacrificing its current dues would have the right to seek recompense in respect of sacrifices undertaken by them, if the project cash flows in future after adjusting the operating costs are in excess of the revised debt servicing requirements.

At the Shareholders' meeting held on December 17, 2013 a Special Resolution was passed for writing off Restructuring Charges of Rs 869,367,830 paid by the Company against Paid up Equity Share Capital to the extent of Rs. 869,367,830 thereby reducing the Net Worth of the Company to reflect a more equitable and factual presentation of Balance Sheet. Accordingly a petition was filed accordingly with the High Court of Gujarat for confirmation.

On January 31, 2014, Order of the High Court of Gujarat confirming the Company's petition has been received.

The Order of Reduction in Share Capital dated January 31 2014, together with the minutes of the Shareholders meeting held on December 17, 2013 has been registered with the Registrar of Companies ("ROC") and ROC has issued certificate dated February 21, 2014 registering the order of the Hon'ble Gujarat High Court and confirming the reduction of share capital. Consequently, the Company has adjusted the "Unamortised loan restructuring charges" paid to the Consortium of lenders to the Share Capital Account in the financial statements for the year ended March 31, 2014. The board in its meeting dated April 28, 2014 approved the cancellation of the 86,936,783 equity shares. However, cancellation of the physical share certificates will be done by the Company in due course.

The Company has received a "No Dues" confirmation from all the lenders and submitted by the Company to CDR. However, the Company has not received any further communication from the CDR cell for exit as at March 31, 2014.





GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 3 - Reserves And Surplus

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(a) Debenture Redemption Reserve (Refer footnote (a))		
Opening Balance	215,000,000	115,000,000
(+) Transferred from Surplus in Statement of Profit and Loss	100,000,000	100,000,000
Closing Balance	315,000,000	215,000,000
(b) General Reserve		
Opening Balance	1,445,253,605	1,445,253,605
Closing Balance	1,445,253,605	1,445,253,605
(c) Surplus in Statement of Profit and Loss		
Opening Balance	529,180,325	274,052,127
(-) Utilised towards Issue of bonus shares	(508,568,190)	-
(+) Net Profit for the year	680,416,202	355,128,198
(-) Provision for proposed dividend on NRCPS	(5,152,055)	-
(-) Provision for dividend tax on proposed dividend on NRCPS	(875,592)	-
(-) Redemption Premium on NRCPS	(181,130,764)	-
(-) Transfer to Debenture Redemption Reserves	(100,000,000)	(100,000,000)
Closing Balance	413,869,926	529,180,325
Total	2,174,123,531	2,189,433,930

Footnote

(a) Debenture Redemption Reserve

Since the Company had issued Non Convertible Debentures (NCDs) & Deep Discount Bonds (DDBs), in terms of Section 117C of the Companies Act, 1956 read with the General circular No. 9/2002 (General Clarification No. 6/3/2001-CL.V dated April 18,2002) ("the General Circular") issued by the Ministry of Corporate Affairs, the Company being an Infrastructure Company is required to create Debenture Redemption Reserve to the extent of 25% of the value of privately placed NCDs & DDBs until such NCDs & DDBs are redeemed, to which adequate amounts shall be credited from out of its profits every year. For the year ended March 31, 2014, the transfer to Debenture Redemption Reserve has been made in accordance with above provisions of the Companies Act, 1956 read with the General Circular amounting to Rs. 100,000,000. (March 31, 2013 Rs. 100,000,000)

Note No. 4 - Advance towards Capital/Debt

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(a) Advance towards Capital/Debt (Refer footnote below)	1,050,000,000	1,050,000,000
Total	1,050,000,000	1,050,000,000

Footnote:

As required by the restructuring package approved by the Corporate Debt Restructuring ("CDR") Cell on June 17, 2004, the promoters advanced the following amounts as advance towards share capital:

Name of Investor	As At March 31, 2014 ₹	As At March 31, 2013 ₹
a. Government of Gujarat (GoG)	300,000,000	300,000,000
b. Infrastructure Leasing & Financial Services Ltd. (IL&FS)	150,000,000	150,000,000
c. IL&FS Transportation Networks Limited (ITNL)	150,000,000	150,000,000
d. ITNL	450,000,000	450,000,000
Total	1,050,000,000	1,050,000,000

Against Rs. 600,000,000 received in respect of items (a) to (c) above the Company was required to issue 1% Non-Cumulative Convertible Preference Shares ("NCCPS") which, at the end of the 13th year were to be redeemed and convertible into Deep Discount Bonds. Also, against Rs. 450,000,000 received in respect of item (d) above, the Company was required to issue 8% Redeemable Convertible Preference Shares redeemable at the end of 10 years from the date of allotment or on full repayment of dues to lenders, whichever is earlier.

The Company had applied to the CDR for converting the above amounts into subordinated debt.

The Company had fully repaid the loans to the senior lenders in December 2012 and subsequently paid the restructuring charges in December 2013 to the senior lenders. The Company have submitted the "No Dues" confirmation received from all lenders to CDR cell. However, the Company has not received any further communication from the CDR cell for exit as at March

Pending exit from the CDR / completion of the approval process, the Company has classified the amount as an "Advance towards Capital/Debt".



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**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED****Notes To The Financial Statements****Note No. 5 - Long Term Borrowings**

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
Secured		
(a) Non Convertible Debentures		
(i) From Related Parties	160,000,000	200,000,000
(Secured By: a pari-passu first charge in favour of the Trustee along with the other senior lenders of the Company on the project assets and all tangible and intangible assets, including but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds, etc.)		
(Redemption Details: 4,000 Non-Convertible Debentures issued on July 1, 2003, at Rs. 50,000 each are redeemable / repayable in five equal annual instalments of Rs. 40,000,000 each commencing at the end of 11th year from the date of allotment (i.e. July 1, 2014) carrying interest of 13% p.a. payable monthly under CDR scheme).		
(b) Deep Discount Bonds		
(i) From Bank	121,255,000	121,255,000
(ii) From Related Parties	141,085,000	141,085,000
(iii) From Other Parties	55,485,000	55,485,000
(Secured By: a pari-passu first charge in favour of the Trustee along with the other senior lenders of the Company on the respective project assets and all tangible and intangible assets, including but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds, etc.)		
(Redemption Details: 2,000 Deep Discount Bonds (DDBs) issued on July 1, 2003 at Rs. 50,000 each are redeemable at Rs. 284,521 each under CDR scheme at the end of the 15th year from the date of allotment (i.e. July 1, 2018). 43,565 DDBs issued at Rs. 5,000 each under 3 tranches, which are redeemable at Rs. 34,362 each under CDR scheme at the end of 16th year from the date of allotment (i.e. April 16, 2016, April 17, 2016 and November 29, 2016).		
Total	477,825,000	517,825,000





GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 6 - Tax Expenses

Particulars	For The Year Ended March 31, 2014 ₹	For The Year Ended March 31, 2013 ₹
(a) Current Tax		
Minimum Alternate Tax (MAT)	137,800,000	120,400,000
(b) Deferred Tax (Net)		
Deferred tax (credit) / charge (Refer footnote below)	(75,948,411)	206,462,868
(c) MAT Credit Entitlement		
MAT credit entitlement	(135,700,000)	(120,400,000)
Total	(73,848,411)	206,462,868

Footnote:

Deferred Tax and Credit for Minimum Alternate Tax:

Having regard to the assured return on the toll road projects and the toll collection contracts, the Company has recognised deferred tax assets on timing differences, unabsorbed depreciation and brought forward business losses:

Deferred Tax Arising From	As At March 31, 2013 ₹	Current year charge / (credit) ₹	As At March 31, 2014 ₹
Deferred Tax Liability:			
In respect of Depreciation	768,329,309	25,951,691	794,281,000
Deferred Tax Asset:			
In respect of retirement benefits	165,061	21,939	187,000
In respect of provision for doubtful debts	180,147	(147)	180,000
In respect of provision for performance related pay	-	850,000	850,000
In respect of unabsorbed depreciation	522,408,690	54,956,310	577,365,000
In respect of carried forward business losses	-	46,072,000	46,072,000
Deferred Tax Liability (Net)	245,575,411	(75,948,411)	169,627,000



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 7 - Other Long Term Liabilities

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(a) Other Liabilities		
Redemption premium accrued but not due on Deep Discount Bonds	1,181,251,853	1,008,507,513
Commitment charges payable (Refer footnote below)	61,128,546	61,128,546
Income received in advance	22,328,475	17,323,275
Payable to Government of Gujarat towards project management fees	39,856,193	39,856,193
Total	1,304,565,067	1,126,815,527

Footnote:

Commitment Charges Payable: Commitment charges payable to IL&FS [Rs. 28,731,685 (March 31, 2013 Rs. 28,731,685)] and ITNL [Rs. 32,396,861 (March 31, 2013 Rs. 32,396,861)]. These amounts are payable to IL&FS and ITNL for providing an irrevocable revolving Letter of Credit of Rs. 1,000,000,000 for Debt Service Reserve Fund (which can be used by the Company to service its debts in the event of shortfall of funds) which is payable only after repayment of term loans and Deep Discount Bonds.

Note No. 8 - Other Current Liabilities

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(a) Interest accrued on NRCPS due for redemption	14,728,427	-
(b) Income received in advance	5,064,032	4,419,186
(c) Statutory Dues Payable	838,566	2,466,449
(d) Retention money	13,176,449	1,916,045
Total	33,807,474	8,801,680

Note No. 9 - Trade Payables

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(a) Trade Payables (Refer footnote below)	51,208,417	15,239,162
Total	51,208,417	15,239,162

Footnote:

Based on information received by the Company from its vendors, the amount of principal outstanding in respect of Micro and Small Enterprises as at Balance Sheet date covered under the Micro, Small and Medium Enterprises Development Act, 2006 is Rs. Nil. There were no delays in the payment of dues to Micro and Small Enterprises.





GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 10 - Current maturities of long-term debt

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(a) Non Convertible Debentures		
(i) From Related Parties	40,000,000	-
(Secured By: a pari-passu first charge in favour of the Trustee along with the other senior lenders of the Company on the project assets and all tangible and intangible assets, including but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds, etc.)		
(Redemption Details: Redeemable on July 1, 2014 carrying interest of 13% p.a. payable monthly under CDR scheme.		
Total	40,000,000	-



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 11 - Long Term Provisions

Particulars	As At	As At
	March 31, 2014	March 31, 2013
	₹	₹
(a) Provision for Employee benefits.		
Provision for leave encashment	528,898	454,036
(b) Provision for redemption premium on NRCPS	121,130,764	-
Total	121,659,662	454,036

Note No. 12 - Short Term Provisions

Particulars	As At	As At
	March 31, 2014	March 31, 2013
	₹	₹
(a) Provision for Employee benefits.		
Provision for Performance Related Pay	2,500,000	3,000,000
Provision for leave encashment	22,725	31,581
(b) Provision for Tax (Net of advances)	38,069,476	-
(c) Provision for dividend on NRCPS	5,152,055	-
(d) Provision for tax on dividend on NRCPS	875,592	-
(e) Provision for redemption premium on NRCPS	60,000,000	-
Total	106,619,848	3,031,581



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 13 - Fixed Assets - Current Year

Particulars	Gross Block				Accumulated Depreciation / Amortisation			Net Block	
	Opening balance as at April 1, 2013	Additions	Deletions	Closing balance as at March 31, 2014	Upto March 31, 2013	Depreciation charge for the year	On Disposals	Upto	As At
								March 31, 2014	March 31, 2014
(a) Tangible Assets									
Furniture and Fixtures	1,226,648	278,550	-	1,505,198	1,079,875	71,394	-	1,151,269	353,929
Vehicles	5,734,485	-	470,148	5,264,337	3,173,338	656,327	420,825	3,408,840	1,855,497
Office equipment	2,703,711	374,508	343,989	2,734,230	1,795,904	226,887	293,421	1,729,370	1,004,860
Data Processing Equipments	19,959,726	988,550	3,240,558	17,707,718	14,207,457	2,488,988	3,139,533	13,556,912	4,150,806
Office Premises (Refer footnote 2)	8,572,317	-	-	8,572,317	1,909,070	137,982	-	2,047,052	6,525,265
Electrical Installations	490,159	-	-	490,159	414,273	10,554	-	424,827	65,332
Total	38,687,046	1,641,608	4,054,695	36,273,959	22,579,917	3,592,132	3,853,779	22,318,270	13,955,689
(b) Intangible Assets									
Software (Acquired)	3,272,932	-	-	3,272,932	3,188,019	59,397	-	3,247,416	25,516
Toll Road (Refer footnote 1 below)									
- Ahmedabad Mehsana Road Project ("AMRP")	3,105,667,434	39,503,395	208,000	3,144,962,829	590,192,374	54,720,082	30,114	644,882,342	2,500,080,487
- Vadodara Halol Road Project ("VHRP")	1,619,803,047	138,258,930	-	1,758,061,977	387,971,886	25,985,490	-	413,957,376	1,344,104,601
Total	4,728,743,413	177,762,325	208,000	4,906,297,738	981,352,279	80,764,969	30,114	1,062,087,134	3,844,210,604
(c) Capital Work In Progress									
	157,905	100,451,648	157,905	100,451,648	-	-	-	-	100,451,648
Total	157,905	100,451,648	157,905	100,451,648	-	-	-	-	100,451,648
Grand Total	4,767,588,364	279,855,581	4,420,600	5,043,023,345	1,003,932,196	84,357,101	3,883,893	1,084,405,404	3,958,617,941

Footnote:

Intangible Assets: Toll Roads Includes Assets in the Nature of:	March 31, 2014		March 31, 2014		March 31, 2013		March 31, 2013	
	AMRP Gross Amount (Rs.)	VHRP Gross Amount (Rs.)	AMRP Carrying Amount (Rs.)	VHRP Carrying Amount (Rs.)	AMRP Gross Amount (Rs.)	VHRP Gross Amount (Rs.)	AMRP Carrying Amount (Rs.)	VHRP Carrying Amount (Rs.)
Building	10,846,265	526,440	9,550,710	457,253	10,023,350	526,440	8,871,889	465,835
Plant & Machinery	21,336,421	10,174,673	9,385,388	5,338,344	21,336,421	8,802,073	10,901,823	4,777,665
Total	32,182,686	10,701,113	18,936,098	5,795,597	31,359,771	9,328,513	19,773,712	5,243,500

2 Cost of Office Premises includes cost of 2 shares of Rs. 100 each aggregating Rs 200 held in Shree Shapath Owners' Association





GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 14 - Long - Term Loans And Advances

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(a) Security Deposits		
Unsecured, considered good		
Capital Advances	28,377,411	-
Deposits	1,389,026	1,389,026
Advance payment of taxes (net of provision)	8,977,603	8,977,603
MAT Credit Entitlement	413,304,500	277,604,500
Total	452,048,540	287,971,129

Note No. 15 - Short - term loans and advances

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
Prepaid expenses	1,967,851	5,016,821
Other Advances (unsecured, considered good)		
Related Parties	164,290	24,500
Others	351,020	856,065
Total	2,483,161	5,897,386

Note No. 16 - Trade Receivables

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(a) Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	6,674,237	-
	6,674,237	-
(b) Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	160,668	253,808
Unsecured, considered doubtful	530,000	530,000
Less: Provision for doubtful debts	530,000	530,000
	160,668	253,808
Total	6,834,905	253,808



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 17 - Cash and cash equivalents

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(a) Cash and cash equivalents		
Cash on hand	28,089	26,638
Cash at toll plaza (VHRP)	-	2,340,010
Bank balance in current accounts	16,151,781	33,265,676
Balance in Bank deposits	44,500,000	252,600,000
	60,679,870	288,232,324
(b) Other bank balances		
Balance in Bank deposits (Lien)	-	81,000,000
	-	81,000,000
Total	60,679,870	369,232,324

Note No. 18 - Other Non - Current Assets

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(a) Unsecured, considered good		
Toll Receivable Account	1,993,567,863	2,033,496,000
Less: Amortisation during the year	(40,807,197)	(39,928,137)
Toll Receivable Account (Refer note 1, (B) XIV)	1,952,760,666	1,993,567,863
Total	1,952,760,666	1,993,567,863

Note No. 19 - Other Current Assets

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(a) Others		
Interest accrued on fixed deposits with banks	157,227	1,502,789
Insurance claim receivable	476,759	517,570
Total	633,986	2,020,359

Note No. 20 - Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As At March 31, 2014 ₹	As At March 31, 2013 ₹
(A) In case of disputes decided in favour of the Company at the First Appellate Authority, the department has gone for further appeal in all the cases. If decided against the Company, it will result in reduction of unabsorbed losses and unabsorbed depreciation as per the Income -Tax law	1,361,090,160	1,439,897,123
(B) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances (net of advances of Rs. 128,829,059)	306,981,961	157,905





GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 21 - Revenue From Operations

Particulars	For The Year Ended March 31, 2014 ₹	For The Year Ended March 31, 2013 ₹
(a) Revenue from operations		
Toll Revenue (Refer footnote below) (from Ahmedabad Mehsana Road and Vadodara Halol Road)	1,074,910,884	1,066,664,800
Total	1,074,910,884	1,066,664,800

Footnote: Toll Revenue represents toll auction proceeds earned from yearly auctioning of toll collection rights, it includes Rs. 48,654,335 (March 31, 2013 Rs. 242,379,370) towards collection of toll carried out by the Company.

Note No. 22 - Other Income

Particulars	For The Year Ended March 31, 2014 ₹	For The Year Ended March 31, 2013 ₹
(a) Interest income		
Interest on bank deposits	34,807,607	43,176,581
Interest on late receipt of toll installments	42,930	2,143,948
(b) Other non-operating income		
Income for laying cables, pipelines, etc.	7,945,675	8,121,034
Sundry balances written back	957,882	1,599,434
Total	43,754,094	55,040,997

Note No. 23 - Operating Expenses

Particulars	For The Year Ended March 31, 2014 ₹	For The Year Ended March 31, 2013 ₹
(a) Operating expenses (of Ahmedabad Mehsana Road and Vadodara Halol Road)		
Operation and maintenance expenses	117,921,606	136,828,816
Total	117,921,606	136,828,816



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 24 - Employee Benefits Expenses

Particulars	For The Year Ended March 31, 2014 ₹	For The Year Ended March 31, 2013 ₹
Employee benefits expenses (Refer footnote (a) below)		
(i) Salaries and wages	5,196,183	5,511,629
(ii) Contribution to provident and other funds	225,364	261,845
(iii) Staff welfare expenses	1,446,130	1,138,050
(iv) Deputation cost	6,558,211	5,190,679
Total	13,425,888	12,102,203

Footnote:

(a) Employee Benefit Obligations:

Defined-Contribution Plans: The Company offers its employees defined contribution plan in the form of provident fund, family pension fund and superannuation fund. Provident fund, family pension fund and superannuation fund cover substantially all regular employees. Contributions are paid during the year into separate funds under certain fiduciary-type/statutory arrangements. While both the employees and the Company pay predetermined contributions into the provident fund and pension fund, the contributions to superannuation fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary.

A sum of Rs. 222,274 (March 31, 2013 Rs. 179,302) has been charged to Statement of Profit and loss in this respect.

Defined-Benefits Plans: The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (immediately before retirement). The gratuity scheme covers substantially all regular employees. In the case of the gratuity scheme, the Company contributes funds to a Life Insurance Corporation of India. Commitments are actuarially determined at year-end. The actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to Statement of Profit and loss.

The net value of the defined-benefit commitment is detailed below:

Gratuity (Funded Plan)	As At March 31, 2014 ₹	As At March 31, 2013 ₹
Present Value of Commitments	538,299	470,887
Fair Value of Plans	779,010	585,576
Liability / (Asset) taken to the balance sheet	(240,711)	(114,689)

Defined benefit commitments:

Gratuity (Funded Plan)	As At March 31, 2014 ₹	As At March 31, 2013 ₹
Opening Balance	470,887	339,974
Current Service Cost	64,629	55,044
Interest Expenses	38,848	28,898
Benefits Paid	-	-
Actuarial (Gain) / Loss	(36,065)	46,971
Closing Balance	538,299	470,887

Plan assets: Gratuity

Gratuity (Funded Plan)	As At March 31, 2014 ₹	As At March 31, 2013 ₹
Opening Balance	585,568	454,155
Expected return on scheme assets	49,773	36,332
Contributions by the Company	129,120	83,051
Actuarial Gain / (Loss)	14,549	12,038
Benefits Paid	-	-
Closing Balance	779,010	585,576

The entire amount is funded with the Life Insurance Corporation of India ("LIC"), which manages the plan assets. The Company has not been able to obtain details of the investment pattern from the LIC.

Return on plan assets: Gratuity

Gratuity (Funded Plan)	For The Year Ended March 31, 2014 ₹	For The Year Ended March 31, 2013 ₹
Expected return on plan assets	49,773	36,332
Actuarial Gain / (Loss)	14,549	12,038
Actual return on plan assets	64,322	48,370



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Expenses on defined benefit plan recognised in the statement of profit and loss:

Gratuity (Funded Plan)	For The Year Ended March 31, 2014	For The Year Ended March 31, 2013
	₹	₹
Current service costs	64,629	55,044
Interest expense	38,848	28,898
Expected return on investment	(49,773)	(36,332)
Net actuarial loss	34,933	34,933
Amount charged to the statement of profit and loss	88,637	82,543

The actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions, which if changed, would affect the defined benefit commitment's size, funding requirements and pension expense.

Particulars	As At March 31, 2014	As At March 31, 2013
	Rate for discounting liabilities	9.39% p.a.
Expected salary increase rate	6.50% p.a.	6.50% p.a.
Expected return on scheme assets	8.70% p.a.	8.50% p.a.
Attrition	2.00% p.a.	2.00% p.a.
Mortality table used	Indian Assured Lives Mortality (2006-08) Ultimate	

The estimates of future salary increases, considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The present values of the obligation, fair value of the plan assets, surplus or deficit in the plan, experience adjustments arising on plan liabilities and plan assets as at March 31, 2014 is given below:

Gratuity (Funded Plan)	₹	₹	₹	₹	₹
	As At March 31, 2014	As At March 31, 2013	As At March 31, 2012	As At March 31, 2011	As At March 31, 2010
Defined benefit commitments	538,299	470,887	339,974	242,500	185,897
Plans assets	779,010	585,576	454,155	382,461	163,677
(Surplus) / Deficit	(240,711)	(114,689)	(114,181)	(139,961)	22,220

Gratuity (Funded Plan)	₹	₹	₹	₹	₹
	For The Year Ended March 31, 2014	For The Year Ended March 31, 2013	For The Year Ended March 31, 2012	For The Year Ended March 31, 2011	For The Year Ended March 31, 2010
Experience adjustments on plan commitments – (loss)	(27,815)	(35,001)	(13,658)	(25,041)	(23,025)
Experience adjustments on plan assets – gain	14,549	12,038	6,902	19,300	10,750

The contributions expected to be made by the Company during the financial year 2014-15 is Rs. Nil.



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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 25 - Finance Cost

Particulars	For The Year Ended March 31, 2014 ₹	For The Year Ended March 31, 2013 ₹
(a) Interest expenses		
Interest on loans for fixed period	-	74,557,888
Interest on amount due of preference share holders	14,728,427	-
Interest on debentures	25,999,998	25,999,998
Interest on deep discount bonds	172,744,340	152,287,010
(b) Other borrowing costs		
Finance charges	4,614,948	10,006,466
Total	218,087,713	262,851,362

Note No. 26 - Other Expenses

Particulars	For The Year Ended March 31, 2014 ₹	For The Year Ended March 31, 2013 ₹
Legal and professional fees	11,760,487	5,143,524
Travelling and conveyance	3,656,020	3,716,828
Advertisement fees	1,895,117	3,537,921
Rent	-	41,000
Rates and taxes	2,604,697	101,765
Repairs and maintenance - others	4,233,599	1,867,342
Loss on sale of fixed assets	263,673	8,360
Communication expenses	1,249,924	999,485
Insurance charges	6,332,977	4,808,666
Printing and stationery	379,897	941,478
Electricity expenses	664,804	1,529,885
Directors' sitting fees	561,800	468,428
Miscellaneous expenses (Refer footnote)	3,894,687	3,582,298
Total	37,497,682	26,746,980

Footnote:

Miscellaneous expenses includes auditors' remuneration

Payments to the auditor as:

	₹	₹
a. auditor	1,635,000	1,635,000
b. for taxation matters	-	290,000
c. for other services	875,000	875,000
d. for reimbursement of expenses	8,800	16,291
e. service tax on above	311,324	215,064
	2,830,124	3,031,355





GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 27 - Earnings Per Equity Shares

Particulars	Unit	For The Year Ended March 31, 2014	For The Year Ended March 31, 2013
(a) Earnings Per Equity Shares:			
Profit after tax	Rupees	680,416,202	355,128,198
Less: Premium on Non Cumulative Redeemable Convertible Preference Shares including tax thereon	Rupees	12,008,945	18,759,719
Less: Dividend on Non Cumulative Redeemable Convertible Preference Shares including tax thereon	Rupees	3,046,678	-
Profit attributable to equity shareholders	Rupees	665,360,579	336,368,479
Equity Shares outstanding	Numbers	117,628,061	142,399,090
Nominal Value of Equity Shares	Rupees	10.00	10.00
Basic Earnings per Share	Rupees	5.66	2.36
Diluted Earnings per Share (Refer footnote below)	Rupees	5.66	2.36

Footnote:

As no equity shares were intended to be issued against the advance towards share capital, this sum has not been considered for computing the diluted earnings per share (Note No. 4 - Footnote).

Note No. 28 - Segment Reporting

The Company operates in a single business segment viz. developing, widening, strengthening, operating and maintaining roads on a "Build-Own-Operate-Transfer" (BOOT) basis. 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 (AS) 17 on 'Segment Reporting' have not been made.





GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Notes To The Financial Statements

Note No. 29 - Related Party Disclosures

Disclosures as required by the Accounting Standard (AS) 18 – "Related Party Disclosures" 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)
Subsidiary	GRICL Rail Bridge Development Co. Ltd. (GRBDCL) (Refer footnote below)
Fellow Subsidiaries: (only those with whom there has been transactions during the year or there has been a balance at the year end)	IL&FS Infrastructure Development Corporation Limited (IIDCL) IL&FS Trust Company Limited (ITCL) Elsamex India Private Limited (EIPL) IL&FS Environmental Infrastructure & Services Ltd. (IEISL)
Key Management Personnel:	Mr. Mukund Sapre (Chief Executive Officer) Mr. Ankit Sheth (Manager & Company Secretary)

(B) Transactions for the year ended:

Nature of Transaction	Company	March 31, 2014	March 31, 2013
Commitment Charges	ITNL	-	4,961,491
Interest on loans for fixed period	IL&FS	-	20,476,613
Restructuring charges paid	IL&FS	331,018,605	-
Interest on debentures	IL&FS	25,999,998	25,999,998
Interest on deep discount bonds	IL&FS	63,470,445	56,131,178
Interest on loans for fixed period	ITNL	-	28,815,692
Term Loans Repaid	IL&FS	-	251,081,327
Term Loans Repaid	ITNL	-	308,800,000
Security Agent Fees	IL&FS	1,123,600	1,123,600
Takeout Assistance fees	IL&FS	3,327,693	2,944,862
Operation & Maintenance Expenses	ITNL	80,698,272	75,924,363
Deep Discount Bonds Trusteeship Fees	ITCL	112,360	112,360
Overlay Expenses capitalised as Toll Roads	EIPL	175,358,810	-
Consultancy Fees	IEISL	179,776	-
Remuneration	Mr. Ankit Sheth (Manager & Company Secretary)	1,776,031	1,419,314

Footnote:

- (1) Reimbursement of cost is not included above.
- (2) No Deputation charges have been claimed by holding company in respect of Mr. Mukund Sapre, Chief Executive Officer.

(C) Balances outstanding as at:

Balance Outstanding	Company	March 31, 2014	March 31, 2013
Non Convertible Debentures outstanding	IL&FS	200,000,000	200,000,000
Deep Discount Bonds outstanding	IL&FS	141,085,000	141,085,000
Redemption premium accrued but not due on Deep Discount Bonds	IL&FS	410,619,638	347,149,193
Commitment Charges Payable	IL&FS	28,731,685	28,731,685
Commitment Charges Payable	ITNL	32,396,861	32,396,861
Advance towards Capital/Debt	IL&FS	150,000,000	150,000,000
Advance towards Capital/Debt	ITNL	600,000,000	600,000,000
Trade payable	ITNL	4,136,730	4,524,976
Trade payable	EIPL	11,721,125	-
Trade payable	IEISL	-	123,139
Retention money payable	EIPL	6,844,318	-
Others advances	GRBDCL	21,266	-
Others advances	IEISL	122,193	-
Others advances	IIDCL	24,500	24,500

Footnote: The Company has incorporated a wholly owned subsidiary, viz. Gujarat Rail Bridge Development Company Limited ("GRBDCL") on February 24, 2014. The Company has subscribed to the Memorandum of Association of GRBDCL on February 15, 2014. However, no capital infusion / allotment of share has been done in GRBDCL as at March 31, 2014.

Note No. 30: Previous year's figures have been regrouped / rearranged wherever necessary to conform to the classification of the current year.


For and on behalf of the Board


Chief Executive Officer


Director


Director


Chief Financial Officer


Manager & Company Secretary

