

TABLE OF CONTENTS

I. NOIDA TOLL BRIDGE COMPANY LIMITED (NTBCL)	
(i) Directors' Report	5
(ii) Management Discussion & Analysis Report	13
(iii) Report of the Directors on Corporate Governance	16
(iv) CEO's Declaration	30
(v) Auditors' Certificate on Corporate Governance	31
(vi) Auditors' Certificate on Employee Stock Option Scheme	32
(vii) Auditors' Report on the Annual Accounts	33
(viii) Annual Accounts	36
II. DND FLYWAY LIMITED (Subsidiary of NTBCL)	
(i) Directors' Report	63
(ii) Auditors' Report on the Accounts	65
(iii) Accounts	67
III. CONSOLIDATED ACCOUNTS	
(i) Auditors' Report	75
(ii) Consolidated Accounts	76



BOARD OF DIRECTORS
(as on June 20, 2005)

Gopi Arora
Chairman

R K Bhargava
Piyush Mankad
Deo Datta
Ravi Mathur
P K Sethi
Ravi Parthasarathy
Hari Sankaran
Arun K Saha
K Ramchand
Stephen Temple
Shahzaad Dalal
Santosh Senapati
Tim Woodhead

Pradeep Puri
President & CEO

Monisha Macedo
Company Secretary

Audit Committee

Gopi Arora
Chairman

R K Bhargava
Santosh Senapati
P K Sethi
Arun K Saha

Monisha Macedo
Company Secretary

HRD Committee

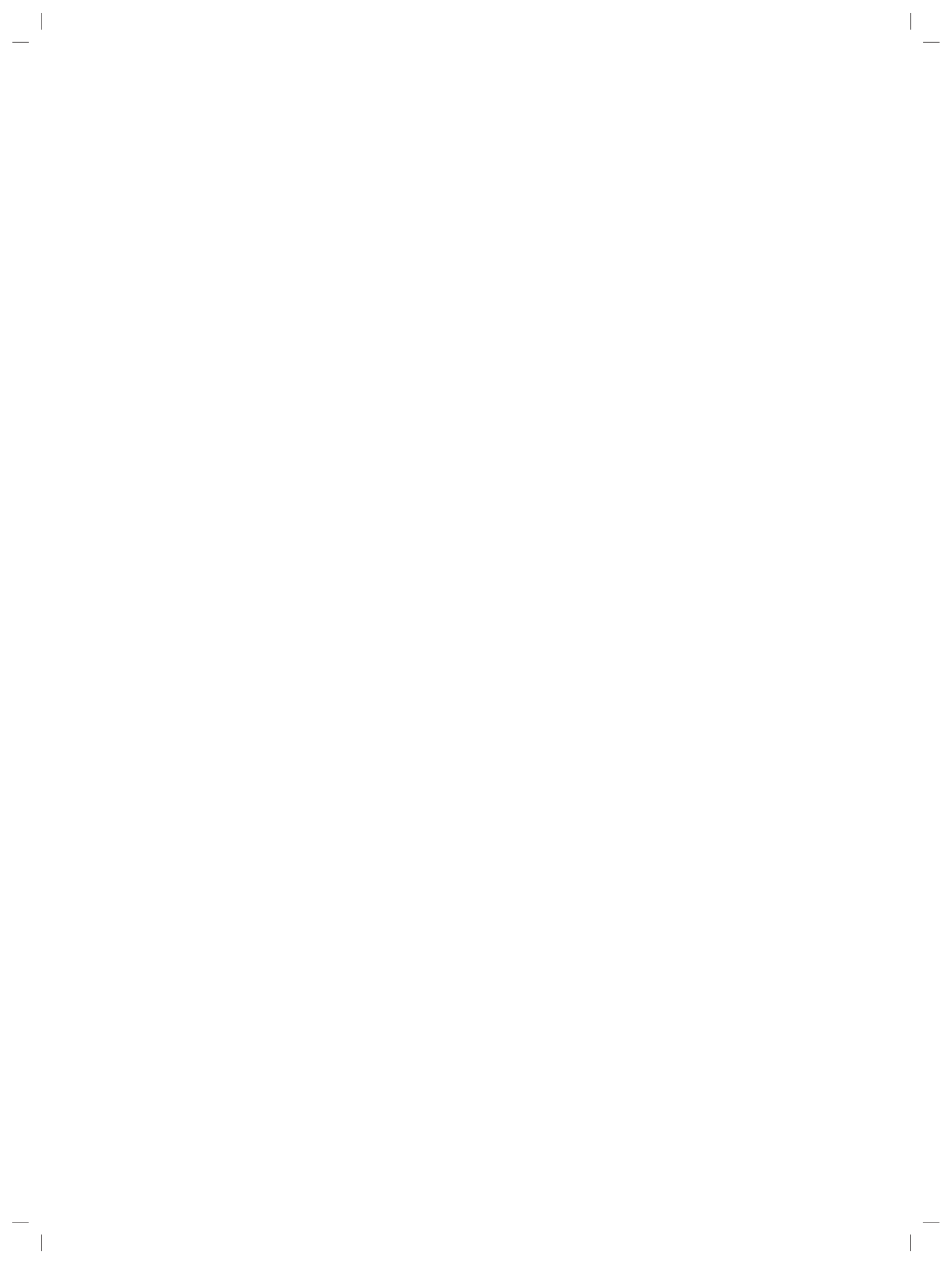
Gopi Arora
Chairman

Ravi Parthasarathy
Hari Sankaran

**Investor Grievance
Committee**

R K Bhargava
Chairman

Gopi Arora
Tim Woodhead



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Ninth Annual Report together with the Audited Accounts for the year ended March 31, 2005

FINANCIAL HIGHLIGHTS

	(Rs in Million)	
	Year ended 31.3.2005	Year ended 31.3.2004
Income from Operations	305.90	245.40
Other Income	11.46	13.23
Operating & Administration Expenses	91.24	82.37
Miscellaneous Expenditure written off	15.17	15.17
Profit before Interest & Depreciation	210.95	161.09
Interest & Finance charges	373.59	370.53
Depreciation	2.34	1.63
Transfer from General Reserve	27.31	211.07
Net Loss carried to Balance Sheet after transfer to General Reserve	137.67	Nil

The Profit before Interest & Depreciation of the Company has increased by more than 30% over the previous year mainly due to increase in Average Daily Traffic and Average Daily Toll Collection by more than 11% and 20% respectively.

Average Toll Realisation and Daily Toll Revenue have increased by 16% over the projections made to the Corporate Debt Restructuring Empowered Group of Banks and Financial Institutions (CDR).

The Company has obtained approval from the Department of Company Affairs vide its letter dated December 14, 2003, for not charging Depreciation on the Delhi Noida Link Bridge for a period of three years commencing from the Financial Year 2003-04. Accordingly Depreciation on the Bridge has not been provided for during the current Financial Year. The quantum of arrears of depreciation for the financial years 2003-04 and 2004-05 computed in accordance with Section 205 (2) of the Companies Act, 1956 amounts to Rs 13,62,87,542 which will be charged over the remaining useful life of the asset.

As per the Concession Agreement which your Company had entered into with New Okhla Industrial Development Authority (NOIDA) and Infrastructure Leasing & Financial Services Limited (IL&FS), your Company would be entitled to a designated rate of return on the Project Cost during the Concession Period. The Independent Auditor, M/s. A F Ferguson & Company, Chartered Accountants, have determined accrued return as designated under the Concession Agreement and due to the Company till March 31, 2005 amounting to Rs. 8150.99 million as on March 31, 2005 inclusive of project cost.

DEBT RESTRUCTURING

As per terms of debt restructuring approved by the CDR, the Company was required to repay the first installment of Term Loans of Rs. 50.15 crores to the Banks and Financial Institutions on March 31, 2005 out of the Development Income. Since the Development Income did not materialise, the Company has made the repayments out of internal accruals of Rs 15 crores and the balance by raising a loan which is secured by a pari passu first charge on the Company's assets, both present and future, along with the other Senior Lenders of the Company.

The Company has filed a Scheme of Arrangement of its secured debts including the Deep Discount Bonds issued by the Company in the Hon'ble High Court of Allahabad under Section 391 of the Companies Act.

DIVIDEND

Since the Company has not begun making profits, the Directors do not recommend any dividend for the year.

OPERATIONS

Traffic Growth

The traffic has shown a positive growth rate of 11% p.a during 2004-2005 over the previous year. The average daily traffic (ADT) during the year was 52,860 vehicles as against 47,547 vehicles in the previous year. The month-wise traffic and revenue data is presented in the Table below:

Traffic and Toll Revenue on DND Flyway (April-2004 – March 2005)

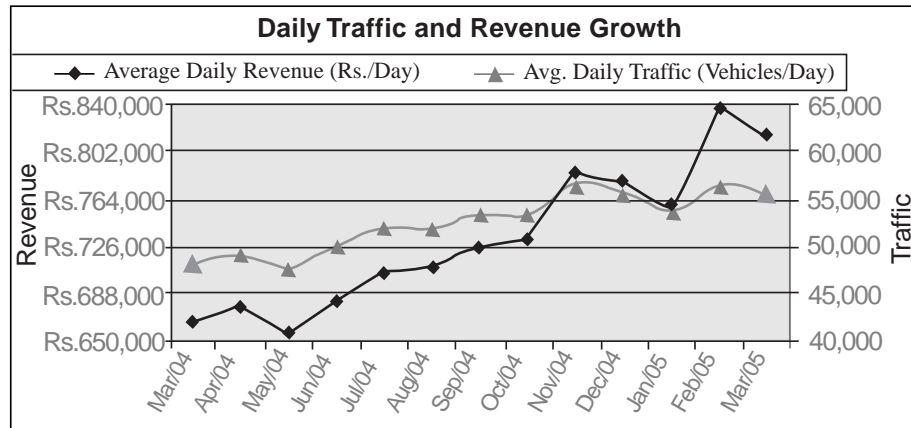
Month	Buses/ Trucks	Two- Wheelers	Cars	Total	Traffic Growth*	Revenue	Revenue Growth*
Apr-04	1,180	13,539	34,247	48,966	14%	676,632	28%
May-04	1,132	13,082	33,397	47,611	10%	656,205	23%
Jun-04	1,239	14,416	34,375	50,031	16%	681,488	28%
Jul-04	1,109	14,990	35,664	51,763	10%	703,898	21%
Aug-04	1,061	14,395	36,307	51,763	9%	709,213	21%
Sep-04	1,141	15,600	36,547	53,288	4%	724,638	12%
Oct-04	1,124	15,168	36,842	53,135	5%	730,051	13%
Nov-04	1,121	15,199	40,225	56,544	9%	783,713	17%
Dec-04	1,306	14,781	39,542	55,630	13%	776,504	21%
Jan-05	1,326	13,676	38,683	53,685	15%	756,420	19%
Feb-05	1,405	14,804	40,228	56,436	15%	836,484	22%
Mar-05	1,407	15,430	38,636	55,473	15%	814,843	23%
Average	1,213	14,590	37,058	52860	11%	737,507	20%

*over the corresponding period in the previous year.

The Average Daily Traffic (ADT) in the month of March 2004 was 48,202 vehicles and the corresponding Average Daily Toll Collection (ADTC) was Rs 6.65 lacs. The ADT and ADTC increased to 55,473 vehicles and Rs. 8.15 lacs/day by March 2005 i.e. an annual growth of 15% in traffic and 23% in toll revenue.

The traffic and revenue growth is depicted in Chart 1 below :

Chart 1



The traffic mainly comprised of cars (70%) and two wheelers (28%). Whereas cars contributed to 79% of the total revenue, 2-wheelers and commercial vehicles accounted for 15% and 6% respectively. The vehicle class-wise distribution of traffic/revenue is shown below in Chart 2-1 and Chart 2-2.

Chart 2-1

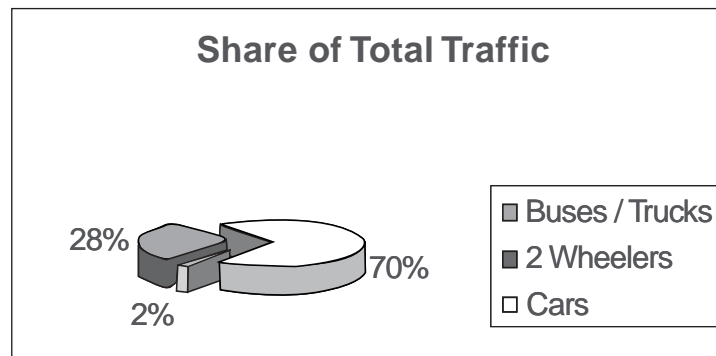
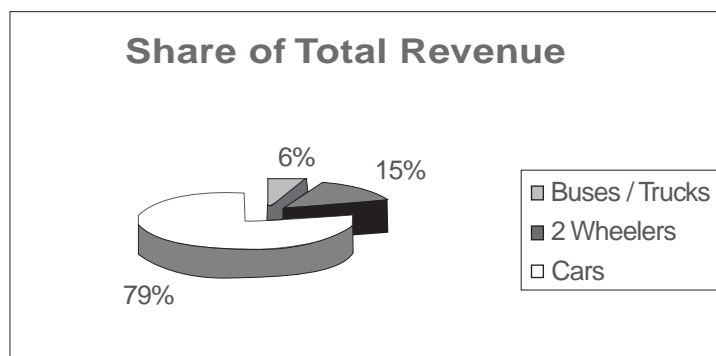


Chart-2-2



Development Rights

As reported in the previous Annual Report, due to the revenue shortfall, the Company had invoked its right on Development Income under the Concession Agreement for implementing development projects that would provide required liquidity support to the Company. The Company is in possession of land around the facility, located in Noida and Delhi, which could be used for development purposes. New Okhla Industrial Development Authority (NOIDA) has already conveyed its in-principle approval to grant development rights.

The Company has set up a 100% subsidiary, DND Flyway Ltd., for the implementation of development rights and part of the surplus land on the Noida side has been transferred to the subsidiary.

The Company proposes to utilise the income arising out of development rights to de-leverage the Company.

New Links

As had been mentioned in the last Annual Report, the Company had initiated formalities for construction of the Mayur Vihar Link to the Project.

Clearances from the DDA Technical Committee and the Yamuna Standing Committee have been received and the lease of land required for the project from the Uttar Pradesh Irrigation Department is expected in the near term. The project is proposed to be financed by a Rights Issue of Equity Shares.

The proposed link when completed, would result in further saving in travel time and distance, inducing Mayur Vihar residents to use the DND Flyway as their preferred route to South Delhi. The initial traffic on the Mayur Vihar Link Project is expected to be approximately 10,000 vehicles per day, which is expected to increase substantially once the Kalindi Bypass and its link to DND Flyway are in place.

TAKE OUT/ PUT OPTION FOR THE DEEP DISCOUNT BONDS

The first Take Out options for the Secured Redeemable Deep Discount Bonds (DDBs) of the Company, issued vide its Public Issue in November 1999 was due on the 5th anniversary from the deemed date of allotment i.e. November 3, 2004.

Although a petition for restructuring of the Company's secured debt including the Deep Discount Bonds had been filed under the provisions of Section 391-394 of the Companies Act, 1956, with the High Court at Allahabad, the Company proceeded with its commitment for the first Take Out.

Accordingly, Take Out Notices were sent to the holders of DDBs and 1256 applications were received for 37,098 Bonds (total Bonds issued 1,00,000) amounting to approximately Rs. 35.24 crores. All payments have been made on the due date as per the Take Out terms.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A Management Discussion & Analysis Report is attached to this report.

SHARE CAPITAL

The Authorised Capital of the Company is Rs. 150 crores. The Issued and Subscribed Equity Share Capital of the Company is Rs. 122.4 crore.

There has been no change in the issued, subscribed and paid up capital of the Company during the year.

SUBSIDIARY

The audited accounts of the Company's subsidiary- DND Flyway Limited together with the report of the Directors and the Auditors, as required under Section 212 of the Companies Act, 1956 are attached.

The Company has not made any loans and advances in the nature of loans, to its subsidiary, or companies in which its Directors are interested.

DIRECTORS

Mr. Ravi Mathur, former Industrial Development Commissioner, Government of Uttar Pradesh was invited to join the Board of the Company in his ex-officio capacity as Independent Director. On receipt of his consent he was appointed as an Additional Director at the Meeting of the Board of Directors held on October 25, 2004.

Mr. Arun K Saha, Executive Director, Infrastructure Leasing & Financial Services Limited, was appointed as an Additional Director, at the Meeting of the Board of Directors held on January 25, 2005 and vacates his office at the forthcoming Annual General Meeting of the Company. The Company has received a proposal from a Member of the Company under Section 257 of the Companies Act, 1956, for the appointment of Mr. Arun K Saha as Director.

Mr. Piyush Mankad, Retd. IAS, was invited to join the Board of the Company as Independent Director. On receipt of his consent he was appointed as an Additional Director at a Meeting of the Board of Directors held on April 21, 2005 and vacates his office at the forthcoming Annual General Meeting of the Company. The Company has received a proposal from a Member of the Company under Section 257 of the Companies Act, 1956, for the appointment of Mr. Piyush Mankad as Director.

Mr. Julian Thomas was appointed as an Alternate Director to Mr. Timothy Woodhead, Director, at the Board Meeting held on October 25, 2004.

Dr. Archana Hingorani was appointed Alternate Director to Mr. Stephen Temple, Director at the Board Meeting held on October 25, 2004

In accordance with the requirements of the Companies Act, 1956 one third of the Directors are liable to retire by rotation. Mr. R. K. Bhargava, Mr. Ravi Parthasarathy and Mr. Hari Sankaran, Directors are due to retire by rotation at this Ninth Annual General Meeting. They are eligible for re-appointment.

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 274 of the Companies Act, 1956.

FIXED DEPOSITS

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

EMPLOYEES STOCK OPTION PLAN

At the Extraordinary General Meeting of the Shareholders of the Company, held on March 25, 2004, approval of the shareholders was obtained for the launch of the Employees Stock Option Plan 2004 (ESOP 2004) for the issue of stock options in respect of 15,00,000 Equity Shares of Rs. 10 each, to the Directors and Employees of the Company.

Out of the said 15,00,000 stock options, 13,35,000 options were granted on April 12, 2004 and 1,00,000 options were granted on May 5, 2004. During the year 35,000 options have lapsed. The vesting period for the options is 15 months from the grant date hence no options have been vested or exercised till date and no money has been realised. Therefore, no new shares have arisen pursuant to exercise of options. Options in force as on March 31, 2005 stand at 14,00,000. Further, there has been no change in the terms of the options.

Pursuant to the provisions of the approved ESOP 2004, the stock options were granted at the face value of the shares i.e. Rs 10/- each, as the Exercise Price for the options (price based on the average of weekly highs and lows in the six months preceding the month of Grant, quoted at the Stock Exchange, Mumbai, where the volume of trading was the highest) worked out to Rs. 7.22, being below par.

Amongst the Senior Managerial Personnel, the Company granted 2,50,000 stock options to Mr. Pradeep Puri, President & CEO, 50,000 stock options to Ms. Monisha Macedo, Sr. Vice President & Company Secretary and 50,000 stock options each to Mr. Ajai Mathur & Mr. T.K.Banerjee, Vice Presidents.

Mr. Pradeep Puri, President & CEO, was the only employee who was granted stock options exceeding 5% of the total options granted during the year. Mr. Gopi Arora, Mr. Hari Sankaran, Mr. K. Ramchand and Mr. Arun K. Saha, Directors, were also granted stock options exceeding 5% of the total options granted during the year being 1,00,000, 2,50,000, 1,00,000 and 1,00,000 stock options respectively. None of the employees was granted Stock Options equal to or exceeding 1% of the issued capital of the Company at the time of grant.

The Company has calculated the Employee Compensation cost, using the Intrinsic Value of the Stock Options.

Thus, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the Fair Value of the Options, is required to be disclosed in the Directors' Report alongwith the impact of this difference on profits and on EPS of the Company.

The employee compensation cost computed on the intrinsic value of the options is Nil. If the employee compensation cost was computed on the fair value of the options, it would also have been Nil, amounting to no difference in cost between the two methods. The impact of this difference on Profits and on the Earning Per Share (EPS) of the Company is hence Nil.

The weighted average Exercise Price and weighted average Fair Value of the Option is Rs. 10 and Rs. 6.26 respectively.

The Fair Value of Options has been computed using the Black Scholes method on the following assumptions:-

(1) Risk Free Interest Rate	6%
(2) Expected Life	4 Years
(3) Expected Volatility	20.29
(4) Expected Dividends	Nil
(5) Market Price of the Share at the date of grant of Option*	Rs. 7.225

* For the purpose of calculations the date of grant of options has been taken as April 12, 2004

Auditors Certificate on compliance with SEBI (ESOS & ESPS) Guidelines forms a part of this Annual Report.

LISTING

The Company's Equity Shares aggregating to Rs. 1224 million and secured Deep Discount Bonds aggregating to Rs. 500 million are listed on the following three Stock Exchanges:

The U P Stock Exchange Assn. Ltd.
Padam Towers
14/113 Civil Lines
Kanpur

The Stock Exchange, Mumbai
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai – 400 001

The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

The Annual Listing Fees for Financial Year 2005- 2006 have been paid to all three of the aforementioned Stock Exchanges.

PARTICULARS OF EMPLOYEES

One employee employed throughout the year was in receipt of remuneration of Rs. 24 lacs or more per annum. In accordance with the provisions of Section 217 of the Companies Act, 1956 and the rules framed thereunder, the name and other particulars of the employee is set out in the annexure to the Directors' Report. In terms of the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Directors' Report is being sent to all the shareholders of the Company excluding the annexure. Any shareholder interested in obtaining a copy of the said annex may write to the Company Secretary at the Registered Office of the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company does not own any manufacturing facilities hence particulars with regard to energy conservation and technology absorption are not applicable.

The Company had the following foreign exchange outgo :-

	As at March 31, 2005 (Rs)	As at March 31, 2004 (Rs)
Travel	4,18,240	3,42,800
Payment to Contractors	7,33,149	Nil

CORPORATE GOVERNANCE

A report on Corporate Governance pursuant to the provisions of Clause 49 of the Listing Agreement is annexed to this report.

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 maintenance of books, records, preparation of Annual Accounts in conformity with the accepted Accounting Standards and past practices followed by the Company. Pursuant to the foregoing, and on the basis of representation received from the Operating Management, and after due enquiry, it is confirmed that:

1. In the preparation of the annual accounts, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures.
2. The Directors have selected such Accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the Annual Accounts on a going concern basis.

STATUTORY AUDITORS

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

ACKNOWLEDGEMENTS

The Board of Directors place on record the continued support extended to them by the various Government authorities, Banks, Financial Institutions and Investors of the Company.

The Directors would also like to place on record their appreciation for the hard work and dedication of the employees of the Company at all levels.

**By order of the Board
For NOIDA TOLL BRIDGE COMPANY LIMITED**

**Mr. Gopi Arora
Chairman**

Noida
Uttar Pradesh

Date: June 20, 2005

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Development

There are presently, 7 bridges connecting East Delhi and Noida to various other parts of Delhi. Another, cable stayed bridge is proposed to be constructed at Wazirabad. Out of these 7 bridges only 2 bridges, namely, Nizamuddin Bridge and Okhla Barrage fall within the influence area of Delhi Noida Bridge, popularly known as DND Flyway. Nizamuddin Bridge is approximately 3 km upstream of DND Flyway and the Okhla Barrage is about 1 km downstream of DND Flyway. The Nizamuddin Bridge and Okhla Barrage cater to about 135,000 and 85,000 PCUs per day respectively. Whereas, the other two bridges in the influence area are “free to use”, DND Flyway is the only tolled facility.

Opportunities

As had been mentioned in the last Annual Report, Noida has seen the emergence of major shopping and recreational activities with the opening of the Centre Stage Mall/Multiplex. Various other recreational and commercial projects are on the anvil that are slated for completion by end 2006. Existing BPOs and Call Centres have drawn up major expansion plans and new BPOs and other IT related companies are setting up shop in Noida. Whereas, the focus in 2003-2004 was in emergence of shopping and entertainment developments in Noida, the year 2004-2005 saw an exponential growth in residential developments both in Noida, Greater Noida and Indirapuram area on the Delhi-Ghaziabad border. It is estimated that approximately 77,000 new dwelling units along the Noida-Greater Noida Expressway and within Greater Noida are likely to be constructed by 2009 end. It is conservatively estimated that these dwelling units once fully occupied will provide an incremental traffic of 25,000 to 30,000 trips per day.

The development of the Mayur Vihar District Centre is also progressing satisfactorily and that will also add to the traffic.

As had been mentioned in the last Annual Report, corridor improvements in the influence area, primarily designed to improve the accessibility of the Delhi-Noida Bridge and accentuate time and distance savings are imperative for augmentation of traffic. In fact, the commissioning of the Srinivaspuri Flyover has had a positive impact on the traffic on the DND Flyway as it has decongested, to some extent, the approach to DND Flyway. The underpass under construction at Moolchand, once completed, will also improve the throughput of traffic which will have a positive impact on the traffic on DND Flyway.

The Company has submitted a proposal to the Government of NCT of Delhi for construction on a BOT basis of a mechanised pedestrian over-bridge at the Maharani Bagh/Sunlight Colony pedestrian crossing across the Ring Road. This proposal, if accepted, will decongest the area and provide a clear passage to and from Ashram to DND Flyway.

Competition/ Threats

There are no new developments which can be considered as potential threats. The parallel bridges viz: Nizamuddin Bridge and Okhla Barrage, continue to form the competition primarily because these are “free to use”.

Risks and Concerns

As reported in the last Annual Report, the Concession Agreement provides for traffic risk mitigation measures by allowing for New Okhla Industrial Development Authority (NOIDA) to grant Development Rights. The Company has in their possession, land around the DND Flyway both in Noida and Delhi, which will be developed in phases, subject to grant of Development Rights by NOIDA/Govt. of UP/ Govt. of Delhi, which is under process. The denial of Development Rights or conditional grant of the same will also pose a financial threat to the Company.

Segment-wise and Product-wise Performance

Revised traffic projections were approved by the Senior Lenders to the Company during the process of approval of the Company's debt restructuring by the Corporate Debt Restructuring Empowered Group of Banks and Financial Institutions (CDR) w.e.f. April 1, 2002. Accordingly, the comparison of traffic for the period April 1, 2004 to March 31, 2005 is given based on the revised projections.

Class	2 Wheelers	Cars	Trucks/Buses	Total
Projected	17,700	33,424	1,863	52,987*
Actual	14,590	37,058	1,213	52,860
Achievement	(17.5%)	10.9%	(35%)	(.25%)

* includes 8,273 vehicles/day from the proposed Mayur Vihar Link, the implementation of which is pending allotment of land by the Department of Irrigation, Government of Uttar Pradesh

Outlook

Pursuant to the approval of the Company's debt restructuring package by the CDR, the interest payment and repayment of loans has now been linked to the revised traffic projections made by M/s Wilbur Smith Associates in April 2002. Consequently, the Company has been able to achieve cash break-even during the financial years 2002-03, 2003-04 and 2004-05. Despite the delay in implementation of the Mayur Vihar Link, the projected traffic has been met and the actual income for the year 2004-05 is 16% higher than the projected toll revenue. The average daily traffic and income increased by 11% and 20% respectively during the year. This has been achieved through optimisation of the pricing and discount strategy, which has favourably impacted the average toll realisation per vehicle. In the last two years, the average toll per vehicle has improved from Rs. 12.50 to Rs. 14.7 i.e. by 8.5% p.a.

The Company is liaising with various Government authorities and real estate developers for implementation of the development rights. The Company is of the view that the association of a leading real estate developer will provide impetus to the process of procuring development rights. The Company is confident of generating Rs 100 crores of development income in the near term and implementing the road network improvement plans.

Internal Control System and their Adequacy

The Company has a well-defined Internal Control System for all areas of operation under the supervision of the HRD Committee, Audit Committee, Investor Grievance and Marketing Committee of Directors.

The Toll Collection and Management System has inbuilt self audit capabilities. The Company has independently conducted both system and financial audits on the toll operations.

The Company has introduced internal control systems to monitor business and operational performance, which are aimed at ensuring business integrity and promoting operational efficiency. The Company has appointed M/s. Patel & Deodhar, Chartered Accountants as Internal Auditors to ensure that the company's systems and practices are designed with adequate internal controls to match the size and nature of operations of the Company.

The Internal Auditors conduct a periodic audit and review covering all operations, based on an audit programme. The reports of the auditors along-with the management response are placed before the Committee for discussion and further action. The Committee also reviews the annual accounts of the Company before they are submitted to the Board for their approval and adoption.

Financial and Operational Performance

- (1) The comparison of actual and projected financial performance based on the CDR figures is given below:

Projected	:	Rs. 549 million
Actual	:	Rs. 317 million
Achievement	:	57.7%

The above projections assume Rs. 300 million of development income, realisation of which has been delayed. If the development income is excluded from the projections, then the achievement level is 127%.

- (2) The traffic for the DND Flyway (excluding Mayur Vihar Link) during the year 2004-05 has been more than the CDR projections. The year- to -year growth has also been impressive; from 47,547 vehicle per day in 2003-04 the traffic has gone up to about 52,860 vehicle/day in 2004-05 i.e. an increase of 11%. This is an encouraging trend and indicates buoyancy in traffic which augurs well for the future.

Human Resources

The Company has a lean organization with a staff strength of 14. Qualified, personnel reporting to the President & CEO, head the key functions such as Finance, Secretarial, Marketing and Operations.

Cautionary Statement

Certain statements in the Management Discussion and Analysis Report describing the Company's objectives, estimates and expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors, which could make a difference to the Company's operations include traffic, government concessions, network improvements, changes in government regulations and related incidental factors.

Annexure to the Directors' Report

REPORT ON CORPORATE GOVERNANCE

(1) Corporate Governance

The Company has always maintained that efforts to institutionalise corporate governance practices cannot solely rest upon adherence to a regulatory framework. An organisation's business practices, reflected in the values, personal beliefs and actions of its employees determine the quality of corporate governance.

The Board of Directors fully support and endorse corporate governance practices as per the provisions of listing agreements. The Company has complied with the said provisions and given below is the Report of the Directors of Noida Toll Bridge Company Limited on Corporate Governance.

(2) Board of Directors

(a) Composition of the Board

The Board of Directors comprises of fourteen members. All the Directors on the Board are non-executive. The Board comprises of an independent Chairman and four Independent Directors who, bring a wide range of skills and experience to the Board.

The composition of the Board of Directors as on June 20, 2005 is as given below:

Sl. No.	Name	Executive/ Non-Executive	Independent/ others	Representing/Nominee
1.	Mr. Gopi Arora, Chairman	Non- Executive	Independent	-
2.	Mr. RK Bhargava	Non- Executive	Independent	-
3.	Mr. Piyush G Mankad	Non- Executive	Independent	-
4.	Mr. Deo Datta	Non- Executive	Nominee Director	New Okhla Industria Development Authority/ Equity Investor
5.	Mr. Ravi Mathur	Non- Executive	Independent	Government of Uttar Pradesh
6.	Mr. P K Sethi	Non- Executive	Nominee Director – Independent	Industrial Development Bank of India- Lenders
7.	Mr. Ravi Parthasarathy	Non- Executive	Promoter Director	Infrastructure Leasing & Financial Services (IL&FS)
8.	Mr. Hari Sankaran	Non- Executive	Promoter Director	IL&FS
9.	Mr. Arun K Saha	Non- Executive	Promoter Director	IL&FS
10.	Mr. K. Ramchand	Non- Executive	Promoter Director	IL&FS
11.	Mr. Stephen Temple	Non- Executive	Nominee Director	Asian Infrastructure Mezzanine Capital Fund- Equity Investor
12.	Mr. Shahzaad Dalal	Non- Executive	Nominee Director	AIG Indian Sectoral Equity Trust- Equity Investor
13.	Mr. Santosh Senapati	Non- Executive	Nominee Director	AIG Indian Sectoral Equity Trust- Equity Investor
14.	Mr. Timothy Woodhead	Non- Executive	Nominee Director	Intertoll Management Services, BV- Equity Investor

Notes :

The composition of the Board is in conformity with the Listing Agreement.

(b) Directorships / Committee Memberships / Committee Chairmanships

Details of the Directorships/ Committee Memberships/Chairmanships on Committees of public companies (including Noida Toll Bridge Company Limited) held by all the Directors on the Board as specified in their annual disclosures submitted to the Company, are as provided below:

Sl. No.	Board Of Directors	No. of Directorships	No. of Memberships of Committees	No. of Chairmanships of Committees
1.	Mr. Gopi Arora (Chairman)	13	6	2
2.	Mr. R K Bhargava	7	6	2
3.	Mr. Piyush G Mankad**	6	-	-
4.	Mr. Ravi Mathur**	1	-	-
5.	Mr. Deo Datta	1	-	-
6.	Mr. P K Sethi	3	3	-
7.	Mr. Ravi Parthasarathy	15	2	1
8.	Mr. Hari Sankaran	15	3	1
9.	Mr. Arun K Saha**	15	10	5
10.	Mr. K Ramchand	15	1	-
11.	Mr. Stephen Temple	2	-	-
12.	Mr. Shahzaad Dalal	14	8	4
13.	Mr. Santosh Senapati	4	4	-
14.	Mr. Timothy James Woodhead	1	1	-

** Appointments during the year

Notes :

- (i) For the purpose of considering the total number of Directorships, all public limited companies, whether listed or not, have been considered. Private limited companies, foreign companies and companies under Section 25 of the Companies Act, 1956, however, have not been included. Further only the Audit Committee and the Shareholders/Investor Grievance Committee have been considered for calculating the total number of Committee memberships held by a Director.
- (ii) Directorships do not include the Alternate Directorships.

(c) Meetings Held

Five meetings of the Board of Directors were held in the financial year 2004- 2005 on the following dates:-

1. April 30, 2004
2. June 28, 2004
3. July 30, 2004
4. October 25, 2004
5. January 25, 2005

Information specified under Annexure 1A of Clause 49 of the Listing Agreement has been placed before the Board of Directors at the aforesaid meetings. The Board was presented with a report on compliances with various statutes and applicable laws every quarter.

(d) Attendance

Attendance of each Director at the Board of Director meetings held during the Financial Year 2004- 2005 (April 1, 2004 to March 31, 2005) and at the last Annual General Meeting (AGM) :

Sl. No.	Board of Directors	No. of Meetings held during the tenure	No. of Board Meetings attended	Attendance at the last AGM held on September 15, 2004
1.	Mr. Gopi K Arora (Chairman)	5	5	✓
2.	Mr. R K Bhargava	5	3	-
3.	Mr. Piyush Mankad**	-	-	
4.	Mr. Ravi Mathur**	5	-	
5.	Mr. Deo Datta	5	-	-
6.	Mr. Prabil Raj*	1	1	-
7.	Mr. P K Sethi	5	5	-
8.	Mr. Ravi Parthasarathy	5	3	-
9.	Mr. Hari Sankaran	5	4	✓
10.	Mr. K Ramchand	5	-	-
11.	Mr. Arun K Saha**	1	-	
12.	Mr. Stephen Temple/ Alternate Director: Dr. Archana Hingorani	5	1 1	-
13.	Mr. Shahzaad Dalal/ Alternate Director: Dr. Archana Hingorani	5	1 2	
14.	Mr. Santosh Senapati	5	-	-
15.	Mr. Timothy James Woodhead/ Alternate Director: Julian Thomas	5	1 4	

* Resigned with effect from June 8, 2004

** Appointments during the course of the year. (Mr. Ravi Mathur was appointed as an additional Director on October, 25, 2004, Mr. Arun K Saha was appointed as an Additional Director on January 25, 2005 and Mr. Piyush Mankad was appointed as an Additional Director on April 21, 2005)

(e) Code of Conduct

The Company has framed a Code of Business Conduct and Ethics (Code of Conduct) in line with the SEBI regulations. This Code of Conduct has been posted on the Company's website.

All board members and senior managerial personnel have affirmed compliance with the said code. A declaration to this effect from the President & CEO of the Company is attached to the Report.

(f) Disclosure of Remuneration to Directors/ pecuniary transactions of Executive/Non-Executive Directors of the Company

There are no Executive Directors on the Board of the Company. The Company has not made any payment or reimbursement of expenses to its Non- Executive Directors, other than sitting fees, travel and lodging expenses for attending Board/ Committee Meetings, other than as given below:

- (i) The Company currently has a car and driver, which is used for Board Meetings and other official work. This car has been given to Mr. RK Bhargava, Non-Executive, Director, from time to time, for attending meetings on behalf of the Company. Mr. Bhargava has, on a continuous basis provided professional support and advice to the Company and his inputs and representations on behalf of the Company, with various government authorities/ departments have been of tremendous help to the Company. As approved by the Board of Directors and thereafter the Shareholders at the 7th Annual General Meeting of the Company held on September 16, 2003, the Company has applied to the Department of Company Affairs (DCA) seeking permission for providing Mr. Bhargava with a chauffeur driven car on a full time basis.
- (ii) The Company has issued Employee Stock Options to its Directors. Details of the Stock Options have been mentioned elsewhere in this Report.
- (iii) None of the Directors hold Equity Shares of the Company as on the date of the Directors' Report.

(3) **Audit Committee**

(a) Terms of Reference / Composition

The members of the Audit Committee are Mr Gopi Arora (Non-Executive/ Independent Chairman), Mr. R K Bhargava, Mr. Arun K Saha, Mr. P.K. Sethi and Mr. Santosh Senapati.

The Audit Committee has been constituted in accordance with the provisions of the Listing Agreement. The Committee comprises of a Non Executive, independent Chairman, two independent Directors (in addition to the Chairman) and all non- executive Directors. Two-thirds (being rounded off to the nearest number) of the members of the audit committee are independent directors. All members of the Committee are financially literate and Mr. Arun K Saha has accounting/ financial management expertise. The Company Secretary acts as the Secretary to the Committee. The Audit Committee also invites senior executives, as it considers appropriate, to be present at the meetings of the Committee.

The terms of reference of the Audit Committee are in conformity with the provisions of the Listing Agreement and interalia include overseeing the Company's financial reporting process and the disclosure of it's financial information to ensure that the financial statements are correct, sufficient and credible. This Committee also, oversees appointment of auditors and reviews the Company's internal audit reports. The Committee met five times during the year under review. Statements in summary form of transactions with related parties in the ordinary course of business were placed before the audit committee. The Company did not enter into any material individual transactions with related parties, outside the normal course of business. Financial Statements were prepared in conformity with the Accounting Standards.

The Audit Committee is interalia, empowered to investigate any activity within its terms of reference. It can seek information from any employee, obtain outside legal or professional advice and secure attendance of outsiders with relevant expertise.

The Audit Committee met on June 20, 2005, prior to the finalisation of the Accounts for the year ended March 31, 2005 The Chairman of the Audit Committee was present at the last Annual General Meeting held on September 15, 2004, to answer shareholder queries.

(b) Meetings held

Five meetings of the Audit Committee were held in the financial year 2004-2005 on the following dates

1. April 30, 2004
2. June 18, 2004
3. July 23, 2004
4. October 25, 2004
5. January 24, 2005

(c) Attendance

Sl. No.	Director	No. of Meetings Held during tenure	No. of Meetings Attended
1.	Mr. Gopi K Arora	5	5
2.	Mr. R K Bhargava	5	4
3.	Mr. Santosh Senapati	5	-
4.	Mr. Prabil Raj *	1	1
5.	Mr. Arun K Saha**	-	-
6.	Mr. P.K. Sethi**	-	-

* Resigned with effect from June 8, 2004.

** Appointed with effect from January 25, 2005

(4) Subsidiary Companies

The Company has a wholly owned subsidiary – DND Flyway Limited. The same is, however, not a material non- listed Indian Subsidiary, as defined in the Listing Agreement i.e. an unlisted subsidiary, incorporated in India, whose turnover or net worth (paid up capital and free reserves) exceeds 20% of the consolidated turnover and net worth respectively, of the listed holding Company and its subsidiaries in the immediately preceding accounting year. Therefore, disclosure requirements with respect to the subsidiary are not required to be made.

(5) Remuneration Committee- Termed HRD Committee of Directors

(a) Composition / Terms of Reference/ Remuneration Policy

The HRD Committee comprises of 3 Members - an independent Chairman, Mr. Gopi Arora and two Promoter Directors (Directors nominated by the Promoter, who are, acting in their professional capacity), Mr. Ravi Parthasarathy and Mr. Hari Sankaran. Currently the Committee consists of all non- executive Directors.

The Committee's scope of work includes review of the HRD policy, review of the compensation policy relating to salary, performance related pay, increments, promotions, allowances, perquisites, loan and interest subsidy facilities and other compensation for the employees of the Company. The scope of the Committee has been extended to include administration and superintendence of the Employee Stock Option Plan of the Company.

The Company's remuneration policy has been spelt out in it's Employee Handbook which has been approved by the HRD Committee of Directors. Any amendments to the same are also approved by the HRD Committee of Directors.

The Committee met four times during the financial year.

(b) Meetings held

Four Meetings of the HRD Committee were held in the financial year 2004- 2005 on the following dates:

1. April 6, 2004
2. April 30, 2004
3. July 30, 2004
4. November 19, 2004

(c) Attendance

Sl.No.	Director	No. of Meetings held during tenure	No. of Meetings Attended
1.	Mr. Gopi Arora	4	4
2.	Mr. Ravi Parthasarathy	4	4
3.	Mr. Hari Sankaran	4	2

The Chairman of the HRD Committee was present at the last Annual General Meeting held on September 15, 2004, to answer shareholder queries.

(6) Investor Grievance Committee

(a) Composition / Terms of Reference / Status of Complaints

The Members of the Committee are Mr R K Bhargava (Non- Executive Director/Chairman of the Committee) Mr. Gopi Arora and Mr. Timothy Woodhead (appointed on the Committee on June 28, 2004). Mr. R. K. Bhargava and Mr. Gopi Arora are independent and non-executive directors. The Committee has been constituted in accordance with the provisions of the Listing Agreement. The Committee looks into the status of redressal of Shareholders' and Debentureholders' complaints and suggests measures to improve investor relations. The Committee is also the authority for issue of duplicate certificates.

In order to expedite the process of transfers, the Board has delegated the authority to approve debenture as well as share transfers and transmissions to Mr Pradeep Puri, President & CEO, Ms Monisha Macedo, Company Secretary and Mr T K Banerjee, Financial Controller. The transfer/ transmission formalities are processed as and when they are received and transfers are never retained for more than a fortnight.

The Investor Grievance Committee of Directors is also the approving authority under the Code of Conduct for prevention of Insider Trading formulated by the Company in accordance with the SEBI (Prevention of Insider Trading) Regulations, 1992. The Committee is also authorised to accept any modifications/ alterations in the said code.

Ms Monisha Macedo, Sr. Vice President & Company Secretary, has been designated as the Compliance Officer for the Stock Exchanges as well for Investor queries/complaints.

(b) Meetings held

Six meetings of the Investor Grievance Committee were held in the financial year 2004-2005 on the following dates:

1. April 29, 2004
2. July 23, 2004
3. August 24, 2004
4. November 4, 2004
5. January 24, 2005
6. March 14, 2005

(c) Attendance

S. No.	Director	No. of Meetings held during tenure	No. of Meetings Attended
1.	Mr. Gopi Arora	6	6
2.	Mr. R K Bhargava	6	6
3.	Mr. Timothy Woodhead/ Alternate Director: Mr. Julian Thomas	6	- 3

(d) Investor Grievance / requests received during the year

During the year April 1, 2004 to March 31, 2005, the Company received 54 Investor complaints (non-receipt of interests and debenture certificates), of which all were resolved within a reasonable time period. There were no pending complaints at the end of the Year. Four requests for issue of duplicate certificates were pending at the end of the financial year. 275 documents are lying in Postal Returns with the Registrars. The Registrars have sent the letters to the investors informing them that the documents have been returned. No investor has, however, claimed these documents so far.

The investor grievances/requests received during the financial year and the status thereon as on March 31, 2005 is provided below :

Subject	Grievances/ Requests Received	Redressed	Pending
Rematerialisation	17	17	-
Non-receipt of Interest	36	36	-
Non-receipt of Debenture Certificate	18	18	-
Change of Address	222	222	-
Receipt of 15H Forms	13	13	-
Correction of Bank Mandates	71	71	-
Postal Return Documents	281	06	275
Revalidation of Interest Warrant	44	44	-
Loss of Securities and Request for Issue of Duplicate	21	17	04
Transfer Requests	298	298	-
IB for Issue of Duplicate I/W	05	05	-
Correction Name on Certificate	32	32	-
Demat Requests	1170	1170	-

(7) **Sitting Fees paid to Non-Executive Directors**

The Non- Executive Directors are only paid Sitting Fees @ Rs 2000/- per meeting and in some cases, travel/lodging expenses to attend Board Meetings have also been reimbursed to the Directors.

Sl.No.	Director/Institution	Sitting Fees paid for attendance at Board and Committee Meetings for the period April 1, 2004 to March 31, 2005 Rupees
1.	Mr. G K Arora	44,000
2.	Mr. R K Bhargava	30,000
3.	Mr. Ravi Mathur	-
4.	Mr. Deo Datta	-
5.	IFCI Limited	4,000
6.	IDBI Limited	10,000
7.	Mr. Ravi Parthasarathy	14,000
8.	Mr. Hari Sankaran	12,000
9.	Mr. Arun K Saha	-
10.	Mr. K Ramchand	-
11.	Mr. Timothy James Woodhead	2,000
12.	Mr. Shahzaad Dalal	2,000
13.	Mr. Stephen Temple	2,000
14.	Mr. Santosh Senapati	-
15.	Dr. Archana Hingorani (Alternate to Mr. Stephen Temple)	6,000
16.	Mr. Julian Thomas (Alternate to Mr. Timothy Woodhead)	14,000

(8) **General Body Meetings**

(a) **Annual General Meetings: Date, time and venue**

Year	Location	Date and Time
AGM held for the financial year 2004- 05	Power Management Institute (N.T.P.C.), Plot 5-14, Sector 16 A, Noida 201 301, Uttar Pradesh	September 15, 2004 at 10:30 am
AGM held for the financial year 2003- 2004	Marwah Films & Video Studio, FC-14/15, Film City, Sector 16A, Noida 201 301	September 16, 2003 at 10.30 am
AGM held for the financial year 2002- 2003	Registered Office of the Company, at Toll Plaza, DND Flyway, Opposite Sector 15 A, Near Apeejay School, Noida 201 301	June 21, 2002 at 2:00 pm

Three special resolutions were passed at the last three Annual General Meetings. No resolutions have been passed by postal ballot in the last financial year.

(b) Extraordinary General Meetings for the last three years: Date, time and venue

Date and Time	Location
March 25, 2004 at 10:00 am	Power Management Institute (N.T.P.C.), Plot 5-14, Sector 16 A, Noida 201 301, Uttar Pradesh
July 25, 2001 at 4:00 pm	Registered Office of the Company, at Toll Plaza, DND Flyway, Opposite Sector 15 A, Near Apeejay School, Noida 201 301

Two Special Resolutions were passed at the last two Extraordinary General Meetings of the Shareholders of the Company.

(c) Other General Meetings of the Company held in the last three years- Date, time and venue:

Date and Time	Location
A High Court convened Meeting of the Secured Creditors of the Company under Section 391- 394 of the Companies Act, 1956, was held on September 18, 2004 at 11:00 am	Power Management Institute (N.T.P.C.), Plot 5-14, Sector 16 A, Noida 201 301, Uttar Pradesh
Meeting of the holders of Deep Discount Bond was held on March 31, 2004 at 10:00 am	Power Management Institute (N.T.P.C.), Plot 5-14, Sector 16 A, Noida 201 301, Uttar Pradesh

Two Special Resolutions were passed at the aforementioned meetings.

(9) **Disclosures**

(a) Related party transactions

There were no materially significant related party transactions with the Promoters, Directors, the management, subsidiaries or relatives that have a potential conflict with the interest of the Company at large. Details of all related party transactions are disclosed in the Notes to Accounts.

(b) Non Compliances

The Company has complied with all the statutory requirements and hence has not paid any penalties nor have any strictures been imposed by the Stock Exchanges or SEBI or any other statutory authority, for non-compliance on any matter related to the Capital Markets, since the Company was incorporated.

(10) **Means of Communication**

The main channel of communication to the shareholders is through the Annual Report, which includes interalia, the Directors' Report, the Report of the Board of Directors on Corporate Governance, Management Discussion and Analysis Report and the audited financial results.

Shareholders are also intimated through the press and the Company's website www.ntbcl.com of the quarterly performance and financial results of the Company. The unaudited quarterly results/ audited annual results are also published in 1 English and 1 Hindi daily, usually Jansatta (Hindi) and Financial Express (English). The shareholding pattern of the Company is available on the Company's website and the same is updated quarterly.

In terms of Clause 51 of the Listing Agreements, the Company files its Annual Report, quarterly results and shareholding pattern statement through the Electronic Data Information Filing and Retrieval system (EDIFAR) website of SEBI.

Further, in terms of the Listing Agreement, information on investor related issues (Record Dates/ Book Closures/Board Meetings/price sensitive information) are communicated to the Stock Exchanges.

(11) General Shareholder Information

(a) Registered Office	:	Toll Plaza, DND Flyway, Opposite Sector 15A, Noida 201 301, Uttar Pradesh
(b) Location of Facility	:	DND Flyway, Noida 201 301, Uttar Pradesh
(c) Correspondence Address	:	C/o IL&FS, India Habitat Centre, East Court, Zone VI, 4th Floor, Lodhi Road, New Delhi 110 003
(d) Dates of Book Closure	:	Book Closure Dates (Ensuing) September 19, 2005 to September 23, 2005
(e) Date, Time and Venue of the Annual General Meeting	:	AGM 9: September 28, 2005 at 10:30 am at the Power Management Institute (N.T.P.C.), Plot 5-14, Sector 16 A, Noida 201 301, Uttar Pradesh
(f) Financial Year	:	April 01 2004 to March 31 2005
(g) Dividend Payment Date	:	No Dividend has been declared so far
(h) Listing on Stock Exchanges and Stock Code The Deep Discount Bonds and Equity Shares of the Company are listed	:	The Uttar Pradesh Stock Exchange Assn. Ltd. Padam Towers, 14/113 Civil Lines, Kanpur Tel : 0512 – 2338115 / 2338074 Fax : 0512 – 2338175 / 2338220 No Stock Code has been provided by the Uttar Pradesh Stock Exchange
		The Stock Exchange, Mumbai 1st Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai – 400 001 Tel : 022- 2272 1233 / 2272 1234 Fax : 022- 2272 1552 Stock Code: 532481 (Equity) and: 112453 (DDBs)
		The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051 Tel : 022 – 2659 8100 Fax : 022 – 2659 8237 / 38 Stock Code: EQ (Equity) and N1 (DDBs)
(i) Depository ISIN Nos.	:	• Equity Shares -INE781B01015 • Deep Discount Bonds-INE781B11014
(j) Listing Fees	:	Paid for all the above Stock Exchanges for 2003-2004, 2004-2005 and 2005- 2006

(k) Investor Correspondence Address :	<p>The investor can write to Ms. Monisha Macedo, Company Secretary, at the following address : Noida Toll Bridge Company Limited, Toll Plaza, DND Flyway, Noida 201 301 Uttar Pradesh</p> <p>Phone : 0120-2516438 Fax : 0120-2516440 E-mail : ntbccl@ntbccl.com Website : www. ntbccl.com</p> <p>or to the Registrars at the address given below, mentioning Unit: Noida Toll Bridge Company Limited.</p>
(l) Address of the Company's Depository as well as Physical Registrar :	<p>Karvy Computershare Pvt. Limited, "Karvy House", 46, Avenue 4, Street #1, Banjara Hills, Hyderabad 500 034</p> <p>Tel : 040-23326591 / 23320751 /23320752 / 23320753 Fax : 040 – 23311968</p>
(m) Auditors of the Company :	<p>Luthra & Luthra, Chartered Accountants A-16/9, Vasant Vihar New Delhi 110 057</p>
(n) Bankers of the Company :	<p>Canara Bank Head Office Address: Canara Bank Building 2nd and 3rd Floor Adi Marzban Path Ballard Estate Mumbai 400 038</p> <p>Branch Office Address: Canara Bank C 3, Sector 1 Noida 201 301 Uttar Pradesh</p>
(o) Share/Debenture Transfer System :	<p>Physical transfers of the listed instruments are handled by the Registrar and Transfer Agents – Karvy Computershare Pvt. Ltd. and processed within the stipulated time.</p> <p>To expedite share transfers in the physical segment, the authority for approving transfers/transmissions of the Company's securities has been delegated to specific senior management personnel of the Company.</p>

(p) Employee Stock Option Plan

At the Extraordinary General Meeting of the Shareholders of the Company, held on March 25, 2004, approval of the shareholders was obtained for the launch of an Employee Stock Option Scheme (ESOS) for the issue of stock options in respect of 15,00,000 Equity Shares of Rs. 10 each, to the Directors and Employees of the Company.

Out of the said 15,00,000 stock options, 13,35,000 options were granted on April 12, 2004 and 1,00,000 options were granted on May 5, 2004. 7,95,000 stock options were granted to Non-Executive Directors (All the Directors in the Company are Non- Executive) and 6,40,000 stock options were granted to the Employees of the Company During the year 35,000 options have lapsed. The vesting period for the options is 15 months from the grant date and the exercise period is a period of 4 years from the date of vesting. Options in force as on March 31, 2005 stand at 14,00,000.

Pursuant to the provisions of the approved ESOS, as the Exercise Price for the Options (price based on the average of weekly highs and lows in the six months preceding the month of Grant, quoted at the Stock Exchange, Mumbai, where the volume of trading was the highest) worked out to Rs. 7.16, i.e. below par, the stock options were granted at the face value of the shares i.e. Rs 10/- each.

(q) Dematerialisation of securities and liquidity

The Equity Shares and Deep Discount Bonds of the Company are in the list of scrips specified by SEBI to be compulsorily traded in the dematerialised form. The Company's Deep Discount Bonds as well as the Equity Shares are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN allotted to the Company's Equity Shares is INE781B01015 and to the Deep Discount Bonds is INE781B11014.

Shares/ Debentures dematerialised upto March 31, 2005

Type of Security	No of Shares/ DDBs	% of Shares/ DDBs	No of Shareholders/ DDB holders	% of Shareholders/ DDB holders
Shares	8,02,66,547	65.58%	5253	64.31%
DDBs	94,557	94.56%	128	6.18%

(r) Distribution of Shareholding

The Distribution Schedule of Shareholders as on March 31, 2005 is as follows:

Sl. No.	Category		No. of Holders	% of Holders	Amount	% of Amount
	From	To				
1.	1	5000	4979	60.96%	1,25,98,790.00	1.03%
2.	5001	10000	1807	22.12%	14,443,090.00	1.18%
3.	10001	20000	751	9.20%	1,10,70,220.00	0.91%
4.	20001	30000	213	2.61%	55,21,060.00	0.45%
5.	30001	40000	131	1.60%	46,68,140.00	0.38%
6.	40001	50000	89	1.09%	43,35,070.00	0.35%
7.	50001	100000	104	1.27%	79,13,800.00	0.65%
8.	100001	Above	94	1.15%	116,34,49,900.00	95.05%
		Totals	8168	100.00%	122,40,00,070.00	100.00 %

(s) Shareholding Pattern of the Company as on March 31, 2005 was as follows:

Category	No. of Shares held	Percentage Shareholding
Promoter's holding:		
Infrastructure Leasing & Financial Services Limited	3,60,00,007	29.41%
Non Promoter's holding :		
Banks	271,800	0.22%
Financial Institutions	1,46,32,500	11.95%
Insurance Companies	7,100	0.01%
IFCI Limited	40,00,000	3.27%
Foreign Corporates		
DAI (India) Limited	2,00,00,000	16.34%
Intertoll Management Services BV	14,77,060	1.21%
Others		
Private Corporate Bodies	13,19,182	01.08%
Indian Public	68,59,692	5.61%
New Okhla Industrial Area Development Authority	1,00,00,000	08.17%
IL&FS Trust Company Limited	1,82,66,930	14.92%
Intertoll India Consultants Private Limited	91, 42, 940	07.47%
Grand Total	12,24,00,007	100%

(t) Stock Market Data

The movement of the Company's share price for the Financial Year 2004-2005 is given below:

NTBCL share price on BSE & BSE Sensex

Month	BSE			BSE Sensex	
	High (Rs)	Low (Rs)	No. of Shares	High	Low
April 2004	9.40	6.50	86160	5,979.25	5,599.12
May 2004	9.25	6.00	48027	5,772.64	4,227.50
June 2004	8.40	6.05	23606	5,012.52	4,613.94
July 2004	8.31	6.30	41529	5,200.85	4,723.04
August 2004	7.50	6.41	55774	5,269.22	5,022.29
September 2004	9.81	7.20	213576	5,638.79	5,178.57
October 2004	11.52	7.61	441018	5,803.82	5,558.14
November 2004	15.00	9.12	1371741	6,248.43	5,649.03
December 2004	16.75	10.65	834585	6,617.15	6,176.09
January 2005	17.75	12.60	1021808	6,696.31	6,069.33
February 2005	21.80	15.00	3921430	6,721.08	6,508.33
March 2005	21.05	15.50	1791084	6,954.86	6,321.31

(11) Code of Conduct for dealing in securities of the Company

The SEBI (Prevention of Insider Trading) Regulations, 1992 had made it mandatory for all listed companies to frame a Code of Conduct and Internal Procedures, based on the model Code of Conduct for Prevention of Insider Trading issued by SEBI, which prohibits a person having access to price sensitive information about a Company, to deal in securities of that Company, either himself or through others. Accordingly, the Company had put in place a code of conduct, applicable to all its employees and directors with respect to dealing in the securities of the Company, with effect from November 15, 2003.

In terms of the Code, the directors and employees have to inter alia, submit to the Compliance Officer, once a year, a declaration of their dependants and the number of securities of the Company held by them or their Declared Dependents. Any change, however, is to be declared promptly.

The Compliance Officer has for the Financial Year 2004-05 received the required disclosures from all the Directors and Employees.

None of the parties to whom the Code is applicable are allowed to deal in the securities of the Company during the Non- Trading period, as defined in the code i.e. prior to price sensitive information being made public. Further at any other time, none of these parties are allowed to deal in the securities of the Company without taking a pre-clearance from the Investor Grievance Committee.

(12) Adoption of Non-Mandatory Requirements

The Non-Mandatory requirements being followed by the Company are maintenance of a Chairman's office and some provisions relating to the Remuneration (HRD) Committee.

During the year, the Company has provided its non- executive Chairman with an office. The Company incurred expenses of Rs.3,31,846/- revenue expenditure and Rs.40,700/- of capital expenditure towards the Chairman's office for the period April 1, 2004 to March 31, 2005.

(13) Accounting Standards

The Company confirms that it has complied with all applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) from time to time.

(14) Compliance with revised Clause 49 of the Listing Agreement issued by SEBI vide Circular No. SEBI/CFD/DIL/CG/2004/12/10 dated October 29, 2004

As on date, the Company is in compliance with the provisions of the revised Clause 49, except with respect to the following: -

Procedure for reporting risk assessment and minimisation to the Board, number of independent Directors in the Audit Committee and the frequency with which the Audit Committee meetings are to be held.

Compliance with these provisions in terms of Circular No. SEBI/CFD/DIL/CG/1/2005/29 dated March 29, 2005 may be achieved by December 31, 2005.

DECLARATION

TO THE MEMBERS OF NOIDA TOLL BRIDGE COMPANY LIMITED

This is to confirm that Noida Toll Bridge Company Limited has laid down a Code of Business Conduct and Ethics for all its Board Members and Senior Management Personnel as per the provisions of Clause 49 of the Listing Agreement with Stock Exchanges.

This Code has been posted on the website of the Company and all the Board Members and Senior Management Personnel of the Company have affirmed compliance with this Code.

Noida
June 20, 2005

Sd/-

PRADEEP PURI
President & CEO

CERTIFICATE

**TO THE MEMBERS OF
NOIDA TOLL BRIDGE COMPANY LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by Noida Toll bridge Company Limited (the Company), for the year ended 31 March, 2005, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Luthra & Luthra**
Chartered Accountants

NOIDA, U.P.
June 20, 2005

VISHAL GUPTA
Partner

CERTIFICATE

TO THE MEMBERS OF NOIDA TOLL BRIDGE COMPANY LIMITED

This is to certify that Noida Toll Bridge Company Limited has complied with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Special Resolution passed at the Extraordinary General Meeting of the Company held on March 25, 2004, with respect to their Employees Stock Option Plan 2004.

This Certificate is issued on the basis of information and explanation given and documents produced before us.

For Luthra & Luthra
Chartered Accountants

NOIDA, U.P.
Date June 20, 2005

Vishal Gupta
Partner

AUDITORS' REPORT

**TO THE MEMBERS OF
NOIDA TOLL BRIDGE COMPANY LIMITED
Noida (U.P.)**

1. We have audited the attached Balance Sheet of Noida Toll Bridge Company Limited as at 31 March, 2005, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, both 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. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies' Auditors Report Order, 1988 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the said Order, to the extent applicable to the company.
4. We draw the attention of the shareholders to the following:
 - (a) Note number 3 (d) of schedule 16 'Notes to Accounts' regarding provisioning for the liability of Zero Coupon Bonds (ZCBs, Series – B) on the principles of Sinking Fund.
 - (b) Note number 3 (a) (ii) of schedule 16 'Notes to Accounts' regarding revaluation of leased land, wherein the formal agreement for grant of development rights, is pending execution.
5. Further to our comments in the Annexure referred to above, 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 and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Profit and Loss Account and 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;
 - (e) on the basis of written representations received from the directors, as at 31 March, 2005, and taken on record by the Board of Directors, we report that none of the directors are disqualified as at 31 March, 2005, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (f) in our opinion and according to the information and explanations given to us, the said accounts 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:
 - i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2005;
 - ii. In the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date; and
 - iii. In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **LUTHRA & LUTHRA**
Chartered Accountants

VISHAL GUPTA
Partner
(Membership No. 98796)

Place: Noida, U.P.
Date : June 20, 2005

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 3 of our report of even date)

1. The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
2. As per the information and explanations given to us, fixed assets have been physically verified by the Management at reasonable intervals, and discrepancies (if any) noticed on verification during the year have been properly adjusted in the books of accounts.
3. The company has not disposed off substantial part of fixed assets during the year.
4. As per the information and explanations given to us, inventories have been physically verified at reasonable interval during the year by the Management.
5. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
6. On the basis of our examination, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and book records are not material and have been properly dealt with in the books of accounts.
7. The Company has not taken / granted any secured or unsecured loan from / to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
8. In our opinion the rate of interest and other terms and conditions of loans taken/ granted by the company, secured or unsecured, are prima facie not prejudicial to the interest of the company.
9. In respect of loans and advances, the payment of principal amount and interest has been made as per the revised repayment schedule approved by the CDR.
10. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for toll collection. We have not observed any failure on the part of the company to correct major weakness in internal control system.
11. There are no transactions that need to be entered in the register maintained under Section 301 of the Companies Act, 1956.
12. According to the information and explanations given to us the company has not accepted deposit from the public.
13. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
14. According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund; employees state insurance, income tax, sales tax, wealth tax, service tax, cess and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues outstanding as at 31 March, 2005 for a period of more than six months from the date they became payable.
15. The company has been in existence for a period of more than 5 years. Its accumulated losses at the end of the financial year are less than 50% of it's net worth and it has not incurred cash losses in the financial year.

16. As per the information and explanations given to us, the company has not defaulted in the repayment of dues to any financial institution or bank or debenture holders in accordance with the terms and conditions of the CDR approval for debt restructuring.
17. The company has maintained adequate documents and records in cases where the company have been granted secured loans and advances to the employees.
18. The company is dealing in securities (units of mutual funds), proper records of transactions and contracts have been maintained and timely entries have been made therein. Shares, securities, debentures and other securities have been held by the company in its own name except to the extent of the exemption granted under section 49 of the Act.
19. The company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company.
20. Term loans taken by the company were applied for the purpose for which they were obtained.
21. Fund raised on short- term basis has not been used for long-term investment or vice versa.
22. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies' Act 1956.
23. The company has created securities in respect of debentures issued.
24. The company has not raised money by public issue during the year.
25. Based upon the audit procedures performed and information and explanations given by the management we report that no fraud on or by the company has been noticed or reported during the course of our audit.
26. Other clauses of the order are not applicable to the Company.

For **LUTHRA & LUTHRA**
Chartered Accountants

Place: Noida, U.P.
Date: June 20, 2005

VISHAL GUPTA
Partner
(Membership No. 98796)

**NOIDA TOLL BRIDGE COMPANY LIMITED
BALANCE SHEET AS AT 31 MARCH, 2005**

	<u>Schedule</u>	<u>As At March 31,2005 Rupees</u>	<u>As At March 31,2005 Rupees</u>	<u>As At March 31,2004 Rupees</u>
<u>SOURCES OF FUNDS</u>				
SHAREHOLDERS' FUNDS				
Equity Share Capital	1	1,224,000,070		1,224,000,070
Reserve & Surplus	2	<u>315,093,680</u>		<u>342,403,324</u>
			1,539,093,750	1,566,403,394
LOAN FUNDS				
Secured Loans	3		<u>3,585,152,780</u>	<u>3,520,143,552</u>
			<u>5,124,246,530</u>	<u>5,086,546,946</u>
<u>APPLICATION OF FUNDS</u>				
FIXED ASSETS				
Gross Block	4	4,145,897,592		4,114,519,221
Less: Depreciation		<u>135,649,442</u>		<u>133,461,949</u>
Net Block			4,010,248,150	3,981,057,272
CAPITAL WORK IN PROGRESS				
			8,172,237	13,412,287
INVESTMENTS				
	5		37,260,129	123,545,702
CURRENT ASSETS, LOANS & ADVANCES				
Inventories	6	758,527		444,396
Sundry Debtors	7	1,041,115,391		1,037,161,837
Cash and Bank balances	8	1,318,469		9,660,714
Loans & Advances	9	<u>12,128,797</u>		<u>22,074,455</u>
		1,055,321,184		1,069,341,402
LESS: CURRENT LIABILITIES & PROVISIONS				
	10	<u>137,396,047</u>		<u>128,947,954</u>
NET CURRENT ASSETS				
			917,925,137	940,393,448
MISCELLANEOUS EXPENDITURE				
(To the extent not written off or adjusted)	11		12,967,694	28,138,237
PROFIT & LOSS ACCOUNT (Debit balance)				
			137,673,183	-
			<u>5,124,246,530</u>	<u>5,086,546,946</u>
For Notes forming part of the Accounts, refer to Schedule	16			

The schedules referred to above form an integral part of the Balance sheet and Profit and Loss Account

As per our report of even date attached.

For LUTHRA & LUTHRA
Chartered Accountants

Vishal Gupta
Partner

Noida, U.P.
June 20, 2005

**For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED**

Director

T. K. Banerjee
Vice-President
Noida, U.P.
June 20, 2005

Director

Pradeep Puri
President & CEO

Monisha Macedo
Manager and
Company Secretary

**NOIDA TOLL BRIDGE COMPANY LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2005**

	<u>Schedule</u>	<u>For the Year ended March 31,2005 Rupees</u>	<u>For the Year ended March 31,2004 Rupees</u>
INCOME			
Income From Operations	12	305,900,873	245,403,557
Other Income	13	11,461,831	13,234,062
		<u>317,362,704</u>	<u>258,637,619</u>
EXPENDITURE			
Operating and Administration Expenses	14	91,241,546	82,371,860
Finance Charges	15	373,595,363	370,527,696
Depreciation		2,338,079	1,632,161
Miscellaneous Expenditure Written Off		15,170,543	15,170,543
		<u>482,345,531</u>	<u>469,702,260</u>
PROFIT / (LOSS) FOR THE PERIOD		<u>(164,982,827)</u>	<u>(211,064,641)</u>
Balance Brought Forward from the Previous Year		-	(791,576,042)
Transfer from General reserve		27,309,644	1,002,640,683
Loss Carried to Balance Sheet		<u>(137,673,183)</u>	<u>-</u>
Basic Loss per Equity Share (in Rs.)		(1.35)	(1.72)
Diluted Loss per Equity Share (in Rs.)		(1.35)	(1.72)
For Notes forming part of the Accounts, refer to Schedule	16		
The schedules referred to above form an integral part of the Balance sheet and Profit and Loss Account			

As per our report of even date attached.

For LUTHRA & LUTHRA
Chartered Accountants

Vishal Gupta
Partner

Noida, U.P.
June 20, 2005

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Director

T. K. Banerjee
Vice-President
Noida, U.P.
June 20, 2005

Director

Pradeep Puri
President & CEO

Monisha Macedo
Manager and
Company Secretary

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

	<u>As At March 31,2005 Rupees</u>	<u>As At March 31,2005 Rupees</u>	<u>As At March 31,2004 Rupees</u>
SCHEDULE 1			
SHARE CAPITAL			
Authorised			
150,000,000 (Previous Year 150,000,000) Equity Shares of Rs.10 each		<u>1,500,000,000</u>	<u>1,500,000,000</u>
Issued, Subscribed and Paid up			
122,400,007 (Previous Year 122,400,007) Equity Shares of Rs.10 each Fully Paid up		<u>1,224,000,070</u>	<u>1,224,000,070</u>
SCHEDULE 2			
RESERVES & SURPLUS			
Revaluation Reserve			
Opening Balance	315,093,680		
Created during the year			1,345,044,007
Less : Transfer to General Reserve on sale			<u>1,029,950,327</u>
		315,093,680	315,093,680
General Reserve			
Opening Balance	27,309,644		
Created during the year	-		1,029,950,327
Less : Debit balance in Profit and Loss Account	<u>27,309,644</u>	-	<u>1,002,640,683</u>
			27,309,644
		<u>315,093,680</u>	<u>342,403,324</u>

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 4

FIXED ASSETS

(See note 2(b) and 3(O) of Schedule 16)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 1.04.2004	Additions	Deletions / Adjustment	As At 31.03.2005	As At 1.04.2004	For the Year	Deletions / Adjustment	As At 31.03.2005	As At 31.03.2005	As At 31.03.2004
Delhi Noida Link Bridge (Refer note(A) below and 2(b) and (c) of Schedule 16)	4,105,048,489	21,651,812		4,126,700,301	130,270,511			130,270,511	3,996,429,790	3,974,777,978
Leasehold Building		7,320,106		7,320,106		209,495		209,495	7,110,611	-
Plant & Machinery - Data Processing Equipment - Office Equipment	1,582,117 2,574,548	287,612 984,875	380,883	1,869,729 3,178,540	1,069,906 730,161	287,878 444,282	146,756	1,357,784 1,027,687	511,945 2,150,853	512,211 1,844,387
Vehicles (Refer Note (B) below)	4,580,818	600,000		5,180,818	1,075,830	1,053,418		2,129,248	3,051,570	3,504,988
Furniture & Fixtures	733,249	922,678	7,829	1,648,098	315,541	343,006	3,830	654,717	993,381	417,708
	4,114,519,221	31,767,083	388,712	4,145,897,592	133,461,949	2,338,079	150,586	135,649,442	4,010,248,150	3,981,057,272
Previous Year	3,802,485,806	1,350,200,600	1,038,167,185	4,114,519,221	133,589,378	1,632,161	1,759,590	133,461,949	3,981,057,272	3,668,896,428

Notes :

(A) Gross block of Delhi Noida Link Bridge includes residual value of revalued Land on Noida side for Rs.315,093,680. The revaluation was carried out in the year 2003-04.

(B) Vehicles include Rs.1,646,334 (previous year Rs.1,646,334) for assets acquired under Finance Lease.

**NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS**

	As At March 31,2005 Rupees	As At March 31,2004 Rupees
SCHEDULE 5		
INVESTMENTS (At Cost)		
A. Current and Quoted, other than Trade Investments		
Prudential ICICI Liquid Plan - NIL (previous year 1,595,396.60) units of face value of Rs.10 each	-	24,814,179
IL&FS Liquid Account Growth Plan - NIL (previous year 2,617,532.56 units of face value of Rs.10 each	-	30,794,573
Templeton India Treasury Management Account Growth Plan 11,506.15 (previous Year 36,001.34) units of face value of Rs.1000 each	19,038,616	56,831,232
SBI Mutual Fund Magnum Insta Cash Fund Account NIL (previous year 745,113.68) units of face value of Rs.10 each	-	10,605,718
HSBC Mutual Fund OCFG Cash Fund Growth - 581,962.97 (previous year NIL) units of face value Of Rs.10 each	6,504,309	
HDFC Cash Management Fund Savings Plan Growth 814,469.74 (previous year NIL) units of face value of Rs.10 each	11,217,204	
Note: The Net Asset Value of quoted investments as at the year end - Rs. 36,815,208 (Previous Year Rs. 123,238,463)		
B. Long Term and Unquoted, other than Trade Investments		
Investments in Equity Shares of Subsidiary Company DND Flyway Limited- 50,000 Equity Shares of face value of Rs 10 each	500,000	500,000
	37,260,129	123,545,702
SCHEDULE 6		
INVENTORIES (At Cost)		
Electronic Cards and 'On Board Units'	758,527	444,396
SCHEDULE 7		
SUNDRY DEBTORS (Unsecured, Considered Good)		
Debts Outstanding for more than six months	1,034,908,097	-
Debts Outstanding for less than six months	6,207,294	1,037,161,837
	1,041,115,391	1,037,161,837

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

	As At March 31,2005 Rupees	As At March 31,2004 Rupees
SCHEDULE 8		
CASH AND BANK BALANCES		
Cash in Hand	49,108	136,919
Balances with Scheduled Banks - In Current Accounts	1,269,361	9,523,795
	1,318,469	9,660,714
SCHEDULE 9		
LOANS AND ADVANCES (Unsecured, Considered good)		
a. Advances / Income Recoverable in Cash or in Kind or for Value to be Received	8,822,341	19,589,890
b. Advance Payment against Taxes	1,884,123	927,855
c. Deposits	1,422,333	1,556,710
	12,128,797	22,074,455
Amounts due from Directors	NIL	NIL
Maximum amount due from Directors during the year	NIL	NIL

**NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS**

	<u>As At March 31,2005 Rupees</u>	<u>As At March 31,2005 Rupees</u>	<u>As At March 31,2004 Rupees</u>
SCHEDULE 10			
CURRENT LIABILITIES AND PROVISIONS			
a. Current Liabilities			
Sundry Creditors	123,993,651		117,737,442
Advance Payments and Unexpired Discounts	9,030,827		8,046,545
Interest Accrued but not Due on Secured Loans	725,049		764,991
Other Liabilities	2,062,288		1,366,104
Investor Education and Protection Fund			
Unclaimed application money for allotment of Fully Convertible Debentures and Deep Discount Bond	<u>84,855</u>		<u>84,855</u>
		135,896,670	127,999,937
b. Provisions			
Provision for Taxes	11,673		9,395
Provision for Retirement Benefits (See note 2(h) of Schedule 16)	<u>1,487,704</u>		<u>938,622</u>
		1,499,377	
		<u>137,396,047</u>	<u>128,947,954</u>

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

	<u>As At March 31,2005 Rupees</u>	<u>As At March 31,2005 Rupees</u>	<u>As At March 31,2004 Rupees</u>
SCHEDULE 11			
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)			
a. Preliminary Expenses			
Balance brought forward	1,405,621		2,163,452
Less: Amount charged to Profit & Loss Account	757,831		757,831
	<u> </u>	647,790	<u> </u> 1,405,621
b. Expenses Incurred on Public issue of Fully Convertible Debentures and Deep Discount Bonds			
Balance brought forward	15,226,194		23,435,294
Less: Amount charged to Profit & Loss Account	8,209,100		8,209,100
	<u> </u>	7,017,094	<u> </u> 15,226,194
c. Deferred Revenue Expenses (See Note 3(n) of Schedule 16)			
Balance brought forward	11,506,422		17,710,034
Less: Amount charged to Profit & Loss Account	6,203,612		6,203,612
	<u> </u>	5,302,810	<u> </u> 11,506,422
		<u> </u> 12,967,694	<u> </u> 28,138,237

**NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS**

	For the Year ended March 31,2005 Rupees	For the Year ended March 31,2005 Rupees	For the Year ended March 31,2004 Rupees
SCHEDULE 12			
INCOME FROM OPERATIONS			
Toll Revenue		270,416,048	225,798,511
License Fee (Space for Advertisement)			
Noida Side	29,908,098		19,605,046
Delhi Side (Gross Revenue Rs 7,435,637, Less paid to MCD Rs 1,858,910)	<u>5,576,727</u>	35,484,825	
		<u>305,900,873</u>	<u>245,403,557</u>
SCHEDULE 13			
OTHER INCOME			
Profit on Sale of Units of Mutual Fund		7,670,629	5,776,296
Miscellaneous Income		3,791,202	7,457,766
		<u>11,461,831</u>	<u>13,234,062</u>

NOIDA TOLL BRIDGE COMPANY LIMITED
SCHEDULES FORMING PART OF THE ACCOUNTS

	For the Year ended March 31,2005 Rupees	For the Year ended March 31,2004 Rupees
SCHEDULE 14		
OPERATING AND ADMINISTRATION EXPENSES		
Salaries, Wages and Bonus	19,209,238	13,921,905
Contribution to Provident and Other Funds	1,723,867	968,533
Staff Welfare Expenses	1,775,804	672,319
Fees Paid to O & M Contractor	29,611,227	24,685,751
Consumption of Cards and On Board Unit	1,263,522	2,235,029
Legal & Professional Charges (See Note 3(j) of Schedule 16)	13,345,435	9,141,056
Agency Fees	2,372,432	2,583,222
Insurance Expenses	6,158,474	6,599,548
Travelling and Conveyance	4,303,457	3,227,757
Advertisement and Business Promotion Expenses	3,177,330	8,181,130
Rent	420,000	2,433,000
Repair & Maintenance - Building	1,863,585	694,651
Repair & Maintenance - Others	1,387,539	1,728,324
Telephone, Fax and Postage	1,273,751	839,105
Electricity Expenses	571,046	534,965
Rates and Taxes	435,865	1,595,635
Director's Sitting Fees	140,000	152,000
Loss on Sale of Fixed Assets	139,541	698,473
Development Right Expenses	201,754	366,860
Other Expenses	1,867,679	1,112,597
	91,241,546	82,371,860
SCHEDULE 15		
FINANCE CHARGES		
Interest on Deep Discount Bonds	134,625,060	117,674,797
Interest on Term Loan	191,663,546	187,174,990
Amortisation of Zero Coupon Bond Series B	29,615,900	51,601,434
Other Finance Charges (Includes Lease Finance Charges Rs 70947, Previous year Rs 72927)	17,690,857	14,076,475
	373,595,363	370,527,696

SCHEDULE 16 : NOTES FORMING PART OF THE ACCOUNTS

(1) Background

Noida Toll Bridge Company Limited (the Company) has been set up to develop, establish, construct, operate and maintain a project relating to the construction of the Delhi Noida Link Bridge under the "Build-Own-Operate-Transfer" (BOOT) basis. The Delhi Noida Link Bridge comprises the Delhi Noida Link Bridge, adjoining roads and other related facilities and the Ashram flyover which has been constructed at the landfall of the Delhi Noida Link Bridge.

A 'Concession Agreement' entered into between the Company, Infrastructure Leasing and Financial Services Limited and the New Okhla Industrial Development Authority, Government of Uttar Pradesh, conferred the right to the Company to implement the project and recover the project cost (through the levy of fees/ toll revenue) with a designated rate of return over the 30 year concession period commencing December 30, 1998 the date of Certificate of Commencement, or till such time the designated return is recovered, whichever is earlier. The Concession Agreement further provides that in the event the project cost with the designated return is not recovered at the end of 30 years, the concession period shall be extended by 2 years at a time until the project cost and the return thereon is recovered. The rate of return is computed with reference to the project costs, cost of major repairs and the shortfall in the recovery of the assured returns in the previous year(s).

The independent auditors of the Project appointed in terms of the Concession Agreement have ascertained the cost of the Delhi Noida Link Bridge incurred till March 31, 2001 on provisional basis pending certain payments, which would be effected on submission of the final bills by the contractor as per terms of the contract and clearance of the same by the Project Engineer. The independent auditors have also determined the accrued return as designated under the Concession Agreement and due to the company till March 31, 2005. As per a draft report given by the independent auditors which is based on the unaudited financial statements as at 31 March, 2005, the total amount to be recovered up to 31 March, 2005 under the Concession Agreement including 20% return on project cost aggregates to Rs.8150.99 million.

(2) Significant Accounting Policies

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act 1956 and comply with the mandatory Accounting Standards issued by The Institute of Chartered Accountants of India. The Accounting policies have been consistently applied by the Company.

(b) Fixed Assets

Fixed assets include the Delhi Noida Link Bridge and Ashram Flyover which are stated at original cost of acquisition including incidental expenses relating to the acquisition and installation of the assets.

Expenses incurred on the Delhi Noida Link Bridge include direct and indirect expenses incurred for procurement/construction of land and buildings, roads, bridges, culverts, plant and machinery including toll plazas and other equipment and related expenses. (See also Note 3(a) below)

(c) Revaluation of Fixed Assets

Revalued assets are recorded at revalued amounts and the incremental values are shown as Revaluation Reserve. Revaluation Reserve is transferred to the General Reserve to the extent relatable to the assets disposed off.

(d) Depreciation

Depreciation on fixed assets (other than Leasehold Building and the Delhi Noida Link Bridge) is provided on the written down value method using rates prescribed under Schedule XIV to the Companies Act, 1956. Depreciation on the Leasehold Building and the Delhi Noida Link Bridge (other than chain link fencing and advertisement structures which are depreciated on a straight line basis over a period of fifteen years) is provided on the Straight Line Method using rates prescribed under schedule XIV to the Companies Act, 1956.

(e) Revenue Recognition

The Company's revenue are recognized on accrual basis.

(f) Financing Cost

All Financing Costs in relation to borrowings made by the Company are recognised as an expense and are charged to revenue in the year in which these are incurred on a year to year basis based on contractual terms agreed with the Lenders.

(g) Inventories

Inventories have been valued at cost or net realizable value whichever is lower. Cost is recognised on First In First Out basis.

(h) Retirement Benefits

The provision for gratuity as at the year end has been made based on an actuarial valuation funded by the Life Insurance Corporation of India.

The money value of unutilised leave due to the employees in terms of the service conditions is included under retirement benefits and is calculated on the basis of leave due to an employee as at the end of the year multiplied by salary as on 31st March.

(i) Investments

Investments are valued at cost.

(j) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions. Monetary items denominated in foreign currency and outstanding at the balance sheet date are translated at the exchange rate prevailing on that date. In case of forward contracts for foreign exchange, the difference between the forward rate and the exchange rate at the date of the transaction are recognised over the life of the contract.

In case of liabilities incurred for acquisition of fixed assets, the loss or gain on conversion, at the rates prevailing at the year end is adjusted to the carrying amount of related fixed assets.

(k) Miscellaneous Expenditure

Miscellaneous expenditure is amortised over a period of five years from the date of commencement of commercial operations.

(l) Capitalisation of Borrowing Costs

Borrowing costs related to the acquisition / construction of the qualifying fixed assets for the period upto the completion of their acquisition / construction are included in the book value of the assets.

(m) Deferred Taxation

The Company has carried out its tax computation in accordance with AS 22 – Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India. In accordance with the same no deferred tax asset / liability was required to be created at the year end.

(n) Earnings Per Share

The earnings considered in ascertaining the Company's EPS comprises of the net loss after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

(o) Financial Lease

Finance leases which effectively transfer to the company substantial risks and benefits incidental to ownership of the leased item, are capitalized and disclosed as leased assets. Finance charges payable on assets taken on financial lease are charged off to Profit & Loss Account.

(3) NOTES ON ACCOUNTS:

(a) Fixed Assets

(i) Depreciation

The Company has obtained approval from the Department of Company Affairs vide its letter dated December 14, 2003 for not charging depreciation on the Delhi Noida Link Bridge for a three year period commencing from Financial Year 2003-04. Accordingly, depreciation on the Bridge has not been provided for during the current financial year. The quantum of arrears of Depreciation for the years 2003-04 & 2004-05 computed in accordance with Section 205 (2) amounts to Rs 131,220,469/- which will be charged over the remaining useful life of the asset.

(ii) Revaluation of Fixed Assets

- Delhi Noida Link Bridge includes value of Land appurtenant to the Bridge on both sides of Delhi and Noida. The company had during the year 2003-04 carried out revaluation of Land for 34 acres on Noida side (original cost Rs 5,719,849 and written down value Rs 5,519,581 as on April 1, 2003) for which the value has been increased by Rs 1,345,044,007.
- New Okhla Industrial Development Authority (NOIDA) has accorded in principle approval to grant Development Rights to the Company and formal agreement in this regard is pending execution. The terms and conditions of the formal agreement may impact land valuation.

(b) Sale of Revalued Land :

After obtaining approval from the Shareholders and the Lenders, the company had sold 30.493 acres of revalued land to its wholly owned subsidiary in the year 2003-04 at the revalued price. Consequent to such sale, revaluation amount pertaining to land sold had been transferred from the Revaluation Reserve to the General Reserve in the year 2003-04.

(c) Wholly Owned Subsidiary:

The Company created a Wholly Owned Subsidiary Company, namely, DND Flyway Ltd during the year 2003-04 after obtaining the approval of the Lenders as well as Trustees to the Debenture holders and the Shareholders of the Company. Six Equity shares of face value of Rs 10 each of the DND Flyway Ltd are held jointly with individuals (with the company as first named Shareholder)

(d) Debt Restructuring:

Pursuant to the approved Debt Restructuring package, the Company has issued

- Zero Coupon Bonds (ZCBs) (Series A) of face value of Rs 100 each aggregating to Rs 51.385 crores to Financial Institutions and others towards conversion of Term Loan. ZCBs aggregating to Rs 25.693 crores have been repaid on 31st March 2005 as per terms of Restructuring.
- Zero Coupon Bonds (Series B) of face value of Rs 100 each aggregating to Rs 55.5422 crores to Banks, Financial Institutions and others repayable no later than March 31, 2014 towards the Net Present Value of the sacrifice made by them by way of reduction of interest rates from the contracted terms. The Company has decided to create provision on a year to year basis on the principle of Sinking Fund by applying the weighted average interest rate on outstanding borrowings prior to restructuring as the discount rate and thereby arrive at the amount of the yearly charge. The Company has obtained confirmation from professional experts with respect to appropriateness of the Sinking Fund Method as well as the adequacy of the charge on a year to year basis to account for the liability towards the ZCBs in the books. Accordingly, the Profit and Loss account has been debited with Rs 29,615,900 (Previous Year Rs. 51,601,434) being the required amount towards provision and the corresponding liability has been created under the head Secured Loans. The company has redeemed ZCBs (Series B) aggregating to Rs. 27,771,100/- during the previous year and the same has been adjusted against the face value of the Zero Coupon Bonds (Series B) issued by the Company.
- The Company has repaid 16% of the Terms Loans aggregating to Rs. 24.4555 crores to the Banks on March 31, 2005 as per terms of restructuring.

(e) Capitalisation of the Delhi Noida Link Bridge :

Pending receipt of the final bill from the EPC contractor, for expenses incurred on the project, Company had, based on an estimate of balance work done as certified by the Project Engineer, capitalised the same at an estimated cost of Rs 37.12 million.

Both parties to the contract have referred some of the disputes to arbitration. Cost of the project will be revised based on receipt of the contractor's final bill, and on settlement of arbitration proceedings. The extent of such adjustments, if any cannot be determined at this stage. (See also Note 3(g)(iii)).

(f) Secured Loans :

- (i) Deep Discount Bonds are secured by a pari passu first charge in favour of the trustees along with the other senior lenders of the Company on all the project assets which include the Delhi Noida Link Bridge 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. (See note 3(k))
- (ii) The Company has issued Series A Zero Coupon Bonds of Rs 100 each for an aggregate amount of Rs 513,850,000 as per terms of Restructuring approved by the Corporate Debt Restructuring Empowered Group of the Banks and Financial Institutions on October 29, 2002. These Zero Coupon Bonds are secured by pari passu first charge on the Company's assets both present and future. The first installment, as per terms of restructuring has been repaid on March 31, 2005 and the balance is repayable on March 31, 2006.
- (iii) The Company has issued Series B Zero Coupon Bonds of Rs 100 each for an aggregate amount of Rs 555,422,000 to Banks and Financial Institutions against the sacrifice made by them by way of reduction of interest rates from the contracted terms pursuant to the approval of the Companies debt restructuring package by the

Corporate Debt Restructuring Empowered Group of the Banks and Financial Institutions. These Zero Coupon Bonds are secured by pari passu first charge on the Company's assets both present and future.

- (iv) The loan of Rs. 350 mn raised during the year is secured by pari passu first charge on the Company's assets both present and future alongwith the other Senior Lenders of the Company.
- (v) Term loans from banks, financial institutions and others are secured by a charge on:
- Immovable properties of the Company situated in the states of Delhi and Uttar Pradesh.
 - The whole of the movable properties of the Company, both present and future.
 - All the Company's book debts, receivables, revenues of whatsoever nature and wheresoever arising, both present and future.
 - All the rights, titles, interest, benefits, claims and demands whatsoever of the Company under any agreements entered into by the Company in relation to the project including consents, agreements or any other documents entered into or to be entered into by the Company pertaining to the project, as amended, varied or supplemented from time to time.
 - All the rights, titles, interest of the Company in and relation to the Trust & Retention account proceeds, being the bank account established by the Company for crediting all the revenues from the project including but not limited to toll collections from the project.
 - All the rights, titles, interest benefits, claims and demands whatsoever of the Company in the Government permits, authorizations, approvals, no objections, licenses pertaining to the project and to any claims or proceeds arising in relation to or under the insurance policies taken out by the Company pertaining to the assets of the projects of the Company.

(g) Contingent Liabilities :

(a) Contingent Liabilities in respect of:

	As at March 31, 2005 Rs./Million	As at March 31, 2004 Rs./Million
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances paid against such contracts Rs. NIL million (Previous year Rs. 5.79 Mn)	6.89	3.50
(ii) Claims not acknowledged as debt by the Company.	33.20	Nil
(iii) Based on an environment and social assessment, compensation for rehabilitation and resettlement of project-affected persons has been estimated and considered as part of the project cost and provided for based on estimates made by the Company.		
(iv) Claims made by the Contractor aggregating to Rs. 251.26 million (Previous year Rs 251.26 million) have not been accepted by the Company and both parties have referred the matter to arbitration in accordance with the contractual arrangements.		

(h) **Expenditure in Foreign Currency :**

	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
(a) Travel	418,240	342,800
(b) Inventories (OBU)	733,149	Nil

(i) **Managerial Remuneration :**

Remuneration paid / payable to Managers.

	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
(a) Salaries	1,639,140	1,242,000
(b) Contribution to Provident and other funds	100,980	50,688
(c) Monetary value of perquisites	398,426	247,421
	2,138,546	1,540,109

(j) **Auditor's Remuneration :**

Legal and Professional charges include remuneration paid to Auditors as follows:

	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
(a) As Auditors	150,000	150,000
(b) Limited review of half yearly accounts	150,000	175,000
(c) For taxation matters	60,000	60,000
(d) For Other Services	266,000	87,000
(e) Reimbursement of out of pocket expenses	32,500	12,000
(f) Service Tax	49,640	31,700
	708,140	515,700*

* (Includes Rs 91,980 paid to M/s S.B.Billimoria & Company)

(k) **Deep Discount Bonds :**

As per terms of issue, the DDB holders holding 37,098 DDBs exercised Put Option on November 3, 2004 and were paid by M/s Infrastructure Leasing & Financial Services Limited and Infrastructure Development Finance Company Limited as per Take out Assistance Agreement entered into with the Company. Pursuant to the approval received from the Secured Creditors, the Company has filed a scheme of Restructuring of its debts including the DDBs in the Allahabad High Court for reduction of interest. Provision has been made in the Profit and Loss Account towards interest accrued during the Year as per the original rates pending finalization of the scheme by the Allahabad High Court .

(I) Investments in Mutual Fund :

During the year, the Company acquired and sold units of Mutual Funds on various dates as under:

Particulars	Purchases		Sales	
	Units	Amount Rupees	Units	Amount Rupees
Templeton India – Treasury Management Account Regular Plan	61,616.20 (87,354)	101,401,445.67 (135,637,266)	86,111.39 (51,353)	141,742,540.70 (80,424,243)
Templeton India – Short Term Income Plan Growth	Nil (8,412)	Nil (9,500,000)	Nil (8,412)	Nil (9,704,671)
Templeton Floating Rate Income Fund – Short Term Plan	5,565,587.55 (5,940,529)	66,442,540.71 (67,324,243)	5,565,587.55 (5,940,529)	66,451,445.67 (67,528,475)
Prudential ICICI Liquid Plan*	1,503,279.34 (3,859,158)	24,319,361.84 (58,742,915)	3,098,675.95 (2,263,761)	50,161,599.22 (34,994,348)
Prudential ICICI Institutional Short Term Plan – Cumulative Option	1,534,488.36 (2,386,102)	19,315,985.98 (28,308,933)	1,534,488.36 (2,386,102)	19,319,361.84 (28,390,818)
Birla Cash Plus Retail Plan -Growth	204,798.13 (299,140)	3,500,000.00 (5,000,000)	204,798.13 (299,140)	3,610,570.52 (5,053,008)
UTI –Liquid Advantage Fund Institutional Growth Plan (Formerly IL&FS Liquid Plan)	30,300.27 (10,087,350)	33,808,470.26 (115,730,597)	56,475.59 (7,469,817)	65,613,776.14 (86,671,609)
UTI – Fixed Maturity Plan-QFMP (series VII) Growth Plan (Formerly IL&FS Fixed Maturity)	2,476,107.13 (Nil)	24,761,071.30 (Nil)	2,476,107.13 (Nil)	25,095,098.15 (Nil)
IL&FS Bond Fund-Short Term - Growth	Nil (2,566,562)	Nil (29,771,609)	Nil (2,566,562)	Nil (29,773,149)
SBI Mutual Fund- Magnum Insta Cash Fund –Cash Option.	583,115.72 (2,333,498)	8,461,178.31 (32,980,715)	1,328,229.40 (1,588,385)	19,427,201.31 (22,576,778)
SBI Mutual Fund- Magnum Income Fund Floating Rate Short Term Plan Growth	335,070.56 (1,514,055)	3,460,943.76 (16,576,778)	335,070.56 (1,514,055)	3,461,178.31 (16,580,715)
Standard Chartered Mutual Fund – Short Term Growth	Nil (1,299,171)	Nil (16,000,000)	Nil (1,299,171)	Nil (16,426,200)
HSBC Mutual Fund – OCFG HSBC Cash Fund – Growth	3,117,001.76 (976,146)	34,004,309.08 (10,300,000)	2,535,038.79 (976,146)	28,103,478.68 (10,422,601)
HSBC Mutual Fund –OFSRG HSBC Floating Rate Fund –Short Term –Regular Option	638,779.57 (Nil)	6,503,478.67 (Nil)	638,779.57 (Nil)	6,504,309.07 (Nil)
D40 DSP Merrill Lynch Liquidity Fund-Growth	2,444,414.11 (Nil)	38,521,269.22 (Nil)	2,444,414.11 (Nil)	39,594,646.88 (Nil)
D40 DSP Merrill Lynch Floating Rate Fund -Growth	567,701.39 (Nil)	6,219,566.12 (Nil)	567,701.39 (Nil)	6,221,269.22 (Nil)
GCFG Grindlays Cash Fund-Growth	879,215.40 (Nil)	10,500,000.00 (Nil)	879,215.40 (Nil)	10,584,786.24 (Nil)
Chola Liquid Insta Plus Cumulative	1,574,860.24 (Nil)	21,000,000.00 (Nil)	1,574,860.24 (Nil)	21,192,421.76 (Nil)
HDFC Cash Management Fund – Savings Plan-Growth	2,948,963.96 (Nil)	40,394,156.28 (Nil)	2,134,494.22 (Nil)	29,391,967.58 (Nil)
HDFC Floating Rate Income Fund – Short Term Plan-Growth	1,367,930.95 (Nil)	15,191,967.59 (Nil)	1,367,930.95 (Nil)	15,194,156.29 (Nil)
Kotak Liquid (Regular) – Growth	914,827.31 (Nil)	12,000,000.00 (Nil)	914,827.31 (Nil)	12,031,534.31 (Nil)
Kotak Liquid (Institutional)-Growth	908,623.22 (Nil)	12,031,534.31 (Nil)	908,623.22 (Nil)	12,092,139.48 (Nil)
JM Mutual Fund Liquidity Fund – Growth	Nil (288,500)	Nil (5,000,000)	Nil (288,500)	Nil (5,057,037)

* Includes balance brought forward from previous year

Of the above, 1,407,938.86 units remained unsold as on 31 March, 2005 and have been shown under Investment (See Schedule 5)

Profit from sale of the above units of Rs. 7,670,629 (previous year Rs. 5,776,296) is included in other income (See Schedule 13).

Figures in bracket are the previous year figures.

(m) **Outstanding Balance with Small-Scale Industrial Unit :**

There are no amounts outstanding as payable to any small-scale industrial units as on March 31, 2005.

(n) **Miscellaneous Expenditures :**

Deferred revenue expenses includes expenses not relating to the construction of the bridge during the preoperative period and include marketing expenses, expenses on secretarial matters, etc.

(o) **Effect of change in Foreign Exchange Rates :**

Net foreign exchange gain of Rs. 203,532/- (Previous year Loss Rs 41,831) has been adjusted against capitalization of fixed assets during the year.

(p) **List of Related parties and Transactions / Outstanding Balances :**

(i) Company holding substantial interest in voting power of the Company :

Infrastructure Leasing & Financial Services Ltd.

Transactions/ Outstanding balances	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
Expenditure on other service	485,227	290,654
Agency Fees	7,949,564	5,400,680
Interest on Term Loan	66,671,691	37,602,740
Recoverable as at the year end	2,353,180	225,972
Payable as at the year end	1,744,281	83,033
Equity as at the year end	360,000,070	360,000,070
Deep Discount Bonds	156,082,914	Nil
Term Loan as at the year end	650,000,000	300,000,000
Zero Coupon Bonds (Series A)	150,000,000	300,000,000
Zero Coupon Bonds (Series B)	171,000,000	171,000,000
Funded Interest	43,536,987	39,036,986

(ii) Enterprise which is controlled by the Company

DND Flyway Ltd.

Transactions/ Outstanding balances	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
Sale of Land	Nil	1,034,841,881
Investment in Equity Shares.	500,000	500,000
Receivable as at the year end	1,034,841,881	1,034,846,881

(iii) Associates with whom transactions have taken place during the year or have balances at the year end :

- Consolidated Toll Network India Ltd.
- IL&FS Investment Managers Ltd.
- IL&FS Trust Company Ltd.
- IL&FS Education and Technology Services Ltd.
- Kampsax India Pvt Ltd.
- PDCOR Ltd.
- Learnet India Pvt Ltd
- Wilbur Smith Associates Pvt. Ltd.
- New Tirupur Area Development Company Limited
- IL&FS Investsmart Limited

Transactions/ Outstanding balances	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
Services & Other Income	Nil	1,000,000
Expenditure on Technical & Consultancy services and other	1,892,050	2,425,350
Purchase of units of Mutual Fund	Nil	68,473,149
Sale of units of Mutual Fund	Nil	86,671,609
Units of Mutual Fund as at year end	Nil	30,794,573
Receivable as at the year end	267,462	1,731,642
Payable as at the year end	403,929	400,000
Equity as at the year end	200,000,000	200,000,000

(iv) Key Management Personnel :

Mr. Pradeep Puri (President & CEO)
Ms. Monisha Macedo (Manager)

Transactions/ Outstanding balances	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
Vehicle Loan as at the year end	87,857	133,169
House Loan as at the year end	Nil	4,958,511
House Renovation Loan at the year end	163,288	200,000
Remuneration paid	10,930,143	8,716,179

(q) **Lease obligations :**

The company had taken one vehicle under finance lease, reconciliation of minimum lease payments and their present value is as under:

	Minimum Lease Payment (Rupees)	Present value of minimum lease payments (Rupees)	Lease Charges (Rupees)
Amount paid upto 31/3/2005	947,562	803,688	143,874
Amount payable not later than one year	541,464	502,428	39,036
Amount payable later than one year but not later than five years	278,275	272,973	5,302
Total	1,767,301	1,579,089	188,212
Previous Year	1,767,301	1,579,089	188,212

The total cost of the vehicle and its carrying amount as at 31.3.2005 is Rs. 1,646,334 (Previous Year Rs. 1,646,334) and Rs. 1,001,143 (Previous Year Rs 1,350,888) respectively

(r) **Earning/ (Loss) Per Share :**

	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
I. BASIC / DILUTED LOSS PER SHARE		
i. Number of Equity shares of Rs. 10 each fully paid up at the year beginning	122,400,007	122,400,007
ii. Number of Equity shares of Rs. 10 each fully paid up at the year end	122,400,007	122,400,007
iii. Weighted Average number of Equity Shares outstanding during the period	122,400,007	122,400,007
iv. Net Loss for the Period	Rs. (164,982,827)	Rs. (211,064,641)
Basic / Diluted Loss per Share	Rs. (1.35)	Rs. (1.72)
Nominal value of Equity Share	Rs. 10.00	Rs. 10.00

(s) **Previous Year's Comparatives :**

Figures for the previous year have been regrouped / reclassified to conform to current year's presentation. Figures in brackets represent negative balance except otherwise stated.

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
Vice President
Noida, U.P.
June 20, 2005

Monisha Macedo
Company Secretary

**NOIDA TOLL BRIDGE COMPANY LIMITED
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

(In terms of amendment to Schedule VI Part IV)

I Registration Details

Registration No.	:	20-19759	State Code	:	20
Balance Sheet Date	:	31 March, 2005			

II Capital Raised during the Year (Amount in Rs. Thousands)

Public Issue	:	NIL	Right Issue	:	NIL
Bonus Issue	:	NIL	Private Placement	:	NIL

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

Total Liabilities	:	5124247	Total Assets	:	5124247
Source of Funds					
Paid-up Capital	:	1224000	Reserve and Surplus	:	315094
Secured Loans	:	3585153	Unsecured Loans	:	NIL
Application of Funds					
Net Fixed Assets (including Capital Work- in-progress)	:	4018421	Investments	:	37260
Net Current Assets	:	917925	Misc. Expenditure	:	12968
Accumulated Losses	:	137673			

IV Performance of the Company (Amount in Rs. Thousands)

Turnover & Other Income	:	317363	Total Expenditure	:	482346
Profit/Loss before Tax	:	164983	Profit/Loss after Tax	:	164983
Earning per Share in Rs.	:	(1.35)	Dividend rate %	:	N/A

V Generic Names of three Principal Products/Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	:	NIL
Product Description	:	The Company has been set up for the purpose of construction & operation of Delhi Noida Link Bridge Project on Build, Operate, Own & Transfer (BOOT) system.

**For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED**

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
Vice President

Monisha Macedo
Manager &
Company Secretary

Noida, U.P.
June 20, 2005

NOIDA TOLL BRIDGE COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2005

	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Loss for the year	(164,982,827)	(211,064,641)
Adjustments For :		
Depreciation	2,338,079	1,632,161
Miscellaneous Expenditure Written off	14,412,712	14,412,712
Preliminary Expenses Written off	757,831	757,831
Finance Charges	373,595,363	370,527,696
Loss on Sale of Assets	139,541	698,473
Other Income	(7,670,629)	(5,776,296)
	<u>218,590,070</u>	<u>171,187,936</u>
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Sundry Debtors	(3,953,554)	900,106
Decrease / (Increase) in Inventories	(314,131)	1,551,132
Decrease / (Increase) in Loans and Advances	9,945,658	9,371,898
Increase / (Decrease) in Current Liabilities	8,488,035	(7,548,372)
Cash From/(Used In) Operating activities	<u>232,756,078</u>	<u>175,462,700</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
(Purchase) / Addition to Fixed Assets	(26,997,550)	(10,019,354)
Proceeds from Sale of Fixed Assets	98,585	867,241
Purchase of Shares (Unquoted Investments)		(500,000)
Gain/(Loss) on Sale of Units of Mutual Funds	7,670,629	5,776,296
Cash From/(Used In) Investing Activities	<u>(19,228,336)</u>	<u>(3,875,817)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Term Loans from Banks, Financial Institutions and Others	350,000,000	
Repayment of Term Loan to Banks, Financial Institutions and Others	(501,480,339)	
Interest and Finance Charges Paid	(156,675,221)	(140,410,847)
Cash From/(Used In) Financing Activities	<u>(308,155,560)</u>	<u>(140,410,847)</u>
Net Increase /Decrease in Cash and Cash Equivalents	(94,627,818)	31,176,036
Cash and Cash Equivalents as at 1 April, 2004	132,706,416	101,530,380
Cash and Cash Equivalents as at 31 March, 2005	<u>38,078,598</u>	<u>132,706,416</u>
Components of Cash and Cash Equivalents as at:		
	31 March, 2005	31 March, 2004
Cash in hand	49,108	136,919
Balances with the scheduled banks:		
- In Current accounts	1,269,361	9,523,795
- In Deposit accounts		
Short Term Investments (Maturity less than 3 months)	36,760,129	123,045,702
	<u>38,078,598</u>	<u>132,706,416</u>

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Director
T. K. Banerjee
Vice President
Noida, U.P.
June 20, 2005

Director
Monisha Macedo
Manager and
Company Secretary

Pradeep Puri
President & CEO

AUDITORS' CERTIFICATE

We have verified the above cash flow statement of Noida Toll Bridge Company Limited derived from the audited financial statements of the Company for the year ended 31 March, 2005 and found the statement to be in accordance therewith and also with the requirements of clause 32 of the listing agreement with the Stock exchanges.

For LUTHRA & LUTHRA
Chartered Accountants

Noida, U.P.
June 20, 2005

Vishal Gupta
Partner

**STATEMENT UNDER SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO THE SUBSIDIARY COMPANY**

1.	Name of the company	DND Flyway Limited
2.	Financial period of the Subsidiary ended on	31st March,2005
3.	Holding Company's Interest in the Subsidiary Company	100% of the Equity Share capital of Rs 500,000
4.	Net aggregate amount of the Profit/(Loss) of the Subsidiary Company (concerning the members of Noida Toll Bridge Company Limited) not dealt with or provided for in the accounts of Noida Toll Bridge Company Limited.	
	(a) For the current year	(Rs.59,418)
	(b) For the previous year since it became a subsidiary	(Rs.84,350)
5.	Net aggregate amount of the Profit/(Loss) of the Subsidiary Company (concerning the members of Noida Toll Bridge Company Limited) dealt with or provided for in the accounts of Noida Toll Bridge Company Limited.	
	(a) For the current year	Nil
	(b) For the previous year since it became a subsidiary	Nil

Pradeep Puri
President & CEO
Noida, U.P.
June 20, 2005

Director

Director

Monisha Macedo
Manager and
Company Secretary

T.K.Banerjee
Vice-President



DND FLYWAY LIMITED

Board of Directors

Mr. Gopi Arora
Mr. Pradeep Puri
Mr. Ajai Mathur

Bankers

Canara Bank
C-3, Sector-1
NOIDA - 201 301

Auditors

Luthra & Luthra
Chartered Accountant
A-16/9, Vasant Vihar
New Delhi

Corporate / Correspondence Address

DND Flyway Limited
Toll Plaza, DND Flyway
Noida (UP) 201 301

Registered Office Address

DND Flyway Limited
A-16/9, Vasant Vihar
New Delhi



DIRECTORS' REPORT

Your Directors have pleasure in presenting the Second Annual Report together with the Audited Accounts and the Auditors' Report for the period April 1, 2004 - March 31, 2005.

OPERATIONS

DND Flyway Limited, promoted by Noida Toll Bridge Company Limited (NTBCL) was incorporated with the object of carrying out development activities on the surplus land around the Delhi Noida Bridge (DND Flyway). The surplus land from NTBCL was proposed to be transferred to the Company in one or more tranches. In the first tranche the Company has taken on sub-lease 30.493 acres of land in Noida.

The land has been sub-leased with an existing pari passu first charge in favour of the Senior Lenders and Deep Discount Bondholders of NTBCL. The Company had applied for Stamp Duty Exemption on transfer of land under the sub lease deed dated March 31, 2004 from Noida Toll Bridge Company Limited which was approved vide an order dated September 30, 2004, passed by ADM (Finance), Gautumbudh Nagar, U.P. The amount of Stamp Duty so exempted was approximately Rs 8 crores.

Following this order, the land was registered in the name of DND Flyway Limited on October 14, 2004.

In terms of a Concession Agreement, Noida Toll Bridge Co. Ltd was granted development rights (in principle) by the Noida Authorities. However the same was subject to execution of a formal agreement.

Although the Company was formed to generate revenue by developing the land, the Company can commence commercial activity only after execution of a formal agreement with New Okhla Industrial Development Authority (NOIDA). Hence even though no commercial operations have begun the financial statements have been prepared on a going concern basis.

FINANCIAL RESULTS

The Company had no transaction during the year. The loss of Rs. 59,418/- mainly consists of the remuneration to Statutory Auditors.

DIVIDEND

Since the Company has not earned any profits, the Directors cannot recommend any dividend for the year.

PUBLIC DEPOSIT

The Company has not accepted any deposits from the public during the year under review.

PARTICULARS OF EMPLOYEES

During the year under review, the Company had no employees drawing remuneration as set out under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company does not own any manufacturing facilities hence particulars with regard to the above are not applicable. The Company has no foreign exchange earnings and outgo.

STATUTORY AUDITORS

M/s Luthra & Luthra, Chartered Accountants, the Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and have expressed their willingness to continue as Auditors, if reappointed.

DIRECTORS

In accordance with the requirements of the Companies Act, 1956, Mr. G.K. Arora retires by rotation and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Section 217 (2AA) of the Companies Act, 1956 as amended in December 2000 required the Board of Directors to provide a statement to the members of the Company in connection with maintenance of books, records, preparation of Annual Accounts in conformity with the accepted accounting standards and past practices followed by the Company. Pursuant to the foregoing and after due enquiry, it is confirmed that:

1. In the preparation of the annual accounts, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures.
2. The Directors have selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the Annual Accounts on a going concern basis.

**By order of the Board
For DND Flyway Limited**

Mr. Pradeep Puri
Director

Mr. Ajai Mathur
Director

Place : New Delhi
Dated : May 17, 2005

AUDITORS' REPORT

**TO THE MEMBERS OF
DND FLYWAY LIMITED
New Delhi.**

1. We have audited the attached Balance Sheet of DND Flyway Limited as at 31 March 2005, the Profit and Loss Account and 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. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in Paragraph 4 of the said Order.
4. We draw your attention to the fact that New Okhla Industrial Development Authority (NOIDA) has conveyed its in-principle approval to grant development rights on land acquired on a sub lease basis from Noida Toll Bridge Company Limited. (Refer to note No. 1 of Notes to accounts in schedule – 5B)
5. Further to our comments in the Annexure referred to above, 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 appears from our examination of those books;
 - (c) the Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the Profit and Loss Account and 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;
 - (e) on the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as at 31 March, 2005, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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:
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2005;
 - ii. in the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **LUTHRA & LUTHRA**
Chartered Accountants

Vishal Gupta
Partner
(Membership No. 98796)

Place : New Delhi
Date : May 17, 2005

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

1. The nature of the company's business /activities during the year is such that clauses (i), (iii), (vi), (vii), (viii), (xi), (xii), (xiii), (xiv), (xvi), (xviii), (xix) and (xx) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable for the year ended 31 March 2005.
2. As the stock in trade consists only of land and the management is of the opinion that physical verification is not required, the same has not been physically verified. Hence clauses 4 (ii)(b) and (c) of the order are not applicable.
3. There is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventory and for the sale of goods.
4. There were no transactions which require to be entered in a register in pursuance of section 301 of the Companies Act 1956. Hence clause 4(v) (b) of the order is not applicable.
5. Provident fund and Employees' State Insurance Act are not applicable. Further, the company is regular in depositing undisputed statutory dues including investor education and protection fund, income-tax, sales-tax, wealth tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities.
6. There were no dues of sales tax/income tax/custom duty/wealth tax/excise duty/cess outstanding on account of any dispute.
7. The company has been incorporated for a period of less than five years and its accumulated losses at the end of the financial year are less than fifty per cent of its net worth.
8. As per the information and explanations given to us, the company has acquired secured land with charge of all secured lenders of NTBCL. In our opinion the terms and conditions of such charge is not prejudicial to the interest of the company.
9. As per the information and explanation given to us, the funds raised on short-term basis have not been used for long-term investment and vice versa.
10. As per the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

For **LUTHRA & LUTHRA**
Chartered Accountants

Place :New Delhi
Date : May 17, 2005

Vishal Gupta
Partner
(Membership No. 98796)

DND Flyway Limited

DND FLYWAY LIMITED BALANCE SHEET AS AT 31 MARCH, 2005

	<u>Schedule</u>	<u>As at March 31,2005 Rupees</u>	<u>As at March 31,2005 Rupees</u>	<u>As at March 31,2004 Rupees</u>
<u>SOURCES OF FUNDS</u>				
SHAREHOLDERS' FUNDS				
Equity Share Capital	1		500,000	500,000
<u>APPLICATION OF FUNDS</u>				
CURRENT ASSETS, LOANS & ADVANCES				
Stock in Trade	2	1,034,841,881		1,034,841,881
Cash and Bank balances	3	411,332		505,000
		1,035,253,213		1,035,346,881
LESS: CURRENT LIABILITIES & PROVISIONS	4	1,034,896,981		1,034,931,231
NET CURRENT ASSETS			356,232	415,650
PROFIT AND LOSS ACCOUNT (Debit balance)			143,768	84,350
			500,000	500,000
For Notes forming part of the Accounts, refer to Schedule	5			

The schedules referred to above form an integral part of the Balance sheet and Profit and Loss Account

As per our report of even date attached.

For LUTHRA & LUTHRA
Chartered Accountants

Vishal Gupta
Partner

New Delhi
May 17, 2005

**For and on behalf of
DND FLYWAY LIMITED**

Director

Director

New Delhi
May 17, 2005

DND FLYWAY LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2005

<u>Schedule</u>	<u>For the Year ended March 31,2005 Rupees</u>	<u>For the Year ended March 31,2004 Rupees</u>
INCOME	Nil	Nil
	Nil	Nil
EXPENDITURE		
Operating and Administration Expenses		
Auditors Remuneration	59,300	27,000
Finance Charges		
Other Finance Charges	118	
Miscellaneous Expenditure Written Off	-	57,350
	59,418	84,350
PROFIT / (LOSS) FOR THE YEAR	(59,418)	(84,350)
Balance Brought Forward from the Previous Year	(84,350)	Nil
Loss Carried to Balance Shee	(143,768)	(84,350)
Basic Loss per Equity Share (in Rs.)	(1.19)	(1.69)
Diluted Loss per Equity Share (in Rs.)	(1.19)	(1.69)

For Notes forming part of the Accounts, refer to Schedule **5**

The schedules referred to above form an integral part of the Balance sheet and Profit and Loss Account

As per our report of even date attached.

For LUTHRA & LUTHRA
Chartered Accountants

For and on behalf of
DND FLYWAY LIMITED

Vishal Gupta
Partner

Director

Director

New Delhi
May 17, 2005

New Delhi
May 17, 2005

DND Flyway Limited

DND FLYWAY LIMITED SCHEDULES FORMING PART OF THE ACCOUNTS

	<u>As at March 31,2005 Rupees</u>	<u>As at March 31,2004 Rupees</u>
SCHEDULE 1		
SHARE CAPITAL		
Authorised		
50,000 Equity Shares of Rs.10	500,000	500,000
Issued, Subscribed and Paid up		
50,000 Equity Shares of Rs.10 each fully paid up	500,000	500,000
SCHEDULE 2		
STOCK IN TRADE (At Cost)		
Land	1,034,841,881	1,034,841,881
SCHEDULE 3		
CASH AND BANK BALANCES		
Balances with Scheduled banks - In Current accounts	411,332	505,000
SCHEDULE 4		
CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors (balance includes Rs 1,034,841,881 Previous Year Rs 1,034,846,881 due to Noida Toll Bridge Company Limited, the holding Company)	1,034,893,889	1,034,927,697
Other Liabilities	3,092	3,534
	<u>1,034,896,981</u>	<u>1,034,931,231</u>
	<u>1,034,896,981</u>	<u>1,034,931,231</u>

DND FLYWAY LIMITED

SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE – 5

ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

(A) ACCOUNTING POLICIES:

(1) Basis of Accounting:

The financial statements have been prepared under the historical cost convention, on an accrual basis of accounting in accordance with the Companies Act 1956 (to the extent applicable) and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India.

(2) Stock in Trade :

Stock in Trade has been valued at cost of acquisition.

(3) Miscellaneous Expenditure:

Preliminary expenses have been amortised as and when incurred.

(B) NOTES TO ACCOUNTS:

- (1) The Company has acquired 30.493 acres of land for a consideration of Rs. 103,48,41,881 from its holding company Noida Toll Bridge Company Limited in the year 2003-04 (NTBCL). The land is sub leased for a period of twenty four years commencing 31st March, 2004 with existing charge in favour of all Secured Lenders of NTBCL. This pertains to the surplus land acquired for the construction of DND Toll Bridge in accordance with the terms of the Concession agreement entered into between NTBCL, New Okhla Industrial Development Authority (NOIDA) and Infrastructure Leasing & Financial Services Limited (IL&FS). NOIDA has conveyed its "in-principle" approval to grant development rights, execution of the formal agreement in this regard is however pending. The company shall commence commercial activity on grant of development rights. Sale consideration is payable out of the development income proceeds.

The sub lease deed was registered on 4th October 2004. Charge in favour of all the Secured Lenders of NTBCL was registered with the ROC on 8th November 2004.

- (2) As the land is intended to be used for commercial development, the board has decided to consider the same as Stock in Trade. The sub leased land was valued by a professional valuer in February 2004, Management is of the opinion that since there have been no material changes in the conditions of land, the same has been recorded in the books at its fair value.

- (3) Remuneration to Auditors includes :

	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
Statutory Audit Fees	50,000	25,000
Other Services	4,200	--
Service Tax	5,100	2,000
Total	59,300	27,000

DND Flyway Limited

(4) List of Related parties and Transactions / Outstanding Balances :

(i) Company holding substantial interest in voting power of the Company :

Noida Toll Bridge Company Limited

Transactions/ Outstanding balances	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
Purchase of Land	-	1,034,841,881
Current Account Balance	1,034,846,881	1,034,846,881
Equity as at the year end	500,000	500,000

(ii) Associates with whom no transactions have taken place during the year or have balances at the year end

- Infrastructure Leasing & Financial Services Ltd.
- Consolidated Toll Network India Limited
- IL&FS Investment Managers Ltd.
- IL&FS Trust Company Ltd.
- IL&S Education and Technology Services Ltd.
- Kampsax India Pvt Ltd.
- PDCOR Ltd.
- Learnet India Pvt Ltd.
- Wilbur Smith Associate Private Limited
- New Tirupur Area Development Company Limited
- IL&FS Investsmart Limited

(iii) Key Managerial Personnel:

Mr. Gopi Arora	Chairman
Mr. Pradeep Puri	Director
Mr. Ajay Mathur	Director

(5) The Company has carried out its deferred tax computation in accordance with AS 22. In accordance with the same, no provision for Deferred Tax Asset/ Liability is required to be created.

(6) Previous year figures have been regrouped and rearranged, wherever necessary.

(7) Earning/ (Loss) per share

	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
I. BASIC / DILUTED LOSS PER SHARE		
i. Number of Equity shares at the beginning of the Year (Nominal value of Rs. 10 each, paid up in full)	50,000	50,000
ii. Number of Equity shares at the end of the Year (Nominal value of Rs. 10 each, paid in full)	50,000	50,000
iii. Weighted Average number of Equity Shares outstanding during the year (Nominal value of Rs. 10 each, paid up in full)	50,000	50,000
iv. Net Loss for the Year	(59,418)	(84,350)
Basic/ Diluted Loss per Share	(1.19)	(1.69)
Nominal value of Equity Share	10.00	10.00

**For and on behalf of
DND FLYWAY LIMITED**

Director

Director

New Delhi
May 17, 2005

DND Flyway Limited

DND FLYWAY LIMITED BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (In terms of amendment to Schedule VI Part IV)

I Registration Details

Registration No. : 55-124710 State Code : 55
Balance Sheet Date : 31 March, 2005

II Capital Raised during the Year (Amount in Rs. Thousands)

Public Issue : NIL Right Issue : NIL
Bonus Issue : NIL Private Placement : NIL

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

Total Liabilities : 500 Total Assets : 500

Source of Funds

Paid-up Capital : 500 Reserve and Surplus : NIL
Secured Loans : NIL Unsecured Loans : NIL

Application of Funds

Net Fixed Assets : NIL Investments : NIL
(including Capital Work-
in-progress)
Net Current Assets : 356 Misc. Expenditure : NIL
Accumulated Losses : 144

IV Performance of the Company (Amount in Rs. Thousands)

Turnover & Other Income : NIL Total Expenditure : 59
Profit/Loss before Tax : 59 Profit/Loss after Tax : 59
Earning per Share in Rs. : (1.19) Dividend rate % : N/A

V Generic Names of three Principal Products/Services of the Company (as per monetary terms)

Item Code No. (ITC Code) : NIL
Product Description : The Company has been set up to purchase, acquire, lease, hire, promote and improve land for commercial utilisation.

For and on behalf of DND FLYWAY LIMITED

Director Director

New Delhi,
May 17, 2005

DND FLYWAY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2005

	Year ended March 31,2005 Rupees	Year ended March 31,2004 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Loss for the year	(59,418)	(84,350)
Adjustments For :		
Miscellaneous Expenditure Written off	-	-
	(59,418)	(84,350)
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Inventories	-	(1,034,841,881)
Increase / (Decrease) in Current Liabilities	(34,250)	1,034,931,231
Cash From/(Used In) Operating activities	(93,668)	5,000
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Cash From/(Used In) Investing Activities	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Share Capital		500,000
Term Loans from Banks and Financial Institutions	-	-
Interest and Finance Charges Paid	-	-
Public Issue Expenses	-	-
Cash From/(Used In) Financing Activities	-	500,000
Net Increase /Decrease in Cash and Cash Equivalents	(93,668)	505,000
Cash and Cash Equivalents as at 1 April, 2004	505,000	
Cash and Cash Equivalents as at 31 March, 2005	411,332	505,000
Components of Cash and Cash Equivelants as at:	31 March, 2005	31 March, 2004
Cash in hand	-	-
Balances with the scheduled banks:		
- In Current accounts	411,332	505,000
- In Deposit accounts	-	-
	411,332	505,000

**For and on behalf of
DND FLYWAY LIMITED**

Director

Director

AUDITORS' CERTIFICATE

We have verified the above cash flow statement of DND Flyway Limited derived from the audited financial statements of the Company for the year ended 31 March, 2005 and found the statement to be in accordance therewith.

For LUTHRA & LUTHRA
Chartered Accountants

Vishal Gupta
Partner
Membership No. 98796

New Delhi
May 17, 2005

AUDITORS' REPORT

**THE BOARD OF DIRECTORS
NOIDA TOLL BRIDGE COMPANY LIMITED
ON THE CONSOLIDATED FINANCIAL STATEMENTS
OF "NOIDA TOLL BRIDGE COMPANY LIMITED" AND ITS
SUBSIDIARY "DND FLYWAY LIMITED"**

1. We have audited the attached Consolidated Balance Sheet of **Noida Toll Bridge Company Limited** and its subsidiary as at 31 March, 2005, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, both 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 have conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We draw the attention of the board to the following:
 - (a) Note number 2 (d) of schedule 16 'Notes to Accounts' regarding provisioning for the liability of Zero Coupon Bonds (ZCBs, Series – B) on the principles of Sinking Fund.
 - (b) Note number 2 (c) (ii) of schedule 16 'Notes to Accounts' regarding revaluation of leased land, wherein the formal agreement for grant of development rights, is pending execution.
4. We report that:
 - (a) The consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21, 'Consolidated Financial Statement' issued by the Institute of Chartered Accountants of India and on the basis of separate audited financial statements of Noida Toll Bridge Company Limited and its subsidiary .
 - (b) On the basis of the information and explanations given to us and on consideration of the separate audit reports on the individual audited financial statements of Noida Toll Bridge Company Limited and its subsidiary, we are of the opinion that:
 - i. The consolidated balance sheet gives a true and fair view of the consolidated state of affairs of Noida Toll Bridge Company Limited and its subsidiary as at 31 March, 2005,
 - ii. The consolidated profit and loss account gives true and fair view of the consolidated loss of Noida Toll Bridge Company Limited and its subsidiary for the year ended on that date; and
 - iii. The consolidated cash flow statement gives a true and fair view of the consolidated cash flow of Noida Toll Bridge Company Limited and its subsidiary for the year ended on that date.

For **LUTHRA & LUTHRA**
Chartered Accountants

Vishal Gupta
Partner
(Membership No. 98796)

Place: Noida, U.P.
Date : June 20, 2005

**NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2005**

	Schedule	As At March 31,2005 Rupees	As At March 31,2005 Rupees	As At March 31,2004 Rupees
SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Equity Share Capital	1	1,224,000,070		1,224,000,070
Reserve & Surplus	2	<u>1,345,044,007</u>		<u>1,345,044,007</u>
			2,569,044,077	2,569,044,077
LOAN FUNDS				
Secured Loans	3		<u>3,585,152,780</u>	<u>3,520,143,552</u>
			<u>6,154,196,857</u>	<u>6,089,187,629</u>
APPLICATION OF FUNDS				
FIXED ASSETS				
Gross Block	4	5,180,916,947		5,149,538,576
Less: Depreciation		<u>135,826,916</u>		<u>133,639,423</u>
Net Block			5,045,090,031	5,015,899,153
CAPITAL WORK IN PROGRESS				
			8,172,237	13,412,287
INVESTMENTS				
	5		36,760,129	123,045,702
CURRENT ASSETS, LOANS & ADVANCES				
Inventories	6	758,527		444,396
Sundry Debtors	7	6,273,510		2,319,956
Cash and Bank balances	8	1,729,801		10,160,714
Loans & Advances	9	<u>12,128,797</u>		<u>22,074,455</u>
		20,890,635		34,999,521
LESS: CURRENT LIABILITIES & PROVISIONS				
	10	<u>137,451,147</u>		<u>129,032,304</u>
NET CURRENT ASSETS				
			(116,560,512)	(94,032,783)
MISCELLANEOUS EXPENDITURE				
(To the extent not written off or adjusted)	11		12,967,694	28,138,237
PROFIT AND LOSS ACCOUNT (Debit balances)				
			1,167,767,278	1,002,725,033
			<u>6,154,196,857</u>	<u>6,089,187,629</u>
For Notes forming part of the Accounts, refer to Schedule	16			

The schedules referred to above form an integral part of the Balance sheet and Profit and Loss Account

As per our report of even date attached.

For LUTHRA & LUTHRA
Chartered Accountants

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Vishal Gupta
Partner

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
Vice-President

Monisha Macedo
Manager and
Company Secretary

Noida, U.P.
June 20, 2005

Noida, U.P.
June 20, 2005

Consolidated Accounts

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2005

	Schedule	For the Year ended March 31, 2005 Rupees	For the Year ended March 31, 2004 Rupees
INCOME			
Income from Operations	12	305,900,873	245,403,557
Other Income	13	11,461,831	13,234,062
		317,362,704	258,637,619
EXPENDITURE			
Operating and Administration Expenses	14	91,300,846	82,398,860
Finance Charges	15	373,595,481	370,527,696
Depreciation		2,338,079	1,632,161
Miscellaneous Expenditure Written Off		15,170,543	15,227,893
		482,404,949	469,786,610
PROFIT / (LOSS) FOR THE PERIOD		(165,042,245)	(211,148,991)
Balance Brought Forward from the Previous Year		(1,002,725,033)	(791,576,042)
Loss Carried to Balance Sheet		(1,167,767,278)	(1,002,725,033)
Basic Loss per Equity Share (in Rs.)		(1.35)	(1.73)
Diluted Loss per Equity Share (in Rs.)		(1.35)	(1.73)
For Notes forming part of the Accounts, refer to Schedule	16		

The schedules referred to above form an integral part of the Balance sheet and Profit and Loss Account

As per our report of even date attached.

For LUTHRA & LUTHRA
Chartered Accountants

Vishal Gupta
Partner

Noida, U.P.
June 20, 2005

For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED

Director

T. K. Banerjee
Vice-President

Noida, U.P.
June 20, 2005

Director

Pradeep Puri
President & CEO

Monisha Macedo
Manager and
Company Secretary

**NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS**

	<u>As At March 31,2005 Rupees</u>	<u>As At March 31,2005 Rupees</u>	<u>As At March 31,2004 Rupees</u>
SCHEDULE 1			
SHARE CAPITAL			
Authorised			
150,000,000 (Previous Year 150,000,000) Equity Shares of Rs.10 each		1,500,000,000	1,500,000,000
Issued, Subscribed and Paid up			
122,400,007 (Previous Year 122,400,007) Equity Shares of Rs.10 each Fully Paid up		1,224,000,070	1,224,000,070
SCHEDULE 2			
RESERVES & SURPLUS			
Revaluation Reserve			
Opening Balance	1,345,044,007		-
Created during the year	-		1,345,044,007
		1,345,044,007	
		1,345,044,007	1,345,044,007

Consolidated Accounts

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY SCHEDULES FORMING PART OF THE ACCOUNTS

	As At March 31,2005 Rupees	As At March 31,2005 Rupees	As At March 31,2004 Rupees
SCHEDULE 3			
LOAN FUNDS			
Secured Loans			
a. Debentures and Bonds			
100,000, Deep Discount Bonds of face value of Rs. 45,000 each. (See Note 2(e) (i) and 2(g) of Schedule 16)	4,500,000,000		4,500,000,000
Less: Unexpired Discount	3,448,158,223		3,582,783,283
		1,051,841,777	917,216,717
5,138,500 Series A Zero Coupon Bond of Rs. 100 each. (See Note 2(c) and 2(e) (ii) of Schedule 16)	513,850,000		513,850,000
Less: Repayment during the year	256,925,000		-
		256,925,000	513,850,000
Accumulated Liability of ZCB (Series B) (See Note 2(c) and 2(e) (iii) of Schedule 16)			
Opening balance	23,830,334		51,601,434
Add: Accumulation during the year	29,615,900		
Less: Repayment during the year			27,771,100
		53,446,234	23,830,334
b. Term Loans (See Note 2(c), 2(e) (iv) and (v) of Schedule 16)			
Banks	1,283,915,528		1,483,618,740
Financial Institutions	213,850,000		213,850,000
Others (See Note 2(e) (iv) and (v) of Schedule 16)	650,000,000		300,000,000
		2,147,765,528	1,997,468,740
c. Funded Interest			
		74,398,840	66,531,843
d. Lease Finance (See Note 2(k) of Schedule 16)			
		775,401	1,245,918
		3,585,152,780	3,520,143,552

Notes:

1. Deep Discount Bonds issued at Rs.5000 each would be redeemed at Rs.45,000 at the end of the 16th year from the date of allotment i.e November 3, 1999.
2. Series A Zero Coupon Bonds of Rs 100 each issued to Financial Institutions and Others against conversion of 50% of Term Loan as per terms of Restructuring approved by the Corporate Debt Restructuring Empowered Group of the Banks and Financial Institutions.
3. Series B Zero Coupon Bonds of Rs 100 each issued to Banks, Financial Institutions and Others would be redeemed not later than March 31,2014.

**NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS**

SCHEDULE 4

FIXED ASSETS

(See note 1(c) and 2 (i) of Schedule 16)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 1.04.2004	Additions	Deletions / Adjustment	As At 31.03.2005	As At 1.04.2004	For the Year	Deletions / Adjustment	As At 31.03.2005	As At 31.03.2005	As At 31.03.2004
Delhi Noida Link Bridge (Refer note(A) below and 1(c) and 1(d) of Schedule 16)	5,140,067,844	21,651,812		5,161,719,656	130,447,985			130,447,985	5,031,271,671	5,009,619,859
Leasehold Building		7,320,106		7,320,106		209,495		209,495	7,110,611	
Plant & Machinery - Data Processing Equipment	1,582,117	287,612		1,869,729	1,069,906	287,878		1,357,784	511,945	512,211
- Office Equipment	2,574,548	984,875	380,883	3,178,540	730,161	444,282	146,756	1,027,687	2,150,853	1,844,387
Vehicles (Refer Note (B) below)	4,580,818	600,000		5,180,818	1,075,830	1,053,418		2,129,248	3,051,570	3,504,988
Furniture & Fixtures	733,249	922,678	7,829	1,648,098	315,541	343,006	3,830	654,717	993,381	417,708
Previous Year	5,149,538,576	31,767,083	388,712	5,180,916,947	133,639,423	2,338,079	150,586	135,826,916	5,045,090,031	5,015,899,153
	3,802,485,806	1,350,200,600	3,147,830	5,149,538,576	133,589,378	1,632,161	1,582,116	133,639,423	5,015,899,153	3,668,896,428

Notes :

(A) Delhi Noida Link Bridge includes value of Land appurtenant to the Bridge on both sides of Delhi and Noida (Original Cost Rs.131,680,824 and Written Down Value Rs.127,070,480).Gross Block of Delhi Noida Link Bridge includes revalued land on Noida side carried out in the year 2003-04 for Rs. 1,345,044,007.

(B) Vehicles include Rs. 1,646,334 (previous year Rs. 1,646,334) for assets acquired under Finance Lease.

Consolidated Accounts

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY SCHEDULES FORMING PART OF THE ACCOUNTS

	As At March 31,2005 Rupees	As At March 31,2004 Rupees
SCHEDULE 5		
INVESTMENTS (At Cost)		
Current and Quoted, other than Trade Investments		
Prudential ICICI Liquid Plan - NIL (previous year 1,595,396.60) units of face value of Rs.10 each	-	24,814,179
IL&FS Liquid Account Growth Plan - NIL (previous year 2,617,532.56 units of face value of Rs.10 each	-	30,794,573
Templeton India Treasury Management Account Growth Plan 11,506.15 (previous Year 36,001.34) units of face value of Rs.1000 each	19,038,616	56,831,232
SBI Mutual Fund Magnum Insta Cash Fund Account NIL (previous year 745,113.68) units of face value of Rs.10 each		10,605,718
HSBC Mutual Fund OCFG Cash Fund Growth - 581,962.97 (previous year NIL) units of face value Of Rs.10 each	6,504,309	
HDFC Cash Management Fund Savings Plan Growth 814,469.74 (previous year NIL) units of face value of Rs.10 each	11,217,204	
Note: 1.The Net Asset Value of quoted investments as at the year end - Rs. 36,815,208 (Previous Year Rs. 123,238,463)	36,760,129	123,045,702
SCHEDULE 6		
INVENTORIES (At Cost)		
Electronic Cards and 'On Board Units'	758,527	444,396
SCHEDULE 7		
SUNDRY DEBTORS (Unsecured, Considered Good)		
Debts Outstanding for more than six months	66,216	
Debts Outstanding for less than six months	6,207,294	2,319,956
	6,273,510	2,319,956

**NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS**

	As At March 31,2005 Rupees	As At March 31,2004 Rupees
SCHEDULE 8		
CASH AND BANK BALANCES		
Cash in Hand	49,108	136,919
Balances with Scheduled Banks - In Current Accounts	1,680,693	10,023,795
	1,729,801	10,160,714
SCHEDULE 9		
LOANS AND ADVANCES (Unsecured, Considered good)		
a. Advances / Income Recoverable in Cash or in Kind or for Value to be Received	8,822,341	19,589,890
b. Advance Payment against Taxes	1,884,123	927,855
c. Deposits	1,422,333	1,556,710
	12,128,797	22,074,455
Amounts due from Directors	NIL	NIL
Maximum amount due from Directors during the year	NIL	NIL

Consolidated Accounts

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY SCHEDULES FORMING PART OF THE ACCOUNTS

	As At March 31,2005 Rupees	As At March 31,2005 Rupees	As At March 31,2004 Rupees
SCHEDULE 10			
CURRENT LIABILITIES AND PROVISIONS			
a. Current Liabilities			
Sundry Creditors	124,045,659		117,818,258
Advance Payments and Unexpired Discounts	9,030,827		8,046,545
Interest Accrued but not Due on Secured Loans	725,049		764,991
Other Liabilities	2,065,380		1,369,638
Investor Education and Protection Fund			
Unclaimed application money for allotment of Fully Convertible Debentures and Deep Discount Bond	84,855		84,855
		135,951,770	128,084,287
b. Provisions			
Provision for Taxes	11,673		9,395
Provision for Retirement Benefits (See note 1(i) of Schedule 16)	1,487,704		938,622
		1,499,377	
		137,451,147	129,032,304

**NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS**

	As At March 31,2005 Rupees	As At March 31,2005 Rupees	As At March 31,2004 Rupees
SCHEDULE 11			
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)			
a. Preliminary Expenses			
Balance brought forward	1,405,621		2,163,452
Add : Amount incurred during the year			57,350
Less: Amount charged to Profit & Loss Account	757,831		815,181
		647,790	1,405,621
b. Expenses Incurred on Public issue of Fully Convertible Debentures and Deep Discount Bonds			
Balance brought forward	15,226,194		23,435,294
Less: Amount charged to Profit & Loss Account	8,209,100		8,209,100
		7,017,094	15,226,194
c. Deferred Revenue Expenses (See Note 2(h) of Schedule 16)			
Balance brought forward	11,506,422		17,710,034
Less: Amount charged to Profit & Loss Account	6,203,612		6,203,612
		5,302,810	11,506,422
		12,967,694	28,138,237

Consolidated Accounts

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY SCHEDULES FORMING PART OF THE ACCOUNTS

	For the Year ended March 31,2005 Rupees	For the Year ended March 31,2005 Rupees	For the Year ended March 31,2004 Rupees
SCHEDULE 12			
INCOME FROM OPERATIONS			
Toll Revenue		270,416,048	225,798,511
License Fee (Space for Advertisement)			
Noida Side	29,908,098		19,605,046
Delhi Side (Gross Revenue Rs 7,435,637, Less paid to MCD Rs 1,858,910)	5,576,727		
		35,484,825	
		305,900,873	245,403,557
SCHEDULE 13			
OTHER INCOME			
Profit on Sale of Units of Mutual Fund		7,670,629	5,776,296
Miscellaneous Income		3,791,202	7,457,766
		11,461,831	13,234,062

**NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
SCHEDULES FORMING PART OF THE ACCOUNTS**

	For the Year ended March 31,2005 Rupees	For the Year ended March 31,2004 Rupees
SCHEDULE 14		
OPERATING AND ADMINISTRATION EXPENSES		
Salaries, Wages and Bonus	19,209,238	13,921,905
Contribution to Provident and Other Funds	1,723,867	968,533
Staff Welfare Expenses	1,775,804	672,319
Fees Paid to O & M Contractor	29,611,227	24,685,751
Consumption of Cards and On Board Unit	1,263,522	2,235,029
Legal & Professional Charges	13,404,735	9,168,056
Agency Fees	2,372,432	2,583,222
Insurance Expenses	6,158,474	6,599,548
Travelling and Conveyance	4,303,457	3,227,757
Advertisement and Business Promotion Expenses	3,177,330	8,181,130
Rent	420,000	2,433,000
Repair & Maintenance - Building	1,863,585	694,651
Repair & Maintenance - Others	1,387,539	1,728,324
Telephone, Fax and Postage	1,273,751	839,105
Electricity Expenses	571,046	534,965
Rates and Taxes	435,865	1,595,635
Director's Sitting Fees	140,000	152,000
Loss on Sale of Fixed Assets	139,541	698,473
Development Right Expenses	201,754	366,860
Other Expenses	1,867,679	1,112,597
	91,300,846	82,398,860
SCHEDULE 15		
FINANCE CHARGES		
Interest on Deep Discount Bonds	134,625,060	117,674,797
Interest on Term Loan	191,663,546	187,174,990
Amortisation of Zero Coupon Bond Series B	29,615,900	51,601,434
Other Finance Charges (Includes Lease Finance Charges Rs 70947,Previous year Rs 72927)	17,690,975	14,076,475
	373,595,481	370,527,696

Consolidated Accounts

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY SCHEDULES FORMING PART OF THE ACCOUNTS

SCHEDULE 16 : NOTES FORMING PART OF THE ACCOUNTS

(1) **Significant Accounting Policies**

(a) **Principles of Consolidation**

- (i) The Consolidated Financial Statements present the Consolidated Accounts of Noida Toll Bridge Co Ltd (Company) and it's wholly owned Subsidiary DND Flyway Ltd (the "Group".)
- (ii) The financial statements of the Group have been consolidated on a line-by-line basis to the extent possible after eliminating intra-group balances, intra-group transactions and unrealized profits in accordance with Accounting Standard 21 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- (iii) The land subleased to DND Flyway Limited by Noida Toll Bridge Company Limited have been classified as fixed assets in the Consolidated Financial Statements.

(b) **Basis of Accounting**

The financial statements of the Group have been prepared under the historical cost convention, on the accrual basis of accounting.

(c) **Fixed Assets**

Fixed assets include the Delhi Noida Link Bridge and Ashram Flyover which are stated at original cost of acquisition including incidental expenses relating to the acquisition and installation of the assets.

Expenses incurred on the Delhi Noida Link Bridge include direct and indirect expenses incurred for procurement/ construction of land and buildings, roads, bridges, culverts, plant and machinery including toll plazas and other equipment and related expenses.

(d) **Revaluation of Fixed Assets**

Revalued assets are recorded at revalued amounts and the incremental values are shown as Revaluation Reserve. Revaluation Reserve is transferred to the General Reserve to the extent relatable to the assets disposed off.

(e) **Depreciation**

Depreciation on fixed assets (other than Leasehold Building and the Delhi Noida Link Bridge) is provided on the written down value method using rates prescribed under Schedule XIV to the Companies Act, 1956. Depreciation on the Leasehold Building and the Delhi Noida Link Bridge (other than chain link fencing and advertisement structures which are depreciated on a straight line basis over a period of fifteen years) is provided on the Straight Line Method using rates prescribed under schedule XIV to the Companies Act, 1956.

(f) **Financing Cost**

All Financing Costs in relation to borrowings made by the Company are recognised as an expense and are charged to revenue in the year in which these are incurred on a year to year basis based on contractual terms agreed with the Lenders.

(g) **Revenue Recognition**

The Company's revenue are recognized on accrual basis.

(h) **Inventories**

Inventories have been valued at cost or net realizable value whichever is lower. Cost is recognised on First In First Out basis.

(i) **Retirement Benefits**

The provision for gratuity as at the year end has been made based on an actuarial valuation funded by the Life Insurance Corporation of India.

The money value of unutilised leave due to the employees in terms of the service conditions is included under retirement benefits and is calculated on the basis of leave due to an employee as at the end of the year multiplied by salary as on 31st March.

(j) **Investments**

Investments are valued at cost.

(k) **Foreign Currency Transactions**

Assets and liabilities in foreign currencies are converted at the rates of exchange prevailing at year end.

(l) **Miscellaneous Expenditure**

Miscellaneous expenditure is amortised over a period of five years from the date of commencement of commercial operations.

(m) **Capitalisation of Borrowing Costs**

Borrowing costs related to the acquisition / construction of the qualifying fixed assets for the period up to the completion of their acquisition / construction are included in the book value of the assets.

(n) **Deferred Taxation**

The accounting treatment for Income tax is based on Accounting Standard 22 – Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India. In accordance with the same no deferred tax asset / liability was required to be created at the year end.

(o) **Earnings Per Share**

The earnings considered in ascertaining the Group's EPS comprises of the net loss after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

(p) **Financial Lease**

Finance leases which effectively transfer to the company substantial risks and benefits incidental to ownership of the leased item, are capitalized and disclosed as leased assets. Finance charges payable on assets taken on financial lease are charged off to Profit & Loss Account.

(2) **NOTES ON ACCOUNTS :**

- (a) The financial Statements of the following Subsidiary Company have been consolidated as per Accounting Standard 21 on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India

Name of Subsidiary	Proportion of Ownership Interest
DND Flyway Limited	100%

DND Flyway Limited (Subsidiary) is incorporated in India

(b) **Fixed Assets :**

(i) **Depreciation :**

The Company has obtained approval from the Department of Company Affairs vide its letter dated December 14, 2003 for not charging depreciation on the Delhi Noida Link Bridge for a three year period commencing from Financial Year 2003-04. Accordingly, depreciation on the Bridge has not been provided for during the current financial year. The arrears of Depreciation for the years 2003-04 and 2004-05 computed in accordance with sec 205 (2) amounts to Rs 148,137,506 which will be charged over the remaining useful life of the asset.

(ii) **Revaluation of Fixed Assets :**

- Delhi Noida Link Bridge includes value of Land appurtenant to the Bridge on both sides of Delhi and Noida. The company had during the year 2003-04 carried out revaluation of Land for 34 acres on Noida side (original cost Rs 5,719,849 and written down value Rs 5,519,581 as on April 1, 2003) for which the value has been increased by Rs 1,345,044,007.
- New Okhla Industrial Development Authority (NOIDA) has accorded in principle approval to grant Development Rights to the Company and formal agreement in this regard is pending execution. The terms and conditions of the formal agreement may impact land valuation.

Consolidated Accounts

(c) **Debt Restructuring :**

Pursuant to the approved Debt Restructuring package, the Company has issued

- Zero Coupon Bonds (ZCBs) (Series A) of face value of Rs 100 each aggregating to Rs 51.385 crores to Financial Institutions and others towards conversion of Term Loan. ZCBs aggregating to Rs 25.693 crores have been repaid on 31st March 2005 as per terms of Restructuring.

Zero Coupon Bonds (Series B) of face value of Rs 100 each aggregating to Rs 55.5422 crores to Banks, Financial Institutions and others repayable no later than March 31, 2014 towards the Net Present Value of the sacrifice made by them by way of reduction of interest rates from the contracted terms. The Company has decided to create provision on a year to year basis on the principle of Sinking Fund by applying the weighted average interest rate on outstanding borrowings prior to restructuring as the discount rate and thereby arrive at the amount of the yearly charge. The Company has obtained confirmation from professional experts with respect to appropriateness of the Sinking Fund Method as well as the adequacy of the charge on a year to year basis to account for the liability towards the ZCBs in the books. Accordingly, the Profit and Loss account has been debited with Rs 2,96,15,900 (Previous Year Rs. 51,601,434) being the required amount towards provision and the corresponding liability has been created under the head Secured Loans. The company has redeemed ZCBs (Series B) aggregating to Rs 2,77,71,100/- during the previous year and the same has been adjusted against the face value of the Zero Coupon Bonds (Series B) issued by the Company.

- The company has repaid 16% of the Term Loans aggregating to Rs 24.4555 crores to the Banks on March 31,2005 as per terms of Restructuring.

(d) **Capitalisation of the Delhi Noida Link Bridge :**

Pending receipt of the final bill from the EPC contractor, for expenses incurred on the project, Company had, based on an estimate of balance work done as certified by the Project Engineer, capitalised the same at an estimated cost of Rs 37.12 million.

Both parties to the contract have referred some of the disputes to arbitration. Cost of the project will be revised based on receipt of the contractor's final bill, and on settlement of arbitration proceedings. The extent of such adjustments, if any cannot be determined at this stage.

(e) **Secured Loans :**

- (i) Deep Discount Bonds are secured by a pari passu first charge in favour of the trustees along with the other senior lenders of the Company on all the project assets which include the Delhi Noida Link Bridge 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. (See note 2(g))
- (ii) The Company has issued Series A Zero Coupon Bonds of Rs 100 each for an aggregate amount of Rs 513,850,000 as per terms of Restructuring approved by the Corporate Debt Restructuring Empowered Group of the Banks and Financial Institutions on October 29, 2002. These Zero Coupon Bonds are secured by pari passu first charge on the Company's assets both present and future.
- (iii) The Company has issued Series B Zero Coupon Bonds of Rs 100 each for an aggregate amount of Rs 555,422,000 to Banks and Financial Institutions against the sacrifice made by them by way of reduction of interest rates from the contracted terms pursuant to the approval of the Companies debt restructuring package by the Corporate Debt Restructuring Empowered Group of the Banks and Financial Institutions. These Zero Coupon Bonds are secured by pari passu first charge on the Company's assets both present and future.
- (iv) The loan of Rs. 350 mn raised during the year is secured by pari passu first charge on the Company's assets both present and future alongwith the other Senior Lenders of the Company.
- (v) Term loans from banks, financial institutions and others are secured by a charge on:
 - Immovable properties of the Company situated in the states of Delhi and Uttar Pradesh.
 - The whole of the movable properties of the Company, both present and future.
 - All the Company's book debts, receivables, revenues of whatsoever nature and wheresoever arising, both present and future.
 - All the rights, titles, interest, benefits, claims and demands whatsoever of the Company under any agreements entered into by the Company in relation to the project including consents, agreements or any other documents entered into or to be entered into by the Company pertaining to the project, as amended, varied or supplemented from time to time.
 - All the rights, titles, interest of the Company in and relation to the Trust & Retention account proceeds, being the bank account established by the Company for crediting all the revenues from the project including but not limited to toll collections from the project.

- All the rights, titles, interest benefits, claims and demands whatsoever of the Company in the Government permits, authorizations, approvals, no objections, licenses pertaining to the project and to any claims or proceeds arising in relation to or under the insurance policies taken out by the Company pertaining to the assets of the projects of the Company.

(f) Contingent Liabilities :

(a) <u>Contingent Liabilities in respect of:</u>	As at March 31, 2005 Rs./Million	As at March 31, 2004 Rs./Million
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances paid against such contracts Rs. NIL million (Previous year Rs. 5.79 Mn)	6.89	3.50
(ii) Claims not acknowledged as debt by the Company.	33.20	Nil
(iii) Based on an environment and social assessment, compensation for rehabilitation and resettlement of project affected persons has been estimated and considered as part of the project cost and provided for based on estimates made by the Company.		
(iv) Claims made by the Contractor aggregating to Rs. 251.26 million (Previous year Rs 251.26 million) have not been accepted by the Company and both parties have referred the matter to arbitration in accordance with the contractual arrangements.		

(g) Deep Discount Bonds :

As per terms of issue, the DDB holders holding 37,098 DDBs exercised Put Option on November 3, 2004 and were paid by M/s Infrastructure Leasing & Financial Services Limited and Infrastructure Development Finance Company Limited as per Take out Assistance Agreement entered into with the Company. Pursuant to the approval received from the Secured Creditors, the Company has filed a scheme of Restructuring of its debts including the DDBs in the Allahabad High Court for reduction of interest. Provision has been made in the Profit and Loss Account towards interest accrued during the Year as per the original rates pending finalization of the scheme by the Allahabad High Court .

(h) Miscellaneous Expenditures :

Deferred revenue expenses include expenses not relating to the construction of the bridge during the preoperative period and include marketing expenses, expenses on secretarial matters, etc.

(i) Effect of change in Foreign Exchange Rates :

Net foreign exchange gain of Rs. 203,532 (Previous year loss Rs 41,831) has been adjusted against capitalisation of Fixed Assets during the year.

(j) List of Related parties and Transactions / Outstanding Balances :

(i) Company holding substantial interest in voting power of the Company :

Infrastructure Leasing & Financial Services Ltd.

Transactions/ Outstanding balances	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
Expenditure on other service	485,227	290,654
Agency Fees	7,949,564	5,400,680
Interest on Term Loan	66,671,691	37,602,740
Recoverable as at the year end	2,353,180	225,972
Payable as at the year end	1,744,281	83,033
Equity as at the year end	360,000,070	360,000,070
Deep Discount Bonds	156,082,914	Nil
Term Loan as at the year end	650,000,000	300,000,000
Zero Coupon Bonds (Series A)	150,000,000	300,000,000
Zero Coupon Bonds (Series B)	171,000,000	171,000,000
Funded Interest	43,536,987	39,036,986

Consolidated Accounts

(ii) Associates with whom transactions have taken place during the year or have balances at the year end :

- Consolidated Toll Network India Ltd.
- IL&FS Investment Managers Ltd.
- IL&FS Trust Company Ltd.
- IL&FS Education and Technology Services Ltd.
- Kampsax India Pvt Ltd.
- PDCOR Ltd.
- Learnet India Pvt Ltd
- Wilbur Smith Associates Pvt. Ltd.
- New Tirupur Area Development Company Limited
- IL&FS Investsmart Limited

Transactions / Outstanding balances	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
Services & Other Income	Nil	1,000,000
Expenditure on Technical & Consultancy services and other	1,892,050	2,425,350
Purchase of units of Mutual Fund	Nil	68,473,149
Sale of units of Mutual Fund	Nil	86,671,609
Units of Mutual Fund as at year end	Nil	30,794,573
Receivable as at the year end	267,462	1,731,642
Payable as at the year end	403,929	400,000
Equity as at the year end	200,000,000	200,000,000

(iii) Key Management Personnel :

Mr. Pradeep Puri (President & CEO)
Ms Monisha Macedo (Manager)

Transactions/ Outstanding balances	Year ended March 31, 2005 Rupees	Year ended March 31, 2004 Rupees
Vehicle Loan as at the year end	87,857	133,169
House Loan as at the year end	Nil	4,958,511
House Renovation Loan at the year end	163,288	200,000
Remuneration paid	10,930,143	8,716,179

(k) Lease obligations:

The company had taken one vehicle under finance lease, reconciliation of minimum lease payments and their present value is as under:

	Minimum Lease Payment (Rupees)	Present value of Minimum Lease Payment (Rupees)	Lease Charges (Rupees)
Amount paid upto 31/3/2005	947,562	803,688	143,874
Amount payable not later than one year	541,464	502,428	39,036
Amount payable later than one year but not later than five years	278,275	272,973	5,302
Total	1,767,301	1,579,089	188,212
Previous Year	1,767,301	1,579,089	188,212

The total cost of the vehicle and its carrying amount as at 31.3.2005 is Rs. 1,646,334 (Previous Year Rs. 1,646,334) and Rs. 1,001,143 (Previous Year Rs 1,350,888) respectively

(l) **Earning/ (Loss) Per Share :**

	<u>Year ended March 31, 2005</u>	<u>Year ended March 31, 2004</u>
I. <u>BASIC / DILUTED LOSS PER SHARE</u>		
i. Number of Equity shares of Rs. 10 each fully paid up at the year beginning	122,400,007	122,400,007
ii. Number of Equity shares of Rs. 10 each fully paid up at the year end	122,400,007	122,400,007
iii. Weighted Average number of Equity Shares outstanding during the period	122,400,007	122,400,007
iv. Net Loss for the Period	(165,042,245)	(211,148,991)
Basic / Diluted Loss per Share	Rs. (1.35)	Rs. (1.73)
Nominal value of Equity Share	Rs. 10.00	Rs. 10.00

(m) **Previous Year's Comparatives :**

Figures for the previous year have been regrouped / reclassified to conform to current year's presentation. Figures in brackets represent negative balance except otherwise stated.

(n) **Additional disclosures :**

Additional statutory information disclosed in separate financial statements of the Company and the Subsidiary having no bearing on the true and fair view of the Consolidated Financial Statements and also the information pertaining to the items which are not material have not been disclosed in the Consolidated Financial Statement in view of the Accounting Standard Interpretation (ASI 15) issued by Institute of Chartered Accountants of India

**For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED**

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
Vice President

Monisha Macedo
Company Secretary

Noida, U.P.
Date : June 20, 2005

Consolidated Accounts

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(In terms of amendment to Schedule VI Part IV)

I Registration Details

Registration No.	: 20-19759	State Code	: 20
Balance Sheet Date	: 31 March, 2005		

II Capital Raised during the Year (Amount in Rs. Thousands)

Public Issue	: NIL	Right Issue	: NIL
Bonus Issue	: NIL	Private Placement	: NIL

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

Total Liabilities	: 6154197	Total Assets	: 6154197
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Source of Funds

Paid-up Capital	: 1224000	Reserve and Surplus	: 1345044
Secured Loans	: 3585153	Unsecured Loans	: NIL

Application of Funds

Net Fixed Assets (including Capital Workin-progress)	: 5053262	Investments	: 36760
Net Current Assets	: (116560)	Misc. Expenditure	: 12968
Accumulated Losses	: 1167767		

IV Performance of the Company (Amount in Rs. Thousands)

Turnover & Other Income	: 317363	Total Expenditure	: 482405
Profit/Loss before Tax	: 165042	Profit/Loss after Tax	: 165042
Earning per Share in Rs.	: (1.35)	Dividend rate %	: N/A

V Generic Names of three Principal Products/Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	NIL
Product Description	The Company has been set up for the purpose of construction & operation of Delhi Noida Link Bridge Project on Build, Operate, Own & Transfer (BOOT) system.

**For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED**

Director

Director

Pradeep Puri
President & CEO

T. K. Banerjee
Vice President

Monisha Macedo
Manager and
Company Secretary

Noida, U.P.
June 20, 2005

**NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUBSIDIARY COMPANY
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2005**

	Year ended 31 March, 2005 Rupees	Year ended 31 March, 2004 Rupees
A CASH FLOW FROM OPERATING ACTIVITIES:		
Loss for the year	(165,042,245)	(211,148,991)
Adjustments For :		
Depreciation	2,338,079	1,632,161
Miscellaneous Expenditure Written off	14,412,712	14,412,712
Preliminary Expenses Written off	757,831	757,831
Finance Charges	373,595,481	370,527,696
Loss on Sale of Assets	139,541	698,473
Other Income	(7,670,629)	(5,776,296)
	<u>218,530,770</u>	<u>171,103,586</u>
Adjustments for Movement in Working Capital:		
Decrease / (Increase) in Sundry Debtors	(3,953,554)	900,106
Decrease / (Increase) in Inventories	(314,131)	1,551,132
Decrease / (Increase) in Loans and Advances	9,945,658	9,371,898
Increase / (Decrease) in Current Liabilities	8,458,785	(7,464,022)
Cash From/(Used In) Operating activities	<u>232,667,528</u>	<u>175,462,700</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
(Purchase) / Addition to Fixed Assets	(26,997,550)	(10,019,354)
Proceeds from Sale of Fixed Assets	98,585	867,241
Gain/(Loss) on Sale of Units of Mutual Funds	7,670,629	5,776,296
Cash From/(Used In) Investing Activities	<u>(19,228,336)</u>	<u>(3,375,817)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Term loans from Banks, Financial Institutions and Others	350,000,000	
Repayment of Term Loan to Banks, Financial Institutions and Others	(501,480,339)	
Interest and Finance Charges Paid	(156,675,339)	(140,410,847)
Cash From/(Used In) Financing Activities	<u>(308,155,678)</u>	<u>(140,410,847)</u>
Net Increase /Decrease in Cash and Cash Equivalents	(94,716,486)	31,676,036
Cash and Cash Equivalents as at 1 April, 2004	133,206,416	101,530,380
Cash and Cash Equivalents as at 31 March, 2005	<u>38,489,930</u>	<u>133,206,416</u>
Components of Cash and Cash Equivalents as at:	31 March, 2005	31 March, 2004
Cash in hand	49,108	136,919
Balances with the scheduled banks:		
- In Current accounts	1,680,693	10,023,795
- In Deposit accounts		
Short Term Investments (Maturity less than 3 months)	36,760,129	123,045,702
	<u>38,489,930</u>	<u>133,206,416</u>

**For and on behalf of
NOIDA TOLL BRIDGE COMPANY LIMITED**

Director

T. K. Banerjee
Vice-President
New Delhi
20th June, 2005

Director

Monisha Macedo
Manager and
Company Secretary

Pradeep Puri
President & CEO

AUDITORS' CERTIFICATE

We have verified the above cash flow statement of Noida Toll Bridge Company Limited and its Subsidiary Company derived from the audited financial statements of the Company for the year ended 31 March, 2005 and found the statement to be in accordance therewith and also with the requirements of clause 32 of the listing agreement with the Stock exchanges.

For LUTHRA & LUTHRA
Chartered Accountants

Noida, U.P.
June 20, 2005

Vishal Gupta
Partner

