

Noida Toll Bridge Company Limited (NTBCL)

IFRS audited results for the year to 31 MARCH 2009

The directors are pleased to release their audited results for the year to 31 March 2009 under IFRS with a reconciliation to Indian GAAP included within.

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2009

	Note	31 March, 2009 US (\$)	31 March, 2008 US (\$)
Assets			
Non Current Assets			
Property, Plant and Equipment	2	1,908,208	2,347,617
Capital Work in Progress	3	40,360	-
Intangible Asset	4	106,739,516	136,456,372
Employee Benefit		93,370	-
Loans and Advances	5	73,742	103,524
		108,855,196	138,907,513
Current Assets			
Inventories	6	46,287	44,393
Trade Receivables	7	167,220	47,616
Loans and Advances	5	2,476,462	1,463,585
Prepayments		64,752	71,505
Available-for-Sale Investments	8	3,739,926	1,393,070
Cash and Cash Equivalents	9	196,338	500,764
		6,690,985	3,520,933
Total Assets		115,546,181	142,428,446
Equity and Liabilities			
Issued Capital	10	42,419,007	42,419,007
Securities Premium	11	28,508,021	36,339,346
Debenture Redemption Reserve	11	192,970	147,588
Net Unrealised Gains Reserve	11	776	26,248
General Reserve	11	9,871	12,583
Effect of Currency Translation	11	(6,992,298)	3,602,426
Retained earnings (Profit & Loss Account)		5,658,663	1,101,933
Total		69,797,010	83,649,131
Minority Interest		-	6,444
Total Equity		69,797,010	83,655,575
Non Current Liabilities			
Interest-bearing Loans and Borrowings	12	35,761,680	47,051,639
Provisions	13	1,670,033	1,175,997
Deferred Tax Liability	14	959,653	-
Current Liabilities			
Interest-bearing Loans and Borrowings	12	2,578,623	5,192,488
Trade and Other Payables	15	2,492,185	3,662,110
Provisions	13	621,682	738,868
Provision for Taxes		1,665,315	951,769
Total Liabilities		45,749,171	58,772,871
Total Equity and Liabilities		115,546,181	142,428,446

In terms of our report of even date
For Luthra & Luthra
Chartered Accountants

Akhilesh Gupta
Partner

On Behalf of the Board of Directors

Pradeep Puri
President & CEO

Monisha Macedo

Manager

Date July 29, 2009
Place: Noida

T. K. Banerjee
CFO

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

	Note	Year ended 31 March, 2009 US (\$)	Year ended 31 March, 2008 US (\$)
Toll Revenue		14,433,070	13,764,626
License Fee		2,688,547	2,859,286
Construction Contract Revenue		266,100	9,554,560
Miscellaneous Income		58,292	12,148
Total Income		17,446,009	26,190,620
Operating and Administrative Expenses			
- Operating Expenses	16	1,655,463	1,347,096
- Administrative Expenses	16	3,428,425	3,159,166
- Construction Contract Cost		226,468	7,161,689
- Depreciation	2	402,445	405,589
- Amortisation	4	609,878	1,947,499
Total Operating and Administrative Expenses		6,322,679	14,021,039
Group Operating Profit from Continuing Operations		11,123,330	12,169,581
Finance Income			
- Profit on Sale of Investments		186,532	177,441
Interest & Dividend		3,035	383
Finance Charges	17	(4,610,919)	(6,843,297)
		(4,421,352)	(6,665,473)
Profit/(Loss) from Continuing Operations before taxation		6,701,978	5,504,108
Income Taxes:			
- Current Taxes		(987,575)	(904,145)
- Deferred Tax	14	(1,065,003)	-
Profit/(Loss) after tax for the year		4,649,400	4,599,963
Minority Interest		5,722	(440)
Profit/(Loss) after Minority Interest		4,655,122	4,599,523
Profit/(Loss) per share	18	0.025	0.025
- basic and diluted for the year			

Note: In previous year liability towards ZCB-B had been re-calculated using revised rate of interest on account of few early repayment. During the year, liability has been re-calculated using the original effective rate of interest and an additional sum of US\$ 1,183,489 has been charged as finance expense in the Income Statement of previous year due to such adjustment. EPS for the previous year therefore revised from US\$ 0.033 per share to US\$ 0.0258 per share.

In connection with this, attention is drawn to Note 12 of the audited Consolidated Accounts under the header Zero Coupon Bond – “series B” and Note 28.

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2009

Year ended 31 March, 2009	Year ended 31 March, 2008
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	US (\$)	US (\$)
A. Cash Flow from Operating Activities		
Receipts from Customers	17,006,747	16,585,661
Payment to Suppliers and Employees	(4,901,700)	(9,887,663)
Deposits, Advances and Staff Loan	(130,723)	405,038
Purchase of Inventories	(59,315)	(81,226)
Income Tax Paid	(1,303,158)	(771,712)
Net Cash from/(used in) Operating Activities (A)	10,611,851	6,250,098
B. Cash Flow from Investment Activities		
Purchase of Fixed Assets	(571,980)	(488,709)
Purchase of 'Available for Sale' Investments	(17,197,648)	(5,514,591)
Proceeds from sale of 'Available for Sale' Investments	14,427,559	6,396,696
Proceeds from Sale of Fixed Assets	14,939	9,681
Net Cash from/ (used in) Investment Activities (B)	(3,327,130)	403,077
C. Cash flow from Financing Activities		
Minority Interest (Issue of Shares)	(1)	6,089
Repayment of Term Loan to Banks, Financial Institutions and Others	(4,477,068)	(2,462,206)
Interest and Finance Charges Paid	(3,025,732)	(3,759,344)
Net Cash from/ (used in) Financing Activities (C)	(7,502,801)	(6,215,461)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(218,080)	437,714
Net Foreign Exchange Difference	(86,346)	7,946
Cash and Cash Equivalents (Opening Balance) - Refer Note – 9	500,764	55,104
Cash and Cash Equivalents (Closing Balance) - Refer Note – 9	196,338	500,764

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2009

	Issued capital	Securities Premium	Effect of Currency Translation Reserve	Net Unrealized Gains Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Total Equity	Minority Interest	Total Equity
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
At 31st March, 2007	42,419,007	33,321,488	36,231	3,512	67,666	11,538	(3,992,860)	71,866,582	-	71,866,582
Change in accounting policy for advertising Structure	-	-	-	-	-	-	569,064	569,064	-	569,064
At 31st March, 2007 (Adjusted)	42,419,007	33,321,488	36,231	3,512	67,666	11,538	(3,423,796)	72,435,646	-	72,435,646
Profit for the year	-	-	-	-	-	-	4,599,523	4,599,523	440	4,599,963
Capital contribution from minority interest	-	-	-	-	-	-	-	-	6,004	6,004
Creation of Debenture Redemption Reserve	-	-	-	-	73,794	-	(73,794)	-	-	-
Realization of gains on disposal of securities	-	-	-	(3,512)	-	-	-	(3,512)	-	(3,512)
Net gains on available for sale financial assets	-	-	-	26,248	-	-	-	26,248	-	26,248
Difference for currency translation	-	3,017,858	3,566,195	-	6,128	1,045	-	6,591,226	-	6,591,226
At 31 March, 2008	42,419,007	36,339,346	3,602,426	26,248	147,588	12,583	1,101,933	83,649,131	6,444	83,655,575
Profit for the year	-	-	-	-	-	-	4,655,122	4,655,122	-	4,655,122
Capital contribution from minority	-	-	-	-	-	-	-	-	(1)	(1)

interest										
Minority Interest	-	-	-	-	-	-	-	-	(5,722)	(5,722)
Creation of Debenture Redemption Reserve	-	-	-	-	77,188	-	(98,392)	(21,204)	-	(21,204)
Realization of gains on disposal of securities	-	-	-	(26,248)	-	-	-	(26,248)	-	(26,248)
Net gains on available for sale financial assets	-	-	-	776	-	-	-	776	-	776
Difference for currency translation	-	(7,831,325)	(10,594,724)	-	(31,806)	(2,712)	-	(18,460,567)	(721)	(18,461,288)
At 31st March 2009	42,419,007	28,508,021	(6,992,298)	776	192,970	9,871	5,658,663	69,797,010	-	69,797,010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Corporate Information

Noida Toll Bridge Company Limited (NTBCL) is a public limited company incorporated and domiciled in India on 8th April 1996 with its registered office at Toll Plaza, DND Flyway, Noida - 201301, Uttar Pradesh, India. The equity shares of NTBCL are publicly traded in India on the National Stock Exchange and Bombay Stock Exchange. NTBCL launched the issue of global depository receipts (GDRs) represented by equity shares in March 2006. The GDRs of NTBCL are traded on Alternate Investment Market (AIM) of the London Stock Exchange. The financial statements of the NTBCL are the responsibility of the Directors of the company.

The NTBCL has been set up to develop, establish, construct, operate and maintain a project relating to the construction of the Delhi Noida Toll Bridge under the "Build-Own-Operate-Transfer" (BOOT) basis. The Delhi Noida Toll Bridge comprises the Delhi Noida Toll Bridge, adjoining roads and other related facilities, the Ashram flyover which has been constructed at the landfall of the Delhi Noida Toll Bridge and the Mayur Vihar Link and it operates under a single business and geographical segment (Refer Note 26).

For all periods up to and including the year ended 31 March 2009, the Group prepared its financial statements in accordance with Indian Generally Accepted Accounting Practice (Indian GAAP). To launch the GDRs in alternate investment market (AIM) of the London Stock Exchange, the group was required to prepare financial statements for all periods commencing from 1st April 2002 in accordance with International Financial Reporting Standards (IFRSs). Accordingly, the Group had prepared financial statements from 1 April 2002, which complies with IFRSs applicable for periods beginning on or after 1 January 2005.

(b) Service Concession Arrangement entered into between IL&FS, NTBCL and NOIDA

A 'Concession Agreement' entered into between the NTBCL, Infrastructure Leasing and Financial Services Limited (IL&FS, the promoter company) 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 years concession period commencing from 30 December 1998 i.e. 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 together 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 designated returns in earlier years. As per the certification by the independent auditors, the total recoverable amount comprises project cost and 20% designated return. NTBCL shall transfer the Project Assets to the New Okhla Industrial Development Authority in accordance with the Concession Agreement upon the full recovery of the total cost of project and the returns thereon.

Further details of concession agreement are given in Note 27.

(c) Basis of preparation

The consolidated financial statements of Noida Toll Bridge Company Limited and its subsidiary ('the Group') have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations as laid down by the International Financial Reporting Interpretations Committee (IFRIC)

These consolidated financial statements have been drawn up in accordance with the going-concern principle and on a historical cost basis, except for available-for sale investments that have been measured at fair value. The presentation and grouping of individual items in the balance sheet, the income statement and the cash flow statement, as well as the changes in equity, are based on the principle of materiality.

(d) Significant accounting judgments and estimates

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Recognition of Concession Agreement as an Intangible Asset

(i) Basis of accounting for the service concession

The Group has determined that IFRIC 12 *Service Concession Arrangements* is applicable to the Concession Agreement and hence has applied it in accounting for the concession.

The directors have determined that the intangible asset model in IFRIC 12 *Service Concession Arrangement* is applicable to the concession. In particular, they note that users pay tolls directly so the grantor does not have the primary responsibility to pay the operator.

In order to facilitate the recovery of the project cost and 20% designated returns through collection of toll and development rights, the grantor has guaranteed extensions to the terms of the Concession, initially set at 30 years. The Group has received an "in-principle" approval for development rights from the grantor. However the Group has not yet entered into any agreement with the grantor which would constitute an assurance from the grantor to facilitate the recovery of shortfalls. Management recognizes that the development right agreement when executed will give rise to intangible assets in their own right.

Disclosures for Service Concession Arrangement as prescribed under SIC 29 *Service Concession Arrangements – Disclosure* have been incorporated into the financial statements.

(ii) Significant assumptions in accounting for the intangible asset

On completion of construction of the Delhi Noida Toll Bridge (6 February 2001), the rights under the Concession Agreement have been recognized as an intangible asset, received in exchange for the construction services provided. Construction costs include besides others, expenditure incurred and provisions for outstanding capital commitments on the Ashram Flyover, which was significantly completed on the date of recognition of the intangible asset. This section of the bridge was commissioned on 30th October 2001. The intangible asset received has been measured at fair value of the construction services as of US\$ 112,391,294 as on the date of commissioning. The Group has recognized a profit of US\$ 32,591,491, which is the difference between the cost of construction services rendered (the cost of the project asset of US\$ 79,799,802) and the fair value of the construction services.

The Directors have concluded that as operators of the bridge, they have provided construction services to NOIDA, the grantor, in exchange for an intangible asset, i.e. the right to collect toll from road-users during the Concession period.

Accordingly, the Group has measured the intangible asset at cost, i.e. the fair value of the construction services as at 6 February 2001, the date of completion of construction and commissioning of the asset.

The key assumptions used in establishing the cost of the intangible asset are as follows:

- Construction of the DND Flyway commenced in 1998 and was completed on 6 February 2001. The exchange of construction services for an intangible asset is regarded as a transaction that generates revenue and costs, which have been recognized by reference to the stage of completion of the construction. Contract revenue has been measured at the fair value of the consideration receivable. Hence in each of the years of construction, construction revenue has been calculated at cost plus 17.5% and the corresponding construction profit has been recognized through retained earnings.
- Management has capitalised qualifying finance expenses until the completion of construction.
- The intangible asset is assumed to be received only upon completion of construction. Until then, management has recognised a receivable for its construction services. The fair value of construction services have been estimated to be equal to the construction costs plus margin of 17.5% and the effective interest rate of 13.5% for lending by the grantor. The construction industry margins range between 15-20% and management has determined that a margin of 17.5% is both conservative and appropriate. The effective interest rate used on the receivable during construction is the normal interest rate which grantor would have paid on delayed payments.
- The intangible asset has been recognised on the completion of construction, i.e. 6th February 2001.
- The management considers that they will not be able to earn the designated return under the Concession Agreement over 30 years. The company has an assured extension of the concession as required to achieve project cost and designated returns (see Note 1(b) above). An independent engineer had earlier certified the useful life of the Delhi Noida Toll Bridge as 70 years. The intangible asset was being amortised over the same years on straight line basis. Based on the independent professional expert's advice obtained during the current year, the company has re estimated the life of the bridge to be of 100 years. The method of amortization of the intangible asset has also been changed during the current year from straight line to unit of usage method.
- Development rights will be accounted for as and when exercised.

Construction of the Mayur Vihar Link commenced in 2006-07. NTBCL has obtained land from Noida for the construction of the Mayur Vihar Link vide Supplement to Noida Land Lease Deed executed between them. As per the terms of said lease deed Mayur Vihar Link Road will form part of Noida Bridge Project and the expenditure incurred by NTBCL on it shall be included in the cost of Noida Bridge with respect to the concession agreement. As the Mayur Vihar Link fall under the jurisdiction of Delhi Government, Municipal Corporation of Delhi vide confirmation agreement dated 9th January 2005 agreed not to declare the Mayur Vihar Link as public street and to recognize the right of NTBCL to operate and maintain the Mayur Vihar Link as a private street and charge user a user the fees in respect thereof. This right has been recognized as an intangible asset, received in exchange for the construction services provided to the grantor of the concession agreement. The intangible asset received has been measured at fair value of construction services as of US \$ 15,961,837. The Group has recognized a profit of US \$ 3,662,423 which is the difference between the cost of construction services rendered (the cost of project asset of US\$ 12,299,414) and the fair value of the construction services.

The key assumptions used in establishing the cost of the intangible asset (i.e. right to collect toll on Mayur Vihar Link) are as follows:

- Construction commenced in June 2006 and was completed on January 19, 2008. The exchange of construction services for an intangible asset is regarded as a transaction that generates revenue and costs, which have been recognized by reference to the stage of completion of the construction. Contract revenue has been measured at the fair value of the consideration receivable. Hence for the years, construction revenue has been calculated at cost plus 17.5% and the corresponding construction profit has been recognized through construction revenue.
- Management has capitalised qualifying finance expenses until the completion of construction.
- The intangible asset is assumed to be received upon the completion of the construction and during the construction phase, management has recognised it as additions to the Intangible assets. The fair value of construction services have been estimated to be equal to the construction costs plus margin of 17.5% and the

effective interest rate of 12.5% for lending by the grantor. The construction industry margins range between 15-20% and management has determined that a margin of 17.5% is both conservative and appropriate. The effective interest rate used on the receivable during construction is the normal interest rate which grantor would have paid on borrowing obtained.

- The management considers that they will not be able to earn the designated return under the Concession Agreement over 30 years. The company has an assured extension of the concession as required to achieve project cost and designated returns (see Note 1(b) above). An independent expert had earlier certified the useful life of the Delhi Noida Toll Bridge as 70 years. As the lease period for the land is coterminous with the concession agreement and the estimated remaining useful life of the bridge, this intangible asset was being amortised over the remaining life of the Delhi Noida Toll Bridge from the date of commissioning of the Mayur Vihar Link Road on straight line basis. During the year based on the independent professional expert's advice, the estimated life of the bridge has been considered as 100 years. The method of amortization of the Intangible asset has also been changed during the year from straight line to unit of usage method.

Change in Estimates

During the year, based on the independent professional expert's advice, life of the bridge has been re-estimated at 100 years. The management has considered that the economic benefit from the bridge is derived in form of traffic revenue and hence changed amortization method from straight line to unit of usage method i.e. number of vehicles using the project facility. As a result of change in above estimates, amortization for the year has been reduced by US\$ 1,284,520

(e) Basis of Consolidation

The consolidated financial statements comprise the financial statements of Noida Toll Bridge Company Limited and its subsidiary ITNL Toll Management Services Limited. The financial statements of the subsidiary are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full.

Subsidiary is fully consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

(f) Foreign Currency Translation

The functional currency of Noida Toll Bridge Company Limited and ITNL Toll Management Services Limited is Indian Rupees. Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

The presentation currency is US\$. For the purpose of translation from functional currency to presentation currency, assets and liabilities for each balance sheet presented is translated at the closing rate at the date of that balance sheet. Income and expense for each income statement and cash flow statement presented is translated using a weighted average rate and all resulting exchange difference is recognised as a separate component of equity.

(g) Intangible Assets

Construction on the Delhi Noida Toll Bridge was completed and made operational on 6th February 2001. The Ashram Flyover's construction, which was significantly complete on that date, was commissioned on 30th October 2001. Collectively referred to as the "Bridge", the completed construction has been recognised as an intangible asset on 6th February 2001, in accordance with the guidelines given for recognition and measurement for service concession agreements on adoption of *IFRIC 12, Service Concession Arrangement*.

Construction on Mayur Vihar Link Road which has been accounted and made fully operational on January 19, 2008 has been recognised as intangible asset, in accordance with the guidelines given for recognition and measurement for service concession agreements in *IFRIC 12, Service Concession Arrangement*.

The value of the intangible asset was measured on the date of completion of construction at the fair value of the construction services provided which has been recognised as the intangible asset's cost. It was being

amortised on a straight-line basis over the balance period of the estimated useful life. During the year amortization policy has been changed from straight line to unit of usage method. The amortisation expense is recognised in the income statement as part of operating and administrative expenses. The carrying value is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Specific policies that apply to the intangible assets are as follows:

- Construction services

Construction services exchanged for the intangible asset included all costs that related directly to the construction of the Delhi Noida Toll Bridge / Mayur Vihar Link including valuation of all work done by subcontractors, whether certified or not, and all overheads other than those relating to the general administration of the Group.

- Construction profit

Construction profit is the difference between the fair value of the consideration receivable and the construction services provided in building the Bridge.

- Borrowing costs

Project specific borrowing costs were capitalised until the completion of construction services. Where funds are temporarily invested pending their expenditures on the qualifying asset, any investment income, earned on such fund is deducted from the borrowing cost incurred.

- Maintenance obligations

Contractual obligations to maintain, replace or restore the infrastructure (principally resurfacing costs and major repairs and unscheduled maintenance which are required to maintain the Bridge in operational condition except for any enhancement element) are recognised and measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provision is discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(h) Property, Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of such plant and equipment when that cost is incurred if the recognition criteria are met.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognised.

The asset's residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end.

(i) Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Building 62 years
Data Processing Equipment 3 years
Office Equipment 5 years
Vehicles 5 years
Furniture & Fixtures 7 years
Advertisement Structure 5 years

(j) Investments and other financial assets

Financial assets in the scope of IAS 39 are classified as either loans and receivables or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in income when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Investments (Available-for-sale financial assets)

All investments are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment.

After initial recognition available-for sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is sold, collected or otherwise disposed of or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For investments where there is no quoted market price, fair value is determined by reference to the current market value of another instrument which is substantially the same or is calculated based on the expected cash flows of the underlying net asset base of the investment.

(k) Inventories

Inventories of Electronic Cards (prepaid cards), "On Board Units" and consumables are valued at the lower of cost or net realisable value. Cost is recognised on First In First Out basis.

(l) Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprises of cash at bank and in hand.

(m) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any transaction costs, and any discount or premium on settlement.

On refinancing of debt or where the terms of an existing debt are amended, the derecognition criteria in IAS 39 are applied and existing issue cost are written off. Where new debt is arranged, the capitalised issue costs on retiring debt are written off and the issue costs of the new debt are capitalised and amortised over the term of the new debt.

(n) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate

that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as other finance expense

(o) Employee costs, Pensions and other post-employment benefits

Wages, salaries, bonuses, social security contributions, paid annual leave and sick leave are accrued in the year in which the associated services are rendered by employees of the Group.

The Group has three funded retirement benefit plans in operation viz. Gratuity, Provident Fund and Superannuation. The Superannuation Fund and Provident Fund are defined contribution schemes whereby the Group has to deposit a fixed amount to the fund every year / month respectively.

The Gratuity plan for the Group is a defined benefit scheme. The cost of providing benefits under gratuity is determined using the projected unit credit actuarial valuation method. Actuarial gains and losses are recognised in full in the period in which they occur and directly in equity through the income statement.

(p) Leases

Finance leases which transfer substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on the straight line basis over the lease term.

(q) Impairment

Where an indication of impairment exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

(r) Derecognition of financial assets and liabilities

Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the income statement.

(s) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue comprises:

Toll Revenue

Toll Revenue is recognised in respect of toll collected at the Delhi Noida Toll Bridge and the attributed share revenue from prepaid cards.

License Fee

License fee income from advertisement hoardings & office premises is recognised on an accruals basis in accordance with contractual obligations.

Service Charges

Service charges are recognised on accrual basis in respect of revenue recovered for the various business auxiliary services provided to the parties.

Interest income

Revenue is recognised as interest accrues (using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Investment income

The profit or loss on sale of investments is the difference between the net sale consideration and the carrying amount. Related fair value movements are derecognised from net unrealised gains reserve and transferred to the income statement at the time of sale.

Other Income

Other income comprises service fee and miscellaneous income which are recognised on receipt basis.

(t) Income tax

Current tax represents the amount that would be payable based on computation of tax as per prevailing taxation laws under the Indian Income Tax Act, 1961.

Deferred income tax is provided using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses (where such right has not been forgone), to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax assets and unused tax losses can be utilised, except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable profit or loss.

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

(u) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Where funds are temporarily invested pending their expenditures on the qualifying asset, any such investment income, earned on such fund is deducted from the borrowing cost incurred.

All other borrowing costs are recognised as interest expense in the income statement in the period in which they are incurred.

(v) Share based payment transactions

Equity-settled, share option plan are valued at fair value at the date of the grant and are expensed over the vesting period, based on the Group's estimate of shares that will eventually vest. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. The share awards are valued using the Black-Scholes option valuation method.

The Group recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

(w) Securities Premium

Securities premium represent the amount being difference between the issue price and the face value of the securities issued by the company. Securities premium have been recognized as separate component of the equity. Under the Indian Companies Act 1956, securities premium have restricted usage. Securities premium has been adjusted to the extent utilized for the purposes allowed under the Indian Companies Act, 1956 and disclosed in the statement of equity.

(x) Debenture Redemption Reserve

Debenture redemption reserve (DRR) represents the reserve created for the redemption of the Deep Discount Bond (DDBs). Under the Indian Companies Act 1956, DRR is to be created out of the profits for the year in financial statement prepared under Indian GAAP. The group recognized the DRR for an amount equal to the issue price of the DDBs by apportioning from the profit of the year under Indian GAAP a sum calculated under sum of digit method. DRR has been recognized as separate component of equity. On redemption of the DDBs, DRR is to be transferred to general reserve.

(y) CENVAT Credit

Cenvat (Central Value Added Tax) in respect of service tax is accounted on accrual basis on eligible services. The balance of cenvat credit is reviewed at the end of each year and amount estimated to be unutilised is charged to the profit & loss account for the year.

(z) Changes in Accounting Policies

The group has changed its policy for accounting of advertisement structure. The group has been expensing off the cost of such structure as and when incurred hitherto. The group has now decided to capitalize the same considering that economic benefits from such structures would accrue for more than a year.

The impact of the change of accounting policy has been retrospectively applied in accordance with IAS-8 "Accounting policies, Change in Accounting Estimates and Errors". The following table highlights the impact of the change in accounting policy on shareholder's equity, fixed asset, depreciation and profit after tax:

	As on 31.03.2007 US(\$)	As on 31.03.2008 US(\$)	As on 31.03.2009 US(\$)
Shareholders Equity before change in accounting policy	71,866,582	83,247,771	69,330,702
Impact of change	569,064	407,804	446,308
Shareholders Equity after change in accounting policy	72,435,646	83,655,575	69,797,010
Net fixed assets before change in accounting policy	1,192,709	1,939,814	1,441,900
Impact of change	569,064	407,804	466,308
Net fixed assets after change in accounting policy	1,761,773	2,347,618	1,908,208

	For the year ended 31.03.2008 US(\$)	For the year ended 31.03.2009 US(\$)
Depreciation before change in accounting policy	194,218	213,615
Impact of change	211,371	188,829
Depreciation after change in accounting policy	405,589	402,444
Profit after tax before change in accounting policy	4,810,894	4,779,768
Impact of change	(211,371)	(124,646)
Profit after tax after change in accounting policy	4,599,523	4,655,122
EPS before change in accounting policy	0.0258	0.0257
Impact of change	0.0011	0.0007
EPS after change in accounting policy	0.0247	0.0250

**NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUSIDIARY COMPANY
RECONCILIATION OF EQUITY AT 31ST MARCH 2009**

	INDIAN GAAP US(\$)	Effect of transition to IFRS US (\$)	IFRS US (\$)	
Property, plant and equipment	1,908,208	-	1,908,208	
Capital work in progress	40,360	-	40,360	
Intangible asset	1	114,007,709	(7,268,193)	106,739,516
Employee Benefit	93,370	-	93,370	
Loans & Advances	73,742	-	73,742	
Total Non Current Assets	116,123,389	(7,268,193)	108,855,196	
Inventories	46,287	-	46,287	
Trade receivables	167,220	-	167,220	
Loans and Advances	2,476,462	-	2,476,462	
Prepayments	64,753	-	64,753	
Available for sale investments	2	3,739,149	776	3,739,925

Cash and Cash Equivalents		196,338	-	196,338
Total Current Assets		6,690,209	776	6,690,985
Total Assets		122,813,598	(7,267,417)	115,546,181
Interest bearing loans and borrowings	3	38,882,287	(3,120,607)	35,761,680
Provisions	4	1,641,956	28,077	1,670,033
Deferred Tax Liability	5	328,352	631,301	959,653
Total Non Current Liabilities		40,852,595	(2,461,229)	38,391,366
Interest bearing loans and borrowings			2,578,623	2,578,623
Trade and other payables		2,492,185	-	2,492,185
Provisions	6	1,201,797	(580,115)	621,682
Provisions for taxes		1,665,315	-	1,665,315
Total Current Liabilities		5,359,297	1,998,508	7,357,805
Total Liabilities		46,211,892	(462,721)	45,749,171
Total Assets less Total Liabilities		76,601,706	(6,804,696)	69,797,010
Issued capital		42,419,007	-	42,419,007
Securities premium	7	28,386,273	121,748	28,508,021
Debenture Redemption Reserve		192,970	-	192,970
Net Unrealised gains Reserve	2	-	776	776
General Reserves	7	-	9,871	9,871
Effect of currency Translation		(5,874,355)	(1,117,943)	(6,992,298)
Retained Earnings(profit & Loss A/C)		11,477,811	(5,819,148)	5,658,663
Total Equity		76,601,706	(6,804,696)	69,797,010

Explanatory Notes to the reconciliation:

1. *Under Indian GAAP, Intangible asset has been amortised using unit of usage method since acquisition of such asset while in IFRS, change to unit of usage method has been considered as change in accounting estimates and hence has been applied from the current year in accordance with IAS-8 "Accounting policies, Changes in Accounting Estimates and Errors".*
2. *Quoted investments measured at cost under Indian GAAP have been classified as available-for-sale financial assets under IAS 39, Financial Instruments – Recognition and Measurement and remeasured at fair value. Changes in the fair value of these financial assets are recognised directly in equity through the statement of changes in equity.*
3. *Interest-bearing loans and borrowings have been restated to amortised cost using the effective interest rate method under IAS 39, Financial Instruments – Recognition and Measurement with the discount being accreted through the Profit and Loss account.*
4. *Under Indian GAAP, provision for overlay has been accumulated on straight line basis while in IFRS the same is being built up in accordance with the provisions of IAS 37, Provisions, Contingent Liabilities and Contingent Assets.*
5. *Under Indian GAAP, deferred tax liability has been recognized on timing difference while in IFRS, deferred tax liability has been recognized on temporary differences.*
6. *In accordance with the Scheme of amalgamation with DND Flyways Limited, the Company has made certain adjustment in financial statement prepared under Indian GAAP, the adjustments which are not in conformity with the International Accounting Standard have not been considered in preparation of these financial statements in accordance with IFRS.*
7. *Stock Option expense has been recognised with a corresponding entry to equity over the vesting period of the Option under IFRS 2, Share-based Payments. Stock Option Account relating to options exercised has been transferred to Securities Premium Account. Stock Option Account relating to*

options lapsed has been transferred to General Reserve.

In terms of our report of even date

On Behalf of the Board of Directors

For Luthra & Luthra
Chartered Accountants

Akhilesh Gupta
Partner / Director

Pradeep Puri
Director / President & CEO

Monisha Macedo
Manager

Place: Noida
Date : July 29, 2009

T. K. Banerjee
CFO

NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUSIDIARY COMPANY

RECONCILIATION OF EQUITY AT 31st MARCH 2008

		INDIAN GAAP US(\$)	Effect of transition to IFRS US (\$)	IFRS US (\$)
Property, plant and equipment	1	138,834,328	(136,486,711)	2,347,617
Intangible asset	2	-	136,456,372	136,456,372
Toll Equalisation Receivable	3	42,864,648	(42,864,648)	-
Loans and Advances		103,524	-	103,524
Total Non Current Assets		181,802,500	(42,894,987)	138,907,513
Inventories		44,393	-	44,393
Trade receivables		47,616	-	47,616
Loans and Advances		1,449,634	13,951	1,463,585
Prepayments		71,505	-	71,505
Available for sale investments	4	1,366,822	26,248	1,393,070
Cash and cash Equivalents		500,764	-	500,764
Total Current Assets		3,480,734	40,199	3,520,933
Total Assets		185,283,234	(42,854,788)	142,428,446
Interest bearing loans and borrowings	5	50,696,502	(3,644,863)	47,051,639
Provisions	6	-	1,175,997	1,175,997
Total Non Current Liabilities		50,696,502	(2,468,866)	48,227,636
Interest bearing loans and borrowings	7	3,802,891	1,389,597	5,192,488
Trade and other payables		3,648,159	13,951	3,662,110
Provisions	3	1,478,344	(739,476)	738,868
Provisions for taxes		951,769	-	951,769
Total Current Liabilities		9,881,163	664,072	10,545,235
Total Liabilities		60,577,665	(1,804,794)	58,772,871
Total Assets less Total Liabilities		124,705,569	(41,049,994)	83,655,575
Issued Capital		42,419,007	-	42,419,007
Securities Premium	8	36,184,153	155,193	36,339,346
Debenture Redemption Reserve		147,588	-	147,588
Net Unrealised gains Reserve	4	-	26,248	26,248
General Reserves	8	-	12,583	12,583

Reserve on Revaluation of Assets	9	32,575,397	(32,575,397)	-
Effect of currency Translation		4,164,810	(562,384)	3,602,426
Retained Earnings (Profit & Loss A/c)		9,208,170	(8,106,237)	1,101,933
Total		124,699,125	(41,049,994)	83,649,131
Minority Interest	10	6,444		6,444
Total Equity		124,705,569	(41,049,994)	83,655,575

Explanatory Notes to the reconciliation:

1. *The cost of US \$ 136,486,711 pertaining to the Delhi Noida Toll Bridge including Mayur Vihar Link Road, previously capitalised under the PPE model, revaluation of land and accumulated depreciation have been de-recognised on adoption of IFRIC 12 Service Concession Arrangements – The Intangible Asset Model.*
2. *Intangible Asset of US \$ 136,456,372 is the net book value of the Delhi Noida Toll Bridge alongwith Mayur Vihar Link Road under IFRS. The Bridge is being amortised on a straight-line basis over the estimated useful life of the intangible asset as per the provisions of IFRIC 12 Service Concession Arrangements – The Intangible Asset Model.*
3. *NTBCL had filed a Scheme of Amalgamation with its 100% subsidiary DND Flyway Limited in the Honorable High Courts of Allahabad and Delhi which has been approved on 22nd March 2007 and 21st May 2007 by the respective courts. As per the Scheme the Company has recognised a Toll Equalisation receivable which pertains to part of the 20% return guaranteed under the Concession Agreement over the useful life of the bridge. Some of the adjustments which are not in conformity with the International Accounting Standard have not been considered in preparation of these financial statements in accordance with IFRS.*
4. *Quoted investments measured at cost under Indian GAAP have been classified as available-for-sale financial assets under IAS 39, Financial Instruments – Recognition and Measurement and re-measured at fair value. Changes in the fair value of these financial assets are recognised directly in equity through the statement of changes in equity.*
5. *Interest-bearing loans and borrowings have been restated to amortised cost using the effective interest rate method under IAS 39, Financial Instruments – Recognition and Measurement with the discount being accreted through the Profit and Loss Account.*
6. *The Group has recognised a provision for road resurfacing upon adoption of IFRIC 12 Service Concession Arrangements – The Intangible Asset Model. The provision for the first resurfacing, which is due in year ended 31 March 2009, is being built up in accordance with the provisions of IAS 37, Provisions, Contingent Liabilities and Contingent Assets.*
7. *Interest-bearing loan and borrowings include unsecured loans taken for the construction of the Mayur Vihar Link Road.*
8. *Stock Option expense has been recognised with a corresponding entry to equity over the vesting period of the Option under IFRS 2, Share-based Payments. Stock Option Account relating to options exercised has been transferred to Securities Premium Account. Stock Option Account relating to options lapsed has been transferred to General Reserve.*
9. *Under Indian GAAP, Property, Plant & Equipment had been revalued. This Revaluation Reserve pertaining to land received under the Concession Agreement has been reversed on the adoption of IFRIC 12 Service Concession Arrangements – The Intangible Asset Model as the Delhi Noida Toll Bridge is being accounted for as an intangible asset.*
10. *NTBCL has promoted a subsidiary company i.e. ITNL Toll Management Services Limited (ITMSL) on 22nd June 2007 with the object of carrying out the services and consultancy in the area of operations of toll collection, routine and procedure maintenance, engineering, design, supply, installation, commissioning of toll and traffic management system. NTBCL holds 50.99% equity share capital of the ITMSL.*

In terms of our report of even date

On Behalf of the Board of Directors

For Luthra & Luthra

Chartered Accountants

Akhilesh Gupta
Partner / Director

Pradeep Puri
Director / President & CEO

Date: July 29, 2009
Place: Noida

Monisha Macedo
Manager
T. K. Banerjee
CFO

**NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUSIDIARY COMPANY
RECONCILIATION OF INCOME STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009**

	Explanatory Notes	INDIAN GAAP US (\$)	Effect of transition to IFRS US (\$)	IFRS US (\$)	<u>Expl anat ory note s to reco ncili atio n:</u>
Toll Revenue		14,433,070	-	14,433,070	
License Fee		2,688,547	-	2,688,547	
Construction Contract Revenue		266,100	-	266,100	
Other Income		58,292	-	58,292	
Total Income		17,446,009	-	17,446,009	
Operating and Administrative Expenses					
- Operating Expenses	1	1,028,405	627,058	1,655,463	
- Administrative Expenses		3,396,294	32,131	3,428,425	
- Construction Contract Cost		226,468	-	226,468	
- Depreciation		402,445	-	402,445	
- Amortisation	2	651,407	(41,529)	609,878	
Total of Operating and Administrative Expenses		5,705,019	617,660	6,322,679	
Group Operating Profit from Continuing Operations		11,740,990	(617,660)	11,123,330	
Finance Income					
- Profit on Sale of Investments		186,532	-	186,532	
Interest & Dividend		3,035	-	3,035	
Finance Charges	3	(3,248,930)	(1,361,989)	(4,610,919)	
Total		(3,059,363)	(1,361,989)	(4,421,352)	
Profit/(Loss) from Continuing Operations Before Taxation		8,681,627	(1,979,649)	6,701,978	
Income Taxes:					
- Current Tax		(987,575)	-	(987,575)	
- Deferred Tax charge /reversal	4	(364,399)	(700,604)	(1,065,003)	
- Fringe Benefit Tax		(32,131)	32,131	-	
Profit/(Loss) After Tax for the Year		7,297,522	(2,648,122)	4,649,400	
Minority Interest		5,722	-	5,722	
Profit/(Loss) after Minority Interest		7,303,244	(2,648,122)	4,655,122	

1. Under Indian GAAP, provision for overlay has been accumulated on straight line basis while in IFRS the same is being built up in accordance with the provisions of IAS 37, Provisions, Contingent Liabilities and Contingent Assets.
2. Under Indian GAAP, Intangible asset has been amortised using unit of usage method since acquisition of such asset while in IFRS, change to unit of usage method has been considered as change in accounting estimates and hence has been applied from the current year in accordance with IAS-8 "Accounting policies, Changes in Accounting Estimates and Errors".
3. Finance charges pertain to accretion of interest on loans and borrowings using the effective interest

rate method in accordance with IAS 39, Financial Instruments- Recognition and Measurement.

4. Under Indian GAAP, deferred tax liability has been recognized on timing difference while in IFRS, deferred tax liability has been recognized on temporary differences.

In terms of our report of even date

On Behalf of the Board of Directors

For Luthra & Luthra
Chartered Accountants

Akhilesh Gupta
Partner / Director

Pradeep Puri
Director / President & CEO

Date: July 29, 2009
Place: Noida

Monisha Macedo
Manager
T. K. Banerjee
CFO

**NOIDA TOLL BRIDGE COMPANY LIMITED AND ITS SUSIDIARY COMPANY
RECONCILIATION OF INCOME STATEMENT FOR THE YEAR ENDED 31ST MARCH 2008**

	Explanatory Notes	INDIAN GAAP US (\$)	Effect of transition to IFRS US (\$)	IFRS US (\$)
Toll Revenue		13,764,626	-	13,764,626
License Fee		2,859,286	-	2,859,286
Construction Contract Revenue	1		9,554,560	9,554,560
Other Income	2	1,196,253	(1,184,105)	12,148
Total Income		17,820,165	8,370,455	26,190,620
Operating and Administrative Expenses				
- Operating Expenses	3	1,102,148	244,948	1,347,096
- Administrative Expenses	4	3,150,352	8,814	3,159,166
- Construction Contract Cost	1	-	7,161,689	7,161,689
- Depreciation	5	2,147,438	(1,741,849)	405,589
- Amortisation	6	-	1,947,499	1,947,499
Total of Operating and Administrative Expenses		6,399,938	7,621,101	14,021,039
Group Operating Profit from Continuing Operations		11,420,227	749,354	12,169,581
Finance Income				
- Profit on Sale of Investments		177,441	-	177,441
Interest & Dividend		(5,994)	6,377	383
Finance Charges	7	(3,694,605)	(3,148,692)	(6,843,297)
Total		(3,523,158)	(3,142,315)	(6,665,473)
Profit/(Loss) from Continuing Operations Before Taxation		7,897,069	(2,392,961)	5,504,108
Income Taxes:				
- Current Tax		(904,145)	-	(904,145)
- Fringe Benefit Tax		(39,753)	39,753	-
Profit/(Loss) After Tax for the Year		6,953,171	(2,353,208)	4,599,963
Minority Interest		(440)	-	(440)
Profit / (Loss) after Minority Interest		6,952,731	(2,353,208)	4,599,523

Explanatory notes to reconciliation:

1. Construction of the Mayur Vihar Link commenced in 2006-07. NTBCL has obtained land from Noida for the construction of the Mayur Vihar Link vide Supplement to Noida Land Lease Deed executed

between them. As per the terms of said lease deed Mayur Vihar Link Road will form part of the Noida Bridge Project and the expenditure incurred by NTBCL on it shall be included in the cost of the Noida Bridge with respect to the Concession Agreement. As the Mayur Vihar Link falls under the jurisdiction of Delhi Government, Municipal Corporation of Delhi vide Confirmation Agreement dated 9th January 2005 agreed not to declare the Mayur Vihar Link as a public street and to recognise the right of NTBCL to operate and maintain the Mayur Vihar Link as a private street and charge users a 'user fee' in respect thereof. This right has been recognised as an intangible asset, received in exchange for the construction services provided to the grantor of the Concession Agreement. The intangible asset received has been measured at fair value of construction services. The Group has recognised a profit of US\$ 2,392,871 during the year which is the difference between the cost of construction services rendered (the cost of project asset of US\$ 7,161,689) and the fair value of the construction services.

2. NTBCL had filed a Scheme of Amalgamation with its 100% subsidiary DND Flyway Limited in the Honorable High Courts of Allahabad and Delhi which was approved on 22nd March 2007 and 21st May 2007 by the respective courts. As per the Scheme the Company has recognised a Toll Equalisation receivable account which pertains to part of the 20% return guaranteed under the Concession Agreement over the useful life of the bridge. Some of the adjustments which are not in conformity with the International Accounting Standard have not been considered in preparation of these financial statements in accordance with IFRS.
3. Operating Expenses as per Indian GAAP have been adjusted for recognition of expenses under IFRS. Major movements include US\$ 153,437 of expenditure in the nature of repairs and maintenance previously capitalised under Indian GAAP, which has now been expensed off. An amount of US\$ 91,511 has been charged for the build up of resurfacing provisions.
4. Administrative Expenses have been adjusted for certain expenses which were recognised under IFRS in March 2007 but under Indian GAAP during March 2008.
5. Depreciation charge adjustment of US\$ 1,741,849 to the Indian GAAP amount has arisen due to re-computation and adjustment of depreciation pertaining to the Delhi Noida Toll Bridge capitalised under the PPE model, recognised as intangible asset on adoption of IFRIC 12 Service Concession Arrangements – The Intangible Asset Model.
6. Amortisation charge of US\$ 1,947,499 pertains to the intangible asset recognised on the adoption of IFRIC 12 Service Concession Arrangements – The Intangible Asset Model. This asset is being amortised on a straight-line basis over a period of 70 years, the estimated useful life of the asset.
7. Finance charges pertain to accretion of interest on loans and borrowings using the effective interest rate method in accordance with IAS 39, Financial Instruments- Recognition and Measurement.

In terms of our report of even date

On Behalf of the Board of Directors

For Luthra & Luthra
Chartered Accountants

Akhilesh Gupta
Partner / Director

Pradeep Puri
Director / President & CEO

Monisha Macedo
Manager

T. K. Banerjee
CFO

A copy of the full results including the full notes to the accounts together with a copy of the results in Indian Rupees is available on the Company's website: www.ntbcl.com.

For further details please contact:

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