

**JHARKHAND ROAD PROJECTS
IMPLEMENTATION COMPANY LIMITED**

ANNUAL REPORT

2011-12

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2011- 12

Dear Members

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

1. FINANCIAL PERFORMANCE:

	<i>(Amount in ` '000)</i> FY ended March 31, 2012	<i>(Amount in ` '000)</i> FY ended March 31, 2011
Total Income	-	-
Total Expense	(2,141)	(1,029)
Profit / (Loss) Before Tax	(2,141)	(1,029)
Provisions for Tax	(3,651)	(1,179)
Fringe Benefit Tax	-	-
Wealth Tax	-	-
Profit / (Loss) After Tax	(5,792)	(2,209)
Balance of Profit/ (Loss) Brought Forward	(4,858)	(2,649)
Balance Carried to Balance Sheet	(10,650)	(4,858)

The net loss after tax for the year is ` 5.79 million. Aggregating the carry forward balance of loss of ` 4.85 million a net loss of ` 10.65 million is carried to the Balance Sheet

2. SHARE CAPITAL:

Your Company's paid-up equity share capital as on March 31, 2012 stood at `245.14 Crores.

3. DIVIDEND:

The Directors do not recommend dividend for the period under review

4. OPERATIONS:

Your Company is engaged in the development of road projects under the Jharkhand Accelerated Road Development Programme (JARDP). Under the JARDP, GoJ has proposed to upgrade about 1500 Lane Km of roads in the state and currently your Company has

undertaken development of the following 6 road stretches as identified and conveyed by Government of Jharkhand (GoJ);

S. N.	Road Stretch	Project Id	Length of Project (Km)	Proposed lanes	Total Lane Kms
1a	Ranchi-Patratu Dam Road	RPR – I	35.27	4/2 Lanes	103.74
1b	Patratu Dam - Ramgarh Road	RPR – II	27.12	4 Lanes	108.47
2	Ranchi Ring Road (Sec. III, IV, V & VI)	RRR	36.19	6 Lanes	217.15
3	Chaibasa – Kandra – Chowka Road	CKC	68.70	2 Lanes	137.40
4	Adityapur – Kandra Road	AK	15.10	4 Lanes	60.40
5	Ranchi-Muri Road	RM	57.50	2 Lanes	115.00
6a	Rangamati - Banta Hazam - Silli Road	CK – 2	48.00	2 Lanes	96.00
6b	Silli – Gola – Rajrappa Road	CK - 3	41.0	2 Lanes	82.0
	Total Length		328.98		920.16

Your Company signed Concession Agreement for Chaibasa – Kandra – Chowka Road on May 28, 2011 and for Adityapur Kandra Road on August 6, 2011. These concession agreements were signed between Government of Jharkhand (GoJ), Jharkhand Accelerated Road Development Company Limited (JARDCL) and Jharkhand Road Project Implementation Company Limited (the Concessionaire).

The Company has also been able to financially close these packages and commence construction activities on these roads. The financial tie-up for Chaibasa – Kandra – Chowka Road was achieved on November 22, 2011 and that for Adityapur Kandra Road on December 5, 2011. Subsequent to M/s G R Infraprojects Limited, the lowest EPC Bidder for CKC Project showing its inability to execute the work, M/s GKC Projects Ltd were appointed as the EPC Contractor by JARDCL for CKC Project at a project cost of `333.07 Crores and EPC Contract was executed on July 28, 2011. Also the EPC Contract has been signed between M/s GKC Projects Ltd and your Company on September 03, 2011 at a project cost of `185.5 Crores for Adityapur – Kandra Road Project

The improvement works are in full swing on Ranchi Ring Road (RRR), Ranchi – Patratu road (RPR-I), Patratu – Ramgarh roads (RPR-II), Chaibasa – Kandra – Chowka Road and Adityapur Kandra Road Packages. The physical and financial progress for the projects under execution is stated below:

S. N.	Road Stretch	Length (in lane km)	Physical Progress	Financial Progress
1	Ranchi Ring Road (Sec. III, IV, V & VI) (RRR)	217.15	92.39%	86.92%
2a	Ranchi - Patratu Dam Road (RPR – I)	103.74	91%	93%
2b	Patratu Dam - Ramgarh Road (RPR II)	108.47	72.85%	82.78%
3	Chaibasa – Kandra – Chowka Road	137.40	20.84%	17.5%
4	Adityapur – Kandra Road	60.40	49.5%	28.68%

5. ROAD INFRASTRUCTURE SECTOR:

For a country of India's size, an efficient road network is necessary both for national integration as well as for socio-economic development. Road development remains the Government's top priority to catapult a developing economy into the league of advanced nations. The seriousness is amply reflected in the numbers and policies; recently in the Union Budget 2012-13, the allocation of the Ministry of Road Transport and Highways for the road development has been increased by 14% to `25,360 crore. Under NHDP, the target of awarding road projects for the next fiscal has been increased to 8,800 km. In order to strengthen the rural road network, the allocation towards the PMGSY has been increased by 20% to `24,000 crore for FY 13. Further, it is proposed to extend the issuance of tax free bonds by NHA aggregating `10,000 crore in the next fiscal. The enhanced availability of funds will augur well for the sector and is expected to accelerate the pace of road project awarding

Currently, at 3.3 million km, India's road network is the second largest in the world. The network is divided into three categories – national highways, state roads including state highways and district roads and rural roads. National highways span a length of 70, 934 km, state highways 131, 899 km, major district roads 467,763 km and rural roads 2,650,000 km. National highways constitute only 2 percent of the total road length but carry nearly 40 percent of the traffic. State highways constitute about 13 percent of the road length and carry 40 percent of the traffic

The Road infrastructure in Jharkhand requires augmentation. Growth of population and vehicles has burdened the existing road network. This needs to be taken care of by means of maintenance, upgradation and construction

The Road infrastructure of the state is divided basically into three categories -

- National Highway
- State Highway & Major District Roads

- Rural Roads & Minor District Roads

National Highways are the primary system of roads. Similarly State Highways, Major Districts Roads (MDR) and other roads provide secondary system and the Rural Roads and Minor District Roads provide tertiary systems. The present availability of these roads is as follows:

Category of roads in the State of Jharkhand	Length (Km)
National Highways including NH-2 (transferred to NHDP)	1844.00 Km
State Highways	1886.40 Km
Major District roads	4828.10Km
Other Roads of PWD/ODR	166.00 Km
Total	8724.50 Km

Government of Jharkhand has launched a massive programme for improvement of the secondary system of roads in the State and has introduced the Jharkhand Accelerated Road Development Programme (JARDP) through a public-private partnership. Under the JARDP, road length of around 1500 lane km would be taken up for development

6. FUTURE OUTLOOK:

Your Company has been mandated to develop road projects in the State of Jharkhand. Government of Jharkhand intends to improve over 1500 lane kilometers of road in the State of Jharkhand and has initially shortlisted road stretches aggregating to around 1000 lane kilometers

FY 2012-13 is going to be an important year for your Company. The construction works for Ranchi Ring Road and Ranchi Patratu Dam Ramgarh Road Projects are under progress and are expected to be commissioned by September 2012 and the construction works for Adityapur Kandra Road are expected to be commissioned by November 2012

7. DIRECTORS AND OTHER MANAGERIAL PERSONNEL:

Mr Rajnish Saxena, Manager of the Company has tendered his resignation with effect from January 20, 2012

Subsequently at a meeting of the Board of Directors held on January 20, 2012, Mr Sanjay Kumar Minglani, Director of the Company was appointed as the Managing Director of the Company, subject to the approval of the Shareholders, for a period of five years w.e.f. January 20, 2012 at Nil remuneration. Appropriate resolution seeking your approval to his appointment is appearing in the Notice convening the 3rd Annual General Meeting of the Company

In accordance with Article 256 of the Companies Act, 1956 Mr Harish Mathur, Director retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

8. AUDITORS:

Messrs U Narain & Company, Chartered Accountants, hold office till the conclusion of the ensuing Annual General Meeting and have expressed their willingness to continue as Auditors of the Company, if re-appointed at the ensuing Annual General Meeting of the Company. They have further confirmed that the said appointment would be in conformity with the provisions of Section 224(1B) of the Companies Act, 1956

9. DEPOSITS:

Your Company has not accepted any deposits from the public during the year

10. CORPORATE GOVERNANCE:

The Board of Directors of the Company was composed of the following Directors on 31st March 2012:

Director	Executive/ Non-executive	Category
Mr Mukund Sapre	Non-executive	Promoter Company's Director (IL&FS)
Mr Harish Mathur	Non-executive	Promoter Company's Director (IL&FS)
Mr Deep Sen	Non-executive	Promoter Company's Director (IL&FS)
Mr Sanjay Kumar Minglani*	Non-executive	Promoter Company's Director (IL&FS)

*Appointed as Managing Director w.e.f. January 20, 2012

Attendance of Directors at Board Meetings held during the financial year 2011-12 and last AGM held on September 24, 2011:

Directors	No of Board Meetings Held during tenure	Attendance for Board Meetings	Attendance in Annual General Meeting
Mr Mukund Sapre	4	3	-
Mr Harish Mathur	4	4	Yes
Mr Deep Sen	4	3	-
Mr Sanjay Kumar Minglani	4	2	Yes

The Credit Approval Committee has been constituted by the Board of Directors on February 22, 2010 with Mr Harish Mathur and Mr Mukund Sapre as its members. During the year under review, the Credit Approval Committee met on November 18, 2011 and December 2, 2011

As on 31st March 2012, the Audit Committee comprised of Mr Sanjay Kumar Minglani (Director and Chairman of the Committee), Mr Harish Mathur and Mr Deep Sen as other members. During the year under review, the Audit Committee met on April 19, 2011 for review of the financial statements for the year ended March 31, 2011. For review of the Financial Statements for the quarters ended June 30, 2011, September 30, 2011 and December 31, 2011 the Audit Committee Meetings were held on July 18, 2011, October 19, 2011 and January 20, 2012 respectively

11. DIRECTOR'S 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 representations received from the Operating Management, and after due enquiry, it is confirmed that:

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

12. PARTICULARS OF EMPLOYEES:

With regard to the statement of employees required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, the Company does not have any employee drawing remuneration in excess of the limits prescribed under the provisions of the Act/rules

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

There has not been any income/earning and outgo of foreign exchange during the period under review. Since your Company does not own any manufacturing facility, the other

particulars in the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to it

14. ACKNOWLEDGEMENTS:

Your Company had excellent relationships with Government of Jharkhand, Central Government, Shareholders and Regulatory Authorities during the period under review. Your Directors are grateful for the support extended by them and look forward to receiving their continued support and encouragement

The proactive support and guidance extended by functionaries of Government of Jharkhand, Infrastructure Leasing & Financial Services Limited, Bank of India, Allahabad Bank and other members of the consortium of lenders and Jharkhand Accelerated Road Development Company Limited in implementation of the Project needs special acknowledgement by your Directors. Your Directors also wish to place on record their appreciation for the contributions made by employees at all level through their sincerity, hard work, competence and dedication

For and on behalf of the Board

**Sd/-
Sanjay Kumar Minglani
Managing Director**

**Sd/-
Harish Mathur
Director**

AUDITOR'S REPORT TO THE MEMBERS

1. We have audited the attached Balance Sheet of **JHARKHAND ROAD PROJECTS IMPLEMENTATION CO. Limited** as at **31st March, 2012** and the related Profit & Loss Account and the Cash Flow Statement of the Company for the year ended as on **31st March, 2012** 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956, of India (the Act) and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we report that :
 - A. a. The Company has maintained proper records to show full particulars, including quantitative details and situation of its Fixed Assets.
b. The Fixed Assets of the Company have been physically verified by the Management during the period and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
c. In our opinion and according to the information and explanations given to us, the Company has not disposed off any substantial part of its fixed assets during the period.
 - B. The Company does not have any inventory and hence this clause is not applicable.
 - C. a. The Company has not granted any loans, secured and unsecured to the companies, firms or other parties covered in the register to be maintained under section 301 of the Companies Act, 1956.
 - D. 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 with regards to purchases of Inventory, fixed assets and with regards to Sale of goods. Further, on the basis of our examination and information and according to the

B.O.: Ranchi - Patna - Hazaribag - Kolkata

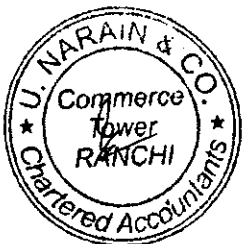


- explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- E. According to the information and explanation given to us, there were no transactions of purchase or sale made by the Company in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956.
- F. According to the information and explanations given to us the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- G. In our opinion the company has an Internal Audit Systems commensurate with the size and operations of the Company.
- H. As explained to us the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Company Act, 1956, for any of the products of the Company.
- I. a. According to the information and explanations given to us and records of the company examined by us, in our opinion the company has generally been regular in depositing undisputed statutory dues in respect of income-tax and other material statutory dues as applicable, with the appropriate authorities. Also there are no Statutory dues which were outstanding for more than six months from the date they become payable.
- b. As per the information and explanations given to us the Company does not have any disputed statutory dues with the authorities.
- J. The Company's accumulated losses at the end of the financial period are less than fifty percent of its net worth.
- K. As per the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank during the period.
- L. According to the information and explanation given to us and based on the documents and records produced to us, The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- M. In our opinion, considering the nature of activities carried on by the Company during the period, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/ societies are not applicable to the Company.
- N. The Company has not traded in shares, securities, debentures and other investments during the financial period under audit.

B.O.: Ranchi - Patna - Hazaribag - Kolkata



- O. The Company has not given any guarantees for loans taken by others from banks or financial institutions.
- P. In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purpose for which they were obtained.
- Q. Based on the information and explanation given to us and on an overall examination of the Balance Sheet of the Company, in our opinion there are no funds raised on a short-term basis, which have been used for long-term investment.
- R. The Company has made preferential allotment of 88925000 (P.Y. 36250000) Equity shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956, during the period.
- S. As at March 31, 2012, according to the records of the company, the company has not issued any debentures during the period.
- T. The Company has not raised any money by public issue during the period.
- U. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the period, nor have we been informed of such case by the management.
4. Further to our comments in paragraph 3 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 purpose of our audit;
- (b) In our opinion, proper books of accounts as required by the law have been kept by the company so far as appears from our examination of the books;
- (c) The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 to the extent applicable.
- (e) On the basis of written representation received from the directors and taken on record by Board of Director, none of the director is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;



U. NARAIN & CO.
CHARTERED ACCOUNTANTS

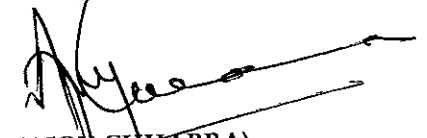
301, COMMERCE TOWER,
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PH. NO. : 0651-2330305, 2331814
Fax No. 0651-2330305
Mobile - 9431115338
E-mail : unarainco_ac@yahoo.com

- (f) In our opinion and to the best of our information and according to explanations given to us, the said accounts together with the Notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - (ii) In case of the Profit and Loss Account, of the Loss for the year ended on that date; and
 - (iii) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place: Ranchi

Date: 19-04-2012

For U. NARAIN & CO.
Chartered Accountants
Form Registration No. 00935C


(AJAY CHHABRA)
Partner
Membership No. 071431



B.O.: Ranchi - Patna - Hazaribag - Kolkata

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
BALANCE SHEET AS AT MARCH 31, 2012

Amount in Rs.

Particulars	Note	As At	
		March 31, 2012	March 31, 2011
I EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUNDS			
(a) Share capital	2	2,45,14,00,000	1,56,21,50,000
(b) Reserves and surplus	3	(1,06,51,211)	(48,58,320)
(c) Money received against share warrants		-	-
		2,44,07,48,789	1,55,72,91,680
2 SHARE APPLICATION MONEY PENDING ALLOTMENT		-	-
3 MINORITY INTEREST		-	-
4 PREFERENCE SHARES ISSUED BY SUBSIDIARY TO MINORITY		-	-
5 ADVANCE TOWARDS CAPITAL TO SUBSIDIARY BY MINORITY		-	-
6 NON-CURRENT LIABILITIES			
(a) Long-term borrowings	4	12,03,29,60,589	6,77,93,06,873
(b) Deferred tax liabilities (Net)	5	-	-
(c) Other long term liabilities	6	14,18,46,737	1,34,06,055
(d) Long-term provisions		-	-
		12,17,48,07,326	6,79,27,12,928
7 CURRENT LIABILITIES			
(a) Current maturities of long-term debt		-	-
(b) Current maturities of finance lease obligations		-	-
(c) Short-term borrowings		-	-
(d) Trade payables	7	2,27,80,74,184	43,71,49,168
(e) Other current liabilities	8	7,81,31,708	5,63,86,634
(f) Short-term provisions	9	-	13,608
		2,35,62,05,892	49,35,49,410
TOTAL		16,97,17,62,007	8,84,35,54,018
II ASSETS			
1 NON CURRENT ASSETS			
(a) Fixed assets	10		
(i) Tangible assets		12,34,594	4,94,163
(ii) Intangible assets		66,302	44,704
(iii) Capital work-in-progress		16,35,08,03,863	7,71,49,41,129
(iv) Intangible assets under development		-	-
		16,35,21,04,759	7,71,54,79,996
(b) Non-current investments		-	-
(c) Goodwill on consolidation		-	-
(d) Deferred tax assets (Net)	5	-	-
(e) Long-term loans and advances	11	3,71,300	2,97,000
(f) Other non-current assets		-	-
		3,71,300	2,97,000
2 CURRENT ASSETS			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and bank balances	14	5,76,60,065	36,05,71,554
(e) Short-term loans and advances	12	56,14,78,095	76,84,84,225
(f) Other current assets	13	1,47,787	7,21,243
		61,92,85,948	1,12,77,77,022
TOTAL		16,97,17,62,007	8,84,35,54,018

Notes 1 to 29 form part of the financial statements.

In terms of our report even date attached.

For U. Narain & CO.

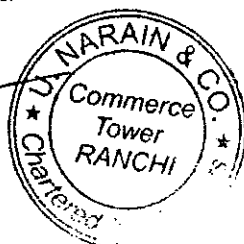
Chartered Accountants

Firm Registration No: 000935C

Ajoy Chhabra

Partner

Membership No.071431



Place: Ranchi

Date: 19-04-2012

For and on behalf of the Board

M. Singh

Managing Director

S. Jha

Director

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

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

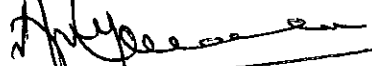
Amount in Rs.

	Particulars	Note	Year ended March 31, 2012	For the period from October 01, 2010 to March 31, 2011
I	Revenue from operations		-	-
II	Other income		-	-
III	Total revenue (I + II)		-	-
IV	Expenses			
	Cost of materials consumed		-	-
	Operating expenses		-	-
	Employee benefit expenses		-	-
	Finance costs		-	-
	Administrative and general expenses	16	18,01,710	8,68,704
	Preliminary / Miscellaneous Expenditure Written Off		-	-
	Depreciation and amortization expense		3,39,431	1,61,132
	Provision for diminution in value of investments		-	-
	Total expenses		21,41,141	10,29,836
V	Profit before exceptional and extraordinary items and tax (III-IV)		(21,41,141)	(10,29,836)
VI	Add / (Less) : Exceptional items		-	-
VII	Profit before extraordinary items and tax (V-VI)		(21,41,141)	(10,29,836)
VIII	Add / (Less) : Extraordinary items		-	-
IX	Profit before taxation (VII-VIII)		(21,41,141)	(10,29,836)
X	Tax expense:			
	(1) Current tax		36,51,750	11,79,493
	(2) Tax relating to earlier period		-	-
	(3) Deferred tax		-	-
	Total tax expenses (X)		36,51,750	11,79,493
XI	Profit from continuing operations before consolidation adjustment (IX-X)		(57,92,891)	(22,09,329)
	Less: Share of profit transferred to minority interest		-	-
	Add / Less : Share of profit / (loss) of associates (net)		-	-
XII	Profit from Continuing operation after consolidation adjustment		(57,92,891)	(22,09,329)
XIII	Profit / (Loss) from discontinuing operations		-	-
XIV	Tax expense of discontinuing operations		-	-
XV	Profit / (Loss) from Discontinuing operations (after tax) (XIII-XIV)		-	-
XVI	Profit for the period (XII-XV)		(57,92,891)	(22,09,329)
	Earnings per equity share (Face value per share Rupees 10/-):	17		
	(1) Basic (Not Annualised)		(0.02)	(0.01)
	(2) Diluted (Not Annualised)		(0.02)	(0.01)

Notes 1 to 29 form part of the financial statements.

In terms of our report even date attached.

For U.Narain & CO.
Chartered Accountants
Firm Registration No: 000935C


Ajoy Chhabra
Partner
Membership No. 071431



Place: Ranchi
Date: 19-04-2012

For and on behalf of the Board



Managing Director



Director

2

JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED

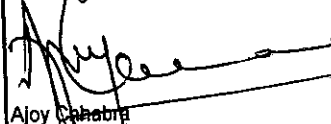
Cash Flow Statement For The Year Ended March 31, 2012

Amount in Rs.

	Year Ended March 31, 2012	For the period from October 01, 2010 to March 31, 2011
Cash Flow from Operating Activities		
Loss Before Tax	(21,41,141)	(10,29,836)
Adjustments for :-		
Depreciation	3,39,431	1,61,132
Operating Loss before Working Capital Changes	(18,01,710)	(8,68,704)
Adjustments for changes in working capital:		
(Increase) / Decrease in Current Assets , Non Current Assets & Trade Receivable	47,816	1,23,264
Increase / (Decrease) in Current Liabilities , Non Current Liabilities & Trade Payable		
Operating Loss after Working Capital Changes	(17,53,894)	(7,45,440)
Direct Taxes paid (Net)	(36,83,313)	(7,65,000)
Net Cash (used In) / generated from Operating Activities (A)	(54,37,207)	(15,10,440)
Cash flow from Investing Activities		
Fixed Assets addition during the period	(11,01,480)	(1,65,071)
(Increase) / Decrease in Capital WIP	(8,63,58,62,734)	(3,17,77,35,302)
Increase / (Decrease) in Current Liabilities, Non Current Liabilities & Trade Payables	1,99,10,49,348	24,96,23,389
(Increase) / Decrease in Current Assets , Non Current Assets & Trade Receivables	20,55,36,849	17,79,93,816
Net Cash (used In) / generated from Investing Activities (B)	(6,44,03,77,997)	(2,75,02,83,168)
Cash flow from Financing Activities		
Issue of Equity Shares	88,92,50,000	30,00,00,000
Proceeds from Secured Loans	5,25,11,53,716	2,63,18,11,489
Proceeds from Unsecured Loans	25,00,000	-
Net Cash (used In) / generated from Financing Activities (C)	6,14,29,03,716	2,93,18,11,489
Net (Decrease) / Increase in Cash & Cash Equivalents (A+B+C)	(30,29,11,488)	18,00,17,881
Cash and Cash Equivalent at the beginning of the Period	36,05,71,554	18,05,53,673
Cash and Cash Equivalent at the end of the Period	5,76,60,065	36,05,71,554
Net (Decrease) / Increase in Cash & Cash Equivalents	(30,29,11,488)	18,00,17,881
Notes:		
Components of Cash & Cash Equivalent		
Cash in Hand	66,837	43,748
Balance with Scheduled Banks - Current Accounts	46,60,741	11,84,060
Balance with Scheduled Bank in term deposits (maturity less than 3 months)	5,29,32,488	35,93,43,745
Cash and Bank Balance (Note 14)	5,76,60,065	36,05,71,554

Notes 1 to 29 form part of the financial statements.

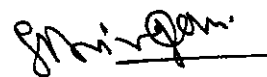
In terms of our report even date attached.
For U.Narain & CO.
Chartered Accountants
Firm Registration No: 000935C


Ajoy Chhabra
Partner
Membership No. 071431



Place: Ranchi
Date: 19-04-2012

For and on behalf of the Board


Managing Director


Director

Jharkhand Road Projects Implementation Company Limited

Notes To The Financial Statement

Note 1 - Significant Accounting Policies

I Basis of preparation of Financial Statements

The financial statements are prepared as per historical cost convention in accordance with the Generally Accepted Accounting Principles in India, the provisions of the Companies Act, 1956 and the applicable Accounting Standards referred to in Section 211(3C) of Companies Act, 1956. All income and expenditure having a material bearing on the financial statements are recognized on an accrual basis.

II Use of estimates

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including current liabilities) as of the date of the financial statements, the reported income and expenses during the reporting period and disclosure of contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates

IV Fixed Assets and Depreciation

- a Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. For this purpose, cost includes purchase price (excluding refundable tax) and subsequent improvements thereto inclusive of taxes, duties, freight and other incidental expenses related to acquisition, improvements and installation, except in case of revaluation of such assets where it is stated at revalued amount
- b Depreciation on computers and software & accessories is computed using the Straight Line Method so as to depreciate 100% of the cost at rates higher than those prescribed under Schedule XIV to the Companies Act, 1956 based on the Management's estimate of useful life of such assets

Asset Type	Useful Life
Computers	4 years
Specialised Office Equipment	3 years
Assets Provided to Employees	3 Years

- c Leasehold improvement costs are capitalised and amortised on a straight-line basis over the period of lease agreement unless the corresponding rates under Schedule XIV are higher, in which case, such higher rates are used.
- d All categories of assets costing less than Rs.5,000 each, mobile phones and items of soft furnishing are written off in the year of capitalization.
- e Depreciation on the fixed assets, other than on assets specified above is provided for using the Written down Value Method at rates prescribed by Schedule XIV of the Companies Act, 1956
- f Depreciation is computed pro-rata from the date of acquisition and upto the date of disposal.

V Impairment of Assets

The carrying values of assets of the Company's cash-generating units are reviewed for impairment annually or more often if there is an indication of decline in value. If any indication of such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognized, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor.

VI Intangible Assets and Amortizations

Intangible assets are reported at acquisition value with deductions for accumulated amortization and impairment losses, if any. Amortization policy for various intangible assets is 4 years or the useful life of the asset, whichever is shorter

VII Inventories

Inventories are valued at lower of cost and net realisable value. Unserviceable/damaged/discarded stocks and shortages observed at the time of physical verification are charged to the Profit and Loss Account.

VIII Investments

Investments held by the Company which are long term in nature are stated at cost unless there is any permanent diminution in value. Any permanent diminution in value of such investments will be met from Reserves. Short term investments are valued at cost or market price whichever is lower. Earnings on investments are accounted for on accrual basis



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IX Borrowing Cost

Borrowing costs attributable to construction of the road are included under "Capital Work in Progress" and the same will be capitalised once the road is ready for the Commercial Operations. Other borrowing costs are recognized as expenses in the year in which they arise.

XI Taxes on Income

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

Deferred tax is calculated to correspond to the tax effect arising when final tax is determined. Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items being allowed for income tax purposes during a period different from when they were recognized in the financial statements

The deferred tax charge or credit is recognized using current tax rates. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or a part of the aggregate deferred tax asset to be recognized.

XII Provisions, Contingent Liabilities and Contingent Assets

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

XIII Earnings per Share

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

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

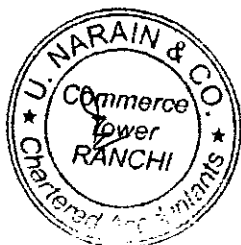
XIV Cash and Cash Equivalents

Cash and bank balances, and current investments that have insignificant risk of change in value, which have duration of up to three months, are included in the Company's cash and cash equivalents in the Cash Flow Statement.

XV Cash Flow Statements

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





JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Year Ended March 31, 2012

Note 2: Share capital

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	Rs.	Number	Rs.
Authorised				
Equity Shares of Rupees 10/- each	27,00,00,000	2,70,00,00,000	20,00,00,000	2,00,00,00,000
Issued				
Equity Shares of Rupees 10/- each	24,51,40,000	2,45,14,00,000	15,62,15,000	1,56,21,50,000
Subscribed and Paid up				
Equity Shares of Rupees 10/- each fully paid (refer foot note no. i, ii, and iii)	24,51,40,000	2,45,14,00,000	15,62,15,000	1,56,21,50,000
Total				

Foot Notes:

i. 22,80,90,000 (Previous Year 15,31,65,000) shares are held by IL&FS Transportation Networks Limited, the holding Company and 1,70,50,000 (Previous Year 30,50,000) shares are held by Infrastructure Leasing and Financial Services Limited, the ultimate holding company and its nominees

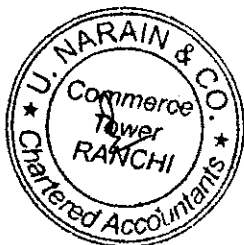
ii. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2012		As at March 31, 2011	
	Equity Shares		Equity Shares	
	No. of Shares	Rs.	No. of Shares	Rs.
Shares outstanding at the beginning of the period / year	15,62,15,000	1,56,21,50,000	11,99,65,000	1,19,96,50,000
Shares issued during the period / year	8,89,25,000	88,92,50,000	3,62,50,000	36,25,00,000
Shares bought back during the period / year	-	-	-	-
Shares outstanding at the end of the period / year	24,51,40,000	2,45,14,00,000	15,62,15,000	1,56,21,50,000

iii. Shareholding more than 5% shares

Name of Shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shares held	% of total holding	No. of Shares held	% of total holding
Infrastructure Leasing and Financial Services Limited and its nominees	1,70,50,000	6.96%		
IL&FS Transportation Networks Limited	22,80,90,000	93.04%	15,31,65,000	98.05%
Total	24,51,40,000	100%	15,31,65,000	98.05%

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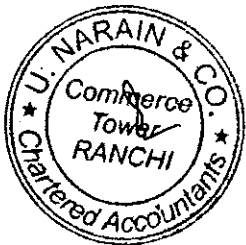
JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Year Ended March 31, 2012

Note 3: Reserves and surplus

Amount in Rs.

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Securities Premium Account				
Opening balance	-		-	
(+) Securities premium credited on Share issue	-		-	
(-) Premium utilised for various reasons	-		-	
(b) General Reserve				
Opening balance	-		-	
(+) Current year transfer	-		-	
(-) Written back in current year	-		-	
(c) Debenture Redemption Reserve				
Opening balance	-		-	
(+) Created during the year	-		-	
(-) Written back in current year	-		-	
(d) Capital Reserve				
Opening balance	-		-	
(+) Created during the year	-		-	
(-) Written back in current year	-		-	
(e) Other Reserves				
Foreign exchange fluctuation reserve	-		-	
Cash flow hedge reserve	-		-	
(f) Capital Reserve on Consolidation				
Opening balance	-		-	
(+) On account of acquisition / merger	-		-	
(-) Written back in current year	-		-	
(g) Profit / (Loss) Surplus				
Opening balance	(48,58,320)		(26,48,991)	
(+) Profit for the current period / year	(57,92,891)		(22,09,329)	
(-) Consolidation adjustment	-		-	
(-) Transfer to general reserves	-		-	
(-) Transfer to debenture redemption reserve	-		-	
(-) Dividends (including dividend tax)	-		-	
(-) Premium on preference shares of subsidiary	-		-	
(-) Tax on dividend and premium on preference shares of subsidiary	-	(1,06,51,211)	-	(48,58,320)
Total		(1,06,51,211)		(48,58,320)

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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Year Ended March 31, 2012

Note 4: Long-term borrowings

Amount in Rs.

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Bonds / Debentures				
(i) Secured				
Non convertible debentures	-	-	-	-
Deep discount bonds	-	-	-	-
(ii) Unsecured				
Non convertible debentures	-	-	-	-
Deep discount bonds	-	-	-	-
(b) Term Loans				
(i) Secured				
From banks (refer foot note no. i,ii,iii)	10,57,35,60,589		6,30,93,06,873	
From financial institutions	-		-	
From Holding Company (Secured by Second pari passu charged), (refer foot note no. iv)	1,45,69,00,000	12,03,04,60,589	47,00,00,000	6,77,93,06,873
(ii) Unsecured				
From banks	-	-	-	-
From financial institutions	-	-	-	-
From Holding Company (refer foot note no. iv)	25,00,000	25,00,000	-	-
(c) Long term maturities of finance lease obligations				
(i) Secured	-	-	-	-
(ii) Unsecured	-	-	-	-
Total		12,03,29,60,589		6,77,93,06,873

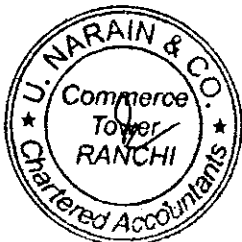
Foot Notes:

(i) Secured By:

- (i) Hypothecation of all movable, tangible and intangible assets, Receivables, Cash and Investments created as a part of the Project other than the project Assets
- (ii) Monies lying in the Escrow Account into which all the investments in the Project and all Project revenues and Insurance proceeds are to be deposited.
- (iii) Assignment of all the rights, title, benefits, claims and demands of the Company under the Project Agreements .
- (iv) Assignment of all the rights under Project Guarantees obtained pursuant to Construction , service and Operations Contract, if any, relating to the Project.
- (v) First ranking assignment of all contracts, documents, insurance, clearances and interests of the Company with respect to the Project.
- (vi) Assignment of debts service reserve account if any
- (vii) Assignment of all rights and benefits in the Letter of credit provided by GOJ to the Company towards one Annuity payment amount as per provision of Concession Agreement.

(ii) Terms of Repayment of Term Loan

- (i) In case of Ranchi Ring Road , Ranchi Patratu Dam Raod and Patratu Dam ramgarh Road project the Term Loans shall be repaid in 45 quarterly unequal installments from the end of the moratorium period.
- (ii) In case of Adityapur Kandra Road project the Term Loans shall be repaid in 44 quarterly unequal installments commencing 6 months from COD from the end of the moratorium period.
- (iii) In case of Chaibasa Kandra Road project the Term Loans shall be repaid in 48 quarterly unequal installments commencing 6 months from COD from the end of the moratorium period.
- (iv) Amounts repaid by the Borrower shall not be re-borrowed.
- (v) Any senior lenders may, in suitable circumstances, at the request of the Borrower and subject to consent of the other senior lenders revise or vary the repayment schedule or postpone the payment of any specific repayment installment(s) or part thereof, upon such terms and conditions shall form a part of this agreement as an
- (vi) If for any reason the amount finally disbursed by the senior lenders is less than the total commitments, the repayment installments shall stand reduced proportionately but shall be paid on the repayment dates as set out in the repayment schedule.
- (vii) In the event of any default in the payment of the repayment installments of principal, interest and default interest, postponement, if any, allowed by any of the senior lenders shall be at the rate of interest as may be stipulated by the concerned senior lenders at the time of postponement.



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(iii) Repayment Schedule of Term Loan from Banks

Repayment schedule as per outstanding as on March 31, 2012

F.Y. Ending	Amount of Repayment
2013	80185326
2014	633291939
2015	663785776
2016	694067295
2017	714665564
2018	846903225
2019	889529048
2020	1016263719
2021	1088990922
2022	1094420959
2023	1261214316
2024	1306957178
2025	192389133
2026	45423594
2027	45472595
Total	10573560589

(iv) Terms of Repayment of loan taken from related parties

(i) The Loan is from IL&FS Transportation Networks Limited (ITNL), the holding company

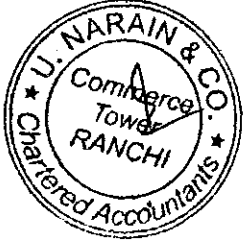
(ii) Total Loan Commitment is Rs. 248,97,00,000/-

(iii) The Loan from IL&FS Transportation Networks Limited, shall be repaid after the entire Term Loan from bank is repaid.

(iv) The Loan shall be repaid in quarterly installments as per agreement

(v) As per agreement in case of Ranchi Ring Road , Ranchi Patratu Dam Road nad Patratu Dam Ramgarh Road Project , interest accruing to ITNL shall be paid after a period of 39 months after COD.

(vi) As per agreement in case of Adityapur Kandra Road and Chaibasa Kandra Road Project , interest will be payable from time to time, per annum calculated with half yearly rests, till the subordinated debt is fully paid



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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Year Ended March 31, 2012

Note 5: Deferred tax liabilities (Net) and Deferred tax assets (Net)

In terms of accounting standards – 22 issued by Institute of Chartered Accountants of India in respect of "Accounting for Taxes on Income" the Company as a matter of prudence has not recognised the net deferred tax assets as on 31/03/12.

a) A breakdown of the components of deferred tax liabilities is furnished below:

Particulars	Amount in Rs.	
	As at March 31, 2012	As at March 31, 2011
Liabilities:		
Timing differences in respect of income	-	-
Timing differences in respect of depreciation	-	-
Assets:		
Timing differences in respect of depreciation	-	-
Timing differences in respect of employee benefits	-	-
Timing differences in respect of unabsorbed depreciation and business losses	-	-
Timing differences in respect of provision for doubtful debts	-	-
Timing differences in respect of provision for overlay	-	-
Net deferred tax liability	-	-

b) A breakdown of the components of deferred tax assets is furnished below:

Particulars	Amount in Rs.	
	As at March 31, 2012	As at March 31, 2011
Assets:		
Timing differences in respect of income	-	-
Timing differences in respect of depreciation	-	-
Timing differences in respect of employee benefits	-	-
Net deferred tax asset	-	-





JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Year Ended March 31, 2012

Note 6: Other long term liabilities

Amount in Rs.

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Trade Payables				
From related parties	-	-	-	-
From others	-	-	-	-
(b) Others				
Interest accrued but not due on borrowings	14,18,46,737	14,18,46,737	1,34,06,055	1,34,06,055
-From related parties				
Total		14,18,46,737		1,34,06,055

Note 7: Trade Payables

Amount in Rs.

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Trade Payables (refer foot note no. i)				
From related parties	52,62,27,255		80,268	
From others	1,75,18,46,929	2,27,80,74,184	43,70,68,900	43,71,49,168
(b) Others				
Others	-	-	-	-
Total		2,27,80,74,184		43,71,49,168

Footnote:

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

Note 8: Other current liabilities

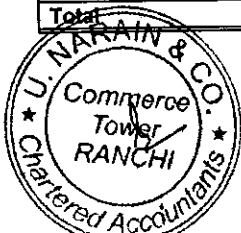
Amount in Rs.

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Interest accrued but not due on borrowings	-	-	-	-
(b) Interest accrued and due on borrowings	-	-	-	-
(c) Income received in advance	-	-	-	-
(d) Advance received	-	-	-	-
(e) Statutory dues	7,81,31,708	7,81,31,708	5,63,86,634	5,63,86,634
Total		7,81,31,708		5,63,86,634

Note 9: Short-term provisions

Amount in Rs.

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Provision for employee benefits.	-	-	-	-
(b) Provision for tax (net of advance)	-	-	13,608	-
(c) Proposed dividend on equity shares	-	-	-	-
(d) Provision for tax on proposed dividend on equity shares	-	-	-	-
(e) Provision for overlay	-	-	-	13,608
Total				13,608



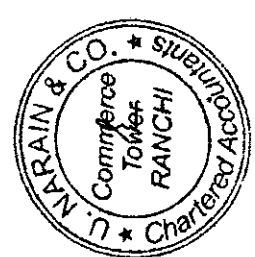
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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Year Ended March 31, 2012

Note 10: Fixed assets

Particulars	Gross block					Accumulated depreciation				Net block	
	Balance as at April 1st 2011	Opening adjustments	Additions	Disposals	Balance as at March 31, 2012	Balance as at April 1st 2011	Opening adjustments	Depreciation charge for the year	On disposals	Balance as at March 31, 2012	Balance as at March 31, 2011
a) Tangible assets											
Data processing equipments	2,31,080	-	1,08,400	-	3,39,480	44,102	-	90,833	-	1,34,935	1,86,978
Office equipments	2,43,150	-	4,19,983	-	6,63,143	1,46,547	-	81,785	-	2,28,332	96,603
Furniture and fixtures	2,48,708	-	5,34,577	-	7,83,285	38,126	-	1,49,921	-	1,88,047	2,10,582
Total	7,22,938	-	10,62,970	-	17,85,908	2,28,775	-	3,22,539	-	12,34,694	4,94,163
b) Intangible assets											
Software / Licences	59,200	-	38,490	-	97,690	14,496	-	16,892	-	31,388	44,704
Total	59,200	-	38,490	-	97,690	14,496	-	16,892	-	31,388	44,704
Grand total	7,82,138	-	11,01,460	-	18,83,598	2,43,271	-	3,39,431	-	13,00,896	5,38,867
c) Capital work-in-progress											
Intangible assets under Development	-	-	-	-	-	-	-	-	-	16,36,08,03,863	7,71,89,41,129

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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Year Ended March 31, 2012

Note 11: Long-term loans and advances

Amount in Rs.

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Capital Advances				
Unsecured, considered good	-	-	-	-
(b) Security Deposits				
Secured, considered good	-	-	-	-
Unsecured, considered good	3,71,300	3,71,300	2,97,000	2,97,000
(c) Loans and advances to related parties				
Unsecured, considered good				
- Advance recoverable in cash or kind - related parties	-	-	-	-
- Option premium assets	-	-	-	-
- Long term loans	-	-	-	-
(d) Other loans and advances				
Unsecured, considered good				
- Advance recoverable in cash or kind - others	-	-	-	-
- Loans to others	-	-	-	-
Total		3,71,300		2,97,000

Note 12: Short-term loans and advances

Amount in Rs.

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Loans and advances to related parties				
Unsecured, considered good				
- Advance recoverable in cash or kind - related parties	-	-	-	-
- Investment in call money	-	-	-	-
- Advance towards share application money	-	-	-	-
- Short term loans	-	-	-	-
(d) Other loans and advances				
Unsecured, considered good				
- Advance payment of taxes (net of provision)	31,563	-	-	-
- Advance fringe benefit tax (net of provision)	-	-	-	-
- MAT credit entitled	-	-	-	-
- Advance towards share application money	-	-	-	-
- Advance recoverable in cash or kind	56,14,46,532	-	76,64,84,225	-
- Short term loans -Others	-	-	-	-
Total		56,14,78,095		76,64,84,225

Note 13: Other current assets

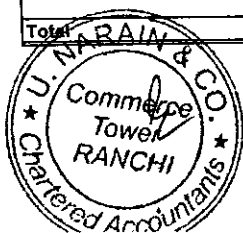
Amount in Rs.

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Prepaid expenses	1,16,387		60,944	
(b) Interest accrued on fixed deposits	31,400		6,60,299	
(c) Receivable under service concession arrangement	-		-	
(d) Grant receivable from National Highway Authorities of India	-	1,47,787	-	7,21,243
Total		1,47,787		7,21,243

Note 14: Cash and bank balances

Amount in Rs.

Particulars	As at March 31, 2012		As at March 31, 2011	
(a) Cash and cash equivalents				
Cash on hand	66,837		43,748	
Current accounts	46,60,741		11,84,060	
Fixed Deposits placed for a period less than 3 months	5,29,32,488	5,76,80,065	35,93,43,745	
Unpaid dividend accounts	-		-	36,05,71,554
(b) Other bank balances				
Fixed Deposits placed for a period exceeding 3 months	-		-	
Total		5,76,80,065		36,05,71,554



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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Year Ended March 31, 2012

Note 15: Contingent liabilities and capital commitments & Other Information

A) Contingent liabilities :

Amount in Rs.

Particulars (Name & description)	As at March 31, 2012	As at March 31, 2011
Guarantees issued on behalf of Group Companies		
Guarantees issued on behalf of Third parties		
Claims against the Group not acknowledged as debt		
Others (Please give description)		

B) Financial commitments pending to be executed :

Amount in Rs.

Particulars (Name of party & description)	As at March 31, 2012	As at March 31, 2011

C) Operating commitments pending to be executed :

Amount in Rs.

Particulars (Name of party & description)	As at March 31, 2012	As at March 31, 2011

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

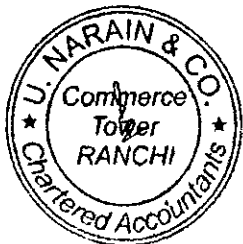
Amount in Rs.

Particulars (Name of party & description)	As at March 31, 2012	As at March 31, 2011
1 M/s Sadbhav Engineering Ltd	47,86,16,232	2,00,62,85,151
2 M/s Montecarlo Construction Ltd.	68,23,40,686	2,27,12,28,413
3 M/s G K C Projects Limited	3,05,49,90,461	-
4 M/s IL&FS Transportation Networks Limited	28,80,05,564	96,38,12,505
	4,50,39,52,943	5,24,13,26,069

E) Disclose the amount paid/payable to Auditors :

Amount in Rs.

Particulars (Name of party & description)	As at March 31, 2012	For the period from October 01, 2010 to March 31, 2011
U.Narain & Co.		
for Audit fees	1,10,300	88,240
for others services	1,10,300	22,060
for certificate	99,270	-



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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Year Ended March 31, 2012

Note 16: Administrative and general expenses

Amount in Rs.

Particulars	Year ended March 31, 2012		For the period from October 01, 2010 to March 31, 2011	
Auditors' Remuneration	2,20,600		1,10,300	
Bank Charges	24,937		13,477	
Books & Periodicals	10,518		3,516	
Computer Expenses	21,220		23,050	
Office Rent	6,90,500		2,46,360	
Electric Consumables & Other Charges	1,04,847		1,15,213	
Office Operating & Maintenance	1,98,858		58,879	
Postage & Courier Charges	52,452		23,160	
Professional Fees	1,19,539		54,692	
Directors Sitting Fees	1,38,900		77,784	
Invitees Sitting Fees	27,780		11,112	
Repair & Maintenance	1,01,804		58,216	
Miscellaneous Expenses	89,755	18,01,710	72,945	8,68,704
		18,01,710		8,68,704

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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Year Ended March 31, 2012

Note 17: Earnings per equity share

Particulars	Unit	Year ended March 31, 2012	For the period from October 01, 2010 to March 31, 2011
Profit after tax and minority interest	Rupees	(57,92,891)	(22,09,329)
Premium on preference shares	Rupees	-	-
Tax on premium on preference shares	Rupees	-	-
Profit available for Equity Shareholders	Rupees	(57,92,891)	(22,09,329)
Weighted number of Equity Shares outstanding	Numbers	24,51,40,000	15,62,15,000
Nominal Value of equity shares	Rupees	10	10
Basic Earnings per share	Rupees	(0.02)	(0.01)
Equity shares used to compute diluted earnings per share	Numbers	24,51,40,000	15,62,15,000
Diluted Earnings per share	Rupees	(0.02)	(0.01)

Note 18 : Background

The Company was incorporated under the Companies Act 1956 on August 04, 2009. It was issued "Certificate of Commencement of Business" on October 15, 2009.

The Company is a special purpose vehicle (SPV) promoted by Infrastructure Leasing and Financial Services Limited (IL & FS). IL&FS along with IL&FS Transportation Networks Limited (ITNL), a subsidiary of IL&FS, hold 100% of the shareholding in the ratio of 10:90.

The Company has entered into Tripartite Concession Agreement with Govt. of Jharkhand (GOJ) and Jharkhand Accelerated Road Development Co. Ltd. on September 23, 2009 for Ranchi Ring Road, on October 14, 2009 for Ranchi- Patratu Dam Road & Patratu Dam- Ramgarh Road, on May 06, 2011 for Chaibasa Kandra Chowka Road and on August 06, 2011 for Adityapur Kandra Road Project to Develop, Design, Engineer, Finance, Procure, Construct, Operate and Maintain 6 /4 laning roads in the State of Jharkhand on Build, Own and Transfer (Annuity) basis. The Concession Agreement envisages concession for a period of 17.5 Years (except in case of Adityapur Kandra Road Project is 15 years 9 months) commencing from the Commencement date, including the exclusive right, license and authority during the subsistence of this Agreement to implement the Project and the Concession in the respect of the Project Highway

Note 19 : Segment Reporting

The Company is a special purpose vehicle and is engaged in the business of construction of road as mentioned in the para above and thus operates in a single business and geographical segment. As a result, disclosures required under AS-17 on "Segment Reporting" have not been made.

Note 20: Director's Remuneration

Rs. NIL (previous period NIL)

Note 21

In the opinion of the Board of Directors, Current Assets, Loans and Advances are realizable at a value, which is at least equal to the amount at which these are stated in the ordinary course of business and provision made for all known and determined liability are adequate and not in excess of the amount stated

Note 22

Interest on Term Deposit of Rs.1,12,55,200/- (previous period Rs.38,17,128) received during the period has been set off against cost of interest during construction

Note 23

The company has incurred deputation cost of Rs.10,43,479/- (previous period Rs.4,66,183/-) during the period which was paid / payable to ITNL, the Holding Company

Note 24

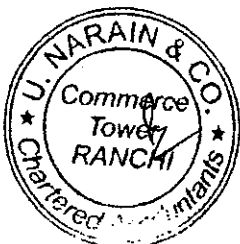
Rs. 2,07,81,448/- (previous period Rs.7,44,525/-) paid to JARDCL being reimbursement of Project Development expenses includes amounts related to the period prior to incorporation of the company/ commencement of business by the company

Note 25

The Company has incurred expenditure for its Road Project's being EPC Cost, Project Development Fees, Success Fees, Management Fees, Service Fees and other expenditures and the same has been classified as " Capital Work in Progress "

Note 26

Claims against the Company not acknowledged as debts Rs. NIL (Previous Period – NIL)



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JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED
Year Ended March 31, 2012

Note 27: Related Party Statement

1. Name of the related parties and description of relationship:

Nature of Relationship	Name of Entity	Acronym used
Ultimate Holding Company:	Infrastructure Leasing and Financial Services Limited	IL&FS
Holding Company :	IL&FS Transportation Networks Limited	ITNL
Fellow Subsidiaries to whom transaction during the period	IL&FS Financial Services Limited	IFIN
	IL&FS Trust Company Limited	ITCL
	Jharkhand Accelerated road Development Company Limited	JARDCL
Associates :	NIL	
Co - Venture :	NIL	
Key Management personnel :	Mr. Sanjay Minglani, Managing Director	

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

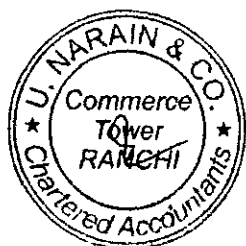
Account head	Name of Entity	As At March 31, 2012	As At March 31, 2011
Balances:			
Share Capital	IL&FS & its nominees	17,05,00,000	3,05,00,000
	ITNL	2,28,09,00,000	1,53,16,50,000
Subordinate Debts	ITNL	1,45,94,00,000	47,00,00,000
Interest on Subordinate Debts	ITNL	14,18,46,737	1,34,06,055
Deputation Cost and others	ITNL	1,11,602	80,268
Supervision fees , project development fees and O&M Start Up fees	ITNL	52,60,75,000	-
		For the Year ended March 31, 2012	For the period from October 01, 2010 to March 31, 2011
Transactions:			
Towards Equity Share Capital	IL&FS	14,00,00,000	3,00,00,000
	ITNL	74,92,50,000	33,25,00,000
Subordinate Debts	ITNL	98,94,00,000	47,00,00,000
Interest on Subordinate Debts	ITNL	14,27,11,868	1,48,95,616
Supervision fees , project development fees and O&M Start Up fees	ITNL	1,77,32,38,106	24,68,74,998
Security Trustee Fees	ITCL	16,95,899	-
Syndication Fees	IFIN	6,11,61,352	-
Underwriting Commission	IFIN	7,94,160	-
Reimbursement Of Expenses	ITNL	10,45,927	4,66,183
	JARDCL	2,09,02,281	9,28,031
	ITCL	-	-
	IFIN	8,77,920	-

Note 28

The second financial year of the company was for the period from October 01, 2010 to March 31, 2011 and current financial year is for the 12 months period from April 01, 2011 to March 31, 2012.

Note 29

Figures for the previous year have been regrouped, reclassified where necessary, to conform to the classification of the current period.



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