

# **INDEPENDENT AUDITORS' AUDIT REPORT ON INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**TO THE BOARD OF DIRECTORS OF**

**IL&FS TRANSPORTATION NETWORKS LIMITED**

## **Introduction**

We have audited the accompanying Interim Condensed Consolidated Financial Statements of **IL&FS TRANSPORTATION NETWORKS LIMITED** ("the Company"), its subsidiaries and jointly controlled entities / operations (the Company, its subsidiaries and jointly controlled entities / operations constitute "the Group"), and its share of the profit/(loss) of its associates for the Quarter ended June 30, 2014, which comprise the Condensed Consolidated Balance Sheet as at June 30, 2014, the Condensed Consolidated Statement of Profit and Loss, the Condensed Consolidated Cash Flow Statement for the quarter ended June 30, 2014 and select explanatory notes forming part thereof ("Interim Condensed Consolidated Financial Statements").

## **Management's Responsibility for the Interim Condensed Consolidated Financial Statements**

The Company's Management is responsible for the preparation and presentation of these Interim Condensed Consolidated Financial Statements in accordance with the requirements of Accounting Standards (AS-25) on Interim Financial Reporting notified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the interim condensed consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the interim condensed consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the interim condensed consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the interim condensed consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the interim condensed consolidated financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements / financial information of the subsidiaries, jointly controlled entities / operations and associates and unaudited financial statements of one associate referred to below in the Other Matters paragraph, the aforesaid interim condensed consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Condensed Consolidated Balance Sheet, of the state of affairs of the Group as at June 30, 2014;
- (b) in the case of the Condensed Consolidated Statement of Profit and Loss, of the profit of the Group for the quarter ended on that date; and
- (c) in the case of the Condensed Consolidated Cash Flow Statement, of the cash flows of the Group for the quarter ended on that date.

### **Emphasis of Matter**

1. We draw attention to Note 11 and Note 12 to the interim condensed consolidated financial statements, wherein significant elements of the interim condensed consolidated financial statements have been determined based on management estimates (which in turn are based on technical evaluations by independent experts). These include:

- i. Intangible Assets and Intangible Assets under Development covered under service concession arrangements aggregating to carrying value of Rs.139,563.97 million (48.72% of the total assets), the useful lives and the annual amortisation thereof;
  - ii. Provision for Overlay carried at Rs.444.09 million in respect of intangible assets covered under service concession arrangements; and
  - iii. Financial Assets covered under service concession arrangements, included as a part of Receivables against Service Concession Arrangements, carried at Rs.84,042.60 million (29.34% of the total assets) and revenue recognised thereon based on the effective interest method which in turn is based on evaluations of the future operating and maintenance costs and the overlay / renewal costs and the timing thereof.
2. We draw attention to the Note 14 of the Interim Condensed Consolidated Financial Statements, wherein it has been stated that during the current quarter a subsidiary company has received formal communication from the Corporate Debt Restructuring (CDR) Empowered Group with respect to it having formally exited from the CDR system. Consequent to the subsidiary's exit from the CDR on May 20, 2014, the below mentioned items are subject to discussions :

- i. Settlement of the Advance towards Capital / Debt included as Minority Interest; and
  - ii. Recompense, if any of the amount of sacrifices made by the Deep Discount Bond holders and the Non-Convertible Debenture Holders.

In the view of the Management of the subsidiary company, amounts payable, if any, for the aforesaid items is currently unascertainable and accordingly, no liability/charge has been created in the interim condensed consolidated financial statements. The subsidiary intends to finalise the foregoing during the current financial year ending March 31, 2015.

Our opinion is not qualified in respect of these matter.

### **Other Matters**

1. We did not audit the financial statements of Forty Six subsidiaries, whose financial statements reflect total assets of Rs.176,547.06 million as at June 30, 2014, total revenues of Rs.5,926.45 million and net cash inflows amounting to Rs.1,069.33 million for the quarter ended on that date as considered in the interim condensed consolidated financial statements. We also did not audit the financial statements of seven jointly controlled entities, in which the Group's proportionate share in total assets is Rs.32,639.46 million as at June 30, 2014, in total revenues is Rs.682.33 million and in net cash outflows is Rs.0.67 million as considered in the interim condensed consolidated financial statements. The interim condensed consolidated financial statements also include the Group's share of net loss amounting to Rs.4.89 million for the quarter ended June 30, 2014, as considered in the

interim condensed consolidated financial statements, in respect of Eleven associates whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities / operations and associates is based solely on the reports of the other auditors.

2. The interim condensed consolidated financial statements include the Group's share in the profit of one associate of Rs.14.44 million (carrying value of Rs.1,282.93 million) based on the unaudited financial statements as at / for the quarter ended June 30, 2014 provided by the Management. Our opinion on the Interim Condensed Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on such unaudited financial information provided by the Management.
3. We draw attention to the Note 17 to the interim condensed financial statements which mentions of the unaudited numbers being considered for comparative previous corresponding period on which we had performed Limited Review.

Our opinion is not qualified in respect of these matters.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(ICAI Registration No. 117366W/W-100018)

Sd/-

Kalpesh J. Mehta

Partner

(Membership No. 48791)

**MUMBAI**, August 13, 2014

**KJM/NDU**

**IL&FS TRANSPORTATION NETWORKS  
LIMITED**  
**CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2014**

₹ in million

	Particulars	As at June 30, 2014		As at March 31, 2014	
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>				
<b>1</b>	<b>SHAREHOLDERS' FUNDS</b>				
	(a) Share capital	6,231.70		5,707.18	
	(b) Reserves and surplus	50,457.03	56,688.73	44,331.07	50,038.25
<b>2</b>	<b>MINORITY INTEREST</b>		5,518.99		4,587.50
<b>3</b>	<b>NON-CURRENT LIABILITIES</b>				
	(a) Long-term borrowings	164,853.91		162,667.59	
	(b) Deferred tax liabilities (net)	1,689.12		1,990.36	
	(c) Other long term liabilities	5,010.07		5,023.24	
	(d) Long-term provisions	590.86	172,143.96	526.58	170,207.77
<b>4</b>	<b>CURRENT LIABILITIES</b>				
	(a) Current maturities of long-term debt	18,967.47		15,235.79	
	(b) Short-term borrowings	13,752.53		10,261.91	
	(c) Trade payables	13,610.31		15,273.95	
	(d) Other current liabilities	3,401.23		3,276.23	
	(e) Short-term provisions	2,399.90	52,131.44	2,446.23	46,494.11
	<b>TOTAL</b>		<b>286,483.12</b>		<b>271,327.63</b>
<b>II</b>	<b><u>ASSETS</u></b>				
<b>1</b>	<b>NON-CURRENT ASSETS</b>				
	(a) Fixed assets				
	(i) Tangible assets (net)	1,664.11		1,553.32	
	(ii) Intangible assets (net)	48,248.79		48,453.87	
	(iii) Capital work-in-progress	282.23		496.53	
	(iv) Intangible assets under development	91,847.88		84,861.90	
	(b) Goodwill on consolidation (net)	5,848.06		5,753.15	
	(c) Non-current investments (net)	4,822.62		4,675.66	
	(d) Deferred tax assets	203.97		179.99	
	(e) Long-term loans and advances (net)	10,803.33		11,203.94	
	(f) Other non-current assets	84,613.85	248,334.84	83,438.46	240,616.82
<b>2</b>	<b>CURRENT ASSETS</b>				
	(a) Current investments	49.64		15.28	
	(b) Inventories	143.54		171.54	
	(c) Trade receivables (net)	9,146.89		9,875.38	
	(d) Cash and cash equivalents	7,776.34		6,712.84	
	(e) Short-term loans and advances	11,766.02		9,559.13	
	(f) Other current assets	9,265.85	38,148.28	4,376.64	30,710.81

<b>TOTAL</b>	<b>286,483.12</b>	<b>271,327.63</b>
<p>Note 1 forms part of the interim condensed consolidated financial statements.</p> <p>In terms of our report attached.</p> <p>For Deloitte Haskins &amp; Sells LLP Chartered Accountants</p> <p>Sd/-</p> <p>Kalpesh J. Mehta Partner</p> <p>Bengaluru , August 13, 2014</p>		
<p>For and on behalf of the Board</p> <p>Sd/-</p> <p>Managing Director</p> <p>Sd/-</p> <p>Chief Financial Officer Secretary</p> <p>Bengaluru , August 13, 2014</p>		
<p>Sd/-</p> <p>Director</p> <p>Sd/-</p> <p>Company</p>		

## IL&FS TRANSPORTATION NETWORKS LIMITED

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED JUNE 30, 2014

₹ in million

	Particulars	Quarter ended June 30, 2014	Quarter ended June 30, 2013
<b>I</b>	<b>Revenue from operations</b>	<b>15,641.62</b>	<b>14,511.00</b>
<b>II</b>	<b>Other income</b>	<b>838.58</b>	<b>287.17</b>
<b>III</b>	<b>Total revenue (I + II)</b>	<b>16,480.20</b>	<b>14,798.17</b>
<b>IV</b>	<b>Expenses</b>		
	Cost of materials consumed	261.48	312.20
	Operating expenses	7,541.51	7,211.20
	Employee benefits expense	1,128.88	960.31
	Finance costs	4,524.93	3,246.65
	Depreciation and amortisation expense	475.89	260.12
	Administrative and general expenses	1,069.01	823.87
	<b>Total expenses (IV)</b>	<b>15,001.70</b>	<b>12,814.35</b>
<b>V</b>	<b>Profit before tax (III-IV)</b>	<b>1,478.50</b>	<b>1,983.82</b>

<b>VI</b>	<b>Tax expense:</b>		
	(1) Current tax	571.37	878.37
	(2) Tax relating to earlier years written back	(24.61)	-
	(3) Deferred tax (net)	(305.38)	(158.97)
	(4) MAT Credit entitlement	(42.59)	(41.53)
	<b>Total tax expense (VI)</b>	<b>198.79</b>	<b>677.87</b>
<b>VII</b>	<b>Profit before share of associates &amp; share of minority interest (V-VI)</b>	<b>1279.71</b>	<b>1,305.95</b>
<b>VIII</b>	Share of profit of associates (net)	9.54	(12.09)
<b>IX</b>	Share of profit transferred to minority interest (net)	88.29	(48.59)
	<b>Profit for the quarter (VII+VIII+IX)</b>	<b>1,377.54</b>	<b>1,245.27</b>
	Earnings per equity share (Face value per share ₹ 10/-) (Refer note 1(10))		
	(1) Basic ( not annualised )	5.01	6.01
	(2) Diluted ( not annualised )	5.01	6.01

Note 1 forms part of the interim condensed consolidated financial statements.

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

Sd/-

Kalpesh J. Mehta  
Partner

Bengaluru , August 13, 2014

For and on behalf of the Board

Sd/-

Managing Director

Sd/-

Chief Financial Officer  
Secretary

Bengaluru , August 13, 2014

Sd/-

Director

Sd/-

Company  
Secretary

**IL&FS TRANSPORTATION NETWORKS LIMITED**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED JUNE 30, 2014**

₹ in million

Particulars	Quarter ended June 30, 2014	Quarter ended June 30, 2013
<b>Net Cash generated from Operating Activities (A)</b>	<b>2,769.52</b>	<b>3,529.45</b>
<b>Net Cash used in Investing Activities (B)</b>	<b>(12,034.12)</b>	<b>(10,761.29)</b>
<b>Net Cash generated from Financing Activities (C)</b>	<b>9,071.84</b>	<b>6,806.97</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(192.76)</b>	<b>(424.87)</b>
Cash and Cash Equivalent at the beginning of the quarter	6,111.54	3,918.04
Impact of Foreign Currency Translation	(5.63)	89.16
Cash and Cash Equivalent at the end of the quarter	5,913.15	3,582.33
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(192.76)</b>	<b>(424.87)</b>

₹ in million

Components of Cash and Cash Equivalents		
Cash on hand	42.90	59.65
Balances with Banks in current accounts	4,433.39	2,406.64
Balances with Banks in deposit accounts	1,436.86	1,116.04
	5,913.15	3,582.33
Unpaid dividend accounts	2.74	0.92
Balances held as margin money or as security against borrowings	1,860.45	2,232.17
<b>Cash and Cash Equivalents</b>	<b>7,776.34</b>	<b>5,815.42</b>

Note 1 forms part of the interim condensed consolidated financial statements.

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

Sd/-  
Kalpesh J. Mehta  
Partner

Bengaluru , August 13, 2014

For and on behalf of the Board

Sd/- Sd/-  
Managing Director Director

Sd/- Sd/-  
Chief Financial Officer Company Secretary

Bengaluru , August 13, 2014



**NOTE 1: SELECT EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

1. These Interim Condensed Consolidated Financial Statements (“CFS”) have been prepared in accordance with Accounting Standard (AS) 25 on “Interim Financial Reporting” notified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules 2014). These CFS should be read in conjunction with the Consolidated Financial Statements as at / for the year ended March 31, 2014. The accounting policies followed in the presentation of the CFS are consistent with those followed in the preparation of the Consolidated Financial Statements of the Group as at / for the year ended March 31, 2014. The results of the interim period are not necessarily an indication of the result that may be expected for any interim period / full year.
2. The interim financial statements of the subsidiaries, associates and jointly controlled entities used in the consolidation are drawn up to the same reporting date and period as that of the Company i.e. as at and for the quarter ended June 30, 2014 except for one overseas subsidiary, viz. Elsamex S.A., Spain, whose interim consolidated financial statements (incorporating the interim financial statements of its subsidiaries, jointly controlled entities, jointly controlled operations and associates) have been drawn as at and for a period of quarter ended March 31, 2014 and adjusted for effects of significant transactions and other events that have occurred between April 1, 2014 and June 30, 2014.
3. The list of subsidiaries, which are included in the CFS with their respective country of incorporation and the Group’s holding therein for each of the financial period / year are given below:

Name of the Subsidiary	Country of Incorporation	Proportion of Group’s Interest (%)		Date of Acquisition of Control
		As at June 14	As at March 14	
<b>1. Held directly:</b>				
Gujarat Road and Infrastructure Company Limited (“GRICL”) [through control over the composition of Board of Directors]	India	41.81	83.61	January 11, 2007
Scheme of ITNL Road Investment Trust (“IRIT”)	India	100.00	100.00	March 13, 2007
East Hyderabad Expressway Limited (“EHEL”)	India	74.00	74.00	September 5, 2007

Name of the Subsidiary	Country of Incorporation	Proportion of Group's Interest (%)		Date of Acquisition of Control
		As at June 14	As at March 14	
ITNL Road Infrastructure Development Company Limited ("IRIDCL")	India	100.00	100.00	January 17, 2008
IL&FS Rail Limited ("IRL")	India	73.56	71.37	February 4, 2008
Elsamex SA (includes 22.61 % shares held through IIPL, previous year 22.61%) ("Elsamex")	Spain	100.00	100.00	March 18, 2008
ITNL International Pte. Ltd. ("IIPL")	Singapore	100.00	100.00	September 19, 2008
Vansh Nimay Infraprojects Limited ("VNIL")	India	90.00	90.00	March 25, 2009
West Gujarat Expressway Limited ("WGEL")	India	74.00	74.00	June 10, 2009
Hazaribagh Ranchi Expressway Limited ("HREL")	India	74.00	74.00	August 1, 2009
Pune Sholapur Road Development Company Limited ("PSRDCL")	India	90.91	90.91	September 25, 2009
Moradabad Bareilly Expressway Limited ("MBEL")	India	100.00	100.00	February 4, 2010
Jharkhand Road Projects Implementation Company Limited ("JRPICL")	India	93.43	93.43	February 27, 2010
Chenani Nashri Tunnelway Limited ("CNTL")	India	100.00	100.00	June 2, 2010
MP Border Checkpost Development Company Limited ("MPBCDCL")	India	74.00	51.00	October 28, 2010
Badarpur Tollway Operations Management Limited ("BTOML")	India	100.00	100.00	December 9, 2010
Futureage Infrastructure India Limited ("FIIL")	India	58.48	58.48	July 14, 2011

Name of the Subsidiary	Country of Incorporation	Proportion of Group's Interest (%)		Date of Acquisition of Control
		As at June 14	As at March 14	
Charminar RoboPark Limited ("CRL")	India	89.20##	89.20##	July 27, 2011
ITNL Offshore Pte. Ltd. ("IOPL")	Singapore	100.00	100.00	December 5, 2011
Karyavattom Sports Facility Limited ("KSFL")	India	100.00	100.00	February 8, 2012
Kiratpur Ner Chowk Expressway Limited ("KNCEL")	India	100.00	100.00	February 12, 2012
Baleshwar Kharagpur Expressway Limited ("BKEL")	India	100.00	100.00	April 4, 2012
Sikar Bikaner Highway Limited ("SBHL")	India	100.00	100.00	May 9, 2012
Khed Sinnar Expressway Limited ("KSEL")	India	100.00	100.00	June 12, 2013
Barwa Adda Expressway Limited ("BAEL")	India	100.00	100.00	June 27, 2013
GIFT Parking Facilities Limited ("GPFL")	India	100.00	100.00	January 9, 2014
<b>2. Held through subsidiaries:</b>				
North Karnataka Expressway Limited ("NKEL")	India	93.50@	93.50@	March 21, 2007
Atenea Seguridad Y Medio Ambiente S.A.U.	Spain	100.00 \$	100.00 *	March 18, 2008
Senalizacion Viales e Imagen S.A.U.	Spain	100.00 \$	100.00 *	March 18, 2008
Elsamex Internacional S.L.	Spain	100.00 \$	100.00 *	March 18, 2008
Grusamar Ingenieria Y Consulting, S.L.	Spain	100.00 \$	100.00 *	March 18, 2008
Elsamex Portugal S.A.	Portugal	70.00 \$	70.00 *	March 18, 2008
Inteval Gestao Integral Rodoviaria S.A.	Portugal	100.00 \$	100.00 *	March 18, 2008
Elsamex India Private Limited	India	99.15 \$	99.15 *	March 18, 2008
Yala Construction Co Private	India	96.03 \$	96.03 *	March 18, 2008

Name of the Subsidiary	Country of Incorporation	Proportion of Group's Interest (%)		Date of Acquisition of Control
		As at June 14	As at March 14	
Limited				
Mantenimiento Y Conservacion De Vialidades S.A. DE C.V.	Mexico	64.00 \$	64.00 *	March 18, 2008
ESM Mantenimiento Integral, SA DE CV	Mexico	100.00 \$	100.00 *	March 18, 2008
CISEM-INTEVIA, S.A.	Spain	100.00 \$	100.00 *	March 18, 2008
Control 7, S.A.	Spain	100.00 \$	100.00 *	March 18, 2008
Grusamar Albania SHPK	Albania	51.00 \$	51.00 *	March 18, 2008
Elsamex Brazil LTDA	Brazil	44.10 \$^^	44.10 *^^	March 18, 2008
Rapid MetroRail Gurgaon Limited ("RMGL")	India	82.81#	81.39#	July 30, 2009
Area De Servicio Coiros S.L.U.	Spain	100.00 \$	100.00 *	May 31, 2010
Conservacion De Infraestructuras De Mexico S.A. DE C.V.	Mexico	96.40 \$	96.40 *	September 1, 2010
Alcantarilla Fotovoltaica, S.L.U.	Spain	100.00 \$	100.00 *	December 17, 2010
Area De Servicio Punta Umbria, S.L.U.	Spain	100.00 \$	100.00 *	December 17, 2010
ITNL International JLT ("IJLT")	UAE	100.00	100.00	May 17, 2012
Beasolarta S.A.U.	Spain	100.00 \$	100.00 *	November 29, 2012
Rapid MetroRail Gurgaon South Limited ("RMGSL")	India	84.49@@	81.39@@	December 6, 2012
ITNL Africa Projects Ltd. ("IAPL")	Nigeria	100.00^	100.00^	February 28, 2013
Grusamar India Limited	India	100.00 \$	100.00*	March 21, 2013
Elsamex Construcao E Manutencao LTDA	Brazil	99.99 \$	99.99*	June 26, 2013
Sharjah General Services	UAE	49.00**	49.00**	October 9,

Name of the Subsidiary	Country of Incorporation	Proportion of Group's Interest (%)		Date of Acquisition of Control
		As at June 14	As at March 14	
Company LLC ("SGSC")				2013
I IPL USA LLC	USA	100.00	100.00	November 20, 2013
Andhra Pradesh Expressway Limited	India	86.74\$\$	86.74\$\$	March 27, 2014
Elsamex Maintenance Services limited	India	99.88 \$	99.88*	September 12, 2013
Elsamex LLC ++	USA	100.00 \$	100.00*	Incorporated on September 26, 2013
Grusamar Engenharia y Consultoría Brasil LTDA ++	Brazil	99.99 \$	99.99*	Incorporated on August 29, 2013
GRICL Rail Bridge Development Company Limited ("GRBDCL") ++	India	100.00	100.00	Incorporated on February 24, 2014

§ Proportion of Group's Interest as at March 31, 2014

\* Proportion of Group's Interest as at December 31, 2013

@ Out of the above 13.00% is held directly by the Company and balance 80.50% through the scheme of IRIT (Previous year 13.00% held by the Company and balance 80.50% through the scheme of IRIT).

@@ Out of the above 41.34% is held directly by the Company and balance 43.15% through the IRL. (Previous year 35.00% held by Company and balance 46.39% held through IRL).

# Out of the above 35.00% is directly held by the Company and balance 47.81% through IRL (Previous year 35.00% held by Company and balance 46.39% held through IRL).

## Out of the above 74.00% is directly held by the Company and balance 15.20% through FIIL (Previous year 74.00% held by Company and balance 15.20% held through FIIL)

^ Out of the above 0.50 % is directly held by the Company and balance 99.50% through I IPL (Previous year 0.50 % held by Company and balance 99.50% through I IPL )

^^ Elsamex Portugal S.A directly holds 63% in Elsamex Brazil LTDA and Elsamex S.A. directly holds 70% in Elsamex Portugal S.A. Accordingly, Groups proportionate holding comes to 44.10%. (Previous year - Elsamex Portugal S.A directly holds 63% in Elsamex Brazil LTDA and Elsamex S.A. directly holds 70% in Elsamex Portugal S.A. Accordingly, Groups proportionate share comes to 44.10%)

\*\* IIPL has entered into a shareholders agreement with other shareholders of SGSC wherein the profit and loss are shared by IIPL 70% and other shareholders 30%. IIPL has Board control on SGSC.

\$\$ Out of the above 12.74 % is directly held by the Company and balance 74% through IRIT (Previous year 12.74 % is directly held by the Company and balance 74% through IRIT)

++ In these entities there has been no investments made by the Group. These are considered to be subsidiary based on subscription to the Memorandum & Articles of Association and / or Board control.

#### 4. **Interest in Jointly Controlled Entities:**

(a) The financial statements (consolidated financial statements where applicable) of jointly controlled entities have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as required by AS 27 using the proportionate consolidation method.

(b) The accounting policies in the jointly controlled entities have been adjusted as necessary and to the extent practicable, so as to ensure consistent accounting with the policies stipulated by the Company.

(c) The Group's interest in jointly controlled entities are:

Name of the Company	Country of Incorporation	Date of Acquisition of Joint Control	Proportion of Group's Interest (%)	
			As at June 14	As at March 14
<b>Held Directly :</b>				
Noida Toll Bridge Company Limited (NTBCL)	India	Various dates	25.35	25.35
N.A.M. Expressway Limited (NAMEL)	India	June 15, 2010	50.00	50.00
Jorabat Shillong Expressway Limited (JSEL)	India	June 18, 2010	50.00	50.00

Name of the Company	Country of Incorporation	Date of Acquisition of Joint Control	Proportion of Group's Interest (%)	
			As at June 14	As at March 14
<b>Held through Subsidiaries :</b>				
Consortio De Obras Civiles S.R.L	R.Dominicana	December 11, 2009	34.00 \$	34.00 *
Geotecnia y Control De Qualitat, S.A.	Spain	July 15, 2010	50.00 \$	50.00 *
Vias Y Construcciones S. R. L.	R.Dominicana	August 12, 2010	50.00 \$	50.00 *
Chongqing Yuhe Expressway Co. Ltd.	China	December 27, 2011	49.00	49.00

Footnote: NTBCL includes ITNL Toll Management Services Limited, a subsidiary of NTBCL, which is also an associate of the Company.

\$ Proportion of Group's Interest as at March 31, 2014

\* Proportion of Group's Interest as at December 31, 2013

##### 5. **Interest in Jointly Controlled Operations :**

- (a) The financial statements (including consolidated financial statements where applicable) of the jointly controlled operations have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as required by AS 27 using the proportionate consolidation method. The financial statements of the jointly controlled operations are prepared by the respective operators in accordance with the requirements prescribed by the joint operating agreements of the jointly controlled operations.
- (b) The accounting policies of jointly controlled operations have been adjusted as necessary and to the extent practicable, so as to ensure consistent accounting with the policies stipulated by the Company.
- (c) The Group's interest in jointly controlled operations are :

Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)

	<b>As at June 14</b>	<b>As at March 14</b>
Api Conservacion-Elsamex UTE Teruel II	50% \$	50% *
Asfaltos Uribe-Norte Industrial-Construcciones Eder-Elsamex UTE Durango Bi	28% \$	28% *
Atenea – Basoinsa UTE Atda Bergara Zizurkil	50% \$	50% *
Atenea – Consulnima UTE Consultea	50% \$	50% *
Atenea – Iz Ingenieros UTE Atda Embalse De Flix	50% \$	50% *
Betancourt – Grusamar UTE Linares	50% \$	50% *
Betancourt –Grusamar UTE Rio Alhama	50% \$	50% *
Con Interaniño	50% \$	50% *
Cons.Carreteras del Sur	60% \$	60% *
Cons.Jose Saldis	34% \$	34% *
Corsan Corviam-Elsamex UTE Corelsa	50% \$	50% *
Dair –Intevia	50% \$	50% *
Elsamex- Martín Casillas UTE Conservación Cádiz	50% \$	50% *
Elsamex-Arias UTE Conservación Coruña II	60% \$	60% *
Elsamex-Asfaltos Uribe Este Señal UTE Durango II	45% \$	45% *
Elsamex-Asfaltos Urretxu UTE Itziar	50% \$	50% *
Elsamex-Cauchil UTE Elsamex- Cauchill Jaen	80% \$	80% *
Elsamex-Iberseñal UTE Señalización Madrid	60% \$	60% *
Elsamex-Oca UTE Conservación Orense III	50% \$	50% *
Elsamex-Oca UTE Coruña III	70% \$	70% *
Elsamex-Rubau UTE Argentona	50% \$	50% *
Elsamex-Sando UTE II Conservación A-395	50% \$	50% *
Elsamex-Torrescamara UTE Presas	50% \$	50% *
Elsamex-Velasco UTE Polideportivos Latina	50% \$	50% *



Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)	
	As at June 14	As at March 14
Elsan Pacsa-Elsamex UTE Navalvillar De Pela II	50% \$	50% *
Epsilon	35% \$	35% *
Geoteyco-Cgs-Ciesm-Enmacosa 2/2008	24% \$	24% *
Grusamar – Progescan UTE Areas De Servicio	100% \$	100% *
Grusamar- Elsamex – Atenea	30% \$	30% *
Grusamar Elsamex Atenea UTE Seguridad Vial Murcia	50% \$	50% *
Grusamar- Ineco- Inastecan UTE Arucas	40% \$	40% *
Grusamar-Elsamex-Atenea UTE Seguridad Vial Murcia	20% \$	20% *
Intevia-Grusamar UTE Seguridad Vial Norte	-	30% *
Intevia-Grusamar UTE Seguridad Vial Norte	-	70% *
Intevia-Grusamar-Dair UTE Seguridad Vial Bizkaia	10% \$	10% *
Intevia-Grusamar-Dair UTE Seguridad Vial Bizkaia	60% \$	60% *
Serop-Elsamex UTE Mantenimiento Serop-Elsamex	-	50% *
UTE Abedul Cáceres	25% \$	25% *
UTE Abedul Orihuela	25% \$	25% *
UTE Abedul Ponferrada	25% \$	25% *
UTE Abedul Villavidel	25% \$	25% *
UTE Abedul Zamora	25% \$	25% *
UTE Almanzora	65% \$	65% *
UTE AP-7 Ondara	60% \$	60% *
UTE Arona	60% \$	60% *
UTE Asistencia Molinar	52% \$	52% *
UTE Atenea-Paymacotas	40% \$	40% *

Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)	
	As at June 14	As at March 14
UTE Atenea-Prevecons	55% \$	55% *
UTE Autovia de Santiago	50% \$	50% *
UTE Bizcaya Bi	37.5% \$	37.5% *
UTE CAP 1	50% \$	50% *
UTE CEIP 1	50% \$	50% *
UTE Cican Ciesm	50% \$	50% *
Ute Conservacion Almeria	70% \$	70% *
Ute Conservacion Asturias	50% \$	50% *
UTE Conservacion Caceres	50% \$	50% *
UTE Cordoba	50% \$	50% *
UTE Dallas	50% \$	50% *
UTE Elsamex Arias Oca Conservación Orense	50% \$	50% *
UTE Elsamex-Lujan Alicante	50% \$	50% *
UTE Grusamar – OHS Ingeniería Y Urbanismo UTE Travesía De Hermigua	50% \$	50% *
UTE Grusamar-Eyser	50% \$	50% *
Ute Grusamar-Ingelan	60% \$	60% *
Ute Grusamar-Intecsa-Inarsa-Atenea	30% \$	30% *
Ute Grusamar-Intecsa-Inarsa-Atenea	30% \$	30% *
UTE Grusumar – Inserco Rambla Retamar	50% \$	50% *
UTE Mantenimient De Cuenca	50% \$	50% *
UTE Parking Estacion Intermodal	50% \$	50% *
UTE SG-2/2011	24% \$	24% *
UTE Sur Sevilla	50% \$	50% *

Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)	
	As at June 14	As at March 14
UTE Tren Mallorca	80% \$	80% *
UTE Urbanizacion Centro	30% \$	30% *
UTE Viales el Jable	50% \$	50% *
UTE Vizcaya II	45% \$	45% *
Consorcio Elsamex-Grusamar Ecuador	100% \$	100% *
JV Elsamex – Ascon	50% \$	50% *
UTE Control 7 Geoplaning	50% \$	50% *
UTE Elsamex-Pulido	50% \$	-
UTE AP-7 Ondara 2	60% \$	-
UTE Prointec-Intevia-Gestinsa	33% \$	-
UTE Ciesm-Intevia-Conurma	40% \$	-
Elsamex – ITNL JVCA	100%	100%

\$ Proportion of Group's Interest as at March 31, 2014

\* Proportion of Group's Interest as at December 31, 2013

## 6. Investments in Associates:

- (a) An associate is an entity over which the Group is in a position to exercise significant influence, but not control or joint control, through participation in the financial and / or operating policy decisions of such enterprises. In accordance with AS 23 the investments are carried in the Consolidated Balance Sheet at cost as adjusted by post acquisition changes in the Group's share in the Reserves and Surplus of Associates.
- (b) The accounting policies of associates have been adjusted as necessary and to the extent practicable, so as to ensure consistent accounting with the policies stipulated by the Company.
- (c) Details of associates and ownership interest are as follows:

Name of the Company	Country of Incorporation	Proportion of Group's Interest (%)

		As at June 14	As at March 14
<b>1.Held directly :</b>			
Thiruvananthapuram Road Development Company Limited (“TRDCL”)	India	50.00	50.00
ITNL Toll Management Services Limited (“ITMSL”) (see footnote below)	India	49.00	49.00
Warora Chandrapur Ballarpur Toll Road Limited (“WCBTRL”)	India	35.00	35.00
Srinagar Sonamarg Tunnelway Limited (“SSTL”)	India	49.00	-
<b>2.Held through Subsidiaries :</b>			
CGI 8 S.A.	Spain	49.00 \$	49.00 *
Elsamex Road Technology Company Limited	China	23.44 \$	23.44 *
Sociedad Concesionaria Autovía A-4 Madrid S.A	Spain	48.75 \$	48.75 *
VCS Enterprises Limited	India	30.00 \$	30.00 *
Ramky Elsamex Hyderabad Ring Road Limited	India	26.00 \$	26.00 *
Empresas Pame sa De CV	Mexico	34.10 \$	34.10 *
Zhejiang Elsamex Road Technology Co Ltd	China	23.44 \$	23.44 *
Zhejiang Elsamex Road Construction Equipment Co Ltd	China	23.44 \$	23.44 *

Note: ITMSL is a subsidiary of NTBCL which is consolidated as a Jointly Controlled Entity.

\$ Proportion of Group’s Interest as at March 31, 2014

\* Proportion of Group’s Interest as at December 31, 2013

## 7. **Commitments:**

### **(A) Capital Commitment:**

₹ in million			
Sr. No.	Particulars	As at June 30, 2014	As at March 31, 2014
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances paid aggregate ₹ 4,127.38 million (as at March 31, 2014 ₹ 4,644.4 million)	91,943.20	78,418.96

(ii)	Investment Commitments [net of advances of ₹ 200.00 million, as at March 31, 2014 ₹ 200.00 million]	200.00	200.00
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**(B) Other Commitments:**

₹ in million

Sr. No.	Particulars	As at June 30, 2014	As at March 31, 2014
(i)	Negative grant to National Highways Authority of India	2,150.00	2,400.00
(ii)	Connectivity charges to Haryana Urban Development Authority	27,549.81	27,569.75

**8. Contingent Liabilities:**

₹ in million

Particulars	As at June 30, 2014	As at March 31, 2014
(a) Claims against the Group not acknowledged as debt	1,132.29	906.35
(b) Income tax demands contested by Group	276.64	720.92
(c) Other Tax liability	83.92	83.92
(d) Royalty to Nagpur Municipal Corporation	10.74	10.74
(e) Guarantees/ counter guarantees issued to outsider in respect of other than group companies	383.61	329.06
(f) In case of Income Tax disputes decided in favour of the Group at the First Appellate Authority for amounts disallowed amounting to ₹ 1,361.09 million (March 31, 2014 ₹ 1,361.09 million), the Income Tax department has gone for further appeal in all the cases. If decided against the Group, it will result in reduction of unabsorbed depreciation as per the Income -Tax law.		

**9. Reporting of Segment wise Revenue, Results and Capital Employed :**

₹ in million

Sr. No.	Particulars	Quarter ended June 30, 2014	Quarter ended June 30, 2013

1	<b>Segment Revenue</b>		
	(a) Surface Transportation Business	13,412.69	14,153.86
	(b ) Others	2,228.94	357.26
	(c) Unallocable income	838.57	287.05
	Total	16,480.20	14,798.17
	Less : Inter segment revenue	-	-
	<b>Total revenue</b>	<b>16,480.20</b>	<b>14,798.17</b>
2	<b>Segment Results (Profit+)/loss(-) before tax and interest from each segment)</b>		
	(a) Surface Transportation Business	5,525.50	5,077.20
	(b) Others	302.26	54.80
	Total	5,827.76	5,132.00
	Less : Unallocable expenses		
	(a) Finance Costs	4,524.93	3,246.65
	(b) Others	662.92	188.58
	Add : Unallocable income (including interest income)	838.57	287.05
	<b>Total Profit Before Tax</b>	<b>1,478.50</b>	<b>1,983.82</b>
	Provision for taxation	198.79	677.87
	Add: Share of Profit of Associates (net)	9.54	(12.09)
	Less: Share of Profit transferred to Minority Interest (net)	(88.29)	48.59
	<b>Profit after tax</b>	<b>1,377.54</b>	<b>1,245.27</b>
<b>Capital Employed</b>	<b>As at June 30, 2014</b>	<b>As at March 31, 2014</b>	

3	(i) Surface Transportation Business	233,586.78	224,270.06
	(ii) Other	3,060.06	928.06
	(iii) Unallocated assets net of liabilities	(174,439.12)	(170,572.37)
	<b>Total</b>	<b>62,207.72</b>	<b>54,625.75</b>

#### 10. Earnings Per Share :

Particulars	Unit	Quarter ended June 30, 2014	Quarter ended June 30, 2013
Profit for the quarter	₹ in million	1,377.54	1245.27
Dividend on cumulative preference shares of the Company	₹ in million	(196.62)	Not applicable
Tax on Dividend on cumulative preference shares of the Company	₹ in million	(33.42)	Not applicable
Premium on preference shares of a subsidiary	₹ in million	(2.87)	(3.35)
Tax on premium on preference shares of a subsidiary	₹ in million	-	(0.54)
Profit available for Equity Shareholders	₹ in million	1,144.63	1241.38
Weighted average number of equity shares outstanding after effect of right shares	Nos.	228,650,734*	206,615,020*
Weighted average number of equity shares outstanding as originally reported in previous period	Nos.	Not applicable	194,267,732
Nominal Value per equity share	₹	10.00	10.00
Basic / Diluted earnings per share (not annualised) after effect of right shares	₹	5.01	6.01
Basic / Diluted earnings per share (not annualised) as originally reported in previous period	₹	Not applicable	6.39

\* As adjusted for rights issue in accordance with AS - 20 Earnings Per Share.

11. Provision for overlay in respect of toll roads maintained by the Group under service concession arrangements and classified as intangible assets represents contractual obligations to restore an infrastructure facility to a specified level of serviceability in respect of such asset. Estimate of the provision is measured using a number of factors, such as current contractual requirements, technology, expert opinions and expected price levels. Because actual cash flows can differ from estimates due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provision is reviewed at regular intervals and adjusted to take account of such changes.

Accordingly, financial and accounting measurements such as the revenue recognized on financial assets, allocation of annuity into recovery of financial asset, carrying values of financial assets and depreciation of intangible assets and provisions for overlay in respect of service concession agreements are based on such assumptions.

Movements in provision made for overlay are tabulated below:

₹ in million

Particulars	As at June 30, 2014		As at March 31, 2014	
	Long-term	Current	Long-term	Current
Opening balance	326.98	96.42	388.67	387.62
Adjustment for foreign exchange fluctuation during the quarter / year	0.10	-	22.36	-
Adjustment for reclassification during the quarter / year	-	-	(118.16)	118.16
Utilised for the quarter / year	-	(31.08)	-	(134.59)
Provision reversed during the quarter/ year	-	-	(92.96)	(287.87)
Provision made during the quarter / year	49.35	2.32	127.07	13.10
<b>Closing balance</b>	<b>376.43</b>	<b>67.66</b>	<b>326.98</b>	<b>96.42</b>

## 12. Service Concession Arrangements

Under the Service Concession Arrangements, where the Group has received the right to charge users of the public services, such rights are recognized and classified as "Intangible Assets". Such a right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses



the service and thus are recognized and classified as intangible assets. Such an intangible asset is recognised by the Group at the fair value of consideration received or receivable for the construction services delivered.

Under the Service Concession Arrangements, where the Group has acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as “Financial Assets”, even though payments are contingent on the Group ensuring that the infrastructure meets the specified quality or efficiency requirements. Such financial assets are classified as “Receivable against Service Concession Arrangements”.

Accordingly:

(i) the fair value of consideration for construction services in respect of intangible assets covered under service concession arrangements of the Group, the useful lives of such intangible assets, the annual amortisation in respect thereof, and the provisions for overlay costs have been estimated by the management having regard to the contractual provisions, the evaluations of the units of usage and other technical evaluations by independent experts, the key elements having been tabulated below:

<b>Particulars</b>	<b>Upto / As at June 30, 2014</b>	<b>Upto / As at March 31, 2014</b>
Margin on construction services recognised in respect of intangible assets (₹ in million)	12,349.54	11,827.10
Carrying amounts of intangible assets (₹ in million)	47,716.09	48,009.31
Units of usage (No. of vehicles)	82,199,673 to 1,554,733,739	82,199,673 to 1,554,733,739
Provision for overlay in respect of intangible assets (₹ in million)	444.09	423.40
Carrying amounts of intangible assets under development (₹ in million)	91,847.88	84,861.90
	<b>Quarter ended June 30, 2014</b>	<b>Quarter ended June 30, 2013</b>
Amortisation charge in respect of intangible assets (₹ in million)	353.22	147.74

(ii) the fair value of consideration for construction services and the effective interest rate in the case of financial assets of the Group covered under service concession arrangements included as a part of “Receivable against Service Concession Arrangements” have been estimated by the management having regard to the contractual provisions, the evaluations of the future operating and

maintenance costs and the overlay / renewal costs and the timing thereof by independent experts, the key elements having been tabulated below:

₹ in million

<b>Particulars</b>	<b>Upto / As at June 30, 2014</b>	<b>Upto / As at March 31, 2014</b>
Margin on construction and operation & maintenance and renewal services recognised in respect of Financial Assets	6,275.09	6,103.43
Carrying amounts of Financial Assets included under "Receivable against Service Concession Arrangements"	84,042.59	80,666.64
Revenue recognised on Financial Assets on the basis of effective interest method	22,376.96	20,545.29

13. Related Party Disclosure – (refer Annexure).
14. During the quarter ended June 30, 2014 a subsidiary company received formal communication from the Corporate Debt Restructuring (CDR) Empowered Group with respect to it having formally exited from the CDR system. The interim condensed consolidated financial statements of the group reflect, contribution by one of the Promoters of the said subsidiary amounting ₹ 450 million as advance towards preference capital, liabilities towards Non-convertible Debentures aggregating ₹ 200 million and Deep Discount Bonds aggregating ₹ 1546 million for which the consequential repayment/conversion, recompense, if any, for the reduction in interest rates are pending pursuant to decisions taken by the CDR cell and High Court of Gujarat. Consequent to the subsidiary's exit from the CDR on May 20, 2014, the below mentioned items are subject to discussions:
- Settlement of the Advance towards Capital / Debt included as Minority Interest; and
  - Recompense, if any of the amount of sacrifices made by the Deep Discount Bond holders and the Non-Convertible Debenture Holders.
- In the view of the Management of the subsidiary company, amounts payable, if any, for the aforesaid items is currently unascertainable and accordingly, no liability/charge has been created in the interim condensed consolidated financial statements. The subsidiary intends to finalise the foregoing during the current financial year ending March 31, 2015.
15. During the quarter ended June 30, 2014, the Company has sold its Investment representing 23,187,155 shares of Gujarat Road and Infrastructure Company Limited ("GRICL") vide sale and purchase agreement dated June 25, 2014 to

BayCapital Advisors Private Limited. Sales consideration of ₹ 2,508.39 million is receivable as at June 30, 2014 and 23,187,155 shares have been transferred to an escrow account on August 8, 2014.

The above sale represents 41.80% of the stake in GRICL and accordingly, the Company now holds 41.81% of the stake in GRICL as at June 30, 2014. As the Company has board control as at June 30, 2014, the financials of the entity have been consolidated as a subsidiary.

16. During the current quarter, the Company issued 52,452,288 equity shares on rights basis in the ratio of 27:100. The record date for this purpose was March 14, 2014. The offer was open from April 28, 2014 to May 12, 2014 to all eligible equity shareholders. As at the end of the offer date i.e. May 12, 2014 the Company has received application for 66,313,105 shares aggregating ₹ 6,631.30 million from the eligible shareholders and accordingly, the Company has issued 52,452,288 shares to all eligible equity shareholders on May 22, 2014. The Earnings per share has been accordingly adjusted for the effect of Rights Issue for the current quarter and previous quarter.

The details of utilisation of proceeds of above issue is given below :

<b>Particulars</b>	<b>(₹ in million)</b>
<b>Amount received from the issue</b>	<b>5,245.23</b>
<b><u>Utilisation :</u></b>	
For repayment of loans	5,100.00
For working capital payments (including issue expenses)	145.23
<b>Total utilisation</b>	<b>5,245.23</b>
<b>Balance amount unutilised as on June 30, 2014</b>	<b>Nil</b>

17. Figures for the Quarter ended June 30, 2013 considered in the financial statements are based on the unaudited condensed financial information for the Quarter ended June 30, 2013 which was subjected to a limited review by Deloitte Haskins & Sells LLP (erstwhile: Deloitte Haskins & Sells). Accordingly the corresponding figures for the same quarter of the previous year are strictly not comparable.

18. Figures for the previous quarter / year have been regrouped, reclassified where necessary.
19. This CFS has been drawn for the limited purpose of enabling the Company to prepare its consolidated financial results as per the requirement of Clause 41 of the Listing Agreement.

**For and on behalf of the Board**

**Sd/-**

**Sd/-**

**Managing Director**

**Director**

**Sd/-**

**Sd/-**

**Chief Financial Officer    Company Secretary**

**Bengaluru, August 13 , 2014**

## IL&FS TRANSPORTATION NETWORKS LIMITED

Annexure to Note 1(14) to the Condensed Consolidated Financial Statements for the quarter ended June 30, 2014

### Related Party Disclosures

#### (i) Current Period

##### (a) Name of the Related Parties and Description of Relationship:

Nature of Relationship	Name of Entity	Abbreviation used
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS
Fellow Subsidiaries (Only with whom there have been transaction during the period / there was balance outstanding at the period end)	IL&FS Financial Services Limited	IFIN
	IL&FS Education & Technology Services Limited	IETS
	IL&FS Energy Development Company Limited	IEDCL
	IL&FS Environmental Infrastructure & Services Limited	IEISL
	IL&FS Infrastructure Development Corporation Limited	IIDCL
	IL&FS Renewable Energy Limited	IREL
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Airport Limited.	IAL
	IL&FS Urban Infrastructure Managers Limited	IUIML
	PT Mantimin Coal Mining	PTMCM
	Chattisgarh Highways Development Company Limited	CHDCL
	IL&FS Securities Services Limited	ISSL
	IL&FS Township & Urban Assets Limited	ITUAL
	IL&FS Trust Company Limited	ITCL
IL&FS Global Financial Services (UK) Limited	IGFSL(UK)	
Associates - Direct	ITNL Toll Management Services Limited	ITMSL
	Thiruvananthapuram Road Development Company Limited	TRDCL
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL
	Srinagar Sonmarg Tunnelway Limited	SSTL
Associates - Indirect	Centro de Investigaciones de Curretros Andalucía S.A.	CICAN
	Labetec Ensayos Técnicos Canarios, S.A.	LABTEC
	CGI 8 S.A.	CGI-8
	Elsamex Road Technology Company Limited	ERT(China)
	Sociedad Concesionaria Autovía A-4 Madrid S.A	A4 CONCESSION
	VCS-Enterprises Limited	VCS
	Ramky Elsamex Ring Road Limited, Hyderabad	REHRR
Empresas Pame sa De CV	EPSD	
Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director and his relatives	
	Mr Mukund Sapre-Executive Director and his relatives	
Relatives of KMP	Mrs Rita Ramchand ( <i>wife of Mr K Ramchand</i> )	
	Mrs Sangeeta Sapre ( <i>wife of Mr Mukund Sapre</i> )	

## IL&FS TRANSPORTATION NETWORKS LIMITED

### Annexure to Note 1(13) to the Select Explanatory Notes to the Interim Condensed Consolidated Financial Statements

#### Related Party Disclosures. (contd.)

(b) Current period balances / transactions with above mentioned related parties (mentioned in note 1(14) (i)(a) above)

Particulars	Holding Company	Fellow Subsidiaries	Associates	Key Management personnel and relatives	Total
<b><u>Balances</u></b>					
<b>Advance towards capital in a subsidiary</b>					
ILFS	150.00	-	-	-	150.00
	<b>150.00</b>	-	-	-	<b>150.00</b>
<b>Call Option Premium</b>					
ILFS	79.13	-	-	-	79.13
	<b>79.13</b>	-	-	-	<b>79.13</b>
<b>Current liabilities</b>					
IFIN	-	316.83	-	-	316.83
ILFS	<b>30.52</b>	-	-	-	30.52
OTHERS	-	0.09	43.47	-	43.56
	<b>30.52</b>	<b>316.93</b>	<b>43.47</b>	-	<b>390.92</b>
<b>Current Maturities of Long-term debt</b>					
ILFS	95.72	-	-	-	95.72
	<b>95.72</b>	-	-	-	<b>95.72</b>
<b>Equity share Capital with Premium</b>					
ILFS	3,645.00	-	-	-	3,645.00
	<b>3,645.00</b>	-	-	-	<b>3,645.00</b>
<b>Interest Accrued</b>					
ILFS	9.56	-	-	-	9.56
TRDCL	-	-	237.01	-	237.01
OTHERS	-	3.52	13.30	-	16.82

	<b>9.56</b>	<b>3.52</b>	<b>250.31</b>	<b>-</b>	<b>263.39</b>
<b>Interest accrued but not due on borrowings</b>					
ILFS	9.95	-	-	-	9.95
ITUAL	-	17.41	-	-	17.41
	<b>9.95</b>	<b>17.41</b>	<b>-</b>	<b>-</b>	<b>27.36</b>
<b>Investment in Covered Warrants</b>					
ILFS	1,693.00	-	-	-	1,693.00
	<b>1,693.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,693.00</b>
<b>Long-term borrowings</b>					
ILFS	1,600.77	-	-	-	1,600.77
ITUAL	-	317.50	-	-	317.50
	<b>1,600.77</b>	<b>317.50</b>	<b>-</b>	<b>-</b>	<b>1,918.27</b>
<b>Long-Term loans and advances</b>					
ILFS	1,123.40	-	-	-	1,123.40
A4 CONCESSION	-	-	711.51	-	711.51
TRDCL	-	-	343.50	-	343.50
OTHERS	-	99.95	0.38	-	100.33
	<b>1,123.40</b>	<b>99.95</b>	<b>1,055.38</b>	<b>-</b>	<b>2,278.73</b>
<b>Preference share Capital with Premium</b>					
IFIN	-	2,000.00	-	-	2,000.00
IMICL	-	2,000.00	-	-	2,000.00
	<b>-</b>	<b>4,000.00</b>	<b>-</b>	<b>-</b>	<b>4,000.00</b>
<b>Provision for redemption premium on Preference Shares</b>					
IFIN	-	19.04	-	-	19.04
IMICL	-	19.04	-	-	19.04
	<b>-</b>	<b>38.09</b>	<b>-</b>	<b>-</b>	<b>38.09</b>
<b>Redemption premium accrued but not due</b>					
ILFS					

	427.35	-	-	-	427.35
	<b>427.35</b>	-	-	-	<b>427.35</b>
<b>Rent Deposit</b>					
Mr K Ramchand-Managing Director and his relatives				0.50	0.50
Mr Mukund Sapre-Executive Director and his relatives				0.25	0.25
Mrs Rita Ramchand (wife of Mr K Ramchand)				0.50	0.50
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	0.25	0.25
	-	-	-	<b>1.50</b>	<b>1.50</b>
<b>Retention Money Payable</b>					
IEISL	-	0.29	-	-	0.29
	-	<b>0.29</b>	-	-	<b>0.29</b>
<b>Secured Deposit - Long-term</b>					
ITCL	-	0.00	-	-	0.00
	-	<b>0.00</b>	-	-	<b>0.00</b>
<b>Short-term Borrowings</b>					
IFIN	-	2,757.00	-	-	2,757.00
	-	<b>2,757.00</b>	-	-	<b>2,757.00</b>
<b>Short-term loans and advances</b>					
TRDCL	-	-	676.00	-	676.00
IFIN	-	267.10	-	-	267.10
PTMCM	-	183.59	-	-	183.59
ILFS	1.00	-	-	-	1.00
SSTL	-	-	165.00	-	165.00
OTHERS	-	229.13	28.73	-	257.87
	<b>1.00</b>	<b>679.83</b>	<b>869.73</b>	-	<b>1,550.57</b>
<b>Trade Payables</b>					
IFIN	-	129.48	-	-	129.48
ILFS	57.32	-	-	-	57.32
WCBTRL	-	-	23.90	-	23.90
OTHERS	-	4.76	9.88	-	14.64



	<b>57.32</b>	<b>134.24</b>	<b>33.78</b>	<b>-</b>	<b>225.34</b>
<b>Trade Receivables</b>					
SSTL	-	-	1,457.42	-	1,457.42
TRDCL	-	-	173.20	-	173.20
	<b>-</b>	<b>-</b>	<b>1,630.63</b>	<b>-</b>	<b>1,630.63</b>
<b>Unamortised Expenses</b>					
IFIN	-	167.80	-	-	167.80
ITCL	-	0.63	-	-	0.63
	<b>-</b>	<b>168.43</b>	<b>-</b>	<b>-</b>	<b>168.43</b>
<b><u>Transactions</u></b>					
<b>Administrative and general expenses</b>					
IFIN	-	39.81	-	-	39.81
ILFS	70.47	-	-	-	70.47
ITCL	-	1.67	-	-	1.67
	<b>70.47</b>	<b>41.48</b>	<b>-</b>	<b>-</b>	<b>111.96</b>
<b>Director Remuneration</b>					
Mr K Ramchand-Managing Director and his relatives				9.47	9.47
Mr Mukund Sapre-Executive Director and his relatives	-	-	-	3.88	3.88
	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.34</b>	<b>13.34</b>
<b>Director Sitting Fees</b>					
Mr Mukund Sapre				0.06	0.06
	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.06</b>	<b>0.06</b>
<b>Finance charges</b>					
ILFS	1.18	-	-	-	1.18
ITCL	-	3.87	-	-	3.87
IUIML	-	0.36	-	-	0.36
	<b>1.18</b>	<b>4.23</b>	<b>-</b>	<b>-</b>	<b>5.40</b>
<b>Intangible assets under development</b>					
ITCL	-	0.90	-	-	0.90

	-	0.90	-	-	0.90
<b>Inter-corporate deposits - matured</b>					
IFIN	-	45.00	-	-	45.00
ILFS	52.97	-	-	-	52.97
	<b>52.97</b>	<b>45.00</b>	-	-	<b>97.97</b>
<b>Inter-corporate deposits - placed</b>					
IFIN	-	300.18	-	-	300.18
ILFS	31.68	-	-	-	31.68
	<b>31.68</b>	<b>300.18</b>	-	-	<b>331.86</b>
<b>Interest Income</b>					
TRDCL	-	-	32.71	-	32.71
ILFS	32.60	-	-	-	32.60
OTHERS	-	2.64	5.18	-	7.82
	<b>32.60</b>	<b>2.64</b>	<b>37.89</b>	-	<b>73.13</b>
<b>Interest on Loans (Expense)</b>					
IFIN	-	80.37	-	-	80.37
ILFS	63.37	-	-	-	63.37
ITUAL	-	10.88	-	-	10.88
	<b>63.37</b>	<b>91.25</b>	-	-	<b>154.62</b>
<b>Investment made / purchased</b>					
SSTL	-	-	0.34	-	0.34
	-	-	<b>0.34</b>	-	<b>0.34</b>
<b>Lendings</b>					
SSTL	-	-	12.50	-	12.50
TRDCL	-	-	75.00	-	75.00
	-	-	<b>87.50</b>	-	<b>87.50</b>
<b>Mobilisation Advance recovered</b>					
ITUAL	-	19.79	-	-	19.79
	-	<b>19.79</b>	-	-	<b>19.79</b>

<b>Operating Expenses (Other than Construction Cost)</b>					
ITUAL	-	189.60	-	-	189.60
ILFS	11.89	-	-	-	11.89
OTHERS	-	1.11	-	-	1.11
	<b>11.89</b>	<b>190.71</b>	-	-	<b>202.59</b>
<b>Other Income</b>					
A4 CONCESSION	-	-	30.96	-	30.96
ILFS	0.26	-	-	-	0.26
OTHERS	-	2.22	0.06	-	2.28
	<b>0.26</b>	<b>2.22</b>	<b>31.01</b>	-	<b>33.49</b>
<b>Proposed Dividend on Preference Shares</b>					
IFIN	-	51.11	-	-	51.11
IMICL	-	51.11	-	-	51.11
	-	<b>102.22</b>	-	-	<b>102.22</b>
<b>Proposed Dividend Paid</b>					
IFIN	-	105.03	-	-	105.03
IMICL	-	105.03	-	-	105.03
	-	<b>210.05</b>	-	-	<b>210.05</b>
<b>Redemption on NCD</b>					
ILFS	9.00	-	-	-	9.00
	<b>9.00</b>	-	-	-	<b>9.00</b>
<b>Rent Expense</b>					
Mr K Ramchand-Managing Director and his relatives	-	-	-	0.87	0.87
Mr Mukund Sapre-Executive Director and his relatives	-	-	-	0.13	0.13
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	0.87	0.87
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	0.13	0.13
	-	-	-	<b>2.00</b>	<b>2.00</b>
<b>Rental Income</b>					
IETS	-	1.51	-	-	1.51
	-	<b>1.51</b>	-	-	<b>1.51</b>

<b>Repayment of Borrowings</b>					
IFIN	-	1,200.00	-	-	1,200.00
ILFS	1.76	-	-	-	1.76
	<b>1.76</b>	<b>1,200.00</b>	-	-	<b>1,201.76</b>
<b>Revenue from Operations</b>					
TRDCL	-	-	9.98	-	9.98
	-	-	<b>9.98</b>	-	<b>9.98</b>

## IL&FS TRANSPORTATION NETWORKS LIMITED

### Annexure to Note 1(13) to the Select Explanatory Notes to the Interim Condensed Consolidated Financial Statements

#### Related Party Disclosures

(i) Previous Period

(c) Name of the Related Parties and Description of Relationship:

Nature of Relationship	Name of Entity	Abbreviation used
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS
Fellow Subsidiaries (Only with whom there have been transaction during the quarter / there was balance outstanding at the quarter end)	IL&FS Financial Services Limited	IFIN
	IL&FS Education & Technology Services Limited	IETS
	IL&FS Energy Development Company Limited	IEDCL
	IL&FS Environmental Infrastructure & Services Limited	IEISL
	IL&FS Infrastructure Development Corporation Limited	IIDCL
	IL&FS Renewable Energy Limited	IREL
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Airport Limited.	IAL
	IL&FS Urban Infrastructure Managers Limited	IUIML
	IL&FS Capital Advisors Limited	ICAL
	PT Mantimin Coal Mining	PTMCM
	Chattisgarh Highways Development Company Limited	CHDCL
	IL&FS Securities Services Limited	ISSL
	IL&FS Township & Urban Assets Limited	ITUAL
	IL&FS Trust Company Limited	ITCL
IL&FS Global Financial Services (UK) Limited	IGFSL(UK)	
Associates - Direct	Andhra Pradesh Expressway Limited ( <i>upto March 26, 2014</i> )	APEL
	ITNL Toll Management Services Limited	ITMSL
	Thiruvananthapuram Road Development Company Limited	TRDCL
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL
Associates - Indirect	Centro de Investigaciones de Curretros Andalucía S.A.	CICAN
	Labetec Ensayos Técnicos Canarios, S.A.	LABTEC
	CGI 8 S.A.	CGI-8
	Elsamex Road Technology Company Limited	ERT(China)
	Sociedad Concesionaria Autovía A-4 Madrid S.A	A4 CONCESSION
	VCS-Enterprises Limited	VCS
	Ramky Elsamex Ring Road Limited, Hyderabad	REHRR
	Emprsas Pame sa De CV	EPSD
Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director and his relatives	
	Mr Mukund Sapre-Executive Director and his relatives	
Relatives of KMP	Mrs Rita Ramchand ( <i>wife of Mr K Ramchand</i> )	
	Mrs Sangeeta Sapre ( <i>wife of Mr Mukund Sapre</i> )	

**IL&FS TRANSPORTATION NETWORKS LIMITED**

**Annexure to Note 1(13) to the Select Explanatory Notes to the Interim Condensed Consolidated Financial Statements**

**Related Party Disclosures. (contd.)**

(d) Previous period balances / transactions with above mentioned related parties (mentioned in note 1(13)(c) above)

<b>Particulars</b>	<b>Holding Company</b>	<b>Fellow Subsidiaries</b>	<b>Associates</b>	<b>Key Management personnel and relatives</b>	<b>Total</b>
<b><u>Balances</u></b>					
<b>Advance towards capital in a subsidiary</b>					
ILFS	150.00	-	-	-	150.00
	<b>150.00</b>	-	-	-	<b>150.00</b>
<b>Call Option Premium</b>					
ILFS (net of provision of Rs.79.13 million)	36.67	-	-	-	36.67
	<b>36.67</b>	-	-	-	<b>36.67</b>
<b>Current liabilities</b>					
IFIN	-	312.35	-	-	312.35
ILFS	140.45	-	-	-	140.45
OTHERS	-	27.37	67.22	-	94.59
	<b>140.45</b>	<b>339.72</b>	<b>67.22</b>	-	<b>547.39</b>
<b>Current Maturities of Long-term debt</b>					
ILFS	95.72	-	-	-	95.72
	<b>95.72</b>	-	-	-	<b>95.72</b>
<b>Interest Accrued</b>					
ILFS	10.97	-	-	-	10.97
TRDCL	-	-	207.57	-	207.57
OTHERS	-	1.15	-	-	1.15
	<b>10.97</b>	<b>1.15</b>	<b>207.57</b>	-	<b>219.69</b>
<b>Interest accrued but not due on borrowings</b>					
ILFS	9.88	-	-	-	9.88
ITUAL	-	17.41	-	-	17.41
	<b>9.88</b>	<b>17.41</b>	-	-	<b>27.28</b>
<b>Investment in Covered Warrants</b>					
ILFS	1,693.00	-	-	-	1,693.00
	<b>1,693.00</b>	-	-	-	<b>1,693.00</b>
<b>Long-term borrowings</b>					
ILFS	1,611.53	-	-	-	1,611.53

ITUAL	-	317.50	-	-	317.50
	<b>1,611.53</b>	<b>317.50</b>	-	-	<b>1,929.03</b>
<b>Long-term loans and advances</b>					
ILFS	1,123.40	-	-	-	1,123.40
A4 CONCESSION	-	-	716.43	-	716.43
TRDCL	-	-	343.50	-	343.50
ITUAL	-	119.38	-	-	119.38
	<b>1,123.40</b>	<b>119.38</b>	<b>1,059.93</b>	-	<b>2,302.71</b>
<b>Preference share Capital with Premium</b>					
IFIN	-	2,000.00	-	-	2,000.00
IMICL	-	2,000.00	-	-	2,000.00
	-	<b>4,000.00</b>	-	-	<b>4,000.00</b>
<b>Prepaid</b>					
IFIN	-	199.21	-	-	199.21
	-	<b>199.21</b>	-	-	<b>199.21</b>
<b>Provision for redemption premium on Preference Shares</b>					
IFIN	-	12.81	-	-	12.81
IMICL	-	12.81	-	-	12.81
	-	<b>25.62</b>	-	-	<b>25.62</b>
<b>Redemption premium accrued but not due</b>					
ILFS	410.62	-	-	-	410.62
	<b>410.62</b>	-	-	-	<b>410.62</b>
<b>Rent Deposit</b>					
Mr K Ramchand-Managing Director and his relatives	-	-	-	0.50	0.50
Mr Mukund Sapre-Executive Director and his relatives	-	-	-	0.25	0.25
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	0.50	0.50
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	0.25	0.25
	-	-	-	<b>1.50</b>	<b>1.50</b>
<b>Retention Money Payable</b>					
IEISL	-	0.24	-	-	0.24
	-	<b>0.24</b>	-	-	<b>0.24</b>
<b>Secured Deposit - Long-term</b>					
ITCL	-	0.00	-	-	0.00
	-	<b>0.00</b>	-	-	<b>0.00</b>
<b>Short-term Borrowings</b>					
IFIN	-	1,557.00	-	-	1,557.00

	-	<b>1,557.00</b>	-	-	<b>1,557.00</b>
<b>Short-term loans and advances</b>					
ILFS	22.22	-	-	-	22.22
PTMCM	-	183.59	-	-	183.59
TRDCL	-	-	601.00	-	601.00
OTHERS	-	141.44	0.45	-	141.89
	<b>22.22</b>	<b>325.03</b>	<b>601.45</b>	-	<b>948.70</b>
<b>Trade Payables</b>					
ITUAL	-	2.04	-	-	2.04
	-	<b>2.04</b>	-	-	<b>2.04</b>
<b>Trade Receivables</b>					
TRDCL	-	-	183.35	-	183.35
	-	-	<b>183.35</b>	-	<b>183.35</b>
<b><u>Transactions</u></b>					
<b>Administrative and general expenses</b>					
ILFS	104.57	-	-	-	104.57
OTHERS	-	1.77	0.17	-	1.95
	<b>104.57</b>	<b>1.77</b>	<b>0.17</b>	-	<b>106.52</b>
<b>Director Remuneration</b>					
Mr K Ramchand-Managing Director and relatives	-	-	-	1.27	1.27
Mr Mukund Sapre-Executive Director and relatives	-	-	-	3.23	3.23
				<b>4.50</b>	<b>4.50</b>
<b>Dividend paid</b>					
ILFS	0.24	-	-	-	0.24
	<b>0.24</b>	-	-	-	<b>0.24</b>
<b>Finance charges</b>					
ITCL	-	2.10	-	-	2.10
IUIML	-	0.51	-	-	0.51
		<b>2.62</b>			<b>2.62</b>
<b>Intangible assets under development</b>					
ITCL	-	1.11	-	-	1.11
		<b>1.11</b>			<b>1.11</b>
<b>Inter-corporate deposits - matured</b>					
ILFS	70.00	-	-	-	70.00
	<b>70.00</b>				<b>70.00</b>
<b>Inter-corporate deposits - placed</b>					
ILFS	310.00	-	-	-	310.00
	<b>310.00</b>				<b>310.00</b>



<b>Interest on debentures</b>					
ILFS	7.85	-	-	-	7.85
	<b>7.85</b>				<b>7.85</b>
<b>Interest on Loans (Expense)</b>					
ILFS	35.39	-	-	-	35.39
ISSL	-	49.06	-	-	49.06
ITCL	-	7.62	-	-	7.62
	<b>35.39</b>	<b>56.69</b>			<b>92.07</b>
<b>Lendings</b>					
TRDCL	-	-	50.00	-	50.00
			<b>50.00</b>		<b>50.00</b>
<b>Operating expenses</b>					
ITUAL	-	72.28	-	-	72.28
ILFS	11.94	-	-	-	11.94
ITUAL	-	1.68	-	-	1.68
	<b>11.94</b>	<b>73.96</b>	-	-	<b>85.90</b>
<b>Other Income</b>					
ILFS	33.75	-	-	-	33.75
TRDCL	-	-	26.73	-	26.73
OTHERS	-	0.10	-	-	0.10
	<b>33.75</b>	<b>0.10</b>	<b>26.73</b>	-	<b>60.58</b>
<b>Repayment of Lendings</b>					
TRDCL	-	-	0.10	-	0.10
			<b>0.10</b>		<b>0.10</b>
<b>Rent Expense</b>					
Mr K Ramchand-Managing Director and his relatives				0.74	0.74
Mr Mukund Sapre-Executive Director and his relatives				0.38	0.38
Mrs Rita Ramchand (wife of Mr K Ramchand)				0.90	0.90
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)				0.38	0.38
				<b>2.39</b>	<b>2.39</b>
<b>Revenue from Operations</b>					
APEL	-	-	17.45	-	17.45
TRDCL	-	-	9.69	-	9.69
A4 CONCESSION	-	-	29.99	-	29.99
OTHERS	-	-	0.05	-	0.05
	-	-	<b>57.18</b>	-	<b>57.18</b>
<b>Short-term Borrowings</b>					
ISSL	-	3,000.00	-	-	3,000.00
	-	<b>3,000.00</b>	-	-	<b>3,000.00</b>