

INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF

IL&FS TRANSPORTATION NETWORKS LIMITED

Report on the Consolidated Financial Statements

1. We have reviewed the accompanying interim condensed consolidated financial statements of **IL&FS TRANSPORTATION NETWORKS LIMITED** (hereinafter referred to as “the Holding Company”) and its Subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), its associates and jointly controlled entities / operations, comprising of the Condensed Consolidated Balance Sheet as at June 30, 2015, the Condensed Consolidated Statement of Profit and Loss, the Condensed Consolidated Cash Flow Statement for the quarter then ended, and select explanatory notes forming part thereof (hereinafter referred to as “the interim condensed consolidated financial statements”).

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors and Management are responsible for the preparation of these interim condensed consolidated financial statements in accordance with the recognition and measurement principles laid down in Accounting Standard (AS-25) on Interim Financial Reporting specified under Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain

assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

4. Based on our review and based on the consideration of reports of the other auditors on the interim financial statement/information of the subsidiaries, jointly controlled entities and associates referred in paragraph 11, unaudited financial information of one associate referred in paragraph 12 below and no financial information of one subsidiary as mentioned in paragraph 13 below, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with the requirements of Accounting Standards (AS-25) on Interim Financial Reporting specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

Emphasis of Matters

We draw attention to:

5. the following elements as explained in the Note 1(10) of the interim condensed consolidated financial statements in respect of Intangible Asset / Intangible asset under development under the Service Concession Arrangements determined on the basis of:
 - a. Technical evaluations made by experts with respect to:
 - i. the amortisation charge of Rs.452.16 million for the current quarter in respect of the intangible assets under Service Concession Arrangements (SCA) based on the estimated units of usage and estimated toll rates over each concession period.
 - ii. estimate of Rs.61.41 million provision for overlay expenditure for the quarter ended June 30, 2015 and the contractual liability as at June 30,2015 of Rs.569.27 million and the timing of the same
 - b. Internal evaluation by the Management with respect to the margin (construction revenue less construction costs) included in the fair value estimate of the construction services (as required by the Draft Guidance note on Service Concession Arrangements) as part of the intangible asset covered under each Service Concession Arrangements. The cumulative margin included in Intangible asset and Intangible asset under development aggregates Rs.13,886.04 million of which Rs.641.37 million is recognised for the quarter ended June 30, 2015.

6. the following elements as explained in Note 1(10) of the interim condensed consolidated financial statements in respect of Receivables against Service Concession Arrangements (“financial assets”) determined on the basis of:
 - a. Technical evaluations made by experts with respect to:

future operating and maintenance costs of Rs.18,356.37 million and the provision for and timing of overlay / renewal costs of Rs.6,806.75 million considered in determining the effective interest rate for revenue recognition on financial assets.
 - b. Internal Management evaluation of the:
 - i. cumulative margin to arrive at the fair value estimate of the construction services (margin earned being difference between the construction revenue and construction costs) aggregates Rs. 6,807.08 million of which Rs.168.85 million is recognised for the quarter ended June 30, 2015 for financial asset covered under each Service Concession Arrangements.
 - ii. current quarter revenue of Rs.1,956.11 million being the financial income on the basis of the effective interest rate applied on the fair value of the construction services, future operating and maintenance costs and provision for overlay and renewal costs, considering the contractual provisions of each Service Concession Arrangement and the contracted annuities receivable over the Concession period
7. We draw attention to Note 1(12) of the interim condensed consolidated financial statements, wherein consequent to the Associate Company’s exit from CDR the matter of continuing the advance towards Capital / Debt classification is subject to approval from Government of Gujarat. Pending such approval the company’s investment in advance towards Capital / Debt has been kept as such.
8. Note 1(13) of the interim condensed consolidated financial statements, regarding an amount of Rs.2,609.30 million included as Revenue from Operations for the year ended March 31, 2015 on account of aggregate compensation claimed by the Holding Company from two Special Purpose Vehicles (“SPVs”). The respective SPVs have filed an onward claim with the CGA, however, the SPVs have not received approval for the same from the CGA till date.
9. an emphasis of matter paragraph given by the auditors of one of the associate companies, in respect of the matter explained in Note 1(14) of the interim condensed consolidated financial statements, drawing attention that the appropriateness of the going concern assumption is dependent upon the Annuity and Claim receivable from Kerala Road Fund Board due to delay in the project. According to the Management there is no additional financial impact on the interim condensed consolidated financial statements owing to the above matter.

10. an emphasis of matter paragraph given by the auditors of one of the subsidiary companies, in respect of the matter explained in Note 1(15) of the interim condensed consolidated financial statements, drawing attention to the unascertainable impact on account of additional works / revised project specifications, which have been determined based on the Management estimates and / or technical evaluation by independent experts.

Our conclusion is not modified in respect of these matters.

Other Matters

11. We did not review the financial statements/information of:

- a. Forty five subsidiaries whose interim condensed financial statements/information reflect total assets of Rs. 207,246.14 million as at June 30, 2015, total revenues of Rs.5,836.74 million for the quarter ended June 30, 2015 and net cash outflows amounting to Rs.378.35 million for the quarter ended on that date, as considered in the interim condensed consolidated financial statements.
- b. Seven jointly controlled entities whose interim condensed financial statements/information reflect total assets of Rs. 35,968.77 million, total revenues of Rs.824.07 million for the quarter ended June 30, 2015 and net cash inflows amounting to Rs.97.76 million for the quarter ended on that date, as considered in the interim condensed consolidated financial statements.
- c. Ten associates in which the Group's share of profit (net) of Rs.2.45 million for the quarter ended on June 30, 2015, as considered in the interim condensed consolidated financial statements.

The financial statements of these sixty two entities have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the interim condensed consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

12. The interim condensed consolidated financial statements includes the Group's share in loss after tax of Rs.12.31 million for the quarter ended June 30, 2015, (carrying value of Rs.1,405.06 million as at June 30, 2015), as considered in the interim condensed consolidated financial statements, in respect of one associate, based on the unaudited financial statements/information as at / for the quarter ended March 31, 2015 prepared by the Management, which was not subjected to review. There is no financial information available with the Management thereafter. This interim condensed financial statements / information have been certified by the Management of the entity and, our conclusion on the interim

condensed consolidated financial statements, in so far as it relates to the amounts included in respect of this associate, is based solely on such certified interim financial statements /information. Any adjustment to the financial information could have consequential effects on the attached interim condensed consolidated financial statements. However, the size of the entity in the context of the Group is not material.

13. One of the subsidiary company was under liquidation in the previous year and the financial information is not available with the Company post March 31, 2015. Accordingly, no adjustments have been made to the interim condensed consolidated financial statements in respect of this subsidiary company. However, the size of the entity in the context of the Group is not material.

Our conclusion is not modified in respect of these matters.

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

SD/-
Partner
(Membership No. 48791)

MUMBAI, August 10, 2015
KJM/NDU

IL&FS TRANSPORTATION NETWORKS LIMITED
UNAUDITED INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2015

₹ in million

	Particulars	Unaudited		Audited	
		As at June 30, 2015		As at March 31, 2015	
I	<u>EQUITY AND LIABILITIES</u>				
1	SHAREHOLDERS' FUNDS				
	(a) Share capital	6,231.70		6,231.70	
	(b) Reserves and surplus	51,640.27	57,871.97	50,959.97	57,191.67
2	MINORITY INTEREST		2,800.61		2,911.39
3	NON-CURRENT LIABILITIES				
	(a) Long-term borrowings	197,596.90		185,917.12	
	(b) Deferred tax liabilities (net)	1,196.33		1,245.62	
	(c) Other long term liabilities	4,906.68		4,538.16	
	(d) Long-term provisions	721.61	204,421.52	629.79	192,330.69
4	CURRENT LIABILITIES				
	(a) Current maturities of long-term debt	21,351.53		26,488.63	
	(b) Short-term borrowings	29,373.89		22,729.01	
	(c) Trade payables	11,754.63		10,899.92	
	(d) Other current liabilities	4,797.96		3,847.56	
	(e) Short-term provisions	1,984.20	69,262.21	2,839.44	66,804.56
	TOTAL		334,356.31		319,238.31
II	<u>ASSETS</u>				
1	NON-CURRENT ASSETS				
	(a) Fixed assets				
	(i) Tangible assets (net)	1,792.97		1,744.53	
	(ii) Intangible assets (net)	75,494.19		70,655.64	
	(iii) Capital work-in-progress	262.99		186.17	
	(iv) Intangible assets under development	96,654.97		93,256.52	
	(b) Goodwill on consolidation (net)	5,919.62		5,820.03	
	(c) Non-current investments (net)	6,553.73		6,424.61	
	(d) Deferred tax assets	181.05		161.20	
	(e) Long-term loans and advances (net)	13,926.24		13,865.79	
	(f) Other non-current assets	89,211.20	289,996.96	86,542.60	278,657.09
2	CURRENT ASSETS				
	(a) Current investments	355.07		200.48	
	(b) Inventories	161.09		140.79	
	(c) Trade receivables (net)	11,531.93		10,456.24	
	(d) Cash and cash equivalents	8,278.93		7,770.64	
	(e) Short-term loans and advances	12,913.43		11,923.29	
	(f) Other current assets	11,118.90	44,359.35	10,089.78	40,581.22
	TOTAL		334,356.31		319,238.31

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

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

For and on behalf of the Board

Kalpesh J. Mehta
Partner

SD/-
Managing Director

SD/-
Director

Mumbai , August 10, 2015

SD/-
Chief Financial Officer

SD/-
Company Secretary

Mumbai , August 10, 2015

IL&FS TRANSPORTATION NETWORKS LIMITED
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED JUNE 30, 2015
₹ in million

Particulars	Unaudited	Audited
	Quarter ended June 30, 2015	Quarter ended June 30, 2014
I Revenue from operations	16,443.97	15,641.62
II Other income	932.85	838.58
III Total revenue (I + II)	17,376.82	16,480.20
IV Expenses		
Cost of materials consumed	716.95	261.48
Operating expenses	8,183.66	7,541.51
Employee benefits expense	1,085.21	1,128.88
Finance costs (net)	5,595.06	4,524.93
Depreciation and amortisation expense	578.73	475.89
Administrative and general expenses	1,155.83	1,069.01
Total expenses (IV)	17,315.44	15,001.70
V Profit before tax (III-IV)	61.38	1,478.50
VI Tax expense:		
(a) Current tax	227.40	571.37
(b) Less: MAT credit entitlement	(8.51)	(42.59)
(c) Tax relating to earlier years written back	-	(24.61)
(d) Net Current tax	218.89	504.17
(e) Deferred tax (net)	(68.68)	(305.38)
Total tax expense (VI)	150.21	198.79
VII (Loss) / Profit before share of associates & share of minority interest (V-VI)	(88.83)	1,279.71
VIII Share of (loss) / profit of associates (net)	(8.14)	9.54
IX Share of loss transferred to minority interest (net)	126.02	88.29
Profit for the quarter (VII+VIII+IX)	29.05	1,377.54
Earnings per equity share (Face value per share ₹ 10/-)		
(1) Basic (not annualised)	(0.84)	5.01
(2) Diluted (not annualised)	(0.84)	5.01

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

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

Kalpesh J. Mehta
Partner

Mumbai , August 10, 2015

For and on behalf of the Board

SD/- SD/-
Managing Director Director

SD/- SD/-
Chief Financial Officer Company Secretary

Mumbai , August 10, 2015

IL&FS TRANSPORTATION NETWORKS LIMITED
UNAUDITED INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED JUNE 30, 2015

₹ in million

Particulars	Unaudited	Audited
	Quarter ended June 30, 2015	Quarter ended June 30, 2014
Net Cash generated from Operating Activities (A)	5,419.74	2,769.52
Net Cash used in Investing Activities (B)	(9,689.75)	(12,034.12)
Net Cash generated from Financing Activities (C)	4,808.41	9,071.84
Net Increase/ (decrease) in Cash and Cash Equivalents (A+B+C)	538.40	(192.76)
Cash and Cash Equivalent at the beginning of the quarter	6,892.35	6,111.54
Impact of Foreign Currency Translation	48.17	(5.63)
Cash and Cash Equivalent at the end of the quarter	7,478.92	5,913.15
Net Increase/ (decrease) in Cash and Cash Equivalents	538.40	(192.76)

₹ in million

Components of Cash and Cash Equivalents		
Cash on hand	45.68	42.90
Balances with Banks in current accounts	4,823.25	4,433.39
Balances with Banks in deposit accounts	2,609.99	1,436.86
Cash and Cash Equivalents as per AS-3	7,478.92	5,913.15
Other Bank Balances		
Unpaid dividend accounts	3.96	2.74
Balances held as margin money or as security against borrowings	796.05	1,860.45
Cash and Cash Equivalents	8,278.93	7,776.34

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

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

For and on behalf of the Board

Kalpesh J. Mehta
Partner

SD/- Managing Director SD/- Director

Mumbai , August 10, 2015

SD/- Chief Financial Officer SD/- Company Secretary

Mumbai , August 10, 2015

IL&FS TRANSPORTATION NETWORKS LIMITED

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

- These Interim Condensed Consolidated Financial Statements (“CFS”) have been prepared in accordance with Accounting Standard (AS) 25 on “Interim Financial Reporting” specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) / Companies Act, 1956 (“the 1956 Act”), as applicable and Exposure Draft on the Guidance Note on Accounting for Service Concession Agreement (SCA) for Public-to-Private SCA, issued by the Institute of Chartered Accountants of India in financial year 2008, to the extent it does not conflict with current Accounting Standards. These CFS should be read in conjunction with the Consolidated Financial Statements as at / for the year ended March 31, 2015. 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, 2015 other than mentioned in point 2 below. The results of the interim period are not necessarily an indication of the result that may be expected for any interim period / full year.
- The interim condensed financial statements information 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, 2015 except for one overseas subsidiary, viz. Elsamex S.A., Spain, whose interim condensed consolidated financial statements (incorporating the interim condensed financial statements of its subsidiaries, jointly controlled entities, jointly controlled operations and associates) have been drawn as at and for the quarter ended March 31, 2015 and adjusted for effects of significant transactions and other events that have occurred between April 1, 2015 and June 30, 2015.
- 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 15	As at March 15	
1. Held directly:				
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
ITNL Road Infrastructure Development Company Limited (“IRIDCL”)	India	100.00	100.00	January 17, 2008
IL&FS Rail Limited (“IRL”)	India	75.80	73.56	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

IL&FS TRANSPORTATION NETWORKS LIMITED
NOTE 1: SELECT EXPLANATORY NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Name of the Subsidiary	Country of Incorporation	Proportion of Group's Interest (%)		Date of Acquisition of Control
		As at June 15	As at March 15	
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	99.99	99.99	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	74.00	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
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
Baleswar 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

IL&FS TRANSPORTATION NETWORKS LIMITED
NOTE 1: SELECT EXPLANATORY NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Name of the Subsidiary	Country of Incorporation	Proportion of Group's Interest (%)		Date of Acquisition of Control
		As at June 15	As at March 15	
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
ITNL Offshore Two Pte. Ltd. ("IOPL2")	Singapore	100.00	100.00	February 9, 2015
ITNL Offshore Three Pte. Ltd. ("IOPL3")	Singapore	100.00	100.00	March 10, 2015
2. Held through subsidiaries:				
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
Intevial 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 Limited	India	96.03 \$	96.03 *	March 18, 2008
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	84.27#	82.81#	July 30, 2009

IL&FS TRANSPORTATION NETWORKS LIMITED
NOTE 1: SELECT EXPLANATORY NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Name of the Subsidiary	Country of Incorporation	Proportion of Group's Interest (%)		Date of Acquisition of Control
		As at June 15	As at March 15	
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 DMCC ("IIDMCC") [formerly known as ITNL International JLT]	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	84.27@@	82.81@@	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 Company LLC ("SGSC")	UAE	49.00**	49.00**	October 9, 2013
I IPL USA LLC ("IPLUS")	USA	100.00	100.00	November 20, 2013
Andhra Pradesh Expressway Limited ("APEL")	India	86.74\$\$	86.74\$\$	March 27, 2014
Elsamex Maintenance Services limited	India	99.88 \$	99.88 *	September 12, 2013
Elsamex LLC USA	USA	100.00 \$	100.00 *	September 26, 2013
Grusamar Engenharia y Consultoría Brasil LTDA	Brazil	99.99 \$	99.99 *	August 29, 2013
ITNL Infrastructure Developer LLC ("IIDL")	UAE	-	-	Incorporated on May 4, 2015

\$ Proportion of Group's Interest as at March 31, 2015

* Proportion of Group's Interest as at December 31, 2014

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)

IL&FS TRANSPORTATION NETWORKS LIMITED

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

- @ 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).
- ^^ 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%)
- # Out of the above 35.00% is directly held by the Company and balance 49.27% through IRL (Previous year 35.00% held by Company and balance 47.81% held through IRL).
- @@ Out of the above 35% is held directly by the Company and balance 49.27% through the IRL. (Previous year 35.00% held by Company and balance 47.81% held through IRL).
- ^ Out of the above 0.50 % is directly held by the Company and balance 99.50% through IIPL (Previous year 0.50 % held by Company and balance 99.50% through IIPL)
- ** As per Memorandum of Association between IIPL and other shareholder, Profits and Statutory Reserve, the net profits of SGSC and losses shall be distributed among IIPL 70% and other shareholders 30%. IIPL controls the SGSC though composition of Board of Directors and accordingly is a subsidiary of IIPL.
- \$\$ 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)

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 15	As at March 15
Held Directly :				
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
Held through Subsidiaries :				

IL&FS TRANSPORTATION NETWORKS LIMITED

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

Name of the Company	Country of Incorporation	Date of Acquisition of Joint Control	Proportion of Group's Interest (%)	
			As at June 15	As at March 15
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, 2015

* Proportion of Group's Interest as at December 31, 2014

5. Interest in Jointly Controlled Operations :

- 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.
- 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.
- The Group's interest in jointly controlled operations are :

Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)	
	As at June 15	As at March 15
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% *

IL&FS TRANSPORTATION NETWORKS LIMITED
NOTE 1: SELECT EXPLANATORY NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)	
	As at June 15	As at March 15
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-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% *
Elsamex-Torrescamara UTE Presas	50% \$	50% *
Elsamex-Velasco UTE Polideportivos Latina	50% \$	50% *
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-Dair UTE Seguridad Vial Bizkaia	10% \$	10% *
Intevia-Grusamar-Dair UTE Seguridad Vial Bizkaia	60% \$	60% *
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% *
UTE Atenea-Prevecons	55% \$	55% *
UTE Autovia de Santiago	50% \$	50% *
UTE Bizcaya Bi	37.5% \$	37.5% *
UTE CAP 1	50% \$	50% *
UTE Cican Ciesm	50% \$	50% *
Ute Conservacion Almeria	70% \$	70% *
Ute Conservacion Asturias	50% \$	50% *

IL&FS TRANSPORTATION NETWORKS LIMITED
NOTE 1: SELECT EXPLANATORY NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)	
	As at June 15	As at March 15
UTE Conservacion Caceres	50% \$	50% *
UTE Cordoba	50% \$	50% *
UTE Dallas	50% \$	50% *
UTE Elsamex Arias Oca Conservación Orense	-	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-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% *
UTE Tren Mallorca	80% \$	80% *
UTE Urbanizacion Centro	30% \$	30% *
UTE Viales el Jable	50% \$	50% *
Consortio Elsamex-Grusamar Ecuador	100% \$	100% *
JV Elsamex – Ascon	50% \$	50% *
UTE Control 7 Geoplaning	50% \$	50% *
UTE Elsamex-Pulido	50% \$	50% *
UTE AP-7 Ondara 2	60% \$	60% *
UTE Prointec-Intevia-Gestinsa	33% \$	33% *
UTE Ciesm-Intevia-Conurma	40% \$	40% *
UTE Intevia-Getinsa-Ciesa	34% \$	34% *
UTE Etiopia 35	100%\$	100%*
UTE Sistema tarifario	50%\$	50%*
UTE Elsamex-Rebogar	60%\$	60%*
UTE Antequera	30%\$	30%*
UTE Burgos Sur	86%\$	86%*
UTE Alumbrado Tegueste	50%\$	50%*
UTE Avda. de Daganzo	50%\$	50%*
UTE Servicios Energeticos las Palmas	50%\$	50%*
UTE Jaen Sur	70%\$	70%*
UTE Ciesm- Intevia-Dair-Itsak	42.5%\$	42.5%*
UTE Elsgroup	90%\$	-
UTE Santiago AP -9	50%\$	-
UTE Inspeccion Autobuses Lineas Urbanas Murcia	20%\$	-
UTE Sevilla Este	70%\$	-
UTE Malaga Norte	70%\$	-
Elsamex – ITNL JVCA	100%	100%

\$ Proportion of Group's Interest as at March 31, 2015

* Proportion of Group's Interest as at December 31, 2014

IL&FS TRANSPORTATION NETWORKS LIMITED

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

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 15	As at March 15
1.Held directly :			
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	49.00
Gujarat Road and Infrastructure Company Limited ("GRICL") (from August 8, 2014)	India	41.81	41.81
2.Held through Subsidiaries :			
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 *
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, 2015

* Proportion of Group's Interest as at December 31, 2014

IL&FS TRANSPORTATION NETWORKS LIMITED

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

7. Capital commitments and Contingent liabilities:

(A) Capital Commitment:

₹ in million

Sr. No.	Particulars	Unaudited	Audited
		As at June 30, 2015	As at March 31, 2015
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances paid aggregate ₹ 4,322.10 million (as at March 31, 2015 ₹ 5,022.11 million)	64,553.41	71,194.59
(ii)	Investment Commitments [net of advances of ₹ 200.00 million, as at March 31, 2015 ₹ 200.00 million]	200.00	200.00

(B) Other Commitments:

₹ in million

Sr. No.	Particulars	Unaudited	Audited
		As at June 30, 2015	As at March 31, 2015
(i)	Negative grant to National Highways Authority of India	18,00.00	2,150.00
(ii)	Connectivity charges to Haryana Urban Development Authority	27,469.81	27,489.75
(iii)	Put option on sale of investment	Unascertainable	Unascertainable

(C) Contingent Liabilities :

₹ in million

Particulars	Unaudited	Audited
	As at June 30, 2015	As at March 31, 2015
(a) Claims against the Group not acknowledged as debt	4,417.40	4,188.52
(b) Income tax demands contested by Group	389.77	399.24
(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	199.74	220.71
(f) In case of Income Tax disputes decided in favour of the Group at the First Appellate Authority for amounts disallowed amounting to ₹ 820.08 million (March 31, 2015 ₹ 820.08 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.		

Foot note: The Company does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

IL&FS TRANSPORTATION NETWORKS LIMITED

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

(D) Litigations against the Group :

- (i)** A Public interest litigation has been filed in the Allahabad High Court to make one of the project of a Jointly Controlled Entity, a toll free facility for general public. Based on the legal opinion, the management believes that there is reasonable probability of success in the matter and has no impact on the financial position of the Group at this stage.
- (ii)** Income Tax Department has initiated reassessment U/s 147 of the Income Tax Act, 1961 for Assessment Years 2007-08, 2008-09 and 2012-13 and raised a demand of ₹ 1,086.68 million (March 31, 2015 ₹ 1,086.68 million) (Group's share) primarily on account of arrears of designated returns to be recovered in future from toll and other recoveries as per the Concession Agreement of one of the Jointly Controlled Entity. The said Jointly Controlled Entity has filed an appeal with the first level Appellate Authority and based on legal opinion, the management believes that the outcome of the same will be in favour of the Jointly Controlled Entity and it has no impact on the financial position of the Group at this stage.
In few other matters, income tax demands of ₹ 16.48 million (March 31, 2015 ₹ 16.48 million) (Group's share) have also been raised for which necessary rectification applications U/s 154 of the Income Tax Act, 1961 have been filed by the Jointly Controlled Entity. The Group expects that the demands will be deleted post rectification by the department.
- (iii)** Certain other matters i.e. encroachment onto land & installation of unipoles, size of advertisement structures, exemption from paying toll to armed forces personnel's, etc. are under litigation in one of the project of a Jointly Controlled Entity. Based on the legal opinion from the counsel of the Jointly Controlled Entity, the management of the Company believes that there is reasonable probability of success in the matters and have no impact on the financial position of the Group at this stage.
- (iv)** For collecting MCD toll on behalf of SMS AAMW Tollways Private Limited, the Group is deducting service charges @ 13.5% of MCD toll as against 3% as directed by MCD. MCD has send a legal notice to take coercive action against withholding such amount. The Group has filed suit for injection from such notice. The court has passed an interim order restraining the defendants from taking any coercive action. On prudence basis, till settlement of dispute, service charges has been recognised as income @ 3% of MCD toll. Necessary adjustment, if any, will be recognised on finalisation of matter. The management does not expect any impact on financial position of the Group on this account at this stage.

IL&FS TRANSPORTATION NETWORKS LIMITED
NOTE 1: SELECT EXPLANATORY NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
8. Reporting of Segment wise Revenue, Results and Capital Employed:

₹ in million

Sr. No.	Particulars	Unaudited	Audited
		Quarter ended June 30, 2015	Quarter ended June 30, 2014
1	Segment Revenue		
	(a) Surface Transportation Business	15,795.33	14,925.96
	(b) Others	648.70	715.67
	(c) Unallocable income (including interest income)	932.79	838.57
	Total	17,376.82	16,480.20
	Less : Inter segment revenue	-	-
	Total revenue	17,376.82	16,480.20
2	Segment Results (Profit(+)/loss(-) before tax and interest from each segment)		
	(a) Surface Transportation Business	4,757.33	5,382.40
	(b) Others	76.30	103.09
	Total	4,833.63	5,485.49
	Less : Unallocable expenses		
	(a) Finance Costs	5,595.06	4,524.93
	(b) Others	109.98	320.63
	Add : Unallocable income (including interest income)	932.79	838.57
	Total Profit Before Tax	61.38	1,478.50
	Provision for taxation	150.21	198.79
	Add: Share of Profit of Associates (net)	(8.14)	9.54
	Less: Share of Profit transferred to Minority Interest (net)	(126.02)	(88.29)
	Profit after tax	29.05	1,377.54
3	Capital Employed	As at June 30, 2015	As at March 31, 2015
	(i) Surface Transportation Business	280,661.47	268,988.70
	(ii) Other	836.50	(225.22)
	(iii) Unallocated assets net of liabilities	(220,825.39)	(208,660.42)
	Total	60,672.58	60,103.06

IL&FS TRANSPORTATION NETWORKS LIMITED

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

9. Earnings Per Share :

Particulars	Unit	Unaudited	Audited
		Quarter ended June 30, 2015	Quarter ended June 30, 2014
Profit for the quarter	₹ in million	29.05	1,377.54
Dividend on cumulative preference shares of the Company	₹ in million	(196.08)	(196.62)
Tax on Dividend on cumulative preference shares of the Company	₹ in million	(39.92)	(33.42)
Premium on preference shares of a subsidiary	₹ in million	-	(2.87)
(Loss) / Profit available for Equity Shareholders	₹ in million	(206.95)	1,144.63
Weighted average number of equity shares outstanding	Nos.	246,720,020	228,650,734*
Nominal Value per equity share	₹	10.00	10.00
Basic / Diluted earnings per share (not annualised)	₹	(0.84)	5.01

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

10. Service Concession Arrangements

(a) Under Service Concession Arrangement (SCA), where a Special Purpose Vehicle (SPV) has received the right to charge users of a public service, such rights are recognized and classified as "Intangible Assets". Such a right is an unconditional right to receive consideration however the amounts are contingent to the extent that the public uses the service.

The book value of such an Intangible Asset is recognized by the SPV at the fair value of the constructed asset which comprises of the actual construction cost plus the margins as per the SCA.

The Intangible Asset is amortised on the basis of units of usage method over the lower of the remaining concession period or useful life of such intangible asset, in terms of each SCA.

Estimates of margins are based on internal evaluation by the management. Estimates of units of usage, toll rates, contractual liability for overlay expenditure and the timing of the same are based on technical evaluations and / or traffic study estimates by external agencies.

These factors are consistent with the assumptions made in the previous years

The key elements have been tabulated below:

Particulars	Unaudited	Audited
	Upto / As at June 30, 2015	Upto / As at March 31, 2015
Margin on construction services recognised in respect of intangible assets and intangible assets under development (₹ in million)	13,886.04	13,244.67

IL&FS TRANSPORTATION NETWORKS LIMITED

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

	Quarter ended June 30, 2015	Quarter ended June 30, 2014
Amortisation charge in respect of intangible assets (₹ in million)	452.16	353.22

(b) 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	Unaudited		Audited	
	As at June 30, 2015		As at March 31, 2015	
	Long-term	Current	Long-term	Current
Opening balance	491.45	13.71	326.98	96.42
Adjustment for foreign exchange fluctuation during the period / year	9.99	-	(6.49)	-
Adjustment for conversion of subsidiary to associate	-	-	-	(61.50)
Utilised for the period / year	-	(7.30)	-	(32.12)
Provision made during the period / year	61.14	0.27	170.96	10.91
Closing balance	562.58	6.69	491.45	13.71

(c) Under a Service Concession Arrangement (SCA), where a Special Purpose Vehicle (SPV) has acquired contractual rights to receive specified determinable amounts (Annuity) for use of an asset, such amounts are recognised as “Financial Assets” and are disclosed as “Receivable against Service Concession Arrangements”

The value of a Financial Asset covered under a SCA includes the fair value estimate of the construction services which is estimated at the inception of the contract and is based on the fair value of the constructed asset and comprises of the actual construction cost, a margin as per the SCA, estimates of the future operating and maintenance costs, including overlay / renewal costs

The cash flows from a Financial Asset commences from the Provisional / Final Commercial Operation Date as certified by the granting authority for the SCA.

IL&FS TRANSPORTATION NETWORKS LIMITED

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

The cash flow from a Financial Asset is accounted using the effective interest rate method. The intrinsic interest element in each Annuity receipt is accounted as finance income and the balance amount is accounted towards recovery of dues from the “Receivable against Service Concession Arrangements”

These factors are consistent with the assumptions made in the previous years

The key elements have been tabulated below:

Particulars	₹ in million	
	Unaudited Upto / As at June 30, 2015	Audited Upto / As at March 31, 2015
Cumulative Margin on construction and operation & maintenance and renewal services recognised in respect of Financial Assets	6,807.08	6,638.23
Future Operation and maintenance and renewal services considered in respect of Financial Assets	25,163.12	25,592.03
Revenue recognised on Receivables against Service Concession Arrangement on the basis of effective interest method	29,961.29	28,005.18

Auditors report includes an emphasis of matter paragraph in respect of above matters.

11. Related Party Disclosure – (refer Annexure I).
12. During the previous year ended March 31, 2015, an Associate Company (erstwhile a Subsidiary Company upto August 7, 2014) had received a formal communication from the Corporate Debt Restructuring (CDR) Empowered Group with respect to it having formally exited from the CDR system on May 20, 2014. Consequent to the Associate Company’s exit from the CDR, the matter with respect to the classification of Advances towards Capital / Debt given by the promoters i.e. the Holding Company and Government of Gujarat (GoG) as Advance towards Capital / Debt until the repayment of DDBs and NCDs till July 2018, was discussed with the promoters. The Holding Company has given consent to continue the classification as requested by the Associate Company, however the approval from GOG is still pending to be received. In the view of the Management of the Associate Company, the amounts payable, if any, for the aforesaid item is currently unascertainable and accordingly, no liability/charge has been created in its financial statements. Auditors report include an emphasis of matter paragraph in this regard.

IL&FS TRANSPORTATION NETWORKS LIMITED

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

13. Revenue from Operations for the previous year ended March 31, 2015 included an amount of ₹ 2,609.30 million on account of aggregate compensation claimed by the Holding company from two Special Purpose Vehicles (“SPVs”) and by the two SPVs on the Concession Granting Authority ("CGA"), for the incremental work and the related claims arising from the delays due to handing over of the land by CGA for project execution. The compensation is based on the provisions in the Service Concession Agreements and is supported by the Extension of Time granted by the Independent Engineers. The SPVs were legally advised that they are contractually entitled to such claims under the Service Concession Agreements. Accordingly, the respective SPVs had filed the claim with CGA. However, the SPVs have not yet received any approval for the same from CGA till date. Costs in connection with the foregoing had been considered in recognising the above income during the previous year. Auditors report include an emphasis of matter paragraph in this regard.
14. In respect of one Associate Company whose carrying value is ₹ Nil in the Consolidated Financial Statements, the Auditor has reported an Emphasis of Matter on the appropriateness of the going concern assumption being dependent upon the Annuity and Claim receivable from Kerala Road Fund Board due to delay in the completion of project. According to the Management there is no additional financial impact on the consolidated financial statements owing to the above matter.
15. In respect of one Subsidiary Company, the Auditor has reported an Emphasis of Matter with respect to the construction cost of the project being increased during the previous year ended March 31, 2015 from ₹ 2,022.50 million to ₹ 2,922.50 million and accordingly the Subsidiary Company had entered into a supplemental development agreement of ₹ 900.00 million with the existing contractor for executing the additional works/ revised project specifications. The financial statements of the Subsidiary Company have been prepared on the basis of revised estimates of project costs due to factors including changes in project specifications, which resulted in a change in allocation between financial asset and intangible asset. The subsidiary company has made an application seeking approval for enhancement in the Annuities towards the incremental project costs. Pending conclusion of the acceptance for the same, the financial statements of the Subsidiary Company do not include impact, if any for the anticipated increase in annuities. Auditors report include an emphasis of matter paragraph in this regard.
16. Share of loss of associates for the quarter ended June 30, 2015 includes the Group’s share of loss of ₹ 12.31 million pertaining to period commencing from January 1, 2015 to March 31, 2015 of one associate company which is based on the financial information certified by the Associate’s Management. The financial information subsequent to March 31, 2015 is not available with the Group.
17. Borrowing costs incurred by the group on qualifying assets are capitalised and accordingly the finance cost reported is net of such capitalization :

₹ in million

Particulars	Unaudited	Audited
	Quarter ended June 30, 2015	Quarter ended June 30, 2014
Gross finance cost	7,435.09	5,823.89
Less : Capitalised	1,818.71	1,298.96
Finance cost (net)	5,595.06	4,524.93

IL&FS TRANSPORTATION NETWORKS LIMITED

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

18. Figures for the previous period / year have been regrouped and reclassified wherever necessary to conform to the classification for the current period.
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/-
Managing Director

SD/-
Director

SD/-
Chief Financial Officer
Mumbai, August 10, 2015

SD/-
Company Secretary

Annexure to Note 1(11) to the unaudited interim condensed consolidated financial statements for the quarter ended June 30, 2015

Related Party Disclosures

i) Current Quarter

(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 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 Renewable Energy Limited	IREL
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Airport Limited.	IAL
	IL&FS Capital Advisors Limited.	ICAL
	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 Technology Limited	ITL
	Livia India Limited	LIL
	IL&FS Global Financial Services Pte Limited	IGFSL
	IL&FS Global Financial Services (ME) Limited	IGFSL(ME)
IL&FS Global Financial Services (HK) Limited	IGFSL(HK)	
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
	Gujarat Road and Infrastructure Company Limited	GRICL
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
	Zhejiang Elsamex Road Technology Co Ltd	
	Zhejiang Elsamex Road Construction Equipment Co Ltd	
	Emprsas Pame sa De CV	EPSD
Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director	
	Mr Mukund Sapre-Executive Director	
	Mr George Cherian-Chief Financial Officer	
	Mr Krishna Ghag-Company Secretary	
Relatives of KMP	Mrs Rita Ramchand (wife of Mr K Ramchand)	
	Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	
	Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	
KMP of Holding Company	Mr Ravi Parthasarathy - Director	
	Mr Hari Sankaran - Director	
	Mr Arun Saha - Director	

Related Party Disclosures. (contd.)

(b) Current quarter balances / transactions with above mentioned related parties (mentioned in note 1 (11)(a)(i) above)

₹ in million

Particulars	Holding Company	Fellow Subsidiaries	Associates	Key Management personnel and relatives	Total
<u>Balances</u>					
Advance towards Share Application Money (Long-term)					
GRICL	-	-	750.00	-	750.00
	-	-	750.00	-	750.00
Advances Receivable - Short Term					
ILFS	0.10	-	-	-	0.10
IAL	-	271.37	-	-	271.37
PTMCM	-	183.59	-	-	183.59
OTHERS	-	44.56	3.52	-	48.08
	0.10	499.52	3.52	-	503.14
Current Liabilities					
ILFS	5.50	-	-	-	5.50
IFIN	-	186.00	-	-	186.00
ITUAL	-	422.91	-	-	422.91
OTHERS	-	249.30	63.46	-	312.76
	5.50	858.21	63.46	-	927.17
Current Maturities of Long-term debt					
ILFS	41.29	-	-	-	41.29
	41.29	-	-	-	41.29
Equity share Capital					
ILFS	1,714.50	-	-	-	1,714.50
IFIN	32.00	-	-	-	32.00
	1,746.50	-	-	-	1,746.50
Inter-corporate deposits					
IFIN	-	222.83	-	-	222.83
OTHERS	-	21.21	-	-	21.21
	-	244.04	-	-	244.04
Interest accrued but not due on borrowings					
ILFS	9.56	-	-	-	9.56
IFIN	-	25.73	-	-	25.73
ITUAL	-	17.41	-	-	17.41
OTHERS	-	0.43	-	-	0.43
	9.56	43.57	-	-	53.13
Interest-accrued on loans given					
ILFS	12.01	-	-	-	12.01
SSTL	-	-	67.92	-	67.92
TRDCL	-	-	347.15	-	347.15
OTHERS	-	19.18	26.59	-	45.77
	12.01	19.18	441.66	-	472.85
Investment in Covered Warrants					
ILFS	1,943.00	-	-	-	1,943.00
	1,943.00	-	-	-	1,943.00
Long-term borrowings					
ILFS	1,258.40	-	-	-	1,258.40
ITUAL	-	603.80	-	-	603.80
	1,258.40	603.80	-	-	1,862.20
Long-Term loans and advances					
A4 CONCESSION	-	-	586.06	-	586.06
ILFS	1,123.40	-	-	-	1,123.40
IFIN	-	1,250.00	-	-	1,250.00
TRDCL	-	-	343.50	-	343.50
OTHERS	-	-	31.68	-	31.68
	1,123.40	1,250.00	961.24	-	3,334.64
Mobilisation Advance paid					
ITUAL	-	9.14	-	-	9.14
	-	9.14	-	-	9.14

Related Party Disclosures. (contd.)

(b) Current quarter balances / transactions with above mentioned related parties (mentioned in note 1 (11)(a)(i) above)

₹ in million

Particulars	Holding Company	Fellow Subsidiaries	Associates	Key Management personnel and relatives	Total
Option Premium (Net of provision)					
ILFS	79.13	-	-	-	79.13
	79.13	-	-	-	79.13
Other Current Liabilities					
ILFS	150.00	-	-	-	150.00
	150.00	-	-	-	150.00
Preference share Capital with Premium					
IFIN	-	2,000.00	-	-	2,000.00
IMICL	-	2,000.00	-	-	2,000.00
	-	4,000.00	-	-	4,000.00
Provision for redemption premium on Preference Shares					
IFIN	-	44.04	-	-	44.04
IMICL	-	44.04	-	-	44.04
	-	88.08	-	-	88.08
Rent Deposit					
Mr K Ramchand-Managing Director	-	-	-	1.00	1.00
Mr Mukund Sapre-Executive Director	-	-	-	0.50	0.50
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	0.50	0.50
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	0.50	0.50
Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	-	-	-	20.00	20.00
	-	-	-	22.50	22.50
Retention Money Payable					
ITL	-	15.48	-	-	15.48
OTHERS	-	0.29	-	-	0.29
	-	15.77	-	-	15.77
Secured Deposit - Long-term					
ITCL	-	0.01	-	-	0.01
	-	0.01	-	-	0.01
Short-term Borrowings					
IFIN	-	5,729.50	-	-	5,729.50
	-	5,729.50	-	-	5,729.50
Short-term loans and advances					
IMICL	-	155.65	-	-	155.65
SSTL	-	-	505.00	-	505.00
TRDCL	-	-	834.50	-	834.50
OTHERS	-	3.00	57.50	-	60.50
	-	158.65	1,397.00	-	1,555.65
Trade Payables					
ITUAL	-	6.26	-	-	6.26
OTHERS	-	0.03	-	-	0.03
	-	6.29	-	-	6.29
Trade Receivables					
SSTL	-	-	2,589.32	-	2,589.32
OTHERS	-	-	241.27	-	241.27
	-	-	2,830.60	-	2,830.60
Unamortised Expenses					
IFIN	-	369.77	-	-	369.77
IGFSL	-	73.48	-	-	73.48
OTHERS	-	55.89	-	-	55.89
	-	499.14	-	-	499.14

Related Party Disclosures. (contd.)

(b) Current quarter balances / transactions with above mentioned related parties (mentioned in note 1 (11)(a)(i) above)

₹ in million

Particulars	Holding Company	Fellow Subsidiaries	Associates	Key Management personnel and relatives	Total
<u>Transactions</u>					
Administrative and general expenses					
ILFS *	158.58	-	-	-	158.58
IFIN	-	45.92	-	-	45.92
OTHERS	-	59.28	0.28	-	59.56
	158.58	105.20	0.28	-	264.06
Borrowings					
ITCL	-	1,100.00	-	-	1,100.00
	-	1,100.00	-	-	1,100.00
Construction Cost					
ITL	-	48.91	-	-	48.91
ITUAL	-	79.14	-	-	79.14
	-	128.04	-	-	128.04
Finance charges					
IGFSL	-	75.20	-	-	75.20
OTHERS	-	10.73	-	-	10.73
	-	85.92	-	-	85.92
Intangible assets under development					
ITCL	-	0.55	-	-	0.55
ILFS	0.01	-	-	-	0.01
	0.01	0.55	-	-	0.56
Inter-corporate deposits - matured					
IFIN	-	393.68	-	-	393.68
OTHERS	-	10.00	-	-	10.00
	-	403.68	-	-	403.68
Inter-corporate deposits - placed					
IFIN	-	399.51	-	-	399.51
	-	399.51	-	-	399.51
Interest Income					
ILFS	32.21	-	-	-	32.21
SSTL	-	-	16.79	-	16.79
TRDCL	-	-	38.17	-	38.17
OTHERS	-	9.56	2.91	-	12.47
	32.21	9.56	57.86	-	99.63
Interest on Loans (Expense)					
ILFS	40.04	-	-	-	40.04
IFIN	-	147.82	-	-	147.82
OTHERS	-	34.33	-	-	35.67
	40.04	182.14	-	-	222.18
Lendings					
IFIN	-	3,050.00	-	-	3,050.00
OTHERS	-	33.80	242.50	-	276.30
	-	3,083.80	242.50	-	3,326.30
Operating Expenses (Other than Construction Cost)					
ILFS	12.69	-	-	-	12.69
OTHERS	-	0.29	-	-	0.29
	12.69	0.29	-	-	12.98
Other Income					
A4 CONCESSION	-	-	1.17	-	1.17
OTHERS	-	-	0.04	-	0.04
	-	-	1.22	-	1.22

Related Party Disclosures. (contd.)

(b) Current quarter balances / transactions with above mentioned related parties (mentioned in note 1 (11)(a)(i) above)

₹ in million

Particulars	Holding Company	Fellow Subsidiaries	Associates	Key Management personnel and relatives	Total
Proposed Dividend on Preference Shares					
IFIN	-	50.97	-	-	50.97
IMICL	-	50.97	-	-	50.97
	-	101.94	-	-	101.94
Proposed Dividend Paid					
IFIN	-	205.00	-	-	205.00
IMICL	-	205.00	-	-	205.00
	-	410.00	-	-	410.00
Redemption on NCD					
ILFS	90.00	-	-	-	90.00
	90.00	-	-	-	90.00
Remuneration to director / KMP					
Mr K Ramchand-Managing Director	-	-	-	9.12	9.12
Mr Mukund Sapre-Executive Director	-	-	-	4.66	4.66
Mr Krishna Ghag-Company Secretary	-	-	-	1.18	1.18
Mr George Cherian-Chief Financial Officer	-	-	-	2.46	2.46
	-	-	-	17.42	17.42
Rent Expense					
Mr K Ramchand-Managing Director	-	-	-	0.80	0.80
Mr Mukund Sapre-Executive Director	-	-	-	0.39	0.39
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	0.99	0.99
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	0.39	0.39
Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	-	-	-	0.03	0.03
	-	-	-	2.60	2.60
Repayment of Borrowings					
ILFS	1.76	-	-	-	1.76
IFIN	-	1,550.00	-	-	1,550.00
	1.76	1,550.00	-	-	1,551.76
Revenue from Operations					
SSTL	-	-	300.00	-	300.00
OTHERS	-	-	36.13	-	36.13
	-	-	336.13	-	336.13
Footnote : - * Includes Deputation cost of Rs. 13.78 million charged by Holding Company "IL&FS"					
Mr K Ramchand-Managing Director		9.12			
Mr Mukund Sapre-Executive Director		4.66			
		13.78			

IL&FS TRANSPORTATION NETWORKS LIMITED

Annexure to Note 1(11) to the unaudited interim condensed consolidated financial statements for the quarter ended June 30, 2015

Related Party Disclosures

ii) Previous Year / Quarter

(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 year 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 Renewable Energy Limited	IREL
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Airport Limited.	IAL
	IL&FS Capital Advisors Limited.	ICAL
	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 Technology Limited (since January 30, 2015)	ITL
	IL&FS Global Financial Services Pte Limited	IGFSL
	IL&FS Global Financial Services (ME) Limited	IGFSL(ME)
IL&FS Global Financial Services (HK) Limited	IGFSL(HK)	
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 (<i>since June 3, 2014</i>)	SSTL
	Gujarat Road and Infrastructure Company Limited (<i>since August 08, 2014</i>)	GRICL
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
	Zhejiang Elsamex Road Technology Co Ltd	
	Zhejiang Elsamex Road Construction Equipment Co Ltd	
Emprsas Pame sa De CV	EPSD	
Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director	
	Mr Mukund Sapre-Executive Director	
	Mr George Cherian-Chief Financial Officer	
	Mr Krishna Ghag-Company Secretary	
Relatives of KMP	Mrs Rita Ramchand (wife of Mr K Ramchand)	
	Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	
	Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	
KMP of Holding Company	Mr Ravi Parthasarathy - Director	
	Mr Hari Sankaran - Director	
	Mr Arun Saha - Director	

Related Party Disclosures. (contd.)

(d) Previous year / quarter balances / transactions with above mentioned related parties (mentioned in note 1 (11)(ii)(c) above)

₹ in million

Particulars	Holding Company	Fellow Subsidiaries	Associates	Key Management personnel and relatives	Total
Balances					
Advance towards Share Application Money (Long-term)					
GRICL	-	-	750.00	-	750.00
	-	-	750.00	-	750.00
Advances Recoverable					
ILFS	0.70	-	-	-	0.70
IAL	-	270.72	-	-	270.72
PTMCM	-	183.59	-	-	183.59
OTHERS	-	44.04	0.44	-	44.48
	0.70	498.35	0.44	-	499.49
Current Liabilities					
ILFS	58.97	-	-	-	58.97
IFIN	-	152.55	-	-	152.55
ITUAL	-	348.16	-	-	348.16
OTHERS	-	376.81	66.32	-	443.13
	58.97	877.52	66.32	-	1,002.81
Current Maturities of Long-term debt					
ILFS	43.05	-	-	-	43.05
	43.05	-	-	-	43.05
Equity share Capital					
ILFS	1,714.50	-	-	-	1,714.50
IFIN	32.00	-	-	-	32.00
	1,746.50	-	-	-	1,746.50
Inter-corporate deposits					
IFIN	-	248.21	-	-	248.21
	-	248.21	-	-	248.21
Interest accrued but not due on borrowings					
ILFS	9.88	-	-	-	9.88
IFIN	-	3.77	-	-	3.77
ITUAL	-	17.41	-	-	17.41
	9.88	21.17	-	-	31.05
Interest-accrued on loans given					
ILFS	10.97	-	-	-	10.97
SSTL	-	-	52.81	-	52.81
TRDCL	-	-	336.36	-	336.36
OTHERS	-	13.80	12.91	-	26.71
	10.97	13.80	402.08	-	426.85
Investment in Covered Warrants					
ILFS	1,943.00	-	-	-	1,943.00
	1,943.00	-	-	-	1,943.00
Long-term borrowings					
ILFS	1,267.40	-	-	-	1,267.40
ITUAL	-	570.00	-	-	570.00
	1,267.40	570.00	-	-	1,837.40
Long-Term loans and advances					
A4 CONCESSION	-	-	555.68	-	555.68
ILFS	1,123.40	-	-	-	1,123.40
TRDCL	-	-	343.50	-	343.50
OTHERS	-	-	30.04	-	30.04
	1,123.40	-	929.21	-	2,052.61
Mobilisation Advance paid					
ITUAL	-	9.14	-	-	9.14
	-	9.14	-	-	9.14
Option Premium (Net of provision)					
ILFS	79.13	-	-	-	79.13
	79.13	-	-	-	79.13

Related Party Disclosures. (contd.)

(d) Previous year / quarter balances / transactions with above mentioned related parties (mentioned in note 1 (11)(ii)(c) above)

₹ in million

Particulars	Holding Company	Fellow Subsidiaries	Associates	Key Management personnel and relatives	Total
Other Current Liabilities					
ILFS	150.00	-	-	-	150.00
	150.00	-	-	-	150.00
Preference share Capital with Premium					
IFIN	-	2,000.00	-	-	2,000.00
IMICL	-	2,000.00	-	-	2,000.00
	-	4,000.00	-	-	4,000.00
Prepaid Expenses					
IGFSL	-	75.20	-	-	75.20
	-	75.20	-	-	75.20
Provision for redemption premium on Preference Shares					
IFIN	-	37.81	-	-	37.81
IMICL	-	37.81	-	-	37.81
	-	75.62	-	-	75.62
Rent Deposit					
Mr K Ramchand-Managing Director	-	-	-	1.00	1.00
Mr Mukund Sapre-Executive Director	-	-	-	0.50	0.50
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	0.50	0.50
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	0.50	0.50
Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	-	-	-	20.00	20.00
	-	-	-	22.50	22.50
Secured Deposit - Long-term					
ITCL	-	0.01	-	-	0.01
OTHERS	-	0.00	-	-	0.00
	-	0.01	-	-	0.01
Short-term Borrowings					
IFIN	-	4,379.50	-	-	4,379.50
	-	4,379.50	-	-	4,379.50
Short-term loans and advances					
SSTL	-	-	505.00	-	505.00
TRDCL	-	-	779.50	-	779.50
WCBTRL	-	-	245.00	-	245.00
OTHERS	-	158.65	-	-	158.65
	-	158.65	1,529.50	-	1,688.15
Trade Payables					
ITUAL	-	6.04	-	-	6.04
OTHERS	-	0.03	-	-	0.03
	-	6.07	-	-	6.07
Trade Receivables					
SSTL	-	-	2,277.32	-	2,277.32
OTHERS	-	0.20	241.85	-	242.05
	-	0.20	2,519.17	-	2,519.37
Unamortised Expenses					
IFIN	-	371.27	-	-	371.27
OTHERS	-	58.80	-	-	58.80
	-	430.07	-	-	430.07

Related Party Disclosures. (contd.)

(d) Previous year / quarter balances / transactions with above mentioned related parties (mentioned in note 1 (11)(ii)(c) above)

₹ in million

Particulars	Holding Company	Fellow Subsidiaries	Associates	Key Management personnel and relatives	Total
<u>Transactions</u>					
Administrative and general expenses					
IFIN	-	39.81	-	-	39.81
ILFS *	70.47	-	-	-	70.47
ITCL	-	1.67	-	-	1.67
	70.47	41.48	-	-	111.95
Equity share Capital enhanced (with security premium)					
ILFS	3,645.00	-	-	-	3,645.00
IFIN	75.92	-	-	-	75.92
	3,720.92	-	-	-	3,720.92
Director Remuneration					
Mr K Ramchand-Managing Director	-	-	-	9.47	9.47
Mr Mukund Sapre-Executive Director	-	-	-	3.88	3.88
	-	-	-	13.34	13.34
Director Sitting Fees					
Mr Mukund Sapre	-	-	-	0.06	0.06
	-	-	-	0.06	0.06
Finance charges					
ILFS	1.18	-	-	-	1.18
ITCL	-	3.87	-	-	3.87
IUIML	-	0.36	-	-	0.36
	1.18	4.23	-	-	5.41
Intangible assets under development					
ITCL	-	0.90	-	-	0.90
	-	0.90	-	-	0.90
Inter-corporate deposits - matured					
IFIN	-	45.00	-	-	45.00
ILFS	52.97	-	-	-	52.97
	52.97	45.00	-	-	97.97
Inter-corporate deposits - placed					
IFIN	-	300.18	-	-	300.18
ILFS	31.68	-	-	-	31.68
	31.68	300.18	-	-	331.86
Interest Income					
TRDCL	-	-	32.71	-	32.71
ILFS	32.60	-	-	-	32.60
OTHERS	-	2.64	5.18	-	7.82
	32.60	2.64	37.89	-	73.13
Interest on Loans (Expense)					
IFIN	-	80.37	-	-	80.37
ILFS	63.37	-	-	-	63.37
ITUAL	-	10.88	-	-	10.88
	63.37	91.25	-	-	154.62
Investment made / purchased					
SSTL	-	-	0.34	-	0.34
	-	-	0.34	-	0.34
Lendings					
SSTL	-	-	12.50	-	12.50
TRDCL	-	-	75.00	-	75.00
	-	-	87.50	-	87.50
Mobilisation Advance recovered					
ITUAL	-	19.79	-	-	19.79
	-	19.79	-	-	19.79
Operating Expenses (Other than Construction Cost)					
ITUAL	-	189.60	-	-	189.60
ILFS	11.89	-	-	-	11.89
OTHERS	-	1.11	-	-	1.11
	11.89	190.71	-	-	202.60

Related Party Disclosures. (contd.)

(d) Previous year / quarter balances / transactions with above mentioned related parties (mentioned in note 1 (11)(ii)(c) above)

₹ in million

Particulars	Holding Company	Fellow Subsidiaries	Associates	Key Management personnel and relatives	Total
Other Income					
A4 CONCESSION	-	-	30.96	-	30.96
ILFS	0.26	-	-	-	0.26
OTHERS	-	2.22	0.06	-	2.28
	0.26	2.22	31.01	-	33.49
Proposed Dividend on Preference Shares					
IFIN	-	51.11	-	-	51.11
IMICL	-	51.11	-	-	51.11
	-	102.22	-	-	102.22
Proposed Dividend Paid					
IFIN	-	105.03	-	-	105.03
IMICL	-	105.03	-	-	105.03
	-	210.05	-	-	210.05
Redemption on NCD					
ILFS	9.00	-	-	-	9.00
	9.00	-	-	-	9.00
Rent Expense					
Mr K Ramchand-Managing Director	-	-	-	0.87	0.87
Mr Mukund Sapre-Executive Director	-	-	-	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
Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	-	-	-	0.03	0.03
	-	-	-	2.03	2.03
Rental Income					
IETS	-	1.51	-	-	1.51
	-	1.51	-	-	1.51
Repayment of Borrowings					
IFIN	-	1,200.00	-	-	1,200.00
ILFS	1.76	-	-	-	1.76
	1.76	1,200.00	-	-	1,201.76
Revenue from Operations					
TRDCL	-	-	9.98	-	9.98
	-	-	9.98	-	9.98
Footnote : - * Includes Deputation cost of Rs. 13.35 million charged by Holding Company "IL&FS"					
Mr K Ramchand-Managing Director		9.47			
Mr Mukund Sapre-Executive Director		3.88			
		13.35			