IL&FS | Transportation

IL&FS Transportation Networks Limited

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INDIA

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CIN L45203MH2000PLC129790

December 7, 2020

General Manager	**Vice President**
Listing Department	Listing Department
BSE Limited,	National Stock Exchange of India Limited
P.J. Tower, Dalal Street,	'Exchange Plaza', Bandra Kurla Complex,
Mumbai 400 001	Bandra (East), Mumbai - 400 051
Scrip Code No: 533177	**Scrip Code No: IL&FSTRANS EQ**

Dear Sir/Madam,

Sub : Outcome of Board Meeting held on Monday, December 7, 2020

Pursuant to the Regulation 30, 33 and 52 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we wish to inform you that the Board of Directors at its meeting held today i.e. **Monday, December 7, 2020** had inter-alia considered and approved the following:

1) Audited Standalone Financial Results for the year ended March 31, 2020, as recommended by the Audit Committee along with the disclosures prescribed in terms of Regulations 52, 54(2) and 55 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

2) Audit Report with modified opinion issued by SRBC & Co. LLP, Statutory Auditors on the Audited Standalone Financial Results for the year ended March 31, 2020.

3) Statement on Impact of Audit Qualifications in respect of Audit Report with modified opinion for the Financial Year ended March 31, 2020.

4) Convening of 20th Annual General Meeting of the Company on Thursday, December 31, 2020 at 3:00 p.m.

5) Closure of Register of Beneficial Owners, Register of Members and Share Transfer Books from Friday, December 25, 2020 to Thursday, December 31, 2020 (both days inclusive) for the purpose of the 20th Annual General Meeting, pursuant to Regulation 42 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The meeting concluded at 5:00 p.m.

Thanking you,

Yours faithfully,
For IL&FS Transportation Networks Limited

Krishna Ghag
Digitally signed by Krishna Ghag
Date: 2020.12.07 19:13:26 +05'30'

Krishna Ghag
Vice President &
Company Secretary

Encl: As Above

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

Independent Auditor's Report on the Standalone Ind AS Financial Results of the Company Pursuant to the Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
IL&FS Transportation Networks Limited,

Report on the audit of the Standalone Ind AS Financial Results

Disclaimer of Opinion

1. We were engaged to audit the accompanying statement of standalone Ind AS financial results of IL&FS Transportation Networks Limited (the 'Company') for the year ended March 31, 2020 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulation') read with SEBI Circular No. CIR/CFD/CMD1/80/2019 dated July 19, 2019 (the 'Circular'). This Statement has been compiled on the basis of the related standalone Ind AS financial statements for the year ended March 31, 2020, and the relevant requirements of the Regulation and the Circular, which are the responsibility of the Company's management and have been approved by the Board of Directors of the Company, on which we have issued a disclaimer of opinion.

2. Our responsibility was to conduct an audit of the statement in accordance with Standards on Auditing and issue an auditor's report. However, because of the significance of the matters described in paragraph 3 under the Basis for Disclaimer of Opinion section and the Material Uncertainty Related to Going Concern section below, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an opinion as to whether the Statement:

   i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
   ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive loss and other financial information of the Company for the year ended March 31, 2020.

Basis for Disclaimer of Opinion

3. The matters in Paragraphs 3.1 to 3.16 below should be read with Note 3 and Note 4 to the Statement which discusses certain key events of the year including reconstitution of the board of directors of the Company effective October 1, 2018 and Note 4 to the Statement regarding the resolution process followed by the board of directors in relation to the Company's operations, as well as the relevant notes referred to herein below.

   3.1 (a) As mentioned in Note 5 to the Statement, on January 1, 2019, the Company, its Holding Company (Infrastructure Leasing & Financial Services Limited) and its fellow subsidiary (IL&FS Financial Services Limited) received orders from the National Company Law Tribunal for the reopening and recasting of their accounts in respect of financial years 2013-14 to 2017-18, under Section 130 of the Companies Act 2013. Such process of reopening and recasting of prior years' accounts is currently in progress;

   (b) As mentioned in Note 6 to the Statement, the Board of Directors of the Holding Company have initiated a third-party forensic examination of various matters of the Company for the period April 2013 to September 2018, which is currently ongoing;

   (c) As mentioned in Note 7 to the Statement, there are ongoing investigations by various regulatory authorities on the Company including investigation in respect of borrowings obtained from the third parties having outstanding balance amounting to Rs. 1,183.40 Crores as at March 31, 2020 as fully described in Note 19 to the Statement;

(d) As mentioned in Note 8 to the Statement, management is in the process of reconciling claims received with its books of account and has recorded additional liabilities amounting to Rs. 54.47 Crores during the current year.

Consequently, the Statement does not include any possible adjustments arising from the aforesaid matters other than mentioned in paragraph 3.1 (d), including to the extent these may affect prior period comparatives presented therein.

3.2 As discussed in Note 12 and Note 13 to the Statement which explains the uncertainties involved in determining the recoverable value considered for determining provision for impairment and expected credit loss on investments, loans, trade and other receivables respectively (collectively referred to as "Receivable Balances") during the current year:

(a) The recoverable amount is subject to finalisation of the claim management process of subsidiaries and joint ventures and their audited financial statements. Further, the distribution mechanism applied for determining recoverable amount is not in accordance with distribution mechanism approved by National Company Law Appellate Tribunal ('NCLAT') vide its order dated March 12, 2020;

(b) Recoverable amount considered in case of certain Receivable Balances is based on binding financial proposals approved by the Board of Directors and are subject to requisite approvals and acceptance of the Letter of Intent by the successful bidder and the bid value has not been adjusted for any subsequent events;

(c) Recoverable amount for certain Receivable Balances is based on cash flow projections prepared by management as at March 31, 2020 except in few cases wherein it is based on fair valuation reports as at September 30, 2018 which are subject to various internal and external factors including significant assumptions / estimates / judgments. Further, as explained in Note 12, recoverable value does not consider the impact of fair valuation exercise being undertaken by the management in respect of entities proposed to be transferred to Infrastructure Investment Trust (InvIT);

(d) As further explained in Note 12 to the Statement, the recoverable amount for certain Receivable Balances does not consider the requirement of the relevant Ind AS standards due to non-availability of the necessary and/or complete information in respect thereof. Further, recoverable amount in respect of under construction projects is subject to finalisation / acceptance / disbursement of settlement amount by the respective authorities.

In view of the above uncertainties involved and absence of sufficient appropriate audit evidence to support the assumptions / estimates / judgements used in determination of recoverable amount for computing the impairment / expected credit loss, we are unable to comment on the possible effects of changes, on account of aforesaid factors, on this Statement.

3.3 As discussed in Note 18 to the Statement, the Company has recognised impairment provision on selected items of property, plant and equipment based on the fair valuation report obtained as at March 31, 2020. We are unable to obtain sufficient and appropriate evidence to verify the fair value considered for the respective assets.

3.4 As discussed in Note 20 to the Statement, the Company has valued its investment property as per Ready Reckoner rate as notified by the Maharashtra State Government and is not in accordance with relevant Ind AS.

3.5 As discussed in Note 18 to the Statement, the Company has not carried out analysis for determination of net realisable value as per Ind AS 2 'Inventories' of its Inventories. Further, no physical verification for inventories has been carried out. Consequently, the Statement does not include any possible adjustments in this regard.

3.6 As discussed in Note 11 to the Statement, the Company is in the process of reconciling the completeness and status of financial guarantees, performance guarantees, letter of awareness, letter of comfort, letter of assurance, sponsor guarantees, other arrangements and corporate guarantees extended by it to / on behalf of its group (including overseas subsidiaries) / third parties in the period prior to September 30, 2018, pending which, the Company has not recognised resultant liabilities except to the extent recognised in the current year amounting to Rs. 310.64 Crores, in the Statement. Consequently, the Statement does not include any possible adjustments in this regard.

3.7 As discussed in Note 28 (c) to the Statement, the Company had assigned Loans given to its subsidiaries and joint venture in earlier years to a Bank on a Recourse basis and derecognized the said financial asset from the balance sheet amounting to Rs. 1,000 Crores. Accordingly, financial assets and financial liabilities included in these financial statements for the current year and previous year are understated by the said amount.

3.8 As discussed in Note 29 to the Statement, a third-party forensic audit, in respect of construction costs and other operating expenses incurred in respect of various projects, is currently ongoing. Hence, we are unable to comment on any possible impact on the construction cost and other operating expenses and other consequential impact on the Statement, if any.

3.9 As discussed in Note 10 to the Statement, pending management's determination of the financial and other consequences of the litigations stated in the said note, no adjustments have been made to the Statement in this regard.

3.10 As discussed in Note 9 to the Statement, the Company is not in compliance with certain requirements / provisions of applicable laws and regulations as more fully stated in that note. Pending final determination by management of the financial and other consequences arising from such non-compliances, no adjustments have been made to the Statement.

3.11 As discussed in Note 14 to the Statement, pending completion of audit of financial statements of various subsidiaries, associates and joint ventures as at and for the year ended March 31, 2020 / December 31, 2019, and/or the related completion of the inter-company balances reconciliation process, we are unable to comment on the adjustments that may be required and the consequential effects on the Statement.

3.12 We have not received audit evidence as follows:

(a) Reconciliation of differences with banks mentioned in Note 17 to the Statement aggregating Rs. 167.53 Crores which includes direct credits by bank and unreconciled differences in bank reconciliation statements including direct debits by banks aggregating Rs. 167.48 Crores, which are in the process of being reconciled by the Company;

(b) Reconciliation with vendors/ sub-contractors as mentioned in Note 27 to the Statement accounted in the previous year;

(c) Responses to our request for direct balance confirmations towards borrowings of Rs. 4,145.64 Crores, Bank balances of Rs. 97.75 Crores, certain Trade receivable balances aggregating to Rs. 149.02 Crores, certain loans and advances aggregating to Rs. 459.47 Crores and certain trade payables of Rs. 573.35 Crores and confirmation from banks / financial institutions in respect of details of securities, lien, collaterals, guarantees etc.

Accordingly, we are unable to comment on the consequential effects of the above, on the Statement.

3.13 As fully discussed in the Note 24 (a) to the Statement, during the previous year, the Company had invested Rs. 172.60 Crores in the units of Real Estate Assets Performance Fund – I, a SEBI registered Fund, measured at fair value amounting to Rs. 67.68 Crores as at March 31, 2020 (Rs. 63.73 Crores as at March 31, 2019). We have not been provided with the commercial substance and rationale of the said investment including related expenses incurred in the previous year and the audited financial statements of the said Fund as at March 31, 2020 and March 31, 2019. Hence, we are unable to comment on the fair value of the said investment and other impact on the Statement, if any.

3.14 With respect to following transactions recorded in the previous year, we are unable to obtain sufficient and appropriate evidence about the underlying commercial substance and rationale of such transactions and consequential impact on the Statement:

(a) Amounts paid during the previous year to certain related parties which are classified as loans amounting to Rs. 7.50 Crores was fully impaired during the previous year as fully described in Note 28 (b) to the Statement;

(b) Construction cost and other direct expenses verified by us on a test check basis, amounting to Rs. 52.26 Crores as fully described in Note 29 to the Statement and in respect Miscellaneous expenses amounting to Rs. 3.50 Crores as fully described in Note 30.

3.15 As fully described in the Note 5 to the Statement and further noted in paragraph 3.1 of our report stated above, following transactions/matters relating to Financial year 2017-18 will be considered by management along with the process of reopening / recasting of accounts in respect of financial years 2013-14 to 2017-18 pending which the comparative information has not been restated:

a) Sale of equity shares of Moradabad Barely Expressway Limited (MBEL) and Gujarat Road Infrastructure Company Limited (GRICL) which had resulted in gain amounting to Rs. 126 Crores in Financial year 2017-18 and subsequently during the previous year these investments were acquired by Real Estate Assets Performance Fund and the investment was made by the Company in units of the said Fund, as fully described in Note 24 (a) to the Statement;

b) Transfer of equity shares of wholly owned subsidiary Rajasthan Land Holdings Limited (RLHL) to Pario Developers Private Limited ('Pario') (which was treated as an associate) in exchange for preference shares issued by Pario which had resulted in gain amounting to Rs. 147.50 Crores in the Financial year 2017-18 as fully described in Note 24 (b) to the accompanying standalone Ind AS financial statements.

Consequently, during the year ended March 31, 2019, the matters referred in 3.15 (a) and (b) above resulted in charge on account of impairment/fair valuation of investment in units and preference shares amounting to Rs. 223.54 Crores.

3.16 As discussed in Note 33 to the Statement, the Company has not presented the financial information for the quarter ended March 31, 2020, related comparatives for the quarter ended March 31, 2019 and quarter ended 31 December 2019 as required by Regulation 33 read with the Circular.

Material Uncertainty Related to Going Concern

4. We refer to Note 15 to the Statement. The Company has incurred a loss (including other comprehensive income) of Rs. 974.57 Crores for the year ended March 31, 2020 and has net liabilities of Rs. 14,859.70 Crores as at March 31, 2020. The Company has also suffered consistent downgrades in its credit ratings since September 2018, as a result of which the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed. These conditions, along with other matters, set forth in that note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Emphasis of Matter

5. As stated in Note 16 to the Statement, the Company has not accounted for contractual interest income from its subsidiaries, associates, joint ventures and third parties of Rs.703 Crores on a gross basis and contractually payable finance costs on borrowings of Rs. 1,759 Crores, (excluding penal / other interest and charges), for the period from April 1, 2019 to March 31, 2020 (Rs. 322 Crores of contractual interest income and Rs. 745 Crores of contractually payable finance cost for the period October 16, 2018 to March 31, 2019 respectively) pursuant to an order passed by NCLAT specifying October 15, 2018 as cut-off date for initiation of resolution process. This treatment is different from the applicable accounting standards specified under section 133 of the Act. Our disclaimer of opinion on the Statement as above is not further modified in respect of the above matter.

Management's Responsibilities for the Standalone Financial Results

6. The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

   In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

   The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

7. Our responsibility is to conduct an audit of the Company's standalone Ind AS financial results in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion and Material Uncertainty Related to Going Concern sections of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying standalone Ind AS financial results.

   We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other Matter

8. The comparative financial information included in the Statement are basis the standalone Ind AS financial results for the year ended March 31, 2019 on which we have issued a disclaimer of opinion dated June 4, 2020. The matters stated in paragraphs 3.1 to 3.16 and paragraph which describes the material uncertainty relating to going concern are continuing in nature from the previous year.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number : 324982E/E300003

SURESH RAMASHANKAR YADAV

Digitally signed by SURESH RAMASHANKAR YADAV
DN: cn=SURESH RAMASHANKAR YADAV, c=IN, o=Personal, email=suresh.yadav@srb.in
Date: 2020.12.07 19:42:44 +05'30'

Per Suresh Yadav
Partner
Membership No.: 119878
UDIN: 20119878AAAAKY9918
Place: Mumbai
Date: December 7, 2020

IL&FS TRANSPORTATION NETWORKS LIMITED

Registered Office : The IL&FS Financial Centre, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
Telephone : +91 22 2653 3333 Fax : +91 22 2652 3979 Website : www.itnlindia.com CIN : L45203MH2000PLC129790

Statement of Standalone Financial Results for the year ended March 31, 2020

₹ in Crore

	Particulars	Year ended	
		March 31, 2020 (Audited)	**March 31, 2019 (Audited)**
	Income		
I	Revenue from operations (refer note 21)	99.51	179.54
II	Other income (refer note 16)	132.91	606.70
III	**Total income (I+II)**	**232.42**	**786.24**
IV	**Expenses**		
	Cost of material consumed (refer note 27 and note 29)	-	3.86
	Construction Costs (refer note 27 and note 29)	46.21	749.58
	Operating expenses (refer note 29)	99.10	218.66
	Employee benefits expense	23.71	59.96
	Finance costs (refer note 16)	16.70	1,275.55
	Depreciation and amortisation expense	19.94	20.93
	Other expenses (refer note 30)	231.73	685.83
	Total expenses (IV)	**437.39**	**3,014.37**
V	**Loss before exceptional items and tax (III-IV)**	**(204.97)**	**(2,228.13)**
VI	**Exceptional items (refer note 12, note 13 and note 34)**	**767.98**	**14,340.59**
VII	**Loss before tax (V-VI)**	**(972.95)**	**(16,568.72)**
VIII	**Tax expense :**		
	Current tax	-	-
	Deferred tax	-	431.60
	Total Tax expense (refer note 22 and note 23)	**-**	**431.60**
IX	**Loss for the year (VII-VIII)**	**(972.95)**	**(17,000.32)**
X	**Other Comprehensive Income / (Expense)**		
	Items that may be reclassified to profit or loss		
	Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	42.07
	Items that may not be reclassified to profit or loss		
	Actuarial profit / (loss) on defined benefit plan	(1.62)	2.13
	Total Other Comprehensive profit /(loss)	**(1.62)**	**44.20**
XI	**Total Comprehensive Loss for the Year (IX+X)**	**(974.57)**	**(16,956.12)**
XII	**Earnings per share (of ₹ 10/- each)**		
	(a) Basic (In ₹)	(29.58)	(516.79)
	(b) Diluted (In ₹)	(29.58)	(516.79)
XIII	Paid-up equity share capital (face value - ₹ 10 per share)	328.96	328.96
	See accompanying Notes 1 to 35 to the financial results		

Statement of Assets and Liabilities

₹ in Crore

	Particulars	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
	ASSETS		
	(1) Non-Current Assets		
	(a) Property, Plant and Equipment (refer note 18 and note 34)	76.91	128.43
	(b) Investment Property (refer note 20 and note 34)	14.26	-
	(c) Investment Property Under Development (refer note 20 and note 34)	67.02	81.36
	(d) Intangible Assets (refer note 18 and note 34)	0.07	0.16
	(e) Right of use Assets (refer note 26)	3.48	-
	(f) Financial Assets		
	(i) Investments (refer note 12, note 24 and note 34)	106.75	163.59
	(ii) Trade receivables (refer note 12 and note 34)	102.46	73.17
	(iii) Loans (refer note 12, note 28 and note 34)	706.64	2,094.85
	(iv) Other Financial Assets (refer note 12 and note 34)	47.43	20.47
	(g) Deferred Tax Assets (net) (refer note 22)	-	-
	(h) Non-Current Tax Assets (net)	477.90	514.21
	(i) Other Non-Current Assets	45.29	60.77
	Total Non-Current Assets	**1,648.21**	**3,137.01**
	(2) Current Assets		
	(a) Inventories (refer note 18)	18.49	18.49
	(b) Contract Assets (refer note 34)	7.28	4.35
	(c) Financial Assets		
	(i) Investments (refer note 12, note 24 and note 34)	67.20	6.60
	(ii)Trade Receivables (refer note 12 and note 34)	23.76	53.98
	(iii) Cash and Cash Equivalents (refer note 17)	191.25	24.43
	(iv) Bank Balances other than (iii) above (refer note 17)	108.50	128.15
	(v) Loans (refer note 12, note 28 and note 34)	-	16.23
	(vi) Other Financial Assets (refer note 12 and note 34)	0.02	20.19
	(d) Other Current Assets (refer note 34)	1.34	6.20
	(e) Assets classified as Held for sale (refer note 25)	928.11	-
	Total Current Assets	**1,345.95**	**278.62**
	Total Assets	**2,994.16**	**3,415.63**
	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity Share Capital	328.96	328.96
	(b) Other Equity	(15,188.66)	(14,213.37)
	Total Equity	**(14,859.70)**	**(13,884.41)**
	LIABILITIES		
	(1) Non-Current Liabilities		
	(a) Contract Liabilities	-	9.17
	(b) Financial Liabilities		
	(i) Borrowings	-	-
	(ii) Other Financial Liabilities (refer note 26)	2.98	-
	(c) Provisions	-	-
	(d) Other Non-Current Liabilities	-	-
	Total Non-Current Liabilities	**2.98**	**9.17**
	(2) Current Liabilities		
	(a) Contract Liabilities	4.73	9.76
	(b) Financial Liabilities		
	(i) Borrowings (refer note 8, note 16 and note 19)	1,063.78	1,062.51
	(ii) Trade Payables (refer note 8 and note 27)		
	(a) Dues of Micro Enterprises and Small enterprises	36.67	36.74
	(b) Dues of Other than Micro Enterprises and Small enterprises	1,099.23	1,011.01
	(iii) Other Financial Liabilities (refer note 26)	15,315.89	14,828.54
	(c) Other Current Liabilities	154.95	164.47
	(d) Provisions	175.63	177.84
	Total Current Liabilities	**17,850.88**	**17,290.87**
	Total Equity and Liabilities	**2,994.16**	**3,415.63**

See accompanying Notes 1 to 35 to the financial results

Audited Standalone Cash Flow Statement for the year ended March 31, 2020

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash Flow from Operating Activities		
Loss before tax and after exceptional items for the year	**(972.95)**	**(16,568.72)**
Adjustments for:		
Interest income	(100.16)	(456.98)
Loss on sale/ discard/ damaged/ scrapped of fixed assets	1.69	14.60
Foreign exchange fluctuation gain (net)	160.25	(111.69)
Loss on cancellation of swap contracts	-	19.20
Loss on sale of investments	0.09	56.75
Profit on sale of mutual funds	(4.17)	(0.25)
Depreciation and amortisation expenses	19.84	20.93
Depreciation on investment property	0.10	-
Provision for guarantee invocation for under construction projects	310.64	-
Impairment losses	457.34	14,340.59
Loss/(Gain) on Investments recognised through fair value through profit and loss	(3.95)	101.67
Finance costs	16.70	1,275.55
Dividend income on non-current investments	-	(0.02)
Rate and taxes written off	17.32	61.53
Provision for indirect tax balances and matters	-	130.96
Excess provisions written back	(2.32)	(12.20)
Operating loss before working capital changes	**(99.58)**	**(1,128.08)**
Decrease/ (Increase) in trade receivables/ contract assets (refer note (iii) note (vi),note (vii) and note B below)	(17.18)	1,361.57
Decrease in inventories	-	1.41
Decrease/ (Increase) in other financial assets & other assets (current and non-current)	6.30	51.99
Increase in financial liabilities & other liabilities (current and non-current) (refer note(iv) and note (vi) below)	54.89	886.72
Cash generated from/ (used in) Operations	**(55.57)**	**1,173.61**
Direct taxes received/ (paid) (net of refund received)	36.32	(20.25)
Net Cash generated from/ (used in) Operating Activities (A)	**(19.25)**	**1,153.36**
Cash Flow from Investing Activities		
Payments for acquiring property, plant and equipment	(0.92)	(46.80)
Payments for acquiring intangible assets	-	(0.11)
Proceeds from disposal of property, plant and equipment	1.72	0.15
Payment for investment property	(0.03)	-
Proceeds from disposal of investments in subsidiary and Joint venture	20.00	210.75
Investment in equity shares of subsidiaries (refer note (i) and note (ii) below)	(0.01)	(243.43)
Investment in units of mutual funds	(175.58)	(37.85)
Proceeds from redemption of mutual funds	119.15	31.50
Long-term loans given (refer note (i), note (ii), note (iii) and note (v) below)	-	(577.89)
Long-term loans recovered (refer note (viii) and note B below)	10.77	-
Short-term loans given and recovered (net)	-	(1,264.43)
Interest received	184.67	207.64
Dividend received	-	0.02
Fixed deposits matured/ (placed) as security against borrowings	17.68	192.52
Net Cash (used in)/ generated from Investing Activities (B)	**177.45**	**(1,527.93)**

Standalone Cash Flow Statement contd….

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash Flow from Financing Activities		
Redemption of preference shares with premium	-	(42.07)
Proceeds from long-term borrowings	-	4,172.76
Repayment of long term-borrowings (refer note (iii), note (iv) and note (v) below)	-	(2,206.97)
Proceeds from short term-borrowings (refer note (vii) below)	-	376.28
Repayment of short-term borrowings	-	(1,126.10)
Finance costs paid	-	(958.38)
Preference dividend paid	-	(49.99)
Payment towards Lease liabilities	(3.49)	-
Interest on Income Tax refund	12.47	10.77
Tax on preference dividend paid	-	(5.77)
Net Cash generated from/ (used in) Financing Activities (C)	**8.98**	**170.53**
Net (decrease)/ increase in Cash and Cash Equivalents (A+B+C)	**167.18**	**(204.05)**
Cash and cash equivalents at the beginning of the year	(146.10)	57.95
Cash and cash equivalents at the end of the year	21.08	(146.10)
Net increase / (decrease) in Cash and Cash Equivalents	**167.18**	**(204.05)**

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Components of Cash and Cash Equivalents		
Balances with Banks		
On current accounts	49.90	24.24
On deposit accounts	141.34	0.18
Cash on hand	0.01	0.01
Total	**191.25**	**24.43**
Less – Secured demand loans from banks (Cash credit)	(170.18)	(170.18)
Less – Unsecured demand loans from banks (Bank overdraft) (shown under current borrowings	-	(0.35)
Cash and cash equivalents for statement of Cash Flows	**21.08**	**(146.10)**

Note A: The impact of non-cash transactions has not been given in the above cash flow statement details of which are given in (i) to (viii) below:

i) During the previous year, the Company has invested in the equity share capital of Fagne Songarh Expressway Limited amounting to ₹ 32.75 crore by converting its loan given to the said subsidiary.

ii) During the previous year, the Company acquired shares of Srinagar Sonmarg Tollway Limited for a consideration of ₹ 5.87 crore from Soma Enterprises Limited (Soma). The said consideration was adjusted against the loan granted by the Company to Soma in earlier years.

iii) During the previous year, borrowings of ₹ 390.00 crore availed by various group companies from third parties in respect of which letter of awareness were given by the Company to IL&FS Financial Services Limited (IFIN) were assigned to the Company by adjusting loan given to the said group companies. The Company has also assigned borrowings of ₹ 420.00 crore availed from third parties to a subsidiary by adjusting loans given of ₹ 297.53 crore and trade receivable of ₹ 122.47 crore of the said subsidiary.

iv) During the previous year, trade payables to various vendors amounting to ₹ 496.05 crore were converted into borrowings.

v)During the previous year, one of the subsidiary has made the payments of ₹ 30.76 crore on behalf of the Company and other subsidiaries which has been adjusted against the loans given to said subsidiary. The payments made on behalf of other subsidiaries aggregating to ₹ 7.97 crore (included in above amount) have been treated as loans given by the Company to these subsidiaries.

vi) During the current year, two Group entities to whom Company had provided O&M services, have paid an amount of Rs. 7.36 crore directly to sub-contractors / vendors of the Company engaged for providing O&M services by the Company, towards discharge of O&M fees payable to the Company, due to the lenders of those Group entities not allowing payments to be made to the Company. Accordingly, trade receivables and trade payables have been adjusted by the said amount.

vii) During the previous year, Bank guarantees of ₹ 16.28 crore given on behalf of subsidiaries were invoked by the banks against the Company and have been shown as borrowings from the said Banks and receivables from the respective subsidiaries.

viii) During the current year, as a part of restructuring of the debt of two SPVs, WGEL and MBEL, duly approved by Hon'ble NCLAT, Interest receivable amounting to ₹ 42.33 crore (Previous year ₹ Nil) has been converted into Loans as on 1st April 2019.

Note B: As referred in note 25 certain assets have been classified as held for sale. The impact of this change in classification has not been given in the cash flow statement and such assets continue to be included in respective heads of assets for the purposes of the cash flow statement.

Notes to the financial results

(1) The above financial results of IL&FS Transportation Networks Limited ("ITNL" or "the Company") for the financial year ended March 31, 2020 has been reviewed by the Audit committee at their meeting held on December 07, 2020 and approved by the Board of Directors at their meeting held on December 07, 2020. The statutory auditor have issued their Disclaimer of opinion on these financial results.

(2) The Company's financial results have been prepared pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulation') read with SEBI Circular No. CIR/CFD/CMD1/80/2019 dated July 19, 2019 ('the Circular'). This Statement has been compiled on the basis of the related standalone Ind AS financial statements for the year ended March 31, 2020, and the relevant requirements of the Regulation and the Circular.

(3) **Significant developments at the Company, IL&FS ('holding company' or 'IL&FS') and various group companies ('the IL&FS Group')**

The Company reported defaults on its borrowing obligations during the financial year 2018-19. Further, the credit rating of the Company and its holding company was downgraded to 'D' (lowest grade) in September 2018.

Pursuant to a report filed by the Registrar of Companies, Mumbai ("ROC") under Section 208 of the Companies Act, 2013, the Government of India vide their Order dated September 30, 2018, directed that the affairs of the holding company and its specified subsidiaries including the Company be investigated by the Serious Fraud Investigation Office ("SFIO"). SFIO accordingly commenced investigation of affairs of the said companies.

The Union of India on October 1, 2018 filed a petition with the National Company Law Tribunal ("NCLT") seeking an order under section 242(2) and section 246 read with section 339 of the Companies Act, 2013 on the basis of the interim reports of the ROC and on the following grounds:

(a) The precarious and critical financial condition of the IL&FS Group and their inability to service their debt obligations had rattled the money market.
(b) On a careful consideration of the Union of India, it was of the opinion that affairs of the IL&FS Group were conducted in a manner contrary to the public interest due to its mis-governance; and
(c) The intervention of the Union of India is necessary to prevent the downfall of the IL&FS Group and the financial markets.

It was felt that the governance and management change is required to bring back the IL&FS Group from financial collapse, which may require, among other things, a change in the existing Board and management and appointment of a new management. Based on the above petition, the NCLT vide its order dated October 1, 2018 suspended the erstwhile board of the holding company and appointed the New Board of Directors (hereinafter, "New Board") proposed by the Union of India.

Pursuant to above developments, the Board of the Company and its other Committees were also reconstituted.

Further applications were made by the Union of India and others, to the NCLT and the National Company Law Appellate Tribunal ("NCLAT") on various matters. The NCLAT, on October 15, 2018, ordered a stay until further orders on the following matters:

I. The institution or continuation of suits or any other proceedings by any party or person or bank or Company against IL&FS and its group companies in any court of law/tribunal/arbitration panel or arbitration authority.

II. Any action by any party or person or bank or company etc. to foreclose, recover, enforce any security interest created over the assets of IL&FS and its group companies including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002.

III. The acceleration, premature, withdrawal, or other withdrawal, invocation of any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, guarantees, letter of support, commitment or comfort and other financial obligations availed by IL&FS and its group companies.

IV. Suspension of temporarily any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, and any financial liability taken by IL&FS and its group companies.

V. Any and all banks, financial institutions from exercising the right to set off or lien against any amount lying with any creditor against any dues whether principal or interest or otherwise against the balance lying in any the bank account and deposits whether current, savings or otherwise of IL&FS and its group companies.

The NCLAT vide Order dated March 12, 2020, approved October 15, 2018 as the date of initiation of the resolution process of IL&FS Group Companies (including the Company) and Crystallization of claims as of that date i.e. “Cut-Off Date” with No interest, additional interest, default interest, penal charges or other similar charges to accrue after the said Cut-Off Date.

(4) Resolution process being pursued by New Board for the Company

The New Board as part of the resolution process, has submitted several progress reports to the NCLT. This includes framework for a resolution plan and process, steps undertaken for monetization of assets, appointment of consultants, and classification of group entities based on their abilities to meet various financial and operational obligations, measures for cost optimization and protocol for making payments beyond certain limits.

As discussed earlier, the NCLAT vide its interim order dated October 15, 2018 had given a moratorium to IL&FS and its group entities and that no creditors can proceed against it except under article 226 of the Constitution. The NCLAT vide Order dated March 12, 2020, approved the resolution plan and related processes including October 15, 2018 as the date of initiation of the resolution process of IL&FS Group Companies (including the Company) and Crystallization of claims as of that date i.e. “Cut-Off Date” with No interest, additional interest, default interest, penal charges or other similar charges to accrue after the said Cut-Off Date.

The resolution plan being pursued by the New Board seeks a fair and transparent resolution for the Company while keeping in mind larger public interest, financial stability, various stakeholders' interest, compliance with legal framework and commercial feasibility. The New Board is working towards a timely resolution of various entities which in turn mitigates the fallout on the financial markets of the country and restore investor confidence in the financial markets thereby serving larger public interest. The New Board is pursuing vertical level, SPV level and asset level resolution plan. The assessment of the New Board, based on analysis of the current position of and challenges facing the IL&FS group, is that an Asset Level Resolution Approach serves the best interest of all stakeholders to achieve final resolution. Further, the stakeholders’ interests will be protected adequately since the framework and asset sale will be subject to NCLAT / NCLT approval. The agreed resolution plan has also been made public for the knowledge of all concerned stakeholders through an affidavit filed by the Union of India before Hon’ble NCLAT.

Strategic actions taken include:

a. Appointing Legal, Transaction and Resolution Advisors.
b. Securing a moratorium order from third party actions.
c. Setting up ‘Operating Committee’ of senior executives for managing daily operations.

d. Developing solution framework for managing unprecedented group insolvency using an umbrella resolution approach.
e. Active recovery actions on external lending portfolio of the IL&FS Group.
f. Working with central and state government authorities to resolve outstanding claims.

The entities in the IL&FS group, have been classified into Indian and offshore entities. Further, the Indian IL&FS entities have been classified by an independent third party, into three categories of entities based on a 12-month cash flow based solvency test viz. "Green", "Amber" and "Red", indicating their ability to repay both financial and operating creditors, only operating creditors, or only going concern respectively.

Based on this classification of "Green", "Amber" and "Red", the New Board has put in place a payment protocol for the IL&FS group during the resolution process. The classification of the entities, the payment protocol and the resolution framework has been filed with the NCLAT and the NCLAT has directed the appointment of Justice D K Jain (Retired) to supervise the resolution process for the IL&FS group.

The Company being a holding company of transportation vertical of IL&FS having projects through various group entities, depends on its group entities to continue operating as a going concern and its resolution is dependent on the resolution of its underlying group entities. The resolution plan for its various group entities is under way and multiple modes of resolution including divestments, liquidation / winding up, set up of Trust etc. (as described further below) are being pursued. The plan of the management is to sell/exit from assets at the group entity as a going concern.

The Company is classified as a "Red" entity, indicating that it is not able to meet all obligations (financial and operational) including the payment obligations to senior secured financial creditors. Accordingly, the Company is permitted to make only those payments necessary to maintain and preserve the going concern status. Resultantly, construction activities at all ongoing projects have been suspended/ terminated post September 2018. The Company through its various SPVs has also initiated discussions with the respective Concession Authorities for foreclosure/ termination of incomplete / partially incomplete projects.

In order to maintain going concern status of the SPVs for which Operation and Maintenance (“O&M”) activities are carried out by the Company, it has continued to perform its obligations with respect to the said activities post September 2018 and O&M activities are carried out uninterrupted. However, with effect from January 01, 2019, out of total contracts for O&M activities with 15 SPVs, the Company has novated 10 O&M contracts to Elsamex Maintenance Services Limited (EMSL), a wholly owned subsidiary of the Company.

<u>Divestments initiated by New Board</u>

Pursuant to the Report on Progress and Way Forward dated October 30, 2018 (“Report”) submitted by IL&FS to the Ministry of Corporate Affairs, Government of India, which in turn was filed with the Hon’ble NCLT, a publicly solicited bid process for certain assets in the domestic roads vertical was initiated on December 18, 2018 (with public advertisements being published in the Economic Times dated December 18, 2018 and the Maharashtra Times dated December 18, 2018), and expressions of interest (“EOI”) were sought for a potential acquisition of IL&FS Group’s (including of the Company’s) equity stake(s) / interest(s) in the following assets/ businesses.

a. 7 operating annuity-based road projects in various parts of India;
b. 8 operating toll-based road projects in various parts of India;
c. 4 under construction road projects in various parts of India; and
d. 3 other assets and businesses, which includes engineering, procurement and construction business, operations and maintenance business in connection with infrastructure projects (Elsamex Maintenance Services Limited) and operation and management of a sports complex (Karyavattom Sports Facilities Limited).

In response to the above advertisement, the IL&FS Group received EOIs from 34 applicants out of which 32 applicants were considered eligible after technical evaluation as per eligibility criteria set forth in the

EOIs ("Eligible Applicants"). Subsequently, the eligible applicants were, after receipt of an executed non-disclosure undertaking, provided access to a virtual data room containing required information about these projects/ assets. The request for proposal was also subsequently issued by the IL&FS Group to the Eligible Applicants, seeking binding bids in respect of these assets.

The resolution process for the IL&FS Group is being undertaken in accordance with the *Third Progress Report – Proposed Resolution Framework for the IL&FS Group* dated December 17, 2018, the *Addendum to the Third Progress Report* dated January 15, 2019 and the *Second Addendum to the Third Progress Report* dated December 5, 2019 (collectively the "**Resolution Framework**"). The New Board has till date submitted five progress reports to the NCLT on the resolution plans and latest of which were submitted on August 9, 2019. The New Board also submitted a revised Resolution Framework for all Group Companies to Hon'ble NCLAT vide an affidavit dated January 9, 2020, an addendum to the said affidavit was filed with Hon'ble NCLAT on February 7, 2020. Hon'ble NCALT approved the resolution plan submitted by Board vide its order dated March 12, 2020.

<u>Events since April 1, 2019</u>

I. Binding bids were received on August 30, 2019 (i.e. the binding bid due date) for 10 special purpose vehicles of the Company, of which for the following 3 SPVs, the sale process is currently ongoing in accordance with the Resolution Framework:

   a. Jharkhand Infrastructure Implementation Company Limited ;
   b. Chenani Nashri Tunnelway Limited;
   c. Jorabat Shillong Expressway Limited

II. For the following 2 SPVs though the bids received were accepted initially, the divestment process could not be progressed:

   (a) PSRDCL – due to withdrawal of prospective buyer because of uncertainties including those caused due to outbreak of COVID-19 and
   (b) HREL – due to ongoing legal matters with SPV lenders, whereby it was ascertained that obtaining SPV lender consent was not possible

III. For the following 5 SPVs, the respective bids were significantly lower than the average 'fair market value', obtained by the New Board for the relevant ITNL SPV in the manner as contemplated in the Resolution Framework:

   a. Moradabad Bareilly Expressway Limited;
   b. Jharkhand Road Projects Implementation Company Limited;
   c. Baleshwar Kharagpur Expressway Limited;
   d. Road Infrastructure Development Company of Rajasthan Limited; and
   e. Sikar Bikaner Highway Limited.

IV. No binding bids were received for the following 4 SPVs:

   a. West Gujarat Expressway Limited;
   b. East Hyderabad Expressway Limited;
   c. Thiruvananthapuram Road Development Company Limited;
   d. Barwa Adda Expressway Limited.

No bids were received for engineering, procurement and construction business of ITNL and operations and maintenance business carried out by Elsamex Maintenance Services Ltd.

For the 11 SPVs (mentioned in paragraph II,III and IV above), after careful evaluation of alternate resolution options, the New Board has given its approval to establish an infrastructure investment trust ("**InvIT**") under the Securities and Exchange Board of India (Infrastructure and Investment Trusts) Regulation 2014 (**InvIT Regulations**). The proposal envisages establishment of an InvIT for acquiring the equity and other receivables held by the Company in the relevant SPVs in consideration of units to be issued by the InvIT. The units so received by the Company will form part of the asset pool which will be distributed to the creditors of the Company in accordance with the approved resolution Framework.

In furtherance of the same, the following steps have been undertaken:

(i) the Company has incorporated a wholly owned subsidiary i.e. Roadstar Infra Pvt. Ltd to act as the Sponsor to the proposed InvIT; and post receipt of all requisite approvals, infused a sum of ₹ 75 crore towards equity capital of the Sponsor;
(ii) The Company (along with ITNL Road Investment Trust (IRIT) whose sole beneficiary is the Company) has transferred its shareholding in North Karnataka Expressway Ltd (NKEL) to the Sponsor at the Fair market Value in exchange of shares issued by the Sponsor;
(iii) The steps (ii) and (iii) have concluded to enable the Sponsor to meet the minimum net worth criteria as required under the InvIT Regulations;
(iv) In-principal approval for registration of the InvIT has been received from SEBI;
(v) NKEL has been appointed as Investment Manager and EMSL (a 100% subsidiary of the Company) has been appointed as Project Manager to the InvIT;
(vi) Application for seeking final registration of the InvIT with Securities and Exchange Board of India has been made and is presently being pursued;
(vii) Approval has been sought from the lenders of the Company for the structure of the proposed InvIT and the transfer of shareholding and receivables held by the Company to the InvIT in exchange of units to be issued by the InvIT.

The InvIT is proposed to be set up in 2 phases. Phase 1 will consist of 7 SPVs and Phase II additional 4 SPVs. Company expects to complete the setup of the InvIT and transfer the SPVs to the said InvIT along with its receivables from these SPVs by March 31, 2021. Additionally, the Company also expects to complete the process of divestment of the 3 SPVs by March 31, 2021 where the sale process is on-going.

Further, the binding bid was received for Karyavattom Sports Facilities Limited on September 30, 2019 which has been accepted by the IL&FS Board on June 12, 2020 and the sale process for the same is underway.

The underlying assets relating to these 15 SPV's have been accordingly been classified as "Non-Current Assets Held for Sale" in these financial results.

Hon'ble NCLAT vide its judgement dated March 12, 2020, has approved the revised Resolution Framework submitted by New Board along with its amendments and also directed IL&FS and the Union of India to conclude the resolution process for all IL&FS Group entities preferably within 90 days. Subsequently, vide its order dated March 30, 2020, the NCLAT clarified that lock down/shut down period as ordered by the Central Government and State Government will be excluded for the calculation of aforementioned 90 days.

The impact of the approved Resolution Framework to the extent it relates to manner of distribution of the proceeds among all the obligations of the entity (Distribution Framework) has not been given in these financial results.

(5) Order of NCLT for re-opening and re-casting of financial statements

NCLT, vide order no. CP 3638/241-242/2018 dated January 1, 2019, had allowed a petition filed by the Union of India, for re-opening of the books of accounts and re-casting the financial statements under the provisions of Section 130 of the Companies Act, 2013 for the financial years from 2013-14 to 2017-18 of ITNL, its holding company and its fellow subsidiary namely IL&FS Financial Services Limited ("IFIN").

The process of such re-opening and re-casting of financial statements is currently in progress and the management considering various developments as mentioned in Note 3 above, will be evaluating various business transactions in those years including mentioned in Note 24(a) and Note 24(b) and cost arising out of claim management and reconciliation process, if any, for re-casting during that exercise. Pending completion of the said exercise, the Company has not made any adjustments with respect to the consequential effect arising therefrom including their effect on (a) business transactions in those financial years (b) the balance sheet as at March 31, 2019 (comparative period end date) and the current year ended March 31, 2020 and (c) the statement of Profit and Loss for the years ended March 31, 2019 and March 31, 2020.

(6) Status of New Board of Directors initiated Forensic Examination

As a consequence of the matter described in Note 3 above and various other matters discussed in these financial results, New Board have initiated a forensic examination for the period from April 2013 to September 2018, in relation to certain companies of the Group including ITNL and has appointed an Independent third party Grant Thornton India LLP ("GT") for performing the forensic audit and to report their findings to the Board of Directors of the holding company. The Company has received one Interim report and the same was discussed in the Board meeting held on November 28, 2019. Copy of the said report has been shared with regulatory agencies. Further the forensic auditor is in the process of carrying out further examination relating to certain aspects described therein. Pending full completion of their examination, no adjustments have been recorded in these financial results for any consequential effects/ matters that may arise in this regard.

(7) Investigations by Serious Fraud Investigation Office ("SFIO") and other regulatory agencies

The Ministry of Corporate Affairs ("MCA"), Government of India, has vide its letter dated October 1, 2018 initiated investigation by SFIO against IL&FS and its group companies including ITNL under Section 212 (1) of the Companies Act, 2013. Investigation by Enforcement Directorate (ED) has also commenced post March 31, 2020. As a part of its investigation, SFIO and ED have been seeking information from the Company on an ongoing basis. The investigation is in progress and the Company is fully cooperating with the investigating agencies. The implications if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.

(8) Creditors Claim Process and reconciliation of claims received

Read with Note 4 of the financial results, the Resolution Framework submitted by the Company to the Ministry of Corporate Affairs, Government of India which, in turn, was filed with the Hon'ble NCLAT, the creditors of the Company were invited (via advertisement(s) dated May 22, 2019) to submit their claims as at October 15, 2018 with proof, on or before 5 June, 2019 (later extended till June 18, 2020) to a Claims Management Advisor ("CMA") appointed by the IL&FS Group. The amounts claimed by the financial and operational creditors are assessed for admission by the CMA.

The CMA, has submitted their report on the status of the claims received and its admission status. Claims of ₹ 21,710.61 crore (including contingent claims of ₹ 4,912.41 crore) have been filed by Financial Creditors of the Company and out of which claims of ₹ 17,713.89 crore (including contingent claims of ₹ 2,831.22 crore) have been admitted by CMA against the financial liabilities of ₹ 15,888.64 crore in the books.

Reconciliation of Financial Creditor Claims has been completed by the Company and impact given in these financial results except an amount of ₹ 3.11 crore where clarity has been sought from the Claim Management Advisor and few other identified adjustments which are yet to be carried out pending receipt of underlying documents from respective parties.

Claims of ₹ 2,930.78 crore have been filed by operational creditors of the Company, out of which claims of ₹ 1,152.84 crore have been admitted by the CMA (including amounts admitted on contingent basis of ₹ 64.07 crore) against the operating liabilities of ₹ 997.38 crore in the books till the date of these financial results. The report is subject to change based on additional information/ clarification that may be received from the creditors in due course.

Management of the Company is in the process of reviewing the claims made by third parties operational creditors with the CMA, and reconciliation of such claims with the corresponding amounts as per the Company's books of account is going on. Based on the ongoing reconciliation, the Company has recorded additional construction cost for underlying work carried out amounting to ₹ 41.42 crore, other expenses

(Rates and taxes and rental expenses) amounting to ₹ 13.67 crore and finance cost (interest payable on outstanding balances) net of provision amounting to ₹ (1.14) crore. Further, the Company has also capitalised assets amounting to ₹ 0.52 crore.

In cases where reconciliations are in progress or pending as on date of these standalone financial results, difference between admitted claims and book balance of such creditors have been disclosed as part of contingent liabilities.

(9) Non-compliance with applicable laws and regulations

As a consequence of the matter described in Note 3 above and various other matters discussed in this accompanying financial results the Company is not in compliance with provision of various applicable laws and regulations, including but not limited to the Companies Act 2013, SEBI Regulations as applicable to listed entities, Income Tax Act, 1961, Good and Services Tax Act, 2017, Foreign Exchange Management Act 1999 and Regulations of the Reserve Bank of India as applicable to the Company.

Where the management has identified any non-compliance subsequent to September 30, 2018, these have been reported or are in the process of being reported to the relevant regulator, and the Company intends to comply with the necessary requirements or further directions at the earliest.

Management is in the process of evaluating the financial and other consequences arising from such non-compliance and of making a comprehensive assessment of other non-compliances, to determine their impact/ consequences, including financial and operational impact, of such non-compliances on the Company. Pending final determination and assessment thereof, no adjustments have been made to these financial results in this regard.

(10) Assessment of various litigations, legal cases, suits, etc.

As a result of events up to September 30, 2018, as more fully described in Note 3, there have been various litigations, legal cases and suits filed against the company following the default of borrowings made by the company. The company has also received notices from debenture trustees with respect to default in payment of interest to the debenture holders. Further, the company is undergoing a resolution process (refer Note 4) under the order of the NCLT, pending which the management is in the process of making assessments and determinations as to liabilities, provisions and contingent liabilities as per Ind AS 37, *Provisions, Contingent Liabilities and Contingent Assets* or as per Ind AS 109*, Financial Instruments* as the case may be. Pending final outcome of such process, no adjustments have been made to the financial results in this regard.

(11) Accounting for guarantees and collaterals

The company has issued various financial guarantees, performance guarantees, letter of awareness, letter of comfort, sponsor guarantees and corporate guarantees in favour of or on behalf of group/ other companies including overseas subsidiaries. Based on information available with management, the total value of such financial guarantees, performance guarantees, letter of awareness, letter of comfort, sponsor guarantees to the lenders of under construction project SPVs and corporate guarantees as at March 31, 2020 is ₹ 6,319.94 crore (previous year ₹ 7,149.21 crore) . Management is in the process of reconciling the completeness and status of various such instruments issued, devolved, claimed and recorded/to be recorded in the books of account, including those guarantees in respect of which claims have been received as part of the claim management process amounting to ₹ 4,912.41 crore (previous year ₹ 4,912.41 crore), out which claims of ₹ 2,831.22 crore (previous year ₹ 2,831.22 crore) have been admitted by the CMA at contingent claims (refer Note 8). Pending such assessment, management has not accounted for any such guarantees except where necessary provision amounting to ₹ 310.64 crore has been recognised in the books and accordingly, no additional impact has been given in these financial results in terms of the requirements of Ind AS 109*, Financial Instruments or* Ind AS 37, *Provisions, Contingent Liabilities and Contingent Assets* as the case may be.

(12) Impairment of Investments, loans, trade receivables and other receivables

As a result of the various events that have taken place during the financial year 2018-19 and subsequently up to the date of the financial results, which are more fully described in Note 3 to these financial results, there is a significant uncertainty around the recoverability of the carrying amount of the investments, loans, trade and other receivables from the subsidiaries, associates, joint venture, other entities in the IL&FS Group and other third parties. The New Board has also initiated a process for divesting stakes held by the Company and other IL&FS Group entities in various subsidiaries and road projects and related businesses as described above in Note 4 to the financial results.

Accordingly, in the current year, the Company in consultation with Board, has performed an assessment to determine the recoverability of the carrying amounts of the investments, loans, trade and other receivables from its subsidiaries associates, joint venture, other entities in the IL&FS Group and other third parties (entities). The approach followed by the Company for the purpose of determining the recoverable amounts, is consistent with the approach followed by the Company during financial year 2018-19.

Category	Basis
A	Entities where Binding Financial bids have been received and approved by the Board, recoverable amount has been determined basis the financial bid received.
B	Entities where Binding Financial bids were received but not accepted by the New Board, the recoverable amount has been determined by the Company using the same discounted cash flow model and discount rate, as considered by the independent valuers engaged by the New Board during the divestment process for arriving at the Fair Market Values as at September 30, 2018 (and used for impairment assessment in the previous year), updated for the latest traffic assessments wherever available. Further, in case of two entities for which bids were approved by the Board and subsequently withdrawn by the respective bidders, the recoverable amount has been determined basis lower of the Fair Market Values as at September 30, 2018 assigned by 2 valuers' engaged by the New Board during the divestment process.
C	Entities where no Financial bids were received, the recoverable amount has been determined by the Company using the same discounted cash flow model and discount rate, as considered by the independent valuers engaged by the New Board during the divestment process for arriving at the Fair Market Values as at September 30, 2018 (and used for impairment assessment in the previous year), updated for the latest traffic assessments wherever available.
D	Entities, where projects are under construction/ incomplete/ partially incomplete and discussions are ongoing with the Concessioning Authorities for foreclosure/ termination of the Concession Agreements, recoverable amounts have been determined basis the net compensation agreed or indicated by the respective Concessioning Authority for the said foreclosure / termination. Based on the expected timing of realisation of these claims, the present value of the claim has been considered. Further, all known counter-claims and penalties have been adjusted to the recoverable amount.
E	For other entities, recoverable amount has been determined on the basis of: a. Market valuation with appropriate illiquidity discount in respect of listed entity. b. Net Asset Value based on audited/management accounts of the entities. c. For other entities classified into 'Red', 'Amber' or 'Green' entities, with 100% provisions being made for exposure to Red entities, as per the policy adopted by the Parent Company. d. Estimated realisable value based on realisable value of underlying assets. e. For certain entities based on management best estimate. f. For overseas entities, realisable value considered as ₹ Nil.

Based on the above categorisation, the Company has determined its impairment/ expected credit loss (ECL) provision as summarised below:

Current Year

₹ In crore

Category as per above	Recoverable amount available to entities as at March 31, 2020	Impairment and ECL recognised (net of reversal) for the year ended March 31, 2020	Recoverable amount of investments	Recoverable amount of trade receivables and contract assets	Recoverable amount of Loans	Recoverable amount available to Company as at March 31, 2020
1	**2**	**3**	**4**	**5**	**6**	**4 + 5 + 6 = 7**
A	5,793.67	25.00	-	29.33	509.80	539.13
B	8,463.29	204.30	-	-	338.65	338.65
C	1,446.59	92.05	-	-	58.08	58.08
D	2,994.46	20.97	-	42.69	554.36	597.05
E	180.05	82.33	39.18	44.16	161.52	244.86
Total	**18,878.06**	**424.65**	**39.18**	**116.18**	**1,622.41**	**1,777.77**

Previous Year

₹ In crore

Category as per above	Recoverable amount available to entities as at March 31, 2019	Impairment and ECL recognised for the year ended March 31, 2019	Recoverable amount of investments	Recoverable amount of trade receivables and contract assets	Recoverable amount of Loans	Recoverable amount available to Company as at March 31, 2019
1	**2**	**3**	**4**	**5**	**6**	**4 + 5 + 6 = 7**
A	8,111.70	1,783.80	-	31.04	955.17	986.21
B	6,988.13	1,654.46	-	22.39	245.76	268.15
C	2,251.66	1,958.10	-	0.79	166.83	167.62
D	2,994.56	5,016.54	-	42.69	571.18	613.87
E	269.53	3,839.66	99.86	34.59	172.13	306.58
Total	**20,615.58**	**14,252.56**	**99.86**	**131.5**	**2,111.07**	**2,342.44**

^ The recoverable amount for entities is subject to finalization of the claim management process of the respective Entity and its audited financial statements. The recoverable amount available to the Company has been computed based on distribution of recoverable amount of the Entity among all its obligations using the following distribution framework.

a. First, towards payment to secured financial creditors;
b. Second, towards unsecured creditors including Operations Creditors and statutory liabilities in proportion of their outstanding. No allocation made against provision for negative premium in the standalone financial statement of project entities;
c. Third, towards Equity.

The above distribution framework is not in accordance with the Distribution mechanism suggested by New Board and approved by NCLAT pursuant to its order dated March 12, 2020. However, the above distribution framework is considered more conservative.

The significant estimates and judgments applied in determining the recoverable amount in each of the above categories is further explained in detail below:

Category	Significant Assumptions
A	The financial proposals approved by the Board of Directors are binding in nature and are subject to approval of the Committee of Creditors, approval by a retired judge of the Supreme Court and approval of the NCLT. Post approval of the retired judge, the Company will issue a Letter of Intent to the successful bidder. Management believes that it is probable that these transactions will be consummated as intended and they closely approximate their fair value. Accordingly, the financial bids have been considered to determine the recoverable amount.
B	The New Board as part of divestment process, had appointed 2 independent valuation experts in the previous year to determine Fair Market Value (FMV) and Liquidation Value (LV) for each entity as at September 30 2018. The FMVs provided by these experts were used as basis for evaluating the financial bids received. The Company considered the lower of the FMV assigned by the valuers' for the purpose of determination of recoverable amount in the previous year. The valuers' used discounted cash flow models (DCF), discounting the future free cash flows of the entity (determined from a market participant perspective) over the tolling period / annuity period of the service concession agreement to the valuation date to arrive at the present value of the cash flows. The recoverable amount so determined is sensitive to the valuers' assessment of discount rate used as well as the expected future cash inflows / outflows and the growth rate used in case of toll projects. The valuers' had also provided Liquidation Value for each entity which is lower than the FMV. However, the same was not considered for determination of recoverable amount as the management expects that through the resolution or monetisation process, the projects would continue to operate in future (refer Note 4). In the current year the Company has determined the fair market value using the same discounted cash flow model and discount rate as considered by the independent valuers engaged by the New Board during the divestment process for arriving at the Fair Market Values as at September 30, 2018, duly updated for latest available traffic assessments basis either the traffic study reports or the management's projection of the expected traffic after considering necessary impact of COVID-19. Further, in respect of two entities for which bids were approved by the Board in the previous year and subsequently withdrawn by the bidders, the recoverable amount has been determined basis lower of the Fair Market Values as at September 30, 2018 assigned by 2 valuers' engaged by the New Board during the divestment process.
C	In respect of entities classified in this category, the New Board in the previous year as part of the divestment process, had appointed independent valuation expert to determine the Enterprise Value (EV) for these entities as at September 30, 2018. The Company had determined the recoverable amounts considering the EV so arrived at. Under this approach, discounted cash flow model (DCF) has been applied whereby the future free cash flows of the entity (determined from a market participant perspective) over the tolling period / annuity period of the service concession agreement have been discounted to the valuation date to arrive at the present value of the cash flows. The recoverable amount so determined is sensitive to the discount rate used by the experts for the discounted cash flow model as well as the expected future cash inflows / outflows and the growth rate used in case of toll projects. In the current year the Company has determined the recoverable amounts using the same discounted cash flow model and discount rate as considered by the independent valuer

Category	Significant Assumptions
	engaged by the New Board for arriving at the EV as at September 30, 2018, duly updated for latest available traffic assessments basis either the traffic study reports or the management's projection of the expected traffic after considering necessary impact of COVID-19.
D	In case of the entities classified in this category, the recoverable amounts is subject to finalisation/ acceptance and disbursement of settlement amount by the respective Concessioning Authority and have been determined basis compensation amounts agreed with/ proposed by the Authority either through claims realised / communications between the respective project SPV and Authority or minutes of the meetings / orders passed by Conciliation Committee of Independent Experts or through affidavit filed by the Authority for resolution of the project SPV. Further, the Management has estimated the timelines for realisation of the amounts, based on current progress of discussions with the respective Authorities.
E	In case of entities classified in this category, the Company does not presently have the necessary and/or complete information to support tests based on expected cash flows. Accordingly, management has applied the following methodologies to determine recoverable amount: 1. As per the market price listed on the stock exchange with 50% discount for illiquidity. 2. As per the net asset value in the audited financial statements / management certified financial statements for the year ended March 31, 2020. 3. The IL&FS Group entities have been classified into "Red", "Amber" and "Green" categories (refer Note 4) by a resolution consultant appointed by the Board of Directors based on a 12-months cash flow-based solvency test. In case of entities which are classified into "Red" category (entities which cannot meet their payment obligations towards even senior secured financial creditors, as and when such payment obligations become due), amounts recoverable for the Company has been considered ₹ Nil. 4. In case of receivable from one of the associate, fair valuation of certain underlying assets (land) is based on latest valuation report and for certain assets, the valuation report available as at March 18 has been considered. However the realizability is subject to the outcome of the resolution process as the said associate is currently part of Corporate Insolvency Resolution Process. (refer Note 4) 5. For other entities, based on management best estimate the realisable value has been considered ₹ Nil. 6. For offshore entities, recoverable amounts have been computed after estimating the recoverable amount of each offshore entity/ investment and after satisfying all the liabilities taken by these offshore entities. Since insolvency petitions have been accepted / have been filed for certain entities (Elsamex SA, IIDL and IIDMCC) their recoverable value has been considered ₹ Nil. Based on current progress, it is expected that offshore liabilities of the Group would be more than the value of offshore assets of the Group, on an aggregate analysis, and hence the recoverable amount for offshore exposures of the Company has been considered Nil. In view of facts mentioned above, management's approach to determine recoverable amount for this category of assets does not consider the requirement of the relevant Ind AS standards in its entirety.

The impairment and expected credit loss provisions made after following the assessment as explained above, is prudent and represents the economic substance of the amounts recoverable as at March 31,

2020. Further, as mentioned in Note 4, the Company proposed to transfer certain entities (included in category B and C above) to InvIT. As part of the process of transfer of these entities, management after the date of these financial results has obtained revised traffic and technical studies and the valuation reports are being updated a and accordingly the actual realisation on such transfer could be different as compared to realisation considered in the impairment analysis of current year.

Reversal of impairment/ expected credit loss:

During the current year, impairment recognised is net off impairment reversal amounting to Rs. 150.24 crore in respect of certain entities. Any reversal of impairment loss recognized in earlier years is restricted to the extent of amount realised in cash by the Company.

(13) Fair value note

The key assumptions applied in determining the fair value by applying the discounted cash flow model are as described below. These apply mainly to the entities (or Special Purpose Vehicles (SPV's)) having toll-based service concession arrangements. In case of SPV's having annuity-based service concession arrangements, the revenue (annuities) is principally driven by the service concession agreement and estimates are largely involved in the discount rate applied and Operations and Maintenance expenses to the cash flows.

I. Revenue – To determine the revenue over the period of the service concession arrangement, the Company has considered the toll traffic and the revenue estimate as per the latest available traffic study undertaken by an independent expert. Based on the traffic study an average revenue growth of 10% to 13% year on year over the tolling period has been considered. Where latest available traffic study report is not available, the management has estimated the traffic volumes over the service concession period based on the last traffic study.

II. Operating and Maintenance expenses – These are driven by the service concession arrangements and increase at average of 5% year on year basis, over the concession period. Further, the Company has considered cash outflows for major maintenance expenses over the concession period basis the agreements / past experience / requirement of the concession agreement.

III. Discount Rates - Discount rates derived by the valuers'/ experts carrying out the valuation exercise have been used. The Discount rates reflect the valuers' assessment of SPV's weighted average cost of capital (WACC) and the current market risks specific to each SPV and takes into consideration the time value of money and any specific risk premium that have not been incorporated in the cash flow estimates ranges between 10.01% to 17.33 %.

Sensitivity analysis on the above assumptions has not been disclosed as the same is not available from the valuation reports and any unexpected adverse change in future could further affect the carrying value of the investments, loans and other receivables as at March 31, 2020.

(14) Inter-company confirmations and reconciliations

The Company is in the process of performing and completing the confirmation and reconciliation of inter-company balances with various subsidiaries, associates, joint ventures and other related parties of the Company. Further, audited financial statements of certain subsidiaries, associates and joint ventures of the Company for the year ended March 31, 2020 / December 31, 2019, are not available. Pending completion of such reconciliation and confirmation, the management has not made any adjustments that may be required to these financial results.

(15) Material Uncertainty relating to Going Concern assumption used for the preparation of these financial results

The Company and the IL&FS group in general are undergoing substantial financial stress as at March 31, 2020. During the year ended March 31, 2020, the Company has incurred loss (including other comprehensive income) of ₹ 974.57 crore (previous year ₹16,956.12 crore) and it has net liabilities of ₹ 14,859.70 crore (previous year ₹ 13,884.41 crore). The credit rating of the Company was reduced to "default grade" in September 2018 subsequent to the defaults in repayment of loans taken by the company, details of which are discussed in Note 3. As a result of the foregoing, the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed.

As indicated in Note 4 , there has been a resolution process run by the New Board of IL&FS. The resolution plan seeks a transparent resolution keeping in mind larger public interest, financial stability, legality, various stakeholders' interest and commercial feasibility. The resolution plan of management is to sale entities wherever possible and maximise value for stakeholders. The Company is taking active steps to monetize its assets and is in discussions with multiple parties to sell its assets (refer Note 12). The Company is committed to taking necessary steps to meet its financial commitments to the extent possible.

IL&FS has also engaged an independent third party as resolution advisor for the Group to assess the liquidity at the Company and at various subsidiaries in India. As a result, the companies in the IL&FS group have been classified into three categories as more fully discussed and disclosed in Note 4 to these financial results. These classifications reflect the ability of the companies to pay their financial and operations creditors from their operations in normal course of business, and are subject to periodic assessment and review by the management and the New Board and with the results being submitted to the National Company Law Tribunal the last of which have been submitted on January 9, 2020. The Company has been classified as "Red" entity.

The ability of the Company to continue as a going concern is predicated upon its ability to monetize its assets, secure further funding, restructure its liabilities and resume its normal operations. In view of actions that are currently underway, the accompanying financial results have been prepared on going concern basis based on cumulative impact of certain steps taken by the New Board.

(16) Accounting for contractual interest income in respect of loans to group companies and finance cost on the borrowings

In line with the affidavit filed by the Ministry of Corporate Affairs with the Hon'ble NCLAT on May 21, 2019, the cut-off date of October 15, 2018 ("cut-off date") was proposed on account of inter alia the fact that the Hon'ble NCLAT had passed the order on October 15, 2018 which inter alia granted certain relief to the IL&FS Group and also restricted certain coercive actions by the creditors of the IL&FS group.

In terms of the Resolution framework reports, the proposal made is that all liabilities relating to the relevant IL&FS Group entity whether financial (including interest, default interest, indemnity claims and additional charges), operational debt (Including interest, indemnity or other claims) as well as statutory claims (including tax, employment and labour related claims) whether existing at or relating to a period after October 15, 2018 (the Cut-off date, as explained in the previous paragraph) should not continue accruing.

Hon'ble NCLAT vide its judgement dated March 12, 2020, has approved the revised Resolution Framework submitted by New Board along with its amendments. In the said order, Hon'ble NCLAT has also approved October 15, 2018 as the Cut Off date for initiation of resolution process of the Company.

Accordingly, basis the said order and the legal evaluation of the applicability of the cut-off date, Company has:

a) Not recognised any interest income in respect of loans advances to its group entities approximating to ₹ 703.42 crore for the current year (previous year ₹ 321.76 crore for October 16, 2018 to March 31, 2019).

b) Not recognised finance costs on its borrowings approximating to ₹ 1,759.14 crore for the current year (previous year ₹ 745.27 crore for October 16, 2018 to March 31, 2019).

The amounts above are based on contractually agreed terms and exclude penal / other interest and charges. Further, the above (a) are not applied to entities classified as "Green" category (refer Note 4), i.e. entities which are in a position to honour their respective financial and operational liabilities.

(17) Reconciliation with banks

During the current year, certain banks have debited the Company's bank accounts amounting to ₹ 12.76 crore (previous year ₹ 426.34 crore and cumulative ₹ 439.1 crore). These adjustments are not authorised by the Company and are primarily in the nature of repayment of loans obtained by the Company / group entities from the said banks and interest/ penal interest on such loans.

Further, in the previous year the same banks have credited ₹ 420.13 crore for which the Company was not aware of the basis and rationale.

Out of above, management based on reconciliation and discussions with the concerned banks have identified the following:

(a) Debit and corresponding credit on the same day for ₹ 251.62 crore by bank, being recovery made by the concerned bank by encashing the fixed deposit placed by a fellow subsidiary which had issued goodwill letter to the concerned bank for sanction of credit facilities to IL&FS Group and applied the same against the loans advanced by the Company to 5 of its group entities which were subsequently assigned to the said Bank by the Company. The Company has accounted the said transaction in its books on a net basis and the group entities have treated this as loan repaid to the said Bank and loan payable to the fellow subsidiary as at March 31, 2020.

(b) Banks have charged interest on overdraft balances amounting to ₹ 19.93 crore for period after October 15, 2018 (the cut-off date). The same has not been accounted in the books as the interest is not payable after the cut-off date pursuant to NCLAT order dated March 12, 2020.

The Company is in the process of reconciling the residual credits of ₹ 167.53 crore resulting from encashment by a Bank of Fixed Deposit of the Holding Company and corresponding debits of ₹ 167.48 crore. Pending receipt of relevant information and documentation, from the parties, consequential impacts if any are not adjusted in these financial results.

(18) Property plant and equipment and Inventories

As fully described in the Note 3 of these financial results and reasons stated thereto, all construction works at respective sites has been suspended and subsequently the Company has terminated the construction contracts. The plant and machinery at respective construction sites are not in active use and the management is in the process of determining their alternate use including disposal if any.

The Company had appointed a government approved valuer subsequent to the balance sheet date for carrying out physical verification and valuation of its property, plant and equipment. Accounting adjustments arising out of the said physical verification and the impairment (if any) in respect of individual assets based on fair value less cost of disposal method have been carried out in these financial results.

Fair value of the properties was determined by using a combination of Market approach and Cost approach on a "as is there is" basis. Accordingly, the fair value was determined based on replacement cost by market enquiry from public domain, available databank including cost inflation index to estimate reproduction cost and replacement cost.

₹ In Crore

Particulars	Date of Valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Buildings	March 31, 2020	8.02	-	8.02	-
Property, plant and Equipment (Other than Buildings)	March 31, 2020	68.89	-	-	68.89
Total		**76.91**	**-**	**8.02**	**68.89**

Significant estimates:

a. Cost to cure considered for plant and machineries not in working condition 5%
b. Cost to sell is considered in the range of 2% to 5%
c. Scrap value has been considered in the range of 2% to 10% of cost of asset wherever applicable

The physical verification and valuation of Inventory is in progress as on date of signing of this standalone financial results. Adjustments if any arising out of assessment of Net Realisable Value (NRV) would be carried out after completion of said physical verification and valuation exercise.

(19) Other significant transactions

Borrowings

The Company had obtained secured/ unsecured loans from certain third parties (including the Company's vendors) in the earlier years. The outstanding balances of such loans as at March 31, 2020 is ₹ 1,183.40 crore (March 31, 2019: ₹ 1,181.33 crore). Out of this, an amount of ₹ 581.43 crore has been assigned by two of these parties to their group companies in the current year.

The Company during those previous years had provided Letter of Awareness (LOA) to IL&FS Financial Services Limited (IFIN) in respect of money borrowed by these parties or their group companies from IFIN and the amount of such LOAs outstanding as on March 31, 2020 is ₹ 970 crore (March 31, 2019 ₹ 970 crore).

During the claim management process, some of the parties have represented that the loans given by them to the Company were from the money borrowed by them from IFIN. This matter is under investigation by various regulatory agencies and pending final outcome of the said investigation, no adjustments have been recorded in these financial results for consequential effect that may arise in this regard.

Borrowings as at March 31, 2020 include ₹ 311.91 crore (previous year ₹ 311.91 crore), being trade payable to certain vendors converted into borrowings during the previous year. The gross amount of such trade payables converted into borrowings during the previous year was ₹ 496.05 crore.

(20) Investment property / Investment property under development

Investment property consists of 49,555 sq.ft commercial property in Mumbai. The said property has been offered as a security given to one of the lenders of the Company. The investment property is held under freehold interests.

The investment property is valued at cost as per Ind AS 40 'Investment Property' ("Ind AS 40") and tested for impairment, based on triggers, if any.

Considering that the Company intends to sell the property on "as is" basis and has invited Expression of Interests for the same, the Company had valued the said investment property at Ready Recknor Rate (circle rate) setup by State Government and no detailed impairment assessment as required by Ind AS 36 'Impairment of Assets' ("Ind AS 36") has been carried out. The Company basis the said valuation, had recognised impairment loss of NIL (previous year ₹ 37.57 crore). The approach followed by the Company is consistent with that followed in the previous financial year.

(21) Revenue from contracts with customer

The revenue recognised by the Company in the current year represents construction work completed by the Company under a separate contract basis the additional work/change of scope order awarded by NHAI to its subsidiaries. The Company has completed its performance obligations under the said contracts and also realised the consideration from its subsidiaries and accordingly recognised the construction revenue amounting to ₹ 2.56 crore. Consequent to events fully described in the Note 3 of these financial results and in accordance with requirements of Ind AS 115, construction revenue was not recognised by the company in the previous year.

(22) Deferred tax

As referred in Note 4, the Company is in process of disposing off its investments and other assets and it is not probable that sufficient taxable income would be generated in future against which the unabsorbed business losses, unabsorbed depreciation and Minimum Alternate Tax credit can be get offset. Accordingly, no additional deferred tax asset has been recognised.

(23) Income Tax

The Company has not opted to exercise the option under Section 115BAA of the Income Tax Act, 1961, as introduced by the taxation laws (Amendment) Ordinance, 2019 and decided to continue with the existing rate of income tax for the purpose of deferred tax computation.

(24) Investments in subsidiaries, associates and joint ventures

a) The Company during the earlier years had sold 14.5% of equity investments in Moradabad Barely Expressway Limited (MBEL) and 10% of equity investments in Gujarat Road Infrastructure Company Limited (GRICL) for a total consideration of ₹ 164.00 crore and recognised the resulting gain amounting to ₹ 126.00 crore pursuant to a sale agreement between the Company and one of the large infrastructure player (the "Original Purchaser"). The valuation for both the entities was determined by an independent external valuer.

   Subsequently, in accordance with provisions of the said sale agreement and pursuant to a tripartite agreement entered between the Original Purchaser, the Company and a SEBI registered Fund ("New Purchaser"), during the previous year, the shares were transferred in favour of the New Purchaser and consideration was received by the Company which resulted in additional gain of ₹ 7.20 crore (net of ₹ 0.34 crore paid to the Original Purchaser pursuant to the sale agreement). The Company also invested ₹ 172.60 crore in the units of a scheme of the Fund (New Purchaser).

   As at March 31, 2020, based on valuation of the underlying investments held by the Fund determined in accordance with Note 12 and 13 of these financial results, the Company has fair valued its investments in units of the scheme of Fund amounting to ₹ 67.68 crore (previous year ₹ 63.73 crore) and recognized fair valuation gain amounting to ₹ 3.95 crore which has been disclosed in "Other Income" as fair value gain on Investments recognised through Profit and Loss.

b) The Company pursuant to an arrangement with a Pune based leading developer (""Developer"") for development of land parcels held by Rajasthan Land Holdings Limited (RLHL) ('a subsidiary of the Company) and its subsidiaries, had in earlier years, transferred its 100% equity investment in RLHL to Pario Developers Private Limited (''Pario'') a company owned by the Developer and received the consideration in the form of Preference Shares in Pario amounting to ₹ 150.00 crore, arrived on the basis the fair valuation of equity shares of RLHL as determined by an independent external valuer The Company also took 34% equity stake in Pario.

   The Developer did not comply with the applicable conditions precedent as per the SPA with the Company and transfer shares of the entity holding parcels of land to Pario and also transferred its holding in Pario to another party without prior written consent of the Company. On subsequent follow up and in response to the demand by the Company in February 2019 for redemption of the Preference Shares held by it in Pario, a remedy available to it under the SPA, the developer vide letter dated March 19, 2019 cited various reasons including recession in real estate market and group restructuring among others, for non-compliance with the conditions of the SPA and suggested to unwind the agreement and liquidate Pario.

   During the current year, one of the operational creditor of RLHL (100% subsidiary of Pario), filed CIRP application against the Company and one of its subsidiary. The application has been accepted by Hon'ble NCLAT Jaipur in September 2019 and a Resolution Professional (RP) has been appointed to oversee the operations of Company.

Pursuant to various developments mentioned in Note 3 above, issues faced by the Developer, developments at RLHL stated above and no visibility on the progress of proposal for residential and commercial complexes project, the Company during the previous year based on assessment of recoverable amounts of underlying assets of Pario had fully impaired the investments of ₹ 158.37 crore in the preference shares and ₹ 0.33 crore in Equity shares of Pario.

During the current year, the company filed a claim as Financial Creditor of RLHL which has been accepted by RP. However, on February 6, 2020 RP informed the Company that it cannot form part of the Committee of Creditors ("CoC") of RLHL, since it is a related party to RLHL under Section 5 (24) of IBC, without providing any reasons for such classification. The company communicated its disagreement to the RP and after not receiving any response or supporting documentation from the RP, the company filed an application before NCLT, Jaipur on February 24, 2020 under section 60 (5) of IBC challenging decision of RP classifying it as a related party.

On August 5, 2020 after hearing the matter on merits, Court passed an interim order directing the RP not to take further steps in terms of CIRP of RLHL. Further, the said application was heard on November 5, 2020 and the Hon'ble Bench concluded the arguments and reserved it for orders.

c) During the current year, the Company has invested in Roadstar Infra Private limited as wholly owned subsidiary to act as the Sponsor to the proposed InvIT pursuant to the resolution process of the Company specifically mentioned in Note 4.

(25) Asset held for sale

Pursuant to the resolution process of the Company specifically mentioned in Note 4 to these financial results, the Company is actively taking steps to monetize its investments and other exposures in road projects and expects to complete the process of divestment (including through InvIT) by March 31, 2021. As part of divestments, all exposures of the Company to the respective SPVs (including loans and trade receivables) will also be transferred to Bidder / InvIT and accordingly these exposures have also been considered as assets held for sale as a part of disposal group. Based on the assessment performed by the management, it is highly probable that sale process would be completed within 12 months from the balance sheet date and accordingly investments in these entities and trade and loan receivables are disclosed as assets held for sale as per Ind AS 105 "Non - Current Assets held for Sale and Discontinued Operations".

In accordance with Ind AS 105, the Company is required to measure a non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell. The Company has measured the assets held for sale at fair value as more specifically described in Note 12 of these financial results.

₹ In Crore

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Investment (refer note A)	-	-
Loans (refer note B)	900.63	-
Trade Receivable (refer note C)	27.48	-
Total	**928.11**	**-**

A. Investments **₹ in Crore**

Particulars	Face value ₹	As at March 31, 2020		As at March 31, 2019	
		Quantity	Amount	Quantity	Amount
Investments in Equity (at deemed cost) (a)					
Subsidiaries					
North Karnataka Expressway Limited	10	77,20,823	7.72	-	-
East Hyderabad Expressway Limited	10	2,16,89,400	21.69	-	-
Hazaribagh Ranchi Expressway Limited	10	13,09,86,900	175.12	-	-
Pune Sholapur Road Development Company Limited	10	16,00,00,000	362.86	-	-
West Gujarat Expressway Limited	10	1,47,99,985	10.05	-	-
Moradabad Bareilly Expressway Limited	10	18,95,19,309	189.52	-	-
Jharkhand Road Projects Implementation Company Limited	10	24,24,48,000	118.17	-	-
Jharkhand Infrastructure Implementation Company Limited *	10	7,99,99,940	80.00	-	-
Chenani Nashri Tunnelway Limited *	10	37,20,00,000	372.00	-	-
Jorabat Shillong Expressway Limited *	10	8,40,00,000	58.80	-	-
Karyavattom Sports Facilities Ltd *	10	4,31,19,940	43.12	-	-
Baleshwar Kharagpur Expressway Limited	10	17,85,90,000	178.59	-	-
Barwa Adda Expressway Limited	10	24,34,99,940	464.50	-	-
Thiruvananthapuram Road Development Company Limited	10	1,70,30,000	-	-	-
Sikar Bikaner Highway Limited	10	12,40,50,000	233.50	-	-
Investments in Covered Warrant					
In favour of Jharkhand Road Projects Implementation Company Limited	10	1,70,00,000	-	-	-
Investments in Equity Instruments (at cost) - In favour of Road Infrastructure Development Company of Rajasthan Limited	10	16,25,00,000	162.50	-	-
Investments in convertible cumulative Preference Shares (at amortised cost) (b)					
West Gujarat Expressway Limited	10	2,00,00,000	11.41	-	-
Total Investment in Assets held for sale (A)			**2,489.55**	**-**	**-**
Less: Impairment loss in the value of Investments (B)			2,489.55	-	-
Total Investment in Assets held for sale (A-B)			**-**	**-**	**-**

* under Bid (refer Note 13)

B. Loans to related parties **₹ in Crore**

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	900.63	-
Unsecured, credit impaired	2,422.40	-
Allowance for credit impaired loans	(2,422.40)	-
Sub-total (B)	**900.63**	**-**

C. Trade Receivable from related parties **₹ in Crore**

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	27.48	-
Unsecured, credit impaired	1,354.64	-
Impairment Allowance (allowance for bad and doubtful debts)	(1,354.64)	-
Sub-total (C)	**27.48**	**-**

(26) Ind AS 116 – Leases

Effective April 1, 2019 the Company has adopted Ind AS 116 – Leases, which requires any lease arrangement to be recognized in the balance sheet of the lessee as a 'right-of-use' asset with a corresponding lease liability. The Company has used the modified retrospective approach for transitioning to Ind AS 116. Accordingly depreciation has been charged on such assets as against lease rental expenses in the previous year. Similarly interest expense has been recognized on lease liabilities under finance costs. As permitted by the standard, the Company has applied this standard w.e.f. April 1, 2019 and comparatives for the previous period/year have not been restated. Under the modified retrospective method, the Company has recognised ₹ 5.54 crore as right-of-use (ROU) asset as at April 1, 2019 and a corresponding lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease. There is no material impact of transition on profit/ (loss) after tax and earnings per share for the year ended March 31, 2020 on adoption of Ind AS 116.

(27) Vendor reconciliation

As a part of ongoing vendor reconciliation exercise, the Company has recognised additional cost amounting to ₹ 1.91 crore (net) (Previous year ₹ 52.5 crore) with respect to certain vendors for work carried out in the earlier years. The Company is in the process of reconciling all its vendors and pending outcome of the said assessment, consequential impacts if any are not adjusted in the financial results.

(28) Loans given

(a) Banks have adjusted fixed deposits amounting to ₹ Nil (previous year ended March 31, 2019 ₹ 152.85 crore) pledged by the Company due to default by certain subsidiaries of their obligations. Such adjustments have been accounted for as loans given by the Company to its subsidiaries.

(b) As at March 31, 2020 the Company has loans outstanding from related parties amounting to ₹ 7.50 crore (Previous year ₹ 7.50 crore) which have been fully impaired during the previous year for which underlying agreements are not available with the Company.

(c) In respect of loans amounting to ₹ 1,000.00 crore, given by the Company to its group companies in earlier years and assigned to a Commercial Bank, the Company considering the following reasons has not recognised financial assets and corresponding financial liabilities as at March 31, 2020 (previous year as at March 31, 2019 ₹ 1,000.00 crore) in these financial results:

i. On receipt of cash, the loans were derecognized in the books of account of the Company and cash was utilized by the Company to meet its obligations.
ii. The assignment agreement signed with the Bank contains clauses that suggest that the assignment was done on a recourse basis, however the same was not mentioned in the other transaction documents (term sheets, Letter of Awareness (LOA) issued by the Company). The LOAs given by the Company to the bank, makes it clear that the Company was not providing any guarantee or taking liability in respect of the said loans.
iii. The said Commercial Bank as part of claim management process, has filed its claim against the respective group companies and not against the Company.

The above is not in accordance with requirements of Ind AS 109.

(29) Cost of Material Consumed, Construction Costs and Operating Expenses

In respect of construction expenses including other operating expenses in previous year amounting to ₹ 52.26 crore, the economic benefits achieved from that expense/ contract and process followed in selection of vendor, for which, forensic audit is in progress. As mentioned in Note 6 of the financial results, the Board of Directors of the Holding Company have initiated a forensic audit for the period April 2013 to September 2018 which inter alia includes review of:

(a) Various aspects relating to project cost estimates and awards, project execution and procurement, work certification and change orders, payment certifications etc.
(b) Examining transactions with certain vendors/ subcontractors in greater details and identifying nature of services, commercial substance, basis of selection of vendors and business rationale for identified construction cost incurred.

Pending outcome of the said ongoing examination, consequential impact if any on these financial results is not determinable.

(30) Miscellaneous Expenses

Miscellaneous expenses in previous year include ₹ 3.50 crore towards sponsorship of an event in May 2018. The expense was approved by the erstwhile Managing Director of the Company.

(31) Segment disclosure

The Company operates in a single business segment viz. Surface Transportation Business. Also it operates in a single geographic segment. In the absence of separate reportable business or geographic segments the disclosures required under the Indian Accounting Standard 108 on Operating Segment are not applicable.

(32) Impact of COVID-19 pandemic

The outbreak of coronavirus (COVID-19) pandemic, globally and in India, is causing significant disturbance and slowdown of economic activity. The Company has evaluated its March 31, 2020 financial results for subsequent events through the date of the financial results were issued. As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact the resolution plan in terms of timing of claim settlement to the SPVs, delay in asset monetisation including bid validity/extension, recoverability of assets from SPVs due to adverse impact on traffic.

These may impact the time lines for recoverability for Investments, trade receivables, loans and other receivables, however, such potential impact is unknown. Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these financial results. The Company will continue to monitor the impact of COVID-19 and any material changes to the future economic conditions.

(33) Non-presentation of results

a. Non-presentation of results for the quarter and half- year ended September 30, 2019, quarter and nine months ended December 31, 2019 and quarter ended March 31, 2020 and for the quarter and half- year ended September 30, 2018, quarter and nine months ended December 31, 2018 and quarter ended March 31, 2019

Consequent to the matter discussed in Note 3, the Company has substantially curtailed its normal business operations and is currently engaged in the various activities described more fully in that note. As a result, and further to the matter stated in Note 4 above, the Company is in the process of resolving various matters described in that note. Further, the Company has been facing capacity issues due to loss of key employees while meeting the need for servicing information requirements and providing clarifications to multiple investigating agencies, providing information to enable the ongoing asset monetization and restructuring activities and meeting 'going concern' requirements. Accordingly, the

Company had not submitted its unaudited results for the quarter ended June 30, 2019, quarter and half-year ended September 30, 2019, quarter and nine months ended December 31, 2019, audited results for the quarter ended March 31, 2020, unaudited results for the quarter and half- year ended September 30, 2018, quarter and nine months ended December 31, 2018 and audited results for the quarter ended March 31, 2019 in terms of the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulations").

b. Non-presentation of consolidated results for the year ended March 31, 2020 and March 31, 2019

The Company is in the process of preparing its audited consolidated Ind AS financial statement for the year ended March 31, 2019 and March 31, 2020. Audit of financial statements of several subsidiaries, associates and joint ventures of the Company for the year ended March 31, 2020 / December 31, 2019 is in process. Accordingly, the Company will submit its consolidated Ind AS financial results at a later date.

An application has been made to the competent authority seeking an extension of time for the Company for submitting its consolidated financial statements.

(34) Exceptional Items

₹ in Crore

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Allowance for credit impaired loans	383.84	5,682.77
(Reversal)/ Allowance for credit impaired Trade receivable	(19.90)	2,229.59
Allowance for credit impaired contract assets	-	368.51
Allowance for credit impaired Other financial assets and Impairment loss on Other assets	0.18	50.44
Impairment loss on Investments	60.71	5,971.71
Impairment loss on Property, Plant and Equipment	32.51	-
Impairment loss on Investment property	-	37.57
Provision for guarantee invocation for under construction projects	310.64	-
Total	**767.98**	**14,340.59**

(35) The figures for the year ended March 31, 2019 have been regrouped and/ or re-arranged wherever necessary to conform to the classification adopted in the year ended March 31, 2020.

For and on behalf of the Board

NAND KISHORE Digitally signed by NAND KISHORE Date: 2020.12.07 19:23:06 +05'30'

Nand Kishore
Director
(DIN: 08267502)

CHANDRA SHEKHAR RAJAN Digitally signed by CHANDRA SHEKHAR RAJAN Date: 2020.12.07 19:08:25 +05'30'

C S Rajan
Chairman
(DIN: 00126063)

MOHIT BHASIN Digitally signed by MOHIT BHASIN Date: 2020.12.07 18:54:54 +05'30'

Mohit Bhasin
Chief Financial Officer

Dilip Lalchand Bhatia Digitally signed by Dilip Lalchand Bhatia Date: 2020.12.07 18:57:13 +05'30'

Dilip Bhatia
Chief Executive Officer

Date: December 07, 2020

Place: Mumbai

IL&FS TRANSPORTATION NETWORKS LIMITED

Disclosures pursuant to Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015 (LODR) as at March 31, 2020

This disclosure is pursuant to Regulation 52(4), 52 (6), 52(7), 54(2) and 55 of LODR

₹ in crore

Sr. no.	Particulars	Details	
1	Details of credit ratings	**Non Convertible Debentures (NCDs)**	**Current ratings**
		CARE AA+(SO), CARE AA (SO) and CARE BB	CARE D
		ICRA - Provisional ICRA AA+ (SO) and ICRA BB-	ICRA D
		India Ratings - IND BB/ RWN, IND C	IND D
		Brickworks - BWR AA- (SO), BWR BB- (SO), BWR C (SO)	BWR D
		Preference Shares	
		ICRA BB-	ICRA D
2	Asset cover	66.90%	
3	Debt Equity ratio	(1.08)	
4	Previous due date for the payment of interest/ dividend for NCRCPS/ repayment of principal of NCRCPS/ NCD securities and whether the same has been paid or not	As per Annexure 1 and Annexure 2	
5	Next due date for the payment of interest/ dividend of NCRCPS /principal along with the amount of interest/ dividend of NCRCPS payable and the redemption amount	As per Annexure 2	
6	Debt Service coverage ratio *	(56.05)	
7	Interest Service coverage ratio	(56.05)	
8	Outstanding Redeemable Preference Shares (Quantity and Value)	As per Annexure 2	
9	Capital Redemption Reserve	147.25	
10	Debenture Redemption Reserve	343.31	
11	Net worth	(14,859.70)	
12	Net profit after tax	(972.95)	
13	Earnings per share	(29.58)	
14	Loss for the year	(972.95)	
15	Free Reserves	(17,824.19)	
16	Securities premium account balance (if redemption NCRCPS is to be done at a premium, such premium may be appropriated from securities premium account). Provided that disclosure on securities premium account balance may be provided only in the year in which NCRCPS are due for redemption	2,144.97	
17	Track record of the dividend payment on NCRCPS; Provided that in case the dividend has been deferred at any time, then the actual date of payment shall be disclosed	Upto May 2018 the Company was regular in payment of dividend on NCRCPS. The Company did not pay dividend due to moratorium by NCLAT order dated: October 15, 2018 after the said date.	
18	Breach of any covenants under the terms of the NCRCPS; Provided that in case a listed entity is planning a fresh issuance of shares whose end use is servicing of the NCRCPS (whether dividend or principal redemption), then the same shall be disclosed whenever the listed entity decided on such issuances	The company has defaulted on its debts to banks, financial institution and others resulting in breach of various loans covenants. The company has not assessed the financial impact of such Non - Compliance and no adjustment have been made in the accompanying financial results.	
19	The end use of the proceeds of issue of NCD and NCRCPS has been in line with the objects stated in the respective Offer Documents of the Issue		

This disclosure is pursuant to Regulation 52(4), 52 (6), 52(7), 54(2) and 55 of LODR

₹ in crore

Sr. no.	Particulars	Details
20	Security against borrowings	Investment property/ Investment property under development - ₹ 81.38 crore. Current / Non-Current assets, Investments, Loans & Advances, Financial and Other Financial Assets and receivables - ₹ 2,907.89 crore Fixed Deposit ₹ 5 crore

Notes:

1 Debt/Equity Ratio = Debt / (Equity Share Capital + Other Equity)

2 Debt Service Coverage Ratio (DSCR) = Profit before Finance costs, Tax and Depreciation / (Finance costs + Principal Repayment of long term debt during the period)

3 Interest Service Coverage Ratio (ISCR) = Profit before Finance costs, Tax and Depreciation/ Finance costs

4 As per note 3 and 16 of financial results, finance cost on borrowings for the year has been recognised only for the period up to October 15, 2018.

5 Debt = Aggregate of Long-term borrowings including Preference Share Capital, Current maturities of Long-term borrowings and Short-term borrowings and interest accrued thereon.

6 Net worth as per Listing Regulations means net worth as defined in clause (57) of section 2 of the Companies Act, 2013.

7 Free reserves represents General reserve and Retained earning.

8 Asset cover = Total assets/ Principal amount of redeemable NCDs

* Principal repayment of long term borrowing does not include the amount of default occurred during the year for the repayment of long term borrowing.

CHANDRA SHEKHAR RAJAN Digitally signed by CHANDRA SHEKHAR RAJAN Date: 2020.12.07 19:10:24 +05'30'

For and on behalf of the Board

Dilip Lalchand Bhatia Digitally signed by Dilip Lalchand Bhatia Date: 2020.12.07 18:57:32 +05'30'

C S Rajan
Chairman
(DIN: 00126063)

Dilip Bhatia
Chief Executive Officer

NAND KISHORE Digitally signed by NAND KISHORE Date: 2020.12.07 19:20:14 +05'30'

Nand Kishore
Director
(DIN: 08267502)

MOHIT BHASIN Digitally signed by MOHIT BHASIN Date: 2020.12.07 18:55:20 +05'30'

Mohit Bhasin
Chief Financial officer

Date: December 07, 2020
Place: Mumbai

IL&FS Transportation Networks Limited

Annexure 1

Details of due dates of payment of principal/ interest on Non- Convertible Debentures (NCDs) in accordance with Regulation 52 (4) (d) & (e) of the LODR as on March 31, 2020

₹ in crore

			Previous Due date for payment of		Next Due date for payment of			
					Interest		Principal	
Sr no.	Series	ISIN	Interest	Principal	Date	Amount	Date	Amount
1	Bonds I	INE975G08017	23-Jan-19	23-Jan-19	N A	N A	N A	N A
2	Bonds II - Series B	INE975G08033	18-Mar-19	18-Mar-19	N A	N A	N A	N A
3	Bonds III	INE975G08041	04-Mar-20	N A	04-Sep-20	5.80	04-Feb-24	100.00
4	Bonds IV	INE975G08058	22-Jan-20	N A	22-Jul-20	11.44	21-Jun-24	200.00
5	Bonds VI	INE975G08074	20-Nov-19	20-Nov-19	N A	N A	N A	N A
6	Bonds VII	INE975G08082	21-Jan-20	N A	21-Jul-20	14.71	21-Dec-24	250.00
7	Bonds VIII	INE975G08090	04-Feb-20	N A	04-Aug-20	14.67	03-Jan-25	250.00
8	Bonds XIII - Series A	INE975G08140	23-Mar-19	23-Mar-19	N A	N A	N A	N A
9	Bonds XIII - Series B	INE975G08157	23-Jun-19	23-Jun-19	N A	N A	N A	N A
10	Bonds XIV	INE975G08165	05-Apr-19	05-Apr-19	N A	N A	N A	N A
11	Bonds XV	INE975G08173	30-Jan-20	N A	30-Jul-20	9.23	30-Jul-20	66.00
12	Bonds XVI	INE975G08199	10-Feb-20	N A	10-Aug-20	9.46	09-Aug-24	32.00
13	Bonds XVII	INE975G08207	18-Feb-20	N A	18-Aug-20	4.73	16-Aug-24	16.00
14	Bonds XVIII	INE975G08215	28-Oct-19	N A	27-Apr-20	11.74	25-Oct-24	40.00
15	Bonds XIX - Series A	INE975G08223	31-Mar-20	N A	30-Jun-20	6.86	15-Apr-22	300.00
16	Bonds XIX - Series B	INE975G08231	31-Mar-20	N A	30-Jun-20	10.44	28-Jun-24	37.50
17	Bonds XX - Option I	INE975G08249	30-Jan-20	N A	30-Apr-20	0.75	28-Oct-22	32.50
18	Bonds XX - Option II	INE975G08256	30-Jan-20	N A	30-Apr-20	2.75	30-Jan-23	5.90
19	Bonds XXI - Series I	INE975G08264	28-Feb-20	N A	01-Jun-20	2.36	28-Feb-23	5.00
20	Bonds XXI - Series II	INE975G07019	28-Feb-20	N A	01-Jun-20	2.26	28-Feb-23	5.00
21	Bonds XXII - Series I	INE975G08272	16-Mar-20	N A	15-Jun-20	1.17	15-Dec-22	50.00
22	Bonds XXII - Series II	INE975G07027	16-Mar-20	N A	15-Jun-20	2.24	15-Mar-23	4.95
23	Bonds XXIII a	INE975G07035	03-Feb-20	N A	04-May-20	2.24	02-Feb-23	100.00
24	Bonds XXIII b	INE975G07043	03-Feb-20	N A	04-May-20	2.24	03-Feb-23	100.00
25	Bonds XXIV - Series I	INE975G07050	30-Mar-20	N A	29-Jun-20	1.72	28-Mar-23	75.00
26	Bonds XXIV - Series II	INE975G07068	30-Mar-20	N A	29-Jun-20	2.30	28-Jun-23	12.50
27	Bonds XXIV - Series III	INE975G07076	30-Mar-20	N A	30-Jun-20	3.24	30-Jun-23	7.00
28	Bonds XXV - Option I	INE975G08280	27-Jan-20	N A	27-Apr-20	0.24	27-Apr-23	10.00
29	Bonds XXV - Option II	INE975G08298	27-Jan-20	N A	27-Apr-20	0.35	27-Jul-23	1.88
30	Bonds XXV - Option III	INE975G08306	27-Jan-20	N A	27-Apr-20	1.76	27-Jul-23	3.75
31	Bonds XXVI - Series I	INE975G07084	25-Feb-20	N A	25-May-20	0.54	25-Aug-23	3.00
32	Bonds XXVI - Series II	INE975G07092	25-Feb-20	N A	25-May-20	1.70	25-Aug-23	3.75

NCDs Redeemed during the year April 1, 2019 to March 31, 2020

No NCDs has been redeemed during the current year

NCDs Redeemable but defaulted during the year April 1, 2019 to March 31, 2020

₹ in crore

			Previous Due date for payment of		Next Due date for payment of			
					Interest		Principal	
Sr no.	Series	ISIN	Interest	Principal	Date	Amount	Date	Amount
1	Bonds XIV	INE975G08165	05-Apr-19	05-Apr-19	N A	N A	N A	N A
2	Bonds XIII - Series B	INE975G08157	23-Jun-19	23-Jun-19	N A	N A	N A	N A
3	Bonds VI	INE975G08074	20-Nov-19	20-Nov-19	N A	N A	N A	N A

IL&FS Transportation Networks Limited

Annexure 2

Details of Non Convertible Redeemable Cumulative Preference Shares (NCRPS) as on March 31, 2020

Details of Payment of NCRCPS and dividend on NCRCPS in accordance with Regulation 52 (4) (d), (e) & (h) of the LODR as on March 31, 2020

₹ in crore

					Previous due date for payment of		Next Due date for Payment of NCRCPS			
							Dividend **		Redemption ***	
Sr No	Series	ISIN	Quantity	Principal Amount	Dividend	Principal of NCRCPS	Date	Amount	Date	Amount
1	20.50% CRPS	INE975G04016	16,00,00,000	160.00	31-05-2019	31-05-2019	31-05-2020	27.75	31-05-2020	65.01
2	10.50% ITNL CNCRPS 2018	INE975G04024	1,92,00,000	19.20	23-12-2018 *	23-12-2018 *	N.A	N.A	N.A.	N.A.
3	11% ITNL CNCRPS 2021	INE975G04040	5,00,00,000	50.00	31-05-2019	N.A.	31-05-2020	11.16	17-01-2021	100.00

* Pursuant to various developments mentioned in note 3 and note 4 of the financial results, the Company has not paid dividend of ₹ 7.13 crore and redemption amount of ₹ 38.40 crore in FY 2018-19.

** Pursuant to various developments mentioned in note 3, note 4 and note 16 of the financial results, the Company has not accrued preference dividend of ₹ 38.91 crore.

***Redemption amount includes principal, securities premium and redemption premium.

IL&FS Transportation Networks Limited

Statement on Impact of Audit Qualifications for the financial year ended March 31, 2020 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016:

I	Sr. no.	Particulars	Audited figures (as reported before adjusting for qualifications) ₹ in crore	Audited figures (as reported after adjusting for qualifications) ₹ in crore
	1	Turnover/ Total Income	232.42	Not determinable
	2	Total expenditure	1,205.37	
	3	Net Loss	(972.95)	
	4	Earnings per share	(29.58)	
	5	Total Assets	2,994.16	
	6	Total Liabilities	17,853.86	
	7	Net worth	(14,859.70)	
	8	Any other financial item(s) (as felt appropriate by the management)	None	

II. Audit qualifications (each qualification separately)

Sr. no.	Particulars	Remark
1	Details of qualifications	As mentioned in Note 5 to the accompanying financial results, on January 1, 2019, the Company, its Holding Company (Infrastructure Leasing & Financial Services Limited) and its fellow subsidiary (IL&FS Financial Services Limited) received orders from the National Company Law Tribunal for the reopening and recasting of their accounts in respect of financial years 2013-14 to 2017-18, under Section 130 of the Companies Act 2013. Such process of reopening and recasting of prior years' accounts is currently in progress. As mentioned in Note 6 to the accompanying financial results, the Board of Directors of the Holding Company have initiated a third-party forensic examination of various matters of the Company for the period April 2013 to September 2018, which is currently ongoing. As mentioned in Note 7 to the accompanying financial results, there are ongoing investigations by various regulatory authorities on the Company including investigation in respect of borrowings obtained from the third parties having outstanding balance amounting to Rs. 1,183.40 Crores as at March 31, 2020 as fully described in Note 19 to the accompanying financial results. As mentioned in Note 8 to the accompanying financial results, management is in the process of reconciling claims received with its books of account and has recorded additional liabilities amounting to Rs. 54.47 Crores during the current year.

Sr. no.	Particulars	Remark
		Consequently, the accompanying financial results does not include any possible adjustments arising from the aforesaid matters other than mentioned above, including to the extent these may affect prior period comparatives presented therein.
		As mentioned in Note 12 and Note 13 to the accompanying financial results which explains the uncertainties involved in determining the recoverable value considered for determining provision for impairment and expected credit loss on investments, loans, trade and other receivables respectively (collectively referred to as "Receivable Balances") during the current year: a) The recoverable amount is subject to finalisation of the claim management process of subsidiaries and joint ventures and their audited financial statements. Further, the distribution mechanism applied for determining recoverable amount is not in accordance with distribution mechanism approved by National Company Law Appellate Tribunal ('NCLAT') vide its order dated March 12, 2020; b) Recoverable amount considered in case of certain Receivable Balances is based on binding financial proposals approved by the Board of Directors and are subject to requisite approvals and acceptance of the Letter of Intent by the successful bidder and the bid value has not been adjusted for any subsequent events; c) Recoverable amount for certain Receivable Balances is based on cash flow projections prepared by management as at March 31, 2020 except in few cases wherein it is based on fair valuation reports as at September 30, 2018 which are subject to various internal and external factors including significant assumptions / estimates / judgments. Further, as explained in Note 12, recoverable value does not consider the impact of fair valuation exercise being undertaken by the management in respect of entities proposed to be transferred to Infrastructure Investment Trust (InvIT); d) As further explained in Note 12 to the accompanying financial results, the recoverable amount for certain Receivable Balances does not consider the requirement of the relevant Ind AS standards due to non-availability of the necessary and/or complete information in respect thereof. Further, recoverable amount in respect of under construction projects is subject to finalisation / acceptance / disbursement of settlement amount by the respective authorities. In view of the above uncertainties involved and absence of sufficient appropriate audit evidence to support the assumptions / estimates / judgements used in determination of recoverable amount for computing the impairment / expected credit loss, we are unable to comment on the

Sr. no.	Particulars	Remark
		possible effects of changes, on account of aforesaid factors, on these financial results.
		As mentioned in Note 18 of the accompanying financial results, the Company has recognised impairment provision on selected items of property, plant and equipment based on the fair valuation report obtained as at March 31, 2020. We are unable to obtain sufficient and appropriate evidence to verify the fair value considered for the respective assets.
		As mentioned in Note 20 of the accompanying financial results, the Company has valued its investment property as per Ready Reckoner rate as notified by the Maharashtra State Government and is not in accordance with relevant Ind AS.
		As mentioned in Note 18 of the accompanying financial results, the Company has not carried out analysis for determination of net realisable value as per Ind AS 2 'Inventories' of its Inventories. Further, no physical verification for inventories has been carried out. Consequently, the accompanying financial results does not include any possible adjustments.
		As mentioned in Note 11 of the accompanying financial results, the Company is in the process of reconciling the completeness and status of financial guarantees, performance guarantees, letter of awareness, letter of comfort, letter of assurance, sponsor guarantees, other arrangements and corporate guarantees extended by it to / on behalf of its group (including overseas subsidiaries) / third parties in the period prior to September 30, 2018, pending which, the Company has not recognised resultant liabilities except to the extent recognised in the current year amounting to Rs. 310.64 Crores, in the accompanying financial results. Consequently, the accompanying financial results does not include any possible adjustments in this regard.
		As mentioned in Note 28 (c) to the accompanying financial results, the Company had assigned Loans given to its subsidiaries and joint venture in earlier years to a Bank on a Recourse basis and derecognized the said financial asset from the balance sheet amounting to Rs. 1,000 Crores. Accordingly, financial assets and financial liabilities included in these financial results for the current year and previous year are understated by the said amount.
		As mentioned in Note 29 to the accompanying financial results, a third-party forensic audit, in respect of construction costs and other operating expenses incurred in respect of various projects is currently ongoing. Hence, we are unable to comment on any possible impact on the construction costs and other operating expenses and other consequential impact on the accompanying financial results, if any.
		As mentioned in Note 10 to the accompanying financial results, pending management's determination of the financial and other consequences of the litigations stated in the said note, no adjustments have been made to the accompanying financial results in this regard.

Sr. no.	Particulars	Remark
		As mentioned in Note 9 to the accompanying financial results, the Company is not in compliance with certain requirements / provisions of applicable laws and regulations as more fully stated in that note. Pending final determination by management of the financial and other consequences arising from such non-compliances, no adjustments have been made to the accompanying financial results.
		As mentioned in Note 14 to the accompanying financial results, pending completion of audit of financial statements of various subsidiaries, associates and joint ventures as at and for the year ended March 31, 2020 / December 31, 2019, and/or the related completion of the inter-company balances reconciliation process, we are unable to comment on the adjustments that may be required and the consequential effects on the financial results.
		We have not received audit evidence as follows: a) Reconciliation of differences with banks mentioned in Note 17 to the accompanying financial results aggregating Rs. 167.53 Crores, which includes direct credits by bank and unreconciled differences in bank reconciliation statements including direct debits by banks aggregating Rs 167.48 Crores, which are in the process of being reconciled by the Company ; b) Reconciliation with vendors/ sub-contractors as mentioned in Note 27 to the accompanying financial results accounted in the previous year; c) Responses to our request for direct balance confirmations towards borrowings of Rs. 4,145.64 Crores, Bank balances of Rs. 97.75 Crores, certain Trade receivable balances aggregating to Rs. 149.02 Crores, certain loans and advances aggregating to Rs. 459.47 Crores and certain trade payables of Rs. 573.35 Crores and confirmation from banks / financial institutions in respect of details of securities, lien, collaterals, guarantees etc. Accordingly, we are unable to comment on the consequential effects of the above, on the accompanying financial results.
		As fully described in the Note 24 (a) to the accompanying financial results, during the previous year, the Company had invested Rs. 172.60 Crores in the units of Real Estate Assets Performance Fund – I, a SEBI registered Fund, measured at fair value amounting to Rs. 67.68 Crores as at March 31, 2020 (Rs. 63.73 Crores as at March 31, 2019). We have not been provided with the commercial substance and rationale of the said investment including related expenses incurred in the previous year and the audited financial statements of the said Fund as at March 31, 2020 and March 31, 2019. Hence, we are unable to comment on the fair value of the said investment and other impact on the financial results, if any.
		With respect to following transactions recorded in the previous year, we are unable to obtain sufficient and appropriate

Sr. no.	Particulars	Remark
		evidence about the underlying commercial substance and rationale of such transactions and consequential impact on the accompanying financial results: a) Amounts paid during the previous year to certain related parties which are classified as loans amounting to Rs. 7.50 Crores was fully impaired during the previous year as fully described in Note 28 (b) to the accompanying financial results and b) Construction cost and other direct expenses verified by us on a test check basis, amounting to Rs. 52.26 Crores as fully described in Note 29 to the accompanying financial results and in respect Miscellaneous expenses amounting to Rs. 3.50 Crores as fully described in Note 30.
		As fully described in the Note 5 to the accompanying financial results and further stated above, following transactions/matters relating to Financial Year 2017-18 will be considered by management along with the process of reopening / recasting of accounts in respect of financial years 2013-14 to 2017-18 pending which the comparative information has not been restated a) Sale of equity shares of Moradabad Barely Expressway Limited (MBEL) and Gujarat Road Infrastructure Company Limited (GRICL) which had resulted in gain amounting to Rs. 126 Crores in Financial year 2017-18 and subsequently during the previous year these investments were acquired by Real Estate Assets Performance Fund and the investment was made by the Company in units of the said Fund, as fully described in Note 24(a) to the accompanying financial results. b) Transfer of equity shares of wholly owned subsidiary Rajasthan Land Holdings Limited (RLHL) to Pario Developers Private Limited ('Pario') (which was treated as an associate) in exchange for preference shares issued by Pario which had resulted in gain amounting to Rs. 147.50 Crores in the Financial year 2017-18 as fully described in Note 24(b) to the accompanying financial results Consequently, during the year ended March 31, 2019, the matters referred in (a) and (b) above resulted in charge on account of impairment/fair valuation of investment in units and preference shares amounting to Rs. 223.54 Crores.
		As discussed in Note 33 to the accompanying financial results, the Company has not presented the financial information for the quarter ended March 31, 2020, related comparatives for the quarter ended March 31, 2019 and quarter ended 31 December 2019 as required by Regulation 33 read with the Circular

Sr. no.	Particulars	Remark
		Material Uncertainty Related to Going Concern We refer to Note 15 to the accompanying financial results. The Company has incurred a loss (including other comprehensive income) of Rs. 974.57 Crores for the year ended March 31, 2020 and has net liabilities of Rs. 14,859.70 Crores as at March 31, 2020. The Company has also suffered consistent downgrades in its credit ratings since September 2018, as a result of which the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed. These conditions, along with other matters, set forth in that note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
2	Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Disclaimer of Opinion
3	Frequency of qualification: Whether appeared first time/ repetitive/ since how long continuing	Repetitive from previous year
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	Not applicable
5	For Audit Qualification (s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification	Not determinable
	(ii) If management is unable to estimate the impact, reasons for the same:	Not determinable
6	Auditors' Comments on (i) or (ii) above:	Our view remains unchanged considering the matters referred to in paragraph 3.1 to 3.16 in our audit report.

For S R B C & CO LLP
Chartered Accountants
(Firm's Registration No. 324982E/E300003)

SURESH RAMASHANKAR YADAV
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per Suresh Yadav
Partner
Membership No. 119878

Date: December 07, 2020
Place: Mumbai

For IL&FS Transportation Networks Limited

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C S Rajan
Chairman
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Nand Kishore
Director
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MOHIT BHASIN
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Mohit Bhasin
Chief Financial officer

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Dilip Bhatia
Chief Executive Officer

Date: December 07, 2020
Place: Mumbai