



**NATIONAL COMPANY LAW TRIBUNAL**  
**COURT ROOM NO. 1,**  
**MUMBAI BENCH**

**Item No. 32**

**CA 185/2024, CA 187/2024 IN CP/3638(MB)2018**

CORAM:

**SH. PRABHAT KUMAR      JUSTICE VIRENDRASINGH BISHT (Retd.)**  
**HON'BLE MEMBER (TECHNICAL) HON'BLE MEMBER (JUDICIAL)**

**ORDER SHEET OF THE HEARING ON 28.06.2024**

**NAME OF THE PARTIES:      UNION OF INDIA V/s INFRASTRUCTURE**  
**LEASING AND FINANCIAL SERVICES**  
**LTD. & ORS.**

**Rule 11 of NCLT, 241- 242 of the Companies Act, 2013**

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**ORDER**

**CA 185/2024-**

1. Adv. Drishti Das for the Applicant is present.
2. Ld. Counsel for the Union of India informs that the confirmation of SFIO is awaited and seeks one-week time.
3. List this matter on **15.07.2024** for further consideration.

**CA 187/2024-**

1. Adv. Drishti Das for the Applicant is present.
2. In terms of the order dated 01.01.2019 in the matter of Infrastructure Leasing and Financial Services (IL&FS), the revised financial statements of IL&FS Financial Services Limited and IL&FS Transportation Network



Limited for the Financial Year (FY) ending 31.03.2013 to FY 31.03.2018  
are sought to be placed on record. The same is taken on record.

3. In view of the aforesaid the **CA 187/2024** is **disposed of** as **allowed**.

**Sd/-**  
**PRABHAT KUMAR**  
**MEMBER (TECHNICAL)**

**Sd/-**  
**JUSTICE VIRENDRASINGH BISHT**  
**MEMBER (JUDICIAL)**

/Neeraj/

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of

IL&FS Transportation Networks Limited

### **Report on the Recast Standalone Ind AS Financial Statements**

1. We have been appointed as Statutory Auditors of IL&FS Transportation Networks Limited ('ITNL' or 'the Company') by the Company pursuant to the order of the Hon'ble National Company Law Tribunal (NCLT) dated 9<sup>th</sup> August 2019 issued under section 130 of Companies Act, 2013 ('the Act') by NCLT to carry out audit of Recast Standalone Financial Statements as recast by another firm of Chartered Accountants ('Recasting Accountants').

We also draw attention to Note 1.A.2 to 1.A.6 of the recast standalone Ind AS financial statements (hereinafter referred as 'Recast Standalone Ind AS financial statements') which describes in detail the significant developments which have resulted in reopening and recasting of the financial statements.

We have audited the accompanying Recast Standalone Financial Statements of the Company, which comprise the Recast Standalone Balance Sheet as at 31st March 2018, the Recast Standalone Statement of Profit and Loss including Other Comprehensive Income, Recast Standalone Cash Flow Statement and Recast Standalone Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information annexed thereto.

### **Management's Responsibility for the Recast Standalone Financial Statements**

2. As mentioned in Note 1.A.2 to 1.A.8 of the recast standalone financial statements, the management, the newly constituted Board of Directors of IL&FS Transportation Networks Limited appointed pursuant to National Company Law Tribunal (NCLT) order dated 1<sup>st</sup> October, 2018 and the firm of Chartered Accountant appointed for reopening and recasting the financial statements pursuant to NCLT order dated 9<sup>th</sup> August 2019, are responsible with respect to preparation of these recast standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the recast standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these Recast Standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Recast Standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Recast Standalone financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Recast Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the Recast Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the recast standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate except as stated in para 4.6 in this Report to provide a basis for our qualified audit opinion.

**Basis for Qualified Opinion**

- 4.1 Note 42 of the Recast Standalone Financial Statements which states that the investigation into the affairs of the Company is being carried out by Serious Fraud Investigation Office (SFIO) and Enforcement Directorate (ED) and the Report for the same is not yet received by the Company.
- 4.2 Note 41 of the Recast Standalone Financial Statements which states that a third-party forensic examination of various matters for the period of April 2013 to September 2018 has been completed for which two Reports has been received by the Company. The Company has considered these Reports and has forwarded the same to the regulatory agencies. In absence of any conclusive quantification made in these two reports, no financial impact has been determined by the Company.
- 4.3 Note 44 of the Recast Standalone Financial Statements indicates the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
- 4.4 Note 38 B of the Recast Standalone Financial Statements giving details of a show cause notice issued by Securities and Exchange Board of India (SEBI) on October 20, 2021 and subsequently on September 15, 2022 for alleged violation of certain provisions of the law and the accounting standards for which the Company has filed an appeal for the stay on the notice. The Securities Appellate Tribunal, on appeal filed by the Company, has granted stay via its order dated February 22, 2023, on the effect and operation of the SEBI order till further orders and this matter is listed for admission on April 20, 2023. Also, the compliance with the applicable provisions in respect of SEBI (LODR) regulations arising out of

reopening and recasting of financial statements has not been determined by the Company. Pending final determination by management of the financial and other consequences arising from such non-compliances if any, no adjustments have been made to the Recast Standalone Financial Statements.

- 4.5 Note 49 of the Recast Standalone financial statements mentions that the dividend amount of Rs. 129.20 crores, Rs. 177.55 crores and Rs. 144.65 crores paid for the years 2013-14, 2014-15 and 2015-16 respectively, in view of the losses as per the Recast Standalone Financial statements for these years, is not in compliance with Section 123 of the Act read with Companies (Declaration and Payment of Dividend) Rules, 2014.

Note 49 of the Recast Standalone financial statements also mentions that the dividend amount of Rs. 84.06 crores and Rs. 49.98 is declared for the financial year 2016-17 and 2017-18. As per the resolution passed at the Board Meeting dated May 29, 2017, the Board considered and approved the payment of Rs. 84.06 Crore as Interim Dividend for FY 2016-17, out of the profits of the Company for FY 2016-17 and as per the resolution passed at the Board Meeting dated May 29, 2018, the Board considered and approved the payment of Rs. 49.98 Crore as Interim Dividend for FY 2017-18, out of the profits of the Company for FY 2017-18. The free reserves of the Company as on March 31, 2017 and March 31, 2018 as per recast standalone financial statements is negative. In view of the provisions contained in section 130(2) of the Companies Act, 2013, the recast standalone financial statements shall be final. Accordingly, the above declaration and distribution of dividend for the year 2016-17 and 2017-18 is not in compliance with Section 123 of the Companies Act, 2013.

- 4.6 Non receipt of sufficient and appropriate audit evidence in respect of the following:
- 4.6.1 No documentary evidence was available for
- a) Expenses amounting to Rs. 21.18 crores in respect of various expenses out of the documents sought by us for the purpose of our audit.
  - b) Purchase of Fixed Assets amounting to Rs. 0.40 crores.
  - c) The agreements entered with respective subsidiary companies were not available pertaining to Construction revenue amounting to Rs. 74.36 crores out of Construction Revenue of Rs. 2,667.93 crores disclosed in Note 21
  - d) The agreements entered with the respective Vendors were not available pertaining to Construction Contract costs amounting to Rs. 29.64 crores out of the Construction Contract Costs of Rs. 2,102.45 crores disclosed in Note 23
- 4.6.2 a) No response received in respect of Balance confirmation from 12 Banks for 15 accounts with closing balances amounting to Rs. 104.30 crores.
- b) No response received in respect of Balance Confirmation from 7 parties for loans given of Rs. 95.44 crores., from 24 parties for receivables (trade receivables, mobilization advances and security deposits) of Rs. 527.37 crores and from 46 parties for payables (trade payables and retention money payable) of Rs. 1,400.15 crores out of the balance confirmation letters sent by the Company.

- 4.7 Note No. 9.2 of the Recast Standalone financial statements, which describes that in view of the reduced profit as disclosed by the Recast Standalone Statement of Profit and Loss, remuneration paid to the erstwhile Managing Director and Executive Director, aggregating to Rs. 5.61 crores. and Commission paid Rs. 0.77 crores to other Directors is in excess of the limits prescribed under Section 197 of the Act by Rs. 2.23 crores and Rs. 0.77 crores respectively. Such excess amount is disclosed as recoverable from these Directors and we are unable to comment on the probability of the recovery of the same.
- 4.8 Note 50.4 of the Recast Standalone Financial Statements which describes that based on the report submitted by an independent agency the management has adjusted the effects of the claims received, reconciled and approved upto 18<sup>th</sup> March 2022. Subsequent processing of claims and reconciliation by CMA, if any, have not been considered by the Audit Committee and the impact if any arising out of the remaining reconciliation has not been considered in the recast standalone financial statements.
- 4.9 Note 15.5 of the Recast Standalone Financial Statements which describes that Capital Redemption Reserve for Rs. 127.25 crores required to be created under section 55 of the Companies Act 2013 on redemption of Preference Share Capital during the year, has not been created.
- 4.10 Note 1.A.6 (vi) of the Recast Standalone Financial Statements which describes that the Recast Standalone Financial Statements of the Company were taken on record and authorized to be issued to the Regional Director, Ministry of Corporate Affairs, Mumbai for onward submission to the Honourable NCLT and any other regulatory authority, as may be required, by the present Board of Directors in its meeting held on March 09, 2023. Arising out of this action, the non-compliance with section 134 of the Companies Act 2013 and other sections of the Companies Act and the consequential impact of the same cannot be ascertained.
- 4.11 We are informed that the Board of Directors of the Company have decided not to issue the Directors Report as stipulated under Section 134 of the Companies Act 2013. The consequential impact of the same due to non-compliance with the relevant provisions of the Companies Act cannot be ascertained.
- 4.12 Note A.1.8 of the Recast Standalone Financial Statements, which describes that the recast financial statements have been prepared on the basis of estimates and assumptions used in the original financial statements which were, as reported in the original standalone financial statements considered as prudent and reasonable or considering estimates and assumptions that were available as on the date of the balance sheet. However, the judgements, estimates and assumptions considered for the preparation of the Recast Standalone Financial Statements have not been stated to be prudent and reasonable so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year then ended. The consequential impact of the same due to non-compliance with the relevant Accounting Standards cannot be ascertained.
5. **Opinion**  
In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph 4, which are not quantifiable, the recast standalone financial statements give the

information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31<sup>st</sup> March 2018, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**6. Emphasis of Matter**

- 6.1 We draw attention to Note 1.A.6 and 1.A.7 of the Recast Standalone Financial Statements explaining the roles and responsibility of the Company's management and recasting accountants in respect of preparation of the recast standalone financial statements as defined by the NCLT Order dated August 9, 2019, and the Engagement letter dated October 9, 2019 entered into between the Company's management and the recasting accountants. Our opinion is not qualified in respect of this matter.
- 6.2 We draw attention to note no 4.8 of the Recast Standalone Financial Statements in respect of suspension of toll collection of an associate Company pursuant to the order of the Hon'ble High Court of Allahabad and the matter is pending with Hon'ble Supreme Court of India. Our opinion is not qualified in respect of this matter.
- 6.3 We draw attention to note no 15.1 and 15.6 of the Recast Standalone Financial Statements regarding the shortfall in the amount of Debenture Redemption Reserve and Provision for redemption premium on Preference Shares respectively as at the year end due to losses for the year. Our opinion is not qualified in respect of this matter.
- 6.4 We draw attention to Note No. 20 of the Recast Standalone Financial Statements regarding the inability of the management to determine the Trade Payables as Micro and Small Enterprises since these recast financial statements have been prepared after a gap of more than 7 years from date of the original financial statements. Our opinion is not qualified in respect of this matter.
- 6.5 We draw attention to Note No.43 of the Recast Standalone Financial Statement regarding provision of Rs.12.21 crores towards Performance Related Pay (PRP) which was based on profits as disclosed in the original financial statements. However, the break-up of such amount among the employees covered under Managerial Remuneration provisions of the Companies Act (referred to as Managerial Personnel) and other employees is not available and therefore no sum is shown as recoverable from Managerial Personnel on account of PRP and amount in excess of what was approved by Nomination and Remuneration Committee of Rs. 6.31 crores, provided in the books of account have been reversed. Our opinion is not qualified in respect of this matter.
- 6.6 We draw attention to Note No. 45 of the Recast Standalone Financial Statement regarding treatment of current tax and deferred tax based on the recast standalone financial statements. The company is in the process of assessing the probability of filing revised return with Income Tax department for such adjustments. Our opinion is not qualified in respect of this matter.



6.7 We draw attention to Note No. 47 of recast standalone financial statements, wherein in respect of O&M Contracts relating to six projects, it has been stated that it is not possible to estimate ultimate outcome of the contracts so as to conclude whether such contracts are onerous in nature or no.

Our opinion is not qualified in respect of this matter.

6.8 We draw attention to Note No. 48 of recast standalone financial statements, wherein in respect of income relating to Project Development fees and Project Management Fees, it has been stated that documents in support of timing of rendering of such services are not available and cost associated to provide such services are also not separately captured in the books of account and records.

Our opinion is not qualified in respect of this matter.

6.9 We draw attention to Note 50.9 of the recast standalone financial statements regarding reversal of Deemed Equity amounting to Rs. 110.56 crores and Rs. 29.15 crores, as explained in the Note.

Our opinion is not qualified in respect of this matter.

## **7 Other Matters**

7.1 NCLT vide its order dated 9th August 2019 has appointed a firm of Chartered Accountant for reopening and recasting of the financial statements of the Company for the year ended 31st March 2018. The said firm has executed a letter of engagement on October 9, 2019 with the Company specifying the terms of engagement, scope of work of the Recasting Accountants and the responsibilities of the Company (Refer Note 1.A.7). The said firm has prepared the recast standalone financial statements and issued 'Accountant's Compilation Report on Recast Standalone Financial Statements' dated March 09, 2023.

7.2 The Company has decided not to provide for Audit fees payable to recast Auditors and Professional fees payable to recast Accountants since the appointment was subsequent to the date of the balance sheet. (Refer Note 28.2)

## **8 Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in exercise of powers conferred by section 143 (11) of the Companies Act, 2013, and on the basis of such verification of the books and records as considered appropriate and available and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said order.

9 As required under provisions of section 143(3) of the Act, except for the matter described in the Basis for Qualified Opinion Paragraph, we report that:

(a) We have sought and obtained all the information and explanations except as stated in Para 4.6 of this Report to provide a basis for our qualified audit opinion, which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) Except for the possible effects of matters reported in Basis for Qualified Opinion, in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.



(c) The Recast Standalone Balance Sheet, Recast Standalone Statement of Profit and Loss and Recast Standalone Cash Flow Statement dealt with by this report are in agreement with the Books of Account.

(d) Except for the possible effects of matters reported in Basis for Qualified Opinion in our opinion, the Recast Standalone Balance Sheet, Recast Standalone Statement of Profit and Loss, Recast Standalone Statement of Changes in Equity and Recast Standalone Cash Flow Statement dealt with by this report comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Account) Rules, 2014.

(e) The present new board of directors have been appointed by newly constituted Board of Infrastructure Leasing & Financial Services Limited ('IL&FS') pursuant to NCLT order dated 9th October, 2018 and therefore the compliance in respect of provisions of section 164(2) of the Companies Act 2013 has not been commented upon.

(f) We are appointed as the Statutory Auditors of the Company pursuant to the order of the Hon'ble National Company Law Tribunal (NCLT) dated 9<sup>th</sup> August 2019 to carry out audit of Recast Standalone Financial Statements and therefore we have not commented on the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls as it existed at the time of preparation of original financial statements.

(g) with respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the companies (Audit and Auditors) Rules 2014, in our opinion and to the best of the information and according to the explanation given to us:

- i) The company has disclosed the impact of pending litigations on its financial position in its recast standalone financial statements (Refer Note 35A to the recast standalone financial statements)
- ii) The Company did not have any long-term contract for which there was any material foreseeable losses and therefore is not required to make any provision, as required under the applicable law or accounting standards.
- iii) There was no amount which was required to be transferred to the Investor Education and Protection Fund by the company.

For Mukund M. Chitale & Co.  
Chartered Accountants  
Firm Registration No. 106655W



(S. M. Chitale)

Partner

M. No. 111383

UDIN: 23111383BGTWEM3032

Place : Mumbai

Date : 09/03/2023

**Annexure to the Independent Auditor's Report**

**(referred to in paragraph 8 of our Audit Report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets.
- (b) According to information and explanations given to us, the Company has not conducted physical verification during the year. Hence, we are unable to comment whether there are any material discrepancies noticed and the resulting adjustment in the books of accounts.
- (c) According to information and explanations given to us, the title deeds of immovable properties are in the name of the Company.
- (ii) According to information and explanations given to us including the records produced before us, the inventory has been physically verified by the management at intervals as defined by the management. As informed to us, there were no discrepancies noticed on verification as compared to the records available in this respect of books of accounts.
- (iii) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the register required to be maintained under Section 189 of the Companies Act, 2013, according to the information and explanations given to us, the Company has given unsecured loan/advance to seven parties covered in the Register maintained under Section 189 of the Companies Act, 2013:
- (a) Pending the outcome of the investigations stated in Note 42 to the accompanying recast standalone financial statements and pending outcome arising out of Reports of third-party forensic examination submitted by the Company to the regulatory agencies as stated in Note 41, we are unable to comment whether the terms and conditions of the loans are prima facie prejudicial to the interest of the Company
- (b) The company has been generally receiving the principal and interest on time, except in two cases of outstanding overdue interest amount of Rs. 1.64 crores.
- (c) In respect of outstanding overdue interest as at March 31, 2018 aggregating to Rs. 1.64 crores pertaining to two parties, we are unable to comment whether the Management has taken reasonable steps for recovery of the interest amount.
- (iv) Pending the outcome of the investigations stated in Note 42 to the accompanying recast standalone financial statements and pending outcome arising out of Reports of third-party forensic examination submitted by the Company to the regulatory agencies as stated in Note 41, we are unable to comment whether Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans given, Investments made, guarantees given.
- (v) According to the information and explanation given to us, the Company has not accepted any deposits during the year from the public within the meaning of the directives issued by the Reserve

Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under and hence the provisions of clause 3(v) of the Order are not applicable.

(vi) The Company is required to maintain cost records as prescribed by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of the cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed records have been maintained. We have, however, not made a detailed examination of the said records.

(vii) a) According to the information and explanations given to us, the Company is generally regular in depositing with appropriate regulatory authorities undisputed statutory dues including provident fund, Employees State Insurance, Income tax, Sales tax, Service Tax, Custom Duty, Value added tax, Cess. However, the labour cess payable amounting to Rs. 6.89 crores was due for more than six months from the date they become payable.

b) According to the records examined by us and as per the information and explanations given to us, the particulars of statutory dues as at March 31, 2018 which have not been deposited on account of disputes and the forum where the dispute is pending is as under:

Name of the Statute	Nature of Dues	Disputed Amount (Rs. in crore)	Period to which it pertains (Assessment year)	Forum where pending
Income Tax Act, 1961	Income Tax	1.26	2008-09	ITAT – Mumbai
Income Tax Act, 1961	Income Tax	8.89	2009-10, 2011-12 and 2012-13	CIT (Appeals) – Mumbai
Income Tax Act, 1961	Income Tax	35.59	2014-15	CIT (Appeals) – Mumbai
Finance Act, 1994	Service Tax	1.20	2013-14	Commissioner of Service Tax
Madhya Pradesh VAT Act	Value Added Tax	0.68	2013-14	Commercial Tax Appellate Board, MP
Madhya Pradesh VAT Act	Value Added Tax	0.13	2014-15	Commercial Tax Appellate Board, MP
Madhya Pradesh VAT Act	Value Added Tax	0.09	2015-16	Additional Commissioner of Commercial Tax, MP
Madhya Pradesh VAT Act	Value Added Tax	0.03	2016-17	Deputy Commissioner of Commercial Tax, MP
Punjab VAT Act	Value Added Tax	0.37	2014-15	Dy. Commissioner of Excise and Taxation (A)
Punjab VAT Act	Value Added Tax	0.34	2015-16	Dy. Commissioner of Excise and Taxation (A)

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution or bank or debenture holders.



(ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year. Pending the outcome of the investigations stated in Note 42 to the accompanying recast standalone financial statements and pending outcome arising out of Reports of third-party forensic examination submitted by the Company to the regulatory agencies as stated in Note 41 we are unable to comment whether the monies raised by term loans were applied for the purpose for which they were raised.

However, based on the information and explanation given to us and review of the books of accounts, amount of Rs. 24.80 crores from the money raised by term loan from one bank and amount of Rs. 12.00 crores from the money raised by term loan from one party was utilized for the purpose other than the purpose for which it was raised.

(x) As a consequence of the various matters resulting in the change in operational status of the Company, as more fully described in Note 1.A.2 to Note 1.A.6 to the recast standalone financial statements, and having regard to and pending the outcome of the investigations stated in Note 42 to the accompanying recast standalone financial statements and pending outcome arising out of Reports of third party forensic examination submitted by the Company to the regulatory agencies as stated in note 41, based upon the audit procedures performed by us and according to the information and explanations given by the management, we are unable to report or comment on whether there was any fraud noticed on or by the Company during the year and on the nature of fraud and the amount involved.

(xi) According to the information and explanations given to us and based on our examination of the records in view of the loss as disclosed by the Recast Standalone Statement of Profit and loss, the Company has paid / provided for managerial remuneration to the erstwhile Managing Director and Executive Director, aggregating to Rs. 5.61 crores. and Commission paid Rs. 0.77 crores to other Directors in excess of the limits prescribed under Section 197 of the Act by Rs. 2.23 crores and Rs. 0.77 crores respectively. Such excess amount is disclosed as recoverable from these Directors and we are unable to comment on the probability of the recovery of the same.

(xii) According to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, provision of clause 3 (xii) of the order is not applicable.

(xiii) Pending the outcome of the investigations stated in Note 42 to the accompanying recast standalone financial statements and pending outcome arising out of Reports of third party forensic examination submitted by the Company to the regulatory agencies as stated on Note 41, we are unable to comment whether all the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable. The details of the related party transactions to the extent noticed, have been disclosed in the recast standalone financial statements as required by the applicable accounting standard.

**MUKUND  
M. CHITALE  
& CO.**

**CHARTERED  
ACCOUNTANTS**

- (xiv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year, therefore provisions of Clause 3(xiv) are not applicable.
- (xv) Pending the outcome of the investigations stated in Note 42 to the accompanying recast standalone financial statements and pending outcome arising out of Reports of third party forensic examination submitted by the Company to the regulatory agencies as stated in Note 41, we are unable to comment whether the company has entered into any non-cash transactions with directors or persons connected with him and whether the provisions of section 192 of Companies Act, 2013 have been complied with.
- (xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of Clause 3 (xvi) of the Order are not applicable to the Company.

For Mukund M. Chitale & Co,  
Chartered Accountant  
Firm Reg.No. 106655W

*Chitale*

(S. M. Chitale)  
Partner  
M. No. 111383

UDIN : 23111383BGTWEM3032

Place : Mumbai  
Date : 09/03/2023

**G. M. KAPADIA & CO.**  
(REGISTERED)

CHARTERED ACCOUNTANTS

1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA

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**ACCOUNTANT'S COMPILATION REPORT ON RECAST FINANCIAL  
STATEMENTS**

To,

The Honourable Members,  
The National Company Law Tribunal

And

The Members,  
The Audit Committee  
IL&FS Transportation Networks Limited

And

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

**Re: IL&FS Transportation Networks Limited – Financial Year 2017-18**

We have compiled the accompanying recast financial statements of IL&FS Transportation Networks Limited ('the Company') for the financial year 2017-18 pursuant to the Order of the Honourable National Company Law Tribunal ('the NCLT') dated January 1, 2019 ordering the re-opening of books of account and re-casting of financial statements of the Company for a period of five years commencing from the financial year 2013-14 and based on information and explanation provided by the management of the Company. These recast financial statements comprise the Standalone Balance Sheet of the Company as at March 31, 2018, the Standalone Statement of Profit and Loss including the Standalone Statement of Other Comprehensive Income, Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information which *inter alia* includes basis adopted for the purposes of preparation and presentation of recast financial statements (collectively referred to as 'recast financial statements').

We performed this engagement in accordance with Standard on Related Services 4410 (Revised), "Compilation Engagement" issued by the Institute of Chartered Accountants of India read with the relevant provisions of the Companies Act, 2013, the aforesaid Order of the NCLT and the terms and conditions contained in our Engagement Letter dated October 9, 2019 executed with the Company. Our appointment for this assignment was approved by the Audit

**G. M. KAPADIA & CO.**

Committee of the Company in their meeting held on September 4, 2019. We have applied our expertise in accounting and financial reporting in the preparation and presentation of the recast financial statements. The preparation and presentation of the recast financial statements is based on accounting policies adopted by the Company in preparation of original standalone financial statements which are described in note 1B to the recast financial statements.

We have complied with relevant ethical requirements.

The accuracy and completeness of the information furnished to us at our request for the purposes of compilation of the recast financial statements is responsibility of the management of the Company. As per terms contained in our engagement letter, the management of the Company is responsible to provide facts that may affect the financial statements, which the management may become aware of during the period from the date of our appointment to the date of completion of the assignment.

Since our engagement is not an assurance engagement, we do not express an audit opinion or a review conclusion on the recast financial statements. The NCLT has appointed a separate firm of Chartered Accountants to express an audit opinion on the recast financial statements.

**For G. M. Kapadia & Co.**  
Chartered Accountants  
Firm Registration No. 104767W  
ATUL HIRALAL  
SHAH

Digitally signed by ATUL  
HIRALAL SHAH  
Date: 2023.03.09 22:20:31  
+05'30'

**Atul Shah**  
Partner

Place: Mumbai  
Dated this 09<sup>th</sup> day of March, 2023

Membership No. 039569  
UDIN: 23039569BGUQCQ6487

IL&FS TRANSPORTATION NETWORKS LIMITED  
Recast Balance Sheet as at March 31, 2018

₹ In Crore

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	137.49	138.76
(b) Capital Work-in-Progress	2	22.73	12.03
(c) Investment Property Under Development	3	-	-
(d) Intangible Assets	2	0.69	1.61
(e) Financial Assets			
(i) Investments	4	4,290.48	3,846.64
(ii) Trade receivables	11	64.09	-
(iii) Loans	5	3,815.93	2,359.11
(iv) Other Financial Assets	6	53.57	409.51
(f) Non-Current Tax Assets (net)	8	504.80	419.22
(g) Other Non-Current Assets	9	523.74	520.71
<b>Total Non-Current Assets</b>		<b>9,413.52</b>	<b>7,707.59</b>
<b>(2) Current Assets</b>			
(a) Inventories	10	19.90	22.59
(b) Financial Assets			
(i) Trade Receivables	11	2,891.07	2,309.36
(ii) Cash and Cash Equivalents	12	179.27	160.96
(iii) Bank Balances other than (ii) above	12	287.67	172.74
(iv) Loans	5	1,356.43	2,333.12
(v) Other Financial Assets	6	1,669.42	682.11
(c) Other Current Assets	9	711.32	270.77
(d) Assets classified as Held for sale	13	216.79	-
<b>Total Current Assets</b>		<b>7,331.87</b>	<b>5,951.65</b>
<b>Total Assets</b>		<b>16,745.39</b>	<b>13,659.24</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	328.96	328.96
(b) Other Equity	15	(22.35)	(269.32)
<b>Total Equity</b>		<b>306.61</b>	<b>59.64</b>
<b>LIABILITIES</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	8,786.29	8,559.02
(ii) Other Financial Liabilities (other than those specified in item (b) below)	17	275.98	339.77
(b) Provisions	18	3.10	2.70
(c) Deferred Tax Liabilities (net)	7	78.73	80.74
(d) Other Non-Current Liabilities	19	134.92	161.21
<b>Total Non-Current Liabilities</b>		<b>9,279.02</b>	<b>9,143.44</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	1,611.56	1,989.73
(ii) Trade Payables	20	1,340.52	829.98
(iii) Other Financial Liabilities (other than those specified in item (c) below)	17	3,801.96	1,182.70
(b) Other Current Liabilities	19	382.45	419.50
(c) Provisions	18	23.27	34.25
<b>Total Current Liabilities</b>		<b>7,159.76</b>	<b>4,456.16</b>
<b>Total Equity and Liabilities</b>		<b>16,745.39</b>	<b>13,659.24</b>

Notes 1 to 52 form part of the recast financial statements

As per our report of even date  
For Mukund M. Chitale & Co.  
Chartered Accountants  
(Firm Reg. No. 106655W)  
S. M. Chitale  
Partner  
Membership No. 111383  
Mumbai,

**Chitale**

**09 MAR 2023**



As per our compilation report of even date  
For G. M. Kapadia & Co.  
Chartered Accountants  
Firm Reg. No. 104767W  
ATUL HIRALAL SHAH  
Digitally signed by ATUL HIRALAL SHAH  
Date: 2023.03.09  
22:21:12 +05'30'

Atul Shah  
Partner  
Membership No. 036569  
Mumbai, March 09, 2023

**CHANDRA SHEKHAR RAJAN**  
Digitally signed by CHANDRA SHEKHAR RAJAN  
Date: 2023.03.09  
20:23:28 +05'30'

Mr. C. S. Rajan  
Authorised signatory  
DIN - 00126063  
MILIND RAMESH GANDHI  
Digitally signed by MILIND RAMESH GANDHI  
Date: 2023.03.09  
17:14:05 +05'30'

Mr. Milind Gandhi  
Authorised signatory  
KRISHNA DHONDU GHAG  
Digitally signed by KRISHNA DHONDU GHAG  
Date: 2023.03.09  
17:14:44 +05'30'

Mumbai, March 09, 2023

For and on behalf of the Board

**NAND KISHORE**  
Digitally signed by NAND KISHORE  
Date: 2023.03.09  
19:59:54 +05'30'

Mr. Nand Kishore  
Authorised signatory  
DIN - 08267502

DILIP LALCHAND BHATIA  
Digitally signed by DILIP LALCHAND BHATIA  
Date: 2023.03.09  
18:00:18 +05'30'

Mr. Dilip Bhatia  
Authorised signatory



IL&FS TRANSPORTATION NETWORKS LIMITED  
Recast Statement of Profit and Loss for the year ended March 31, 2018

₹ in Crore

	Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
I	Revenue from Operations	21	3,092.62	3,400.65
II	Other Income	22	1,309.38	1,011.43
III	<b>Total Income (I+II)</b>		<b>4,402.00</b>	<b>4,412.08</b>
IV	<b>Expenses</b>			
	Cost of Material Consumed	23	12.17	19.16
	Construction Costs	23	2,102.45	2,504.93
	Operating Expenses	24	209.17	192.47
	Employee Benefits Expense	25	71.63	69.87
	Finance Costs	26	1,642.09	1,377.95
	Depreciation and Amortisation Expense	27	22.32	13.85
	Other Expenses	28	47.46	93.59
	<b>Total Expenses (IV)</b>		<b>4,107.29</b>	<b>4,271.82</b>
V	<b>Profit Before Tax (III-IV)</b>		<b>294.71</b>	<b>140.26</b>
VI	<b>Tax Expense</b>			
	(1) Current Tax	29	28.26	11.47
	(2) Adjustment of Tax relating to earlier periods		-	-
	(2) Deferred Tax charge/ (credit)	7	(2.01)	17.39
	<b>Total Tax Expense / (Credit)</b>		<b>26.25</b>	<b>28.86</b>
VII	<b>Profit for the Year (V-VI)</b>		<b>268.46</b>	<b>111.40</b>
VIII	<b>Other Comprehensive Income</b>			
	<u>Items that may be reclassified to profit or loss</u>			
	Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(4.21)	(35.62)
	Fair value change in investment in preference shares of subsidiary measured at amortised cost		(17.06)	-
	Income tax relating to items that will be reclassified to Statement of Profit and Loss		1.47	-
	<u>Items that may not be reclassified to profit or loss</u>			
	Actuarial loss on defined benefit plan		(2.60)	(0.03)
	Income tax relating to items that will not be reclassified to Statement of Profit and Loss		0.91	-
	<b>Total Other Comprehensive Income</b>		<b>(21.49)</b>	<b>(35.65)</b>
IX	<b>Total Comprehensive Income for the Year (VII+VIII)</b>		<b>246.97</b>	<b>75.75</b>
X	<b>Earnings per share (of ₹ 10/- each) (* not annualised)</b>	37		
	(a) Basic (In ₹)		8.16	3.39
	(b) Diluted (In ₹)		8.16	3.39
XI	<b>Paid-up equity share capital (face value - ₹ 10 per share)</b>		<b>328.96</b>	<b>328.96</b>

Notes 1 to 52 form part of the recast financial statements

As per our report of even date  
For Mukund M. Chitale & Co.  
Chartered Accountants  
(Firm Reg. No. 106655W)  
S. M. Chitale  
Partner  
Membership No. 111383  
Mumbai, \_\_\_\_\_, 2023

9 MAR 2023



As per our compilation report of even date  
For G. M. Kapadia & Co.  
Chartered Accountants  
Firm Reg. No. 104767W  
ATULHIRALAL  
Digitally signed by ATULHIRALAL SHAH  
Date: 2023.03.09  
22:22:13 +05'30'  
SHAH  
Atul Shah  
Partner  
Membership No. 036569  
Mumbai, March 09, 2023

For and on behalf of the Board

CHANDRA SHEKHAR RAJAN  
Digitally signed by CHANDRA SHEKHAR RAJAN  
Date: 2023.03.09  
20:24:41 +05'30'

Mr. C. S. Rajan  
Authorised signatory  
DIN - 00126063

MILIND RAMESH GANDHI  
Digitally signed by MILIND RAMESH GANDHI  
Date: 2023.03.09  
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Mr. Milind Gandhi  
Authorised signatory

KRISHNA DHONDU GHAG  
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Date: 2023.03.09 17:15:26  
+05'30'

Mr. Krishna Ghag  
Authorised signatory

Mumbai, March 09, 2023

NAND KISHORE  
Digitally signed by NAND KISHORE  
Date: 2023.03.09  
20:00:55 +05'30'

Mr. Nand Kishore  
Authorised signatory  
DIN - 08267502

DILIP LALCHAND BHATIA  
Digitally signed by DILIP LALCHAND BHATIA  
Date: 2023.03.09  
18:04:44 +05'30'

Mr. Dilip Bhatia  
Authorised signatory

IL&S TRANSPORTATION NETWORKS LIMITED

Recast Statement of Cash Flow for the year ended March 31, 2018

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) for the Year	294.71	140.26
Adjustments for		
Tax Expenses / (Credit)	-	-
Interest Income	(781.75)	(619.17)
Employee benefits (net)	-	2.29
Loss / (Gain) on disposal of property, plant and equipment	0.05	0.11
Foreign exchange fluctuation loss (net)	5.72	-
Profit on sale of investments	-	(287.25)
Profit on sale of Mutual funds	-	(0.18)
Depreciation and amortisation expense	22.32	13.85
Provision for doubtful receivables	35.47	26.25
(Reversal of Expected Credit Losses) / Expected Credit Losses/ Impairment losses on financial assets (net)	(298.90)	(93.48)
Finance Costs	1,642.09	1,377.95
Dividend Income on non-current investments	(32.94)	(70.98)
Rate and taxes Written off	4.03	-
<b>Operating profit before Working Capital Changes</b>	<b>890.81</b>	<b>489.64</b>
(Increase) / Decrease in trade receivables	(460.21)	1,022.60
Increase in Inventories	2.68	(17.80)
Increase in other financial assets & other assets (current and non current)	(1,062.50)	(141.70)
Increase / (Decrease) in financial liabilities & other liabilities (current and non current)	522.63	(188.13)
<b>Cash generated from / (used in) from Operations</b>	<b>(106.59)</b>	<b>1,164.62</b>
Direct Taxes paid (Net)	(111.84)	(135.22)
<b>Net Cash generated from / (used in) Operating Activities (A)</b>	<b>(218.43)</b>	<b>1,029.40</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for acquiring property, plant and equipment	(60.38)	(20.33)
Payments for acquiring intangible assets	(0.28)	(0.27)
Proceeds from disposal of property, plant and equipment	0.43	0.27
Proceeds against Investment held for Sale	270.00	-
Proceeds from disposal of subsidiary and associate	574.92	235.46
Proceeds from redemption of debentures	-	32.00
Investment in / Purchase of equity shares of subsidiaries	(1,080.82)	(369.20)
Investment in associates	-	(4.46)
Investment in Mutual funds	-	(360.00)
Redemption of Mutual funds	-	360.18
Long term loans given	(947.86)	(1,246.57)
Long term loans recovered	79.94	700.57
Short term loans recovered / (given) (net)	3,999.17	(2,436.79)
Interest received	137.17	419.37
Dividend received	32.94	65.96
<b>Net Cash used in Investing Activities (B)</b>	<b>3,005.23</b>	<b>(2,623.81)</b>



IL&S TRANSPORTATION NETWORKS LIMITED

Recast Statement of Cash Flow for the year ended March 31, 2018

<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Redemption of preference shares with premium	(256.37)	-
Proceeds from long term borrowings	8,419.08	4,874.13
Repayment of long term borrowings	(8,794.12)	(2,963.13)
Proceeds from short term borrowings	5,321.24	6,448.96
Repayment of short term borrowings	(5,771.95)	(5,027.25)
Finance Costs paid	(1,450.69)	(1,382.00)
Equity Dividend paid	-	(65.79)
Tax on Equity Dividend paid	-	(9.29)
Preference Dividend paid	(84.72)	(78.86)
Tax on Preference Dividend paid	(10.12)	(12.89)
Fixed deposits matured / (placed) as security against borrowings	(116.42)	(28.25)
<b>Net Cash generated from Financing Activities (C)</b>	<b>(2,744.07)</b>	<b>1,755.63</b>
<b>Net Increase / (decrease) In Cash and Cash Equivalents (A+B+C)</b>	<b>42.73</b>	<b>161.22</b>
Cash and Cash Equivalents at the beginning of the year	19.22	(142.01)
Cash and Cash Equivalents at the end of the year	61.96	19.21
<b>Net Increase / (decrease) in Cash and Cash Equivalents</b>	<b>42.74</b>	<b>161.22</b>
<b>Components of Cash and Cash Equivalents</b>		
Balances with Banks		
On current accounts	175.11	156.86
On deposit accounts	4.10	4.09
Cash on hand	0.06	0.01
	<b>179.27</b>	<b>160.96</b>
Less – Secured Demand loans from banks (Cash credit)(shown under current borrowings in note 16)	(117.31)	(132.35)
Less – Unsecured Demand loans from banks (Bank overdraft) (shown under current borrowings in note 16)	-	(9.39)
<b>Cash and Cash Equivalents for statement of Cash Flows</b>	<b>61.96</b>	<b>19.22</b>

Footnote: The impact of non-cash transactions have not been given in the above cash flow statement details of which are given in note 12 c.

Notes 1 to 52 form part of the recast financial statements

As per our report of even date  
For Mukund M. Chitale & Co.  
Chartered Accountants  
(Firm Reg. No. 106655W)

  
S. M. Chitale  
Partner

Membership No. 111383  
Mumbai,



09 MAR 2023

As per our compilation report of even date  
For G. M. Kapadia & Co.  
Chartered Accountants  
Firm Reg. No. 104767W

Digitally signed by  
ATUL HIRALAL SHAH  
Date: 2023.03.09  
22:33:27 +05'30'

Atul Shah  
Partner  
Membership No. 036569  
Mumbai, March 09, 2023

For and on behalf of the Board

CHANDRA SHEKHAR RAJAN  
Digitally signed by  
CHANDRA SHEKHAR RAJAN  
Date: 2023.03.09 20:26:37  
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Mr. C. S. Rajan  
Authorised signatory  
DIN - 00126063

MILIND RAMESH GANDHI  
Digitally signed by  
MILIND RAMESH GANDHI  
Date: 2023.03.09  
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Mr. Milind Gandhi  
Authorised signatory

KRISHNA DHONDU GHAG  
Digitally signed by  
KRISHNA DHONDU GHAG  
Date: 2023.03.09  
17:16:27 +05'30'

Mr. Krishna Ghag  
Authorised signatory

Mumbai, March 09, 2023

NAND KISHORE  
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NAND KISHORE  
Date: 2023.03.09 20:02:10  
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Mr. Nand Kishore  
Authorised signatory  
DIN - 08267502

DILIP LALCHAND BHATIA  
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DILIP LALCHAND BHATIA  
Date: 2023.03.09  
18:10:17 +05'30'

Mr. Dilip Bhatia  
Authorised signatory

IL&FS TRANSPORTATION NETWORKS LIMITED  
Notes forming part of the recast financial statements for the year ended 31 March 2018

Recast Statement of Changes in Equity for the year ended March 31, 2018  
₹ in Crore

	Year Ended March 31, 2018	Year Ended March 31, 2017
<b>a. Equity share capital</b>		
Balance as at the beginning of the year	328.96	328.96
Changes in equity share capital during the year - Share capital issued	-	-
<b>Balance as at end of the year</b>	<b>328.96</b>	<b>328.96</b>

	Reserves and surplus						Items of other comprehensive income				Total	
	Debtore Redemption Reserve (note no 15)	Securities Premium Account (note no 15)	Capital Redemption Reserve (note no 15)	General Reserve (note no 15)	Retained Earnings (note no 15)	Total	Defined Benefit Plan Adjustment (note no 15)	Fair value change on assets measured at amortised cost (note no 15)	Cash Flow Hedge Reserve (note no 15)	Total		
<b>b. Other equity</b>												
Balance as at April 1, 2017	46.14	2,144.97	-	123.90	(2,543.06)	(228.05)	(1.94)	-	(39.33)	(269.32)		
Profit for the year	-	-	-	-	268.46	268.46	-	-	-	268.46		
Other comprehensive loss	-	-	-	-	-	-	(1.69)	(17.06)	(2.74)	(21.49)		
Transfer from Retained earnings	-	-	-	-	-	-	-	-	-	-		
Transfer from General reserve to Capital Redemption Reserve	-	-	-	-	-	-	-	-	-	-		
Dividend and Dividend Tax paid	-	-	-	-	-	-	-	-	-	-		
Debtore issue costs	-	-	-	-	-	-	-	-	-	-		
<b>Balance as at March 31, 2018</b>	<b>46.14</b>	<b>2,144.97</b>	<b>-</b>	<b>123.90</b>	<b>(2,274.60)</b>	<b>40.41</b>	<b>(3.63)</b>	<b>(17.06)</b>	<b>(42.07)</b>	<b>(22.35)</b>		



IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the recast financial statements for the year ended 31 March 2018

Recast Statement of Changes in Equity for the year ended March 31, 2018

b. Other equity	Reserves and surplus						Items of other comprehensive income				Total
	Debtenture Redemption Reserve (Note no 15)	Securities Premium Account (Note no 15)	Capital Redemption Reserve (Note no 15)	General Reserve (Note no 15)	Retained Earnings (Note no 15)	Total	Defined Benefit Plan Adjustment (Note no 15)	Cash Flow Hedge Reserve (Note no 15)	Total		
									(3.71)	(267.22)	
Balance as at April 1, 2016	46.14	2,147.79	-	123.90	(2,579.43)	(261.60)	(1.91)	-	-	(3.71)	(267.22)
Profit for the year	-	-	-	-	111.40	111.40	-	-	-	-	111.40
Other comprehensive loss	-	-	-	-	-	-	(0.03)	(35.62)	-	-	(35.65)
Transfer to balance in Retained earnings	-	-	-	-	-	-	-	-	-	-	-
Dividend and Dividend Tax paid	-	-	-	-	(75.03)	(75.03)	-	-	-	-	(75.03)
Debtenture issue costs	-	(2.82)	-	-	-	(2.82)	-	-	-	-	(2.82)
Balance as at March 31, 2017	46.14	2,144.97	-	123.90	(2,543.06)	(228.05)	(1.94)	(39.33)	-	(39.33)	(289.32)

₹ in Crore

Notes 1 to 52 form part of the recast financial statements

As per our report of even date  
For Mukund M. Chitale & Co.  
Chartered Accountants

(Firm Reg. No. 106655W)

S. M. Chitale  
Partner

Membership No. 111383  
Mumbai,



09 MAR 2023

As per our compilation report of even date

For G. M. Kapadia & Co.

Chartered Accountants

Firm Reg. No. 104767W

ATUL HIRMAJAL ATE CHANDU SHAH  
SHAH  
22/03/2018

Atul Shah

Partner

Membership No. 036569  
Mumbai, March 09, 2023

For and on behalf of the Board

CHANDRA Digitally signed  
by CHANDRA

SHEKHAR SHEKHAR RAJAN

RAJAN Date: 2023.03.09

20:27:50 +05'30'

Mr. C. S. Rajan

Authorised signatory

DIN - 00126063

MILIND Digitally signed

by MILIND

RAMESH RAMESH

GANDHI Date: 2023.03.09

17:31:33 +05'30'

Mr. Milind Gandhi

Authorised signatory

KRISHNA Digitally signed

by KRISHNA

DHONDU DHONDU GHAG

GHAG Date: 2023.03.09

17:16:49 +05'30'

Mr. Krishna Ghag

Authorised signatory

Mumbai, March 09, 2023

NAND Digitally signed by

NAND KISHORE

KISHORE Date: 2023.03.09

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Mr. Nand Kishore

Authorised signatory

DIN - 08267502

DILIP Digitally signed by

LALCHAN LALCHAN

D BHATIA Date: 2023.03.09

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Mr. Dilip Bhatia

Authorised signatory

## **IL&FS Transportation Networks Limited**

**Notes forming part of the Recast Standalone financial statements for the year ended March 31, 2018**

### **Note 1: General Information & Significant Accounting Policies**

#### **A. General information**

**A.1 IL&FS Transportation Networks Limited, (ITNL)** the Company is a public limited company incorporated in India. Its parent and ultimate holding company is Infrastructure Leasing & Financial Services Limited ("IL&FS"). The addresses of its registered office and principal place of business are The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. ITNL is a developer, operator and facilitator of surface transportation infrastructure projects, taking projects from conceptualization through commissioning to operations and maintenance under public to private partnership on build-operate transfer ("BOT") basis in India.

#### **Significant developments at the Company, IL&FS and various group companies ('the IL&FS Group'):**

**A.2** 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. SFIO has not given any report on the Company so far.

**A.3** The Union of India ("UoI") 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:

- I. The precarious and critical financial condition of the IL&FS Group and their inability to service their debt obligations had rattled the money market;
- II. 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
- III. The intervention of the Union of India is necessary to prevent the downfall of the IL&FS Group and the financial markets.

UoI 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 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 UoI.

While appointing the New Board, in its aforesaid order, the NCLT directed that the new directors shall conduct business as per the Memorandum and Articles of Association of the Company and provisions of the Companies Act, 2013.



**A.4** Pursuant to the above developments, the New Board of IL&FS also initiated reconstitution of the Board of Directors of the Company as detailed below:

Name	Status
<b>Directors as on September 30, 2018</b>	
Mr. Hari Sankaran	Resigned effective October 1, 2018
Mr. Arun Saha	Resigned effective October 1, 2018
Mr. K Ramchand	Resigned effective October 29, 2018
Mr. Mukund Sapre	Resigned effective November 2, 2018
Ms. Neeru Singh	Resigned as Independent Director effective November 1, 2018
Mr. Deepak Dasgupta	Ceased to be Independent Director on March 31, 2019 upon expiry of their term
Mr. R C Sinha	Ceased to be Independent Director on March 31, 2019 upon expiry of their term
Mr. H P Jamdar	Ceased to be Independent Director on March 31, 2019 upon expiry of their term
<b>Appointment of New Directors post October 1, 2018</b>	
Mr. Vineet Nayyar	Appointed as director effective October 25, 2018 and Resigned as director effective November 01, 2020
Mr. C. S. Rajan	Appointed as director effective October 25, 2018
Mr. Nand Kishore	Appointed as director effective November 15, 2018
Mr. Bijay Kumar	Appointed as director effective May 21, 2019 and Resigned as director effective August 07, 2020
Mr. Subrata Kumar Mitra	Appointed as Independent Director effective November 11, 2020
Dr. Jagadip Narayan Singh	Appointed as independent director effective November 11, 2020
Mr. Kaushik Modak	Appointed as director effective January 22, 2021
Mr. Girish Chandra Chaturvedi	Appointed as director effective January 27, 2021 and resigned effective October 1, 2021
Mr. Shekhar Prabhudesai	Appointed as director effective December 01, 2021 and resigned effective November 21, 2022
Dr. Deepak Mohanty	Appointed as Director effective November 22, 2022

**A.5** Further applications were made by the UoI 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 whether in respect of the principal or interest or hedge liability or any other amount contained therein.
- (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 by any party or person or Bank or Company, etc. as of the date of first default.
- (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.

**A.6 NCLT Order for Re-opening of books of accounts and Re-casting of Standalone Financial Statements:**

- (i) The standalone financial statements for the year ended March 31, 2018, were audited by the then statutory auditors of the Company- M/s S R B C & Co. LLP (FRN 324982E) (hereinafter referred to as 'original standalone financial statements'). These original standalone financial statements were approved by the erstwhile Board of Directors of the Company at their meeting held on May 29, 2018, and were adopted by the Shareholders of the Company at the Annual General Meeting held on September 04, 2018.
- (ii) The NCLT, vide order dated January 1, 2019, under the provision of section 130 of the Act allowed the petition filed by UoI for re-opening of the books of accounts and re-casting of the standalone financial statements of Infrastructure Leasing & Finance Services Limited, IL&FS Financial Service Limited and IL&FS Transportation Networks Limited ("the Company") for the financial years from 2013-14 to 2017-18.
- (iii) Further, the NCLT, vide order dated August 9, 2019, appointed an independent firm of Chartered Accountants M/s G. M. Kapadia & Co. ("Recasting Accountants") for re-opening and recasting the financial statements of the Company for the said period and also appointed auditor M/s M M Chitale & Co. to audit such recast standalone financial statements.
- (iv) In compliance with the NCLT orders dated January 1, 2019 and August 9, 2019, the Company's standalone financial statements for the year ended March 31, 2017 have been re-casted.
- (v) Consequent to aforesaid orders of the NCLT, the Company approached the Recasting Accountants on August 19, 2019 requesting them to send engagement letter while confirming that all necessary information and co-operation will be provided. Subsequently, an engagement letter was executed on October 09, 2019 which inter alia lays down terms of engagement, scope of work of the Recasting Accountants and the responsibilities of the Company.
- (vi) The recast standalone financial statements of the Company were taken on record and authorized to be issued to the Regional Director, Ministry of Corporate Affairs, Mumbai for onward submission to the Honourable NCLT and any other regulatory authority, as may be required, by the present Board of Directors in its meeting held on March 09, 2023.

**A.7 Basis for preparation of Financial Statements**

The recast standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and the relevant provisions of the Act.

The comparative figures for the year ended and as at March 31, 2017 are as per the audited recast standalone financial statements of the Company.





For the purpose of preparation of recast standalone financial statements, the scope of work of the Recasting Accountants as per the letter of engagement dated October 9, 2019 interalia includes:

- (i) reviewing whether the Company's standalone financial statements for the period are prepared in all material respects to comply with the relevant accounting standards as applicable and in compliance with the Act and other accounting principles generally accepted in India;
- (ii) reviewing of investigation reports as made available by the management of the Company and addressing the relevant irregularities pointed out in such reports from the perspective of their accounting/ financial reporting impact;
- (iii) testing of the Company's material assets for impairment based on valuation reports, projected cash flows and other underlying assumptions and other justifications provided by the Company's management relevant to the period;
- (iv) presenting preliminary findings regarding any material accounting errors/ omissions/ misstatements identified and agreeing with the Management and other stakeholders for rectification entries to be passed in respect of the same and
- (v) based on all reviews, preparing and presenting re-cast standalone financial statements for the period for the Company's Audit Committee, the Board and the Statutory Auditors and providing explanation relating to any material departures from those accounting standards jointly with the Company so as to ensure that the management's objective of the re-cast standalone financial statements give a true and fair view in accordance with the applicable Financial Reporting Standards and other generally accepted accounting principles in India is achieved.

The Company's responsibilities as per the letter of engagement dated October 9, 2019 interalia includes:

- (i) providing the Recasting Accountants with all information, including books of accounts, vouchers, policies, SOPs, reports and other records/ documentation of the Company, whether kept at the Head Office or elsewhere, that are relevant for carrying out the activities as mentioned under the 'Scope of Work' section of the engagement letter
- (ii) informing the Recasting Accountants of facts that may affect the Company's standalone financial statements, which the Management may become aware of during the period from the date of our appointment to the date of completion of the Assignment.

**A.8 Significant judgments, estimates and assumptions for preparation of recast standalone financial statements:**

The preparation of recast standalone financial statements requires management of the Company to make estimates and assumptions considered in the reported amounts of assets and liabilities (including Contingent liabilities) as of the date of recast financial statements and the reported income and expenses during the reporting period. The recast financial statements have been prepared on the basis of estimates and assumptions used in the original financial statements which were, as reported in the original standalone financial statements considered as prudent and reasonable or considering estimates and assumptions that were available as on the date of the balancesheet. Actual results could differ from these estimates. In case the actual results are different from those estimates, the effect thereof is given in the recast financial statements of the period in which the event materialise. Any change in such estimates is accounted prospectively.



The recast standalone financial statements have been prepared by adopting the Significant Accounting Policies which were adopted in preparation of the original standalone financial statements. The details of adjustments made to original standalone financial statements are given in note no 50. Such adjustments are in accordance with applicable accounting standards considering the principles of prudence and reasonability.

Accounting Standard on "Contingencies and Events Occurring After the Balance Sheet Date" (AS 4) requires that events, that occur between the balance sheet date and the date on which the financial statements are approved by the board of directors, which provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date need to be considered for adjustments to values of assets and liabilities as at the balance sheet date or for the purposes of disclosures in the financial statements. Accordingly, subsequent events which have provided additional information or clarity relating to likely outcome of the matters which were existing on the date of the balance sheet have been considered in these recast standalone financial statements.

The NCLT's order dated January 1, 2019 ordering re-opening of the books of accounts and re-casting of the standalone financial statements does not include any specific details with respect to the company to the effect that the relevant years accounts of the company were prepared in a fraudulent manner or the affairs of the company were mismanaged during the relevant period, casting a doubt on the reliability of financial statements. The investigation initiated by SFIO to ascertain the factual details and impact on the state of affairs of the Company due to fraudulent activities, if any, and mismanagement of affairs have not been concluded and accordingly, no adjustments to the recast standalone financial statements on account of the same have been made. The new board has appointed forensic auditors. Regarding status of the forensic audit please refer Note 42.

## **B. Significant accounting policies**

### **B.1 Statement of compliance**

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

### **B.2 Basis of preparation and presentation**

The financial statements have been prepared on a historical cost basis, except for the following asset and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on this basis.



The Financial statements have been prepared on going concern basis considering the Company's ability to raise requisite finance/generate cash flows from strategic initiatives in future to meet its obligations, including financial support to its subsidiary companies.

The principal accounting policies are set out below.

### **B.3 Investments in subsidiaries, associates and joint ventures**

Investment in subsidiaries, associates and joint ventures are measured at cost as per Ind AS 27.

If there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in a subsidiary, associate or a joint venture (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated, then it is necessary to recognize impairment loss with respect to the Company's investment in a subsidiary, associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized is reduced from the carrying amount of the investment and recognized in the profit or loss. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases but the increase is restricted to the amounts that would arise had no impairment loss been recognized in previous years.

Investments in subsidiaries, associates and joint venture are an integral part of business of the Company in their surface transportation business.

The Company regularly evaluates the investment portfolio and as part of monetization plan decides to dispose/ sell the investments. Any gain arising out of sale of investments of subsidiary, associates, joint venture are recognized to Statement of Profit and Loss and included as part of Other Operating Income.

In case of losses, it is recognized as other expenses in the Statement of Profit and Loss.

### **B.4 Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.



The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and significant liabilities, such as contingent consideration.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 1.C and 32)  
Quantitative disclosures of fair value measurement hierarchy (note 32)
- Investment property under development (note 3)
- Financial instruments (including those carried at amortised cost) (note 4,5,6,11,12,16,17,20,32)

#### **B.5 Non-current assets held for sale**

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present



condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current asset or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value and no depreciation is charged after such classification.

## **B.6 Revenue recognition**

### **B.6.1 Revenue from Advisory, design, engineering and management services**

The Company's service offerings include advisory and management services, supervisory services (including as lenders' engineers), operation and maintenance services, toll collection services for toll road projects and rendering assistance to applicant for toll road concessions with the bidding process.

Revenue is recognized when it is realized or realizable and earned. Revenue is considered as realized or realizable and earned when it has persuasive evidence of an arrangement, delivery has occurred, the sales price is fixed or determinable and collectability is reasonably assured

Advisory, Design and Engineering fees are billed as services are rendered, however they are due for payment one year from the date of billing. Disclosure with respect to such Trade Receivables has been made considering above policy.

Revenue in respect of arrangements made for rendering services is recognized over the contractual term of the arrangement. In respect of arrangements, which provide for an upfront payment followed by additional payments as certain conditions are met (milestone payments), the amount of revenue recognized is based on the services delivered in the period as stated in the contract. In respect of arrangements where fees for services rendered are success based (contingent fees), revenue is recognized only when the factor(s) on which the contingent fees is based, actually occur and the collectability is reasonably assured Revenue from development projects under fixed - price contracts, where there is no uncertainty as to measurement or collectability of consideration is recognized based on the milestones reached under the contracts.

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend, other than attributable to the period prior to acquisition of investment, is recognized as income when the unconditional right to receive the payment is established.

### **B.6.2 Revenue from construction contracts**

The Company recognizes and measures revenue, costs and margin for providing construction services during the period of construction of the infrastructure in accordance with Ind AS 11 'Construction Contracts'.



When the outcome of a construction contract can be estimated reliably and it is probable that it will be profitable, contract revenue and contract costs associated with the construction contract are recognized as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs.

For the purposes of recognizing revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognized as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

Any excess revenue recognized in accordance with the stage of completion of the project, in comparison to the amounts billed to the clients in accordance with the milestones completed as per the respective development agreements, is carried forward as "Unearned Revenue", as the case may be.

#### **B.7 Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

For arrangements entered into prior to April 1, 2015 the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

#### **Company as lessee**

1. Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.



2. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs (see note B.9). Contingent rentals are recognized as expenses in the periods in which they are incurred.
3. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.
4. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

#### **Company as lessor**

1. Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned
2. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

#### **B.8 Foreign currencies**

The Company's financial statements are presented in INR, which is also the Company's functional currency.

In preparing the financial statements of Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).



The Company had exercised the option of amortizing / capitalizing the exchange differences arising on long-term foreign currency monetary items as given under Ministry of Corporate Affairs (MCA) Notification No. G.S.R 914(E) dated December 29, 2011.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note B.21 below for hedging accounting policies); these are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

### **B.9 Borrowing costs**

Borrowing costs are recognised in the period to which they relate, regardless of how the funds have been utilised, except where it relates to the financing of construction of development of assets requiring a substantial period of time to prepare for their intended future use. Interest is capitalised up to the date when the asset is ready for its intended use. The amount of interest capitalised for the period is determined by applying the interest rate applicable to appropriate borrowings outstanding during the period to the average amount of accumulated expenditure for the assets during the period. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

### **B.10 Employee benefits**

#### **B.10.1 Retirement benefit costs and termination benefits**

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. The Company has no obligation, other than the contribution payable to the provident fund, superannuation fund

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service costs are recognised in profit or loss on the earlier of:

The date of the plan amendment or curtailment, and

The date that the Company recognises related restructuring costs





Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

#### **B.10.2 Short-term and other long-term employee benefits**

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

#### **B.11 Taxation**

##### **B.11.1 Current tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to



the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax return with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **B.11.2 Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit and unused tax losses such as carried forward business loss and unabsorbed depreciation) are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of to recover or settle the carrying amount of its assets and liabilities.

#### **B.12 Property, plant and equipment**

Property, plant and equipment acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the site and in working condition for its intended use.

Where the construction or development of any asset requiring a substantial period of time to set up for its intended use is funded by borrowings, the corresponding borrowing costs are capitalized up to the date when the asset is ready for its intended use.



All assets are depreciated on a Straight Line Method (SLM) of Depreciation, over the useful life of assets which are estimated by the management and are in line with Schedule II of the Companies Act, 2013 other than assets specified in para below

Following assets are depreciated over a useful life other than the life prescribed under Schedule II of the Companies Act, 2013 based on internal technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc.:

Asset	Useful life based on SLM
Data Processing Equipment (Server & Networking)	4
Mobile Phones and I pad / Tablets	Fully depreciated in the year of purchase
Specialized office equipment's	3
Vehicles	5
Assets provided to employees	3
All categories of assets costing less than ₹ 5000 /- each	Fully depreciated in the year of purchase

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying of the asset and is recognized in profit or loss.

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### **B.13 Investment property under development:**

Investment property under development is measured at cost, including transaction costs and are stated at cost less accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the Royal Institute of Chartered Surveyors.

Investment property is derecognised either when it is being disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.



#### B.14 Intangible assets

Intangible assets comprise of software and amounts paid for acquisition of commercial rights under an "Operation and Maintenance" agreement for a toll road project and are depreciated as follow:

Asset Type	Useful Life
Licensed Software	Over the licence period
Intellectual Property Rights	5 - 7 years
Commercial Rights acquired under Operations and Maintenance Agreement	The minimum balance period of the concession agreement relating to the corresponding toll road project
General software	4 years

Intangible assets are reported at acquisition cost with deductions for accumulated amortisation and impairment losses, if any. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Acquired intangible assets are reported separately from goodwill if they fulfil the criteria for qualifying as an asset, implying they can be separated or they are based on contractual or other legal rights and that their market value can be established in a reliable manner.

An impairment test of such intangible assets is conducted annually or more often if there is an indication of a decrease in value. The impairment loss, if any, is reported in the Statement of Profit and Loss.

Intangible assets are amortised on a "straight line" basis over their estimated useful lives. The estimated useful life of software is four years. The amount paid for acquisition of the rights under the "Operations and Maintenance" agreement is amortised over the minimum balance period (as at the time of acquisition) of the concession agreement relating to the corresponding toll road project.

#### B.15 Impairment of Property, plant and equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its Property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, or whenever there is an indication that the asset may be impaired.



In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount rate.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

## **B.16 Inventories**

### **Stores and spares**

Inventories are stated at the cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs of stores and spares are determined on a first-in- first-out basis.

## **B.17 Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

### **B.17.1 Onerous contracts**

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.



## **B.18 Financial instruments**

Financial assets and financial liabilities are recognized when a company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ("FVTPL") are recognized immediately in the statement of profit and loss.

### **B.18.1 Financial assets**

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

### **B.18.2 Classifications of financial assets – debt instruments**

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows;
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

### **B.18.3 Amortized cost and Effective interest method**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.



#### **B.18.4 Financial assets at FVTPL**

Investments in equity instruments (other than group) are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in FVOCI for equity instruments which are not held for trading.

Debt instruments that do not meet the amortized cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortized cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL.

A debt instrument that meets the amortized cost or FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss is included in the "Other income" line item.

#### **B.18.5 Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost
- b) Lease receivables under Ind AS 17
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
- d) Loan commitments which are not measured as at FVTPL
- e) Financial guarantee contracts which are not measured as at FVTPL

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

The Company has followed simplified approach for recognition of ECL. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The Company measures the loss allowance on the basis of estimated realization date for receivables and loans by considering the cash flow model of the respective project SPV's which in the view of the management is the most realistic and appropriate way for estimating the realization date of the receivables with respect to the project SPV's. In respect of other than project SPV's, the management has carried out its internal assessment procedures and accordingly the realization date has been estimated. When estimating the cash flows, the Company is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.



ECL allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head other income/other expenses in the statement of profit and loss.

#### **B.18.6 Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### **B.18.7 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **B.18.8 De-recognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on





disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

#### **B.18.9 Foreign Exchange Gain and Losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

#### **B.18.10 Modification of Cash Flows of financial assets and revision in estimates of Cash flows**

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the de-recognition of that financial asset in accordance within AS 109, the Company recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in profit or loss. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred are adjusted to the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

If the Company revises its estimates of payments or receipts (excluding modifications and changes in estimates of expected credit losses), it adjusts the gross carrying amount of the financial asset or amortized cost of a financial liability to reflect actual and revised estimated contractual cash flows. The Company recalculates the gross carrying amount of the financial asset or amortized cost of the financial liability as the present value of the estimated future contractual cash flows that are discounted at the financial instrument's original effective interest rate. The adjustment is recognized in profit or loss as income or expense.

#### **B.19 Financial liabilities and equity instruments-**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### **B.19.1 Classifications as debt or equity**

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.



### **B.19.2 Compound instruments**

The components of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by issue of fixed number of the Company's own equity instruments in exchange of a fixed amount of cash or another financial asset is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognized as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to retained earnings. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method.

### **B.19.3 Financial liabilities**

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

#### **B.19.3.1 Financial liabilities subsequently measured at amortized cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an



integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **B.19.3.2 Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

#### **B.19.3.3 Foreign exchange gains and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in 'Other income / Other expenses' in the line-item 'Net foreign exchange gains/(losses).

#### **B.19.3.4 Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

#### **B.19.3.5 Commitments to provide a loan at a below-market interest rate**

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.



## **B.20 Derivative financial instruments**

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 32.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

### **B.20.1 Embedded derivatives**

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

### **B.21 Hedge accounting**

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non- derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Note 32 sets out details of the fair values of the derivative instruments used for hedging purposes.

#### **B.21.1 Cash flow hedges**

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the 'Other gains and losses' line item.

Amounts previously recognized in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.



Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

## **B.22 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## **C. Critical accounting judgments and key sources of estimation uncertainty**

### **C.1 Critical accounting judgments**

The preparation of Financial Statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the Financial Statements and the reported amounts of income and expenses for the periods presented.

In this regard, refer Note A.8.

The matters to be disclosed will be dictated by the circumstances of the individual entity, and by the significance of judgments and estimates made to the performance and financial position of the entity. Instead of disclosing this information in a separate note, it may be more appropriate to include such disclosures in the relevant asset.

### **C.2 Key sources of estimation uncertainty**

Key source of estimation of uncertainty at the date of Financial Statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of fair value measurement of financial instruments, receivables, loans and advances, valuation of deferred tax assets, useful life of assets, cash flow models for impairment and ECL.

#### Key estimations in relation to fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models and the discount rates are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 30 for further disclosures.



Key estimations in relation to fair value measurement of receivables, loans and interest accrued thereon

The Company has performed valuation for its receivables, loans and interest accrued thereon as to whether there is any ECL. When the fair value of receivables, loans and interest accrued thereon cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models and the discount rates are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these receivables, loans and interest accrued thereon.

Key estimations in relation to fair value measurement investments

The Company has performed valuation for its investment as to whether there is any impairment in their fair values. When the fair value of investments cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models and the discount rates are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these investments.

Key estimations in relation to Construction revenue and cost

The Company, being a part of construction industry major components of contract estimate are budgeted costs and revenue to complete the contract. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Assets will operate at the same level of productivity as determined (iv) Wastage will not exceed the normal % as determined etc. (v) Estimates for contingencies (vi) There will be no change in design and the geological factors will be same as communicated and (vii) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Key estimations in relation to Useful lives of Property, plant and equipment & Intangible assets

Useful lives of Property, plant and equipment & Intangible Assets (other than the life prescribed under Schedule II of the Companies Act, 2013) are estimated based on internal technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes. All these evaluations and assessments involve judgements on part of the management.

Key estimations in relation to deferred tax assets and MAT credit entitlement

In assessing the realisability of deferred tax assets and MAT credit entitlement the management of the Company estimates whether the Company will earn sufficient taxable profit in future periods. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred tax assets and MAT credit entitlement considered realizable could be reduced in the near term, if estimates of future taxable income during the carry forward period are reduced.



#### **D. Recent accounting pronouncements**

##### **i. Standards issued but not yet effective**

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("Amended Rules ") as per which Ind AS 115 "Revenue from Contract with Customers" supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue" and also MCA has carried out amendments to other existing Ind AS. These amendments shall be applicable to the Company for all accounting periods commencing on or after April 01, 2018.

##### **(a) Issue of Ind AS 115 - Revenue from Contracts with Customers**

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

The Company had continued to evaluate the available transaction method and its contractual arrangements. The ultimate impact on revenue resulting from the application of IND-AS 115 was subject to assessments that were dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The company considerations also include, but were not limited to, the comparability of its financial statements and the comparability within its industry from application of the new standard to its contractual arrangements. The company had established an implementation team to implement IND-AS 115 related to the recognition of revenue from contracts with customers and it had continued to evaluate the changes to accounting system and process, and additional disclosure requirement that may be necessary.

##### **(b) Amendment to the then existing issued Ind AS**

The MCA has also carried out amendments of the following accounting standards:

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- ii. Ind AS 40 - Investment Property
- iii. Ind AS 12 - Income Taxes
- iv. Ind AS 28 - Investments in Associates and Joint Ventures and
- v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

Note 2: Property, Plant and Equipment; Intangible Assets and Capital Work-In-Progress

Current year :

Particulars	Cost or Deemed cost						Accumulated Depreciation and Amortisation			Carrying Amount
	As at April 1, 2017	Additions	Deletions	As at March 31, 2018	As at April 1, 2017	Depreciation / Amortisation for the period	Deletions	As at March 31, 2018	As at March 31, 2018	
<b>Property, Plant and Equipment</b>										
Buildings	1.31	8.08	-	9.39	0.05	0.14	-	0.19	9.20	
Plant and Machinery	132.61	-	0.10	132.51	5.37	16.31	0.06	21.62	110.89	
Furniture and Fixtures	5.04	8.27	0.24	13.07	0.64	1.31	0.23	1.72	11.35	
Vehicles	7.04	2.32	0.79	8.57	3.67	1.56	0.38	4.84	3.73	
Office Equipment's	3.37	0.72	1.11	2.98	1.82	0.93	1.10	1.65	1.33	
Data Processing Equipment's	2.95	0.98	1.75	2.18	2.07	0.89	1.74	1.22	0.96	
Leasehold Improvements	0.11	-	-	0.11	0.06	0.01	-	0.08	0.03	
<b>Total</b>	<b>152.43</b>	<b>20.37</b>	<b>3.99</b>	<b>168.81</b>	<b>13.68</b>	<b>21.15</b>	<b>3.51</b>	<b>31.32</b>	<b>137.49</b>	
<b>Intangible Assets</b>										
Computer Software (Acquired)	6.49	0.28	0.55	6.22	4.89	1.17	0.55	5.51	0.69	
Commercial Rights (Acquired) (refer note 2.2)	3.71	-	3.71	-	3.70	-	3.71	-	-	
<b>Total</b>	<b>10.20</b>	<b>0.28</b>	<b>4.26</b>	<b>6.22</b>	<b>8.59</b>	<b>1.17</b>	<b>4.26</b>	<b>5.51</b>	<b>0.69</b>	
<b>Capital Work-In-Progress</b>										
	<b>12.03</b>	<b>24.66</b>	<b>13.96</b>	<b>22.73</b>	-	-	-	-	<b>22.73</b>	
<b>Grand Total</b>	<b>174.66</b>	<b>45.31</b>	<b>22.21</b>	<b>197.74</b>	<b>22.27</b>	<b>22.32</b>	<b>7.77</b>	<b>36.83</b>	<b>160.91</b>	





**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

Previous year :

Particulars	Cost or Deemed cost						Accumulated Depreciation and Amortisation				Carrying Amount As at March 31, 2017	
	As at April 1, 2016		As at March 31, 2017		As at April 1, 2016		As at March 31, 2017		Deletions	Depreciation / Amortisation for the period		
	As at April 1, 2016	Additions	Deletions	As at March 31, 2017	As at April 1, 2016	As at March 31, 2017	As at March 31, 2017					
<b>Property, Plant and Equipment</b>												
Buildings	1.31	-	-	1.31	0.02	0.03	-	0.05	-	0.03	0.05	1.26
Plant and Machinery (refer note 2.1)	27.46	105.22	0.07	132.61	1.81	3.57	0.01	5.37	0.01	3.57	5.37	127.24
Furniture and Fixtures	1.24	3.86	0.06	5.04	0.25	0.44	0.06	0.64	0.06	0.44	0.64	4.40
Vehicles	6.43	0.84	0.23	7.04	2.09	1.71	0.13	3.67	0.13	1.71	3.67	3.37
Office Equipments	2.62	1.20	0.45	3.37	1.10	1.06	0.34	1.82	0.34	1.06	1.82	1.55
Data Processing Equipments	2.98	0.52	0.55	2.95	1.26	1.24	0.43	2.07	0.43	1.24	2.07	0.88
Leasehold Improvements	0.24	-	0.13	0.11	0.17	0.02	0.13	0.06	0.13	0.02	0.06	0.05
<b>Total</b>	<b>42.28</b>	<b>111.64</b>	<b>1.49</b>	<b>152.43</b>	<b>6.70</b>	<b>8.07</b>	<b>1.10</b>	<b>13.67</b>	<b>1.10</b>	<b>8.07</b>	<b>13.67</b>	<b>138.76</b>
<b>Intangible Assets</b>												
Computer Software (Acquired)	6.24	0.27	0.02	6.49	2.57	2.34	0.02	4.89	0.02	2.34	4.89	1.60
Commercial Rights (Acquired) (refer note 2.2)	3.71	-	-	3.71	0.26	3.44	-	3.70	-	3.44	3.70	0.01
<b>Total</b>	<b>9.95</b>	<b>0.27</b>	<b>0.02</b>	<b>10.20</b>	<b>2.83</b>	<b>5.78</b>	<b>0.02</b>	<b>8.59</b>	<b>0.02</b>	<b>5.78</b>	<b>8.59</b>	<b>1.61</b>
<b>Capital Work-In-Progress</b>	<b>7.23</b>	<b>4.80</b>	<b>-</b>	<b>12.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.03</b>
<b>Grand Total</b>	<b>59.46</b>	<b>116.71</b>	<b>1.51</b>	<b>174.66</b>	<b>9.53</b>	<b>13.85</b>	<b>1.12</b>	<b>22.26</b>	<b>1.12</b>	<b>13.85</b>	<b>22.26</b>	<b>152.40</b>

2.1. Additions to Plant and Machinery for the year ended March, 31, 2017 includes Plant and Machinery of ₹ 58 crore given on operating lease for period of 2.5 years at fixed monthly rental which is included in Other Income (refer note 22)

2.2. The commercial rights have been extinguished as at March, 31, 2017 and accordingly the cost and accumulated amortisations has been adjusted during the year and net balance is Nil.



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 3: Investment property under development**

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Investment property under development	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

In the original financial statements, the following disclosures were given pertaining to Investment property under development. In the recast financial statements, this amount has been regrouped as "Consideration paid for acquisition of commercial premises" under Other non-current assets and shown in Note 9. Due to such re-grouping, the carrying value of Investment property under development is Nil.

**Disclosure as per original financial statements**

**Reconciliation of Carrying Amount**

Particulars	As at March 31, 2018	As at March 31, 2017
Carrying Amount at the beginning of the year	115.31	115.31
Add: Stamp duty and other taxes paid during the year	6.75	-
Less: Impairment loss provided during the year (refer note 29)	(3.13)	-
<b>Total</b>	<b>118.93</b>	<b>115.31</b>
	<b>-118.93</b>	<b>-115.30</b>

**Reconciliation of Impairment during the year**

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance at the beginning of the year	-	-
Addition during the year (refer note 29)	(3.13)	-
Reversal during the year	-	-
<b>Closing balance at the end of the year</b>	<b>(3.13)</b>	<b>-</b>

**Notes :**

a. 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.

b. Fair value measurement of the Company's investment properties

Fair value of property is determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices, significantly adjusted for difference in nature, location or condition of the specific property. As at March 31, 2018 and as at March 31, 2017, the property is fair valued based on valuations performed by one of the independent valuer who has relevant valuation experience for similar properties in India.

Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2018 and as at March 31, 2017 are as follows:

**Fair value as per Level 2**

Particulars	As at March 31, 2018	As at March 31, 2017
Investment property under development	118.93	118.93
<b>Total</b>	<b>118.93</b>	<b>118.93</b>



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

Note 4 : Investments

**I. Investments in Subsidiaries**

₹ in Crore

Particulars	Face value ₹	As at March 31, 2018		As at March 31, 2017	
		Quantity	Amount	Quantity	Amount
<b>Unquoted Investments (all fully paid)</b>					
<b>Investments in Equity Instruments (at deemed cost):</b>					
North Karnataka Expressway Limited	10	77,20,823	7.72	77,20,823	7.72
East Hyderabad Expressway Limited	10	2,16,89,400	15.08	2,16,89,400	15.08
ITNL International Pte. Ltd., Singapore (Face value US\$ 1 each)	Not Applicable	12,66,32,481	494.24	12,66,32,481	494.24
ITNL Road Infrastructure Development Company Limited	10	14,00,00,000	140.00	14,00,00,000	140.00
Vansh Nimay Infraprojects Limited	10	1,43,00,000	-	1,43,00,000	-
IL&FS Rail Limited(refer note 13)	10	34,92,31,950	349.23	68,81,74,376	589.80
Hazaribagh Ranchi Expressway Limited	10	13,09,86,900	-	13,09,86,900	-
Pune Sholapur Road Development Company Limited(refer note 13)	10	-	-	16,00,00,000	1.48
West Gujarat Expressway Limited	10	1,47,99,985	10.05	1,47,99,985	10.05
Moradabad Bareilly Expressway Limited (refer note 4.3)	10	18,95,19,309	189.52	22,16,60,000	221.66
Jharkhand Road Projects Implementation Company Limited	10	24,24,48,000	-	24,24,48,000	-
Jharkhand Infrastructure Implementation Company Limited	10	4,49,99,940	45.00	4,49,99,940	45.00
Chenani Nashri Tunnelway Limited	10	37,20,00,000	360.56	37,20,00,000	360.56
MP Border Checkpost Development Company Limited	10	11,02,78,130	-	11,02,78,130	-
Badarpur Tollway Operations Management Limited	10	-	-	49,994	0.05
Rapid Metro Rail Gurgaon Limited	10	1,82,39,128	18.24	1,82,39,128	18.24
Futureage Infrastructure India Limited	10	30,00,000	-	30,00,000	-
Charminar Robopark Limited	10	46,80,000	-	46,80,000	-
Karyavattom Sports Facilities Limited	10	4,31,19,940	43.12	4,31,19,940	43.12
Kiratpur Ner Chowk Expressway Limited	10	50,08,10,000	500.81	50,08,10,000	500.81
ITNL Offshore Pte. Ltd., Singapore (Face value US\$ 1 each)	Not Applicable	33,70,500	2.60	33,70,500	2.61
Baleshwar Kharagpur Expressway Limited	10	17,85,90,000	178.59	17,85,90,000	178.59
Sikar Bikaner Highway Limited	10	12,40,50,000	124.05	12,40,50,000	124.05
Rapid MetroRail Gurgaon South Limited	10	23,03,00,000	230.30	23,03,00,000	230.30
ITNL Africa Projects Ltd., Nigeria (Face value Nigerian Naira 1 each)	Not Applicable	25,00,000	-	25,00,000	-
Barwa Adda Expressway Limited	10	23,04,99,940	230.50	10,49,99,940	105.00
Khed Sinnar Expressway Limited	10	29,41,89,994	294.19	29,41,89,994	294.19
Amravati Chikhli Expressway Limited	10	11,91,49,994	119.15	1,80,49,994	18.05
Fagne Songadh Expressway Limited	10	26,24,99,994	262.56	1,41,49,994	14.15
ITNL Offshore Two Pte. Ltd. (Face value US\$ 1 each)	Not Applicable	50,000	0.31	50,000	0.31
ITNL Offshore Three Pte. Ltd. (Face value US\$ 1 each)	Not Applicable	1	0.00	1	0.00
Srinagar Sonamarg Tunnelway Limited	10	56,76,068	195.90	56,76,068	195.90
GRICL Rail Bridge Development Company	10	58,00,000	5.80	42,00,000	4.20
Rajasthan Land Holdings Limited	10	-	-	20,00,000	2.50
Elsamex Maintenance Services Limited	10	49,940	116.55	-	-
Elsamex India private Limited	10	21,00,000	12.01	-	-
Yala Construction Company Limited	10	60,67,762	11.41	-	-
Grusamar India Limited	10	49,940	0.84	-	-
Ranchi Muri Road Development Limited	10	49,940	0.05	-	-



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 4 : Investments**

Covered Warrant - IL&FS					
- In favour of Chhattisgarh Highways Road Development Company Limited	10	74,00,000	7.40	74,00,000	7.40
- In favour of Jharkhand Road Projects Implementation Company Limited	10	1,70,00,000	-	1,70,00,000	-
<b>Investments in Preference Shares (at amortised cost) :</b>					
West Gujarat Expressway Limited	10	2,00,00,000	11.41	2,00,00,000	10.15
<b>Investments in units (at cost) :</b>					
ITNL Road Investment Trust ("IRIT")	1,000	10,68,955	76.90	10,68,955	76.90
<b>Total Aggregate Unquoted Investments (A)</b>			<b>4,054.09</b>		<b>3,712.11</b>
<b>Less : Provision for diminution in the value of Investments (B)</b>					
<b>Investments in Equity Instruments</b>					
IL&FS Rail Limited		34,92,31,950	-	68,81,74,376	25.39
Chenani Nashri Tunnelway Limited		37,20,00,000	262.03	37,20,00,000	262.03
Badarpur Tollway Operations Management Limited		-	-	49,994	0.05
Rapid Metro Rail Gurgaon Limited		1,82,39,128	8.13	1,82,39,128	8.13
ITNL Offshore Two Pte. Ltd.		50,000	0.31	50,000	0.31
Srinagar Sonamarg Tunnelway Limited		56,76,068	46.38	56,76,068	27.53
Khed Sinnar Expressway Limited		29,41,89,994	5.43	29,41,89,994	-
			<b>322.28</b>		<b>323.44</b>
<b>Total Investments in Subsidiaries (A) - (B)</b>			<b>3,731.81</b>		<b>3,388.67</b>

**ii. Investments in Associates**

Particulars	Face value ₹	As at March 31, 2018		As at March 31, 2017	
		Quantity	Amount	Quantity	Amount
<b>Quoted Investments (all fully paid)</b>					
<b>Investments in Equity Instruments (at cost)</b>					
Noida Toll Bridge Company Limited	10	4,90,95,007	161.62	4,90,95,007	161.62
Less : Provision for diminution in the value of Investments			106.39		106.39
<b>Total Aggregate Quoted Investments (A)</b>			<b>55.23</b>		<b>55.24</b>
<b>Unquoted Investments (all fully paid)</b>					
<b>Investments in Equity Instruments (at cost)</b>					
Gujarat Road and Infrastructure Company Limited (refer note 13)	10	-	-	1,48,73,366	14.19
Pario Developers Private Limited	10	3,300	0.33	-	-
ITNL Toll Management Services Limited	10	24,500	0.02	24,500	0.02
<b>Investments in Preference Shares (at amortised)</b>					
Pario Developers Private Limited	10	1,50,00,000	140.42	-	-
<b>Total Aggregate Unquoted Investments (B)</b>			<b>140.77</b>		<b>14.21</b>
<b>Total Investments (A) + (B)</b>			<b>196.00</b>		<b>69.44</b>



IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the recast financial statements for the year ended 31 March 2018

Note 4 : Investments

iii. Investments in Joint Ventures

Particulars	Face value ₹	As at March 31, 2018		As at March 31, 2017	
		Quantity	Amount	Quantity	Amount
		₹ in Crore			
<b>Unquoted Investments (all fully paid)</b>					
<b>Investments in Equity Instruments (at cost)</b>					
Jorabat Shillong Expressway Limited	10	4,20,00,000	21.19	4,20,00,000	21.19
NAM Expressway Limited	10	11,67,54,970	116.75	11,67,54,970	116.75
Thiruvananthapuram Road Development Company Limited	10	1,70,30,000	-	1,70,30,000	-
Warora Chandrapur Ballarpur Toll Road Limited	10	6,17,08,500	61.71	6,17,08,500	61.71
Covered Warrant - IL&FS - In favour of Road Infrastructure Development Company of Rajasthan Limited	10	16,25,00,000	162.50	16,25,00,000	162.50
- In favour of Jharkhand Accelerated Road Development Company Limited	10	74,00,000	7.40	74,00,000	7.40
<b>Total Aggregate Unquoted Investments</b>			<b>369.55</b>		<b>369.55</b>
<b>Less : Provision for diminution in the value of Investments (B)</b>					
<b>Investments in Equity Instruments</b>					
Jorabat Shillong Expressway Limited			6.89		6.89
			6.89		6.89
<b>Total Investments in Associates (A) - (B)</b>			<b>362.66</b>		<b>362.66</b>

iv. Other Non Current Investments

Particulars	Face value ₹	As at March 31, 2018		As at March 31, 2017	
		Quantity	Amount	Quantity	Amount
		₹ in Crore			
<b>Unquoted Investments (all fully paid) (at FVTPL)</b>					
<b>Investments in Equity Instruments</b>					
Indian Highways Management Company Limited	10	5,000	0.01	5,000	0.01
<b>Investments in Equity Instruments</b>					
Pipavav Railway Corporation Limited	10	-	-	1,20,00,000	17.90
<b>Total Aggregate Unquoted Investments (A)</b>			0.01		17.91
<b>Add / (Less) : Fair valuation of Investment</b>					
Pipavav Railway Corporation Limited (B)			-		7.95
<b>Sub-total (B)</b>			-		7.95
<b>Total Investments Carrying Value (A) + (B)</b>			<b>0.01</b>		<b>25.87</b>
<b>Total (i + ii + iii + iv)</b>			<b>4,290.48</b>		<b>3,846.64</b>

v. Breakup of investments into quoted and unquoted

Particulars	₹ in Crore			
	As at March 31, 2018		As at March 31, 2017	
	Cost	Market value	Cost	Market value
Quoted investments	55.23	59.16	162.33	55.23
Unquoted investments	4,235.25	-	5,141.62	-
<b>Total</b>	<b>4,290.48</b>	<b>59.16</b>	<b>5,303.95</b>	<b>55.23</b>

vi. Other Investments – as per Ind AS 109 classification

Particulars	₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Financial assets carried at fair value through profit or loss (FVTPL)		
Held for trading non-derivative financial assets	-	22.14
<b>Total</b>	-	<b>22.14</b>



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 4 : Investments****vii. Impairment Of Investments**

The Company performed its annual impairment test for year ended 31 March 2018 for its investments in SPVs based on fair value less costs to sell. The Company has prepared cash flow projection models for each SPV for the purpose of testing of impairment of investments made in these SPVs. The Company is following one valuation approach i.e. Discounted Cash Flow (DCF) Method, under which the value of each SPV is derived by discounting the future debt free cash flow accruing to the SPV over remaining life of the project. As at March 31, 2018, the recoverable value of certain SPVs investment is below the carrying amount recorded in books of accounts indicating potential impairment in these investments. As a result of this analysis, the Company has recognised impairment loss of ₹ 24.23 crore as above. The impairment losses are included in Other Expenses (refer Note 28).

**Key Assumptions Used:**

Following are the key assumptions used for the purpose of calculation of value of investment in each SPV and thereby for testing impairment:

Revenue Growth  
Operating Expenses  
Interest Rate and Repayment Schedule  
Discount Rate  
Terminal growth Rate

**Revenue Growth**

The SPVs of the Company operate under the Build, Operate and Transfer (BOT) and Design, Build, Finance, Operate and Transfer (DBFOT) contracts with the government authorities (grantor). Under these Contracts SPVs gets toll collection rights (Toll Projects) or fixed annuity amount (Annuity Projects) from the grantors of Contracts against construction services rendered. For Toll Projects, the Company has considered recent available traffic study for estimating projected revenue growth. For Annuity Projects, the Company has considered the annuity schedules agreed with grantors.

**Operating Expenses**

The Company has operating and maintainance agreement with its SPVs for all the estimated maintainance expenses during concession period. The operating expenses of the SPVs has been considered basis these agreements.

**Interest Rate and Repayment Schedule**

The Company has projected Interest rate and repayment schedule of borrowings based on the existing loan agreements with various lenders of each SPV.

**Discount Rates**

Discount rates represent the then current market assessment of the risks specific to each SPV, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

**Terminal growth Rate**

The Company had estimated Terminal growth rate based on the inflation of the markets where it is operating.

**Sensitivity to changes In key assumption:**

Implications of the key assumption for the recoverable amount is discussed below:

**Discount rate**

Change in market risks and global economic and political scenario may result into increase in the expected discount rate. In such scenario, the Company may have to provide for additional impairment.

**viii. Reconciliation of Impairment during the year**

Particulars	₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Opening balance at the beginning of the year	436.72	371.62
Addition during the year (Refer Note 28)	24.28	65.15
Reversal during the year (Refer Note 28)	(0.05)	(0.05)
Impairment on assets held for sale (Refer Note 13)	(25.39)	-
Closing balance at the end of the year	435.56	436.72



**IL&FS TRANSPORTATION NETWORKS LIMITED**

**Notes forming part of the recast financial statements for the year ended 31 March 2018**

**Note 4 : Investments**

4.1. During the year ended March 31, 2018, the Company has sold its investment of 2,000,000 equity share held in Rajasthan Land Holding Limited to Pario Developers Private Limited against consideration received by way of preference shares which is included as investment in above schedule. The profit on sale of ₹ 147.50 Crores is included as a part of Profit on Sale of investments under Other income in Note 22.

4.2. During the year ended March 31, 2018, the Company has sold its investment of 14,735,076 equity share held in Gujarat Road and Infrastructure Company Limited to Oriental Tollways Private Limited and IL&FS Financial Services Limited. The profit on sale of ₹ 214.13 Crores from this transaction is included as a part of Profit on Sale of investments under Other income in Note 22.

4.3. During the year ended March 31, 2018, the Company has sold its Investment of 32,140,691 in equity share held in Moradabad Bareilly Expressway Limited to Oriental Tollways Private Limited. The profit on sale of ₹ 48.21 Crores from this transaction is included as a part of Profit on Sale of investments under Other income in Note 22.

4.4. During the year ended March 31, 2018, the Company has sold its investment of 12,000,000 Pipavav Railway Corporation Limited to IL&FS Financial Services Limited. The profit on sale of ₹ 31.88 Crores from this transaction is included as a part of Profit on Sale of investments under Other income in Note 22.

4.5. The Company has pledged 14,300,000 equity shares aggregating ₹ 14.50 Crores (As at March 31, 2017 - 14,300,000 equity shares aggregating ₹ 14.50 Crores) of Vansh Nimay Infraprojects Limited ("Borrower") with Vistra ITCL (India) Limited (formerly known as IL&FS Trust Company Limited) ("Security Trustee") to secure the dues of the Borrower including without limitation all principal amounts, interest expenses, penalties, costs, fees, etc payable by the Borrower in relation to the facility extended by the Consortium of Financial Institutions and Banks under the Pooled Municipal Debt Obligation Facility ("PMDO").

4.6. The Company's investment in "Covered Warrants" aggregating to ₹ 177.30 Crores (As at March 31, 2017 ₹ 177.30 Crores) issued by Infrastructure Leasing & Financial Services Limited ("IL&FS") are instruments under which the holder is entitled to a proportionate share of the dividend and the residual interest / economic benefit on the shares of the underlying investments. However, the rights available as equity shareholder are with IL&FS.

4.7. The Company's investment in redeemable / optionally convertible cumulative preference shares of West Gujarat Expressway Limited ("WGEL") are convertible, at the option of the Company, into 1 equity share and carry a coupon of 2% per annum upto the conversion, accrued annually in arrears ("Coupon"). An additional coupon consisting of 95% of the balance distributable profits, that may be available with WGEL after it has met all other obligations, would also accrue on the said preference shares ("Additional Coupon").

4.8. Pursuant to the order of the Hon'ble High Court of Allahabad, the collection of toll at an associate company was suspended since October 26, 2016 and the matter is pending with the Arbitrator. Based on the provisions of the Concession agreement (relating to the Compensation and other recourses) supported by legal opinion, the Company is confident that the underlying value of the Intangible and other assets of associate are fully recoverable. Consequently the Company is of the view that it would be appropriate to carry its investment of the associate at ₹ 162.33 crores.

4.9. The Company has given non-disposal undertakings to the lenders and the grantors of the concession for its investment in infrastructure companies promoted by it with regard to its investments in the equity share capital of these companies as a part of promoter's undertaking to such lenders, equity investors and the grantors of the concession, the carrying value of which is ₹ 1893.30 Crores as at March 31, 2018. (₹ 1,752.15 Crores as at March 31, 2017)

4.10. During the year the Company has purchased Elsamex Maintenance Services Limited, Elsamex India Private Limited, Yala Contraction Company Limited and Grusamar India Limited from Elsamex S.A.



IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the recast financial statements for the year ended 31 March 2018

I. Information as required under paragraph 17 (b) of Ind AS 27 for Investments in subsidiaries, joint ventures and associates :

The name of the Investees	Proportion of the ownership Interest		The principal place of business	Country of Incorporation
	As at March 31, 2018	As at March 31, 2017		
<b>Investments in subsidiaries</b>				
<b>Investments in Equity Instruments (at cost / deemed cost) :</b>				
East Hyderabad Expressway Limited	74.00%	74.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
ITNL International Pte. Ltd.	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018981	Singapore
ITNL Road Infrastructure Development Company Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Elsamex S A.	0.00%	0.00%	San Severo n°18 Madrid, Spain-28042	Spain
Vansh Nimay Infraprojects Limited	90.00%	90.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
IL&FS Rail Limited	83.25%	83.25%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon - 122001	India
Pune Sholapur Road Development Company Limited	90.91%	90.91%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
West Gujarat Expressway Limited	74.00%	74.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Moradabad Bareilly Expressway Limited	85.50%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Jharkhand Infrastructure Implementation Company Limited	100.00%	100.00%	443 A, Road No. 5, Ashok Nagar, Ranchi - 834002	India
Chenani Nashri Tunnelway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
MP Border Checkpost Development Company Limited	74.00%	74.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Badarpur Tollway Operations Management Limited	0.00%	100.00%	Toll Plaza, Mayur Vihar Link Road, Delhi - 110092	India
Rapid MetroRail Gurgaon Limited	23.82%	44.12%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon - 122001	India
Futureage Infrastructure India Limited	58.48%	58.48%	3rd Floor, A-1, Crescent Krishna Metropolis, Rukminipuri, A S Rao Nagar, Hyderabad - 500062 Telangana	India
Charminar Robopark Limited	89.20%	89.20%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Karyavattom Sports Facilities Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Kiratpur Ner Chowk Expressway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
ITNL Offshore Pte. Limited	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018981	Singapore
Baleshwar Kharagpur Expressway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Rapid MetroRail Gurgaon South Limited	62.46%	89.11%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon - 122001	India
ITNL Africa Projects Limited	100.00%	100.00%	4th floor, Bank of Industry Bldg. Central Business District, Abuja	Nigeria
Barwa Adda Expressway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Khed Sinnar Expressway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Andhra Pradesh Expressway Limited	0.00%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
GIFT Parking Facilities Limited	0.00%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Amravati Chikhli Expressway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Fagne Songadh Expressway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India





**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

ITNL Offshore Two Pte. Limited	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018991	Singapore
ITNL Offshore Three Pte. Limited	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018991	Singapore
Srinagar Sonamarg Tunnelway Limited	49.00%	49.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
GRIL Rail Bridge Development Company Limited	100.00%	100.00%	301, Shapath-1 Complex, Opp: Rajpath Club, Nr. Madhur Hotel, Sarkhej Highway, Bodakdev, Ahmedabad - 380015	India
Rajasthan Land Holdings Limited	0.00%	100.00%	1st Floor, LIC Jeevan Nidhi Building, Ambedkar Circle, Bhawani Singh Road Jaipur 302005	India
North Karnataka Expressway Limited	93.50%	93.50%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Sikar Bikaner Highway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Jharkhand Road Projects Implementation Company Limited	100.00%	100.00%	443 A, Road No. 5, Ashok Nagar, Ranchi - 834002	India
Hazaribagh Ranchi Expressway Limited	99.99%	99.99%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
ITNL Road Investment Trust	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Chhattisgarh Highways Road Development Company Limited	74.00%	74.00%	House No. 705, Sector 2, Avanti Vihar, Telibandha Raipur CT 492006	India
Elsamex Maintenance Services Limited	99.88%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Elsamex India Private Limited	99.15%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India

The name of the investees	Proportion of the ownership Interest		The principal place of business	Country of Incorporation
	As at March 31, 2018	As at March 31, 2017		
Yala Construction Company Limited	98.03%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Grusamr India Limited	99.88%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Ranchi Muri Road Development Limited	100.00%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
<u>Investments in associates</u>				
<u>Investments in Equity Instruments (at cost / deemed cost) :</u>				
Noida Toll Bridge Company Limited (at deemed cost)	26.37%	26.37%	DND Flyway Toll Plaza, Noida	India
Gujarat Road and Infrastructure Company Limited	0.25%	26.81%	Office of The Secretary, To The Govt of Gujarat, Roads And Building Department, Gandhinagar	India
ITNL Toll Management Services Limited	49.00%	49.00%	The Toll Plaza, DND Flyway, Noida - 201301	India
<u>Investments in Joint ventures</u>				
<u>Investments in Equity Instruments (at cost / deemed cost) :</u>				
Jorabat Shillong Expressway Limited	50.00%	50.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
NAM Expressway Limited	50.00%	50.00%	6-3-1089/G/10&11, Gumohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500082	India
Thiruvananthapuram Road Development Company Limited	50.00%	50.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Road Infrastructure Development Company of Rajasthan Limited	50.00%	50.00%	1st Floor, LIC Jeevan Nidhi Building, Ambedkar Circle, Bhawani Singh Road Jaipur 302005	India
Jharkhand Accelerated Road Development Company Limited	74.00%	74.00%	443 A, Road No. 5, Ashok Nagar, Ranchi - 834002	India
Warora Chandrapur Ballarpur Toll Road Limited	35.00%	35.00%	4th Floor Madhu Madhav Tower, Laxmi Bhuvan Square, Dharampeth, Nagpur - 440010	India



IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 5: Loans**

₹ In Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
<b>Loans to related parties</b>				
Unsecured, considered good	4,369.42	1,710.71	2,829.00	2,847.47
Unsecured, considered doubtful	-	85.62	-	83.80
Allowance for losses	(716.79)	(462.44)	(549.41)	(620.34)
<b>Sub-total (A)</b>	<b>3,652.63</b>	<b>1,333.89</b>	<b>2,279.59</b>	<b>2,310.93</b>
<b>Loans to other parties</b>				
Unsecured, considered good	190.71	125.25	144.09	104.20
Unsecured, considered doubtful	-	50.36	-	9.21
Allowance for losses	(27.41)	(153.07)	(64.57)	(91.22)
<b>Sub-total (B)</b>	<b>163.30</b>	<b>22.54</b>	<b>79.52</b>	<b>22.19</b>
<b>Total (A+B)</b>	<b>3,815.93</b>	<b>1,356.43</b>	<b>2,359.11</b>	<b>2,333.12</b>
Check	55.16	454.39	(121.08)	622.56

\*includes outstanding non-current loans to subsidiaries of Rs. 3,817.15 crores for March 31, 2018 and outstanding non-current loans to subsidiaries of Rs. 2,729.64 crores for March 31, 2017

includes outstanding current loans to subsidiaries of Rs. 1,347.89 for March 31, 2018 and outstanding current loans to subsidiaries of Rs. 2,477.76 crores for March 31, 2017

a. Expected credit loss ("ECL") is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at Effective Interest Rate ("EIR").

b. The estimated realization date of the loans given (including accrued interest), has been taken by considering the cash flow model of the respective project SPVs which in the view of the management is the most realistic and appropriate way for estimating the realization date of the loans given (including accrued interest), with respect to the project SPVs. In respect of other than project SPVs, the management has carried out its internal assessment procedures and accordingly the realization date has been estimated.

**5.1 - Movement in the expected credit loss :**

₹ In Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	1,325.54	1,304.93
Expected credit loss allowance on loans given (Refer Note 28.3)	221.06	110.87
Reversal of Expected credit losses on loans given (Refer Note 28.3)	(186.89)	(90.26)
<b>Balance at end of the year</b>	<b>1,359.71</b>	<b>1,325.54</b>

**Note 6: Other financial assets (Unsecured, considered good unless otherwise mentioned)**

₹ In Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Security Deposits to related parties	0.25	-	0.25	-
Security Deposits to others	2.61	8.40	3.05	8.00
Allowance for doubtful advances	-	(3.40)	-	-
Retention Money Receivable from related parties (Refer note 31)	-	235.65	300.17	-
Balances with Banks in deposit accounts (under lien) (Refer note 6.1)	50.70	-	52.64	-
Advance towards Share Application Money receivable from related parties	0.01	-	0.01	-
Interest on trade receivables from related parties (Refer Note 50.5 (c))	-	220.52	-	135.94
<b>Advances recoverable :</b>				
From related parties	-	135.37	75.00	63.08
Allowance for expected credit loss	-	(22.70)	(21.61)	-
From related parties considered doubtful	-	22.06	-	40.17
Allowance for doubtful advances	-	(22.06)	-	(40.17)
From others	-	99.77	-	50.80
Allowance for doubtful advances	-	(9.22)	-	-
From others considered doubtful	20.00	-	20.00	-
Allowance for doubtful advances	(20.00)	-	(20.00)	-
Dividend receivable from related parties	-	-	-	0.00
Receivable for sale of investment	-	163.55	-	-
Other receivables	-	-	-	25.00
Unbilled Revenue from related parties (Refer note 31)	-	841.48	-	399.29
<b>Total</b>	<b>53.57</b>	<b>1,669.42</b>	<b>409.51</b>	<b>682.11</b>

6.1 Under banks lien as security against the credit facilities extended to the Company

-444.66 -659.39 -0.17 40.86



IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 7: Deferred Tax Assets (Net)**

The following is the analysis of Deferred Tax Asset / (Liabilities) presented in the balance sheet:

Particulars	₹ In Crore		
	As at March 31, 2018	Movement Recognised In Total Comprehensive Income	As at March 31, 2017
Property, plant and equipment	(7.23)	(13.65)	6.42
Unamortised borrowing costs	(73.38)	15.47	(88.85)
Allowance for doubtful loans / Expected credit loss on loans	-	-	-
Allowance for doubtful debts / Expected credit loss on receivables	0.10	-	0.10
Other Comprehensive Income	-	-	-
Allowance for expected credit loss in other financial assets	-	-	-
Defined benefit obligation	1.78	0.19	1.59
Business loss (refer footnote)	-	-	-
Capital loss (refer footnote)	-	-	-
Fair valuation and Expected credit loss in investments (net)	-	-	-
Sub-total	(78.73)	2.01	(80.74)
MAT Credit Entitlement (refer footnote)	-	-	-
Deferred Tax Asset / (Liabilities) (Net)	(78.73)	2.01	(80.74)

7.1. In view of what has been stated in note 45 regarding revision of Return of Income and adopting conservative approach in the matter and further in the absence of reasonable certainty of future taxable income, no deferred tax assets relating to provision for doubtful debts, loans and advances as well as MAT Credit Entitlement have been recognised.

**Note 8: Non Current Tax Assets (net)**

Particulars	₹ In Crore	
	As at March 31, 2018	As at March 31, 2017
Advance Payment of taxes	1,378.71	1,260.69
Provision for tax	(873.91)	(841.47)
<b>Total</b>	<b>504.80</b>	<b>419.22</b>
Check	(34.49)	(38.69)

**Note 9: Other assets (Unsecured, considered good unless otherwise mentioned)**

Particulars	₹ in Crore			
	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Capital Advances	0.01	-	-	-
Preconstruction and Mobilisation advances paid to contractors and other advances	309.11	506.91	319.77	137.39
Mobilisation advances considered doubtful	-	25.10	-	25.10
Allowance for doubtful advances	-	(25.10)	-	(25.10)
Prepaid expenses	4.43	10.80	0.86	25.21
Gratuity Fund (Refer Note 34)	-	4.54	-	0.82
Indirect tax balances / Receivable credit	-	188.74	-	107.35
Other Current Assets	0.01	0.33	-	-
Recoverable from erstwhile Directors for managerial remuneration paid / accrued (Refer Note 9.2)	32.13	-	29.13	-
Recoverable from Holding Company (Refer Note 50.10)	59.12	-	55.65	-
Consideration paid for acquisition of commercial premises (net of impairment) (Refer Note 9.1)	118.93	-	115.30	-
<b>Total</b>	<b>523.74</b>	<b>711.32</b>	<b>520.71</b>	<b>270.77</b>



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

9.1 During the year ended March 31, 2013, the Company had exercised an option under an Agreement, by virtue of which it was entitled to 49,555 sq. ft. area in a commercial development project in Mumbai in lieu of the outstanding balance of advance given of ₹111.85 Crore (including interest accrued of ₹ 12.77 Crore). On exercising of option, the Company disclosed the amount under "Investment Property". The Company has received letter of allotment for the abovementioned area, however, such letter does not specify identification of specific premises that would be allotted to the Company. In addition, such premises / areas were also under construction as on the date of the balance sheet and accordingly, possession of the same was not given to the Company. The Company had paid ₹ 3.46 Crore towards incidental expenses in relation to conversion which was also classified under Investment Property. In view of the above facts, the entire amount has been regrouped as "Consideration paid for acquisition of commercial premises". As stated in Note 3, the Company has given said property as security to one of the lenders. Subsequently the Company has been allotted designated commercial area of 49,555 sq.ft. in the said project vide letter dated May 22, 2015. The Company had recognised impairment loss of Rs. 3.13 crores on Investment Properties under development in the original financial statements and the same has been retained in the recast financial statements shown in Note 28.

9.2 The Company had recognised managerial remuneration to erstwhile Managing Director (MD) / Whole-time Director (WTD) based on their respective appointment terms and also commission to other directors considering the profit as per the original standalone financial statements. However, as per the recast standalone financial statements, there is absence of profits and accordingly, the overall maximum managerial remuneration/ commission payable have been re-computed in terms of provisions of the Companies Act and other related provisions. The relevant details are tabulated hereunder. This working is in line with opinion obtained by the Group from an expert. The Company is yet to make formal claim for recovery of such amount. In the opinion of the management, necessary steps will be taken to recover such amount and accordingly, it has been classified under the head "Recoverable from erstwhile Directors for managerial remuneration paid / accrued".

For FY 2017-18

Name	Nature of Payment	₹ in Crore		
		Amount recognised as per original financial statements	Amount as per recast standalone financial statements	Amount Recoverable
Mr. K Ramchand	Gross Salary, Perquisites, Retirement benefits and Performance Related Pay	3.39	1.69	1.70
Mr Mukund Sapre	Gross Salary, Perquisites, Retirement benefits and Performance Related Pay	2.22	1.69	0.53
Deepak Dasgupta	Commission	0.13	-	0.13
Deepak Satwalekar	Commission	-	-	-
R C Sinha	Commission	0.13	-	0.13
H P Jamdar	Commission	0.13	-	0.13
Neeru Singh	Commission	0.13	-	0.13
Ravi Parthasarathy	Commission	0.07	-	0.07
Hari Sankaran	Commission	0.07	-	0.07
Arun K Saha	Commission	0.07	-	0.07
Pradeep Puri	Commission	0.04	-	0.04
	<b>Total</b>	<b>6.38</b>	<b>3.38</b>	<b>3.00</b>
	Financial year 2016-17 recoverable	8.36	3.08	5.28
	Financial year 2015-16 recoverable	8.78	1.44	7.34
	Financial year 2014-15 recoverable	9.54	1.30	8.24
	Financial Year 2013-14 recoverable	9.27	1.00	8.27
	<b>Grand Total</b>			<b>32.13</b>



IL&FS TRANSPORTATION NETWORKS LIMITED  
Notes forming part of the recast financial statements for the year ended 31 March 2018

For FY 2016-17

Name	Nature of Payment	₹ in Crore		
		Amount recognised as per original financial statements	Amount as per recast standalone financial statements	Amount Recoverable
Mr. K Ramchand	Gross Salary, Perquisites, Retirement benefits and Performance Related Pay	4.65	1.54	3.11
Mr Mukund Sapre	Gross Salary, Perquisites, Retirement benefits and Performance Related Pay	2.97	1.54	1.43
Deepak Dasgupta	Commission	0.13	-	0.13
Deepak Satwalekar	Commission	-	-	-
R C Sinha	Commission	0.13	-	0.13
H P Jamdar	Commission	0.13	-	0.13
Neeru Singh	Commission	0.09	-	0.09
Ravi Parthasarathy	Commission	0.07	-	0.07
Hari Sankaran	Commission	0.07	-	0.07
Arun K Saha	Commission	0.07	-	0.07
Pradeep Puri	Commission	0.05	-	0.05
Vibhav Kapoor	Commission	-	-	-
	<b>Total</b>	<b>8.36</b>	<b>3.08</b>	<b>5.28</b>
	Financial year 2015-16 recoverable	8.78	1.44	7.34
	Financial year 2014-15 recoverable	9.54	1.30	8.24
	Financial Year 2013-14 recoverable	9.27	1.00	8.27
	<b>Grand Total</b>			<b>29.13</b>



IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the recast financial statements for the year ended 31 March 2018

Note 10: Inventories (At lower of cost and net realisable value)

Particulars	₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Stores and spares	19.90	22.59
<b>Total</b>	<b>19.90</b>	<b>22.59</b>

Check

The inventories are lying at the construction site at the year end.

Note 11: Trade receivables

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Unsecured, considered good				
Trade receivables from related parties	115.07	2,885.08	-	2,520.35
Trade receivables from others	-	39.10	-	50.80
Unsecured, considered doubtful				
Trade receivables from related parties	-	244.01	-	244.01
Trade receivables from others	-	16.54	-	16.54
Allowance for losses	(50.98)	(293.66)	-	(522.34)
<b>Total</b>	<b>64.09</b>	<b>2,891.07</b>	<b>-</b>	<b>2,309.36</b>

Check

(254.21) (277.83)

a. There are no receivables due from directors or other officers of the company either severally or jointly with any other person; and from firms or private companies respectively in which any director is a partner, a director or a member.

b. Trade receivables are generally on terms of 7 to 20 days and certain receivables carry interest for overdue period.

c. Expected credit loss ("ECL") is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the weighted average cost of borrowings of the Company.

d. The estimated realization date of the receivables has been taken by considering the cash flow model of the respective project SPVs which in the view of the management is the most realistic and appropriate way for estimating the realization date of the receivables with respect to the project SPVs. In respect of other than project SPVs, the management has carried out its internal assessment procedures and accordingly the realization date has been estimated.

11.1 - Movement in the expected credit loss on Trade Receivables:

Particulars	₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	522.34	589.53
Addition during the year (Refer Note 28.3)	11.89	94.81
Reversal during the year (net) (Refer Note 28.3)	(189.59)	(162.00)
<b>Balance at end of the year</b>	<b>344.64</b>	<b>522.34</b>
Pertaining to the ECL Adjustments (Refer Note 28.3)	(177.70)	(67.19)
Pertaining to the adjustment for revenue at fair value (Refer Note 28.3)	(20.93)	(86.88)
<b>Total</b>	<b>(198.63)</b>	<b>(154.07)</b>



**IL&FS TRANSPORTATION NETWORKS LIMITED**

**Notes forming part of the recast financial statements for the year ended 31 March 2018**

**Note 12: Cash and cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
On current accounts	175.11	156.86
On deposit accounts	4.10	4.09
Cash on hand	0.06	0.01
<b>Cash and cash equivalents</b>	<b>179.27</b>	<b>160.96</b>
Unpaid dividend accounts	0.11	0.11
Balances held as margin money or as security against borrowings	287.56	172.63
<b>Other bank balances</b>	<b>287.67</b>	<b>172.74</b>

a. Cash at Banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods between one day and three months, depending on the immediate cash requirements for the Company, and earn interest at the respective short term deposits rates.

b. For the purpose of the statement of cash flows, cash and cash equivalents comprise following :

Particulars	₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
<b>Cash and cash equivalents</b>	<b>179.27</b>	<b>160.96</b>
Less – Secured Demand loans from banks (Cash credit)(shown under current borrowings in note 16)	(117.31)	(132.35)
Less – Unsecured Demand loans from banks (Bank overdraft) (shown under current borrowings in note 16)	-	(9.39)
<b>Cash and cash equivalents for statement of cash flows</b>	<b>61.97</b>	<b>19.21</b>

c. Non-cash transactions excluded from cash flow statement

- Fixed deposit with Indusind bank of ₹ 3.42 crore converted into Loan to Jharkhand Road Projects Implementation Company Limited.
- During the year , Interest accrued from Karyavattom Sports Facilities Limited converted into Loan ₹ 3.32 crore.
- During the year , there has been conversion of receivable into loan of ₹ 17.93 crore.
- During the year, the short term loan given to certain Group Companies have been assigned to Certain existing lenders of the Company aggregating ₹ 3072.43 crore.



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 13: Asset Classified as Held for sale**

₹ In Crore

Particulars	Face value ₹	As at March 31, 2018		Face value ₹	As at March 31, 2017	
		Quantity	Amount (net of fair value reduction)		Quantity	Amount (net of fair value reduction)
IL&FS Rail Limited (Refer Note 13.3) Less : Provision for diminution in the value of investment in IL&FS Rail Limited	10	33,89,42,426	240.57  (25.39)	-	-	-
Pune sholapur Road Development Company Limited (Refer Note 13.1)	10	16,00,00,000	1.48	-	-	-
Gujarat Road and Infrastructure Company Limited (Refer Note 13.2)	10	1,38,290	0.13	-	-	-
<b>Total</b>			<b>216.79</b>			-

For the above investments in subsidiaries, the Company has entered into letter of intent (LOI)/ Memorandum understanding (MOU) with customer for sale of such investments. The LOI/MOU has certain condition precedence which are outstanding as on March 31, 2018 and accordingly these Investments are considered as held for sale and carried at cost or as per market value whichever is lower.

13.1 Investment of ₹ 160.00 Crore in subsidiary Pune Sholapur Road Development Company Limited is shown as asset held for sale as advance of ₹ 270 Crore has received against sale of investment in Pune Sholapur Road Development Company Limited. The advance received of ₹ 270 crores is shown under Other Financial Liabilities in Note 17. The Company has entered into the MOU and subject to final agreement and other condition prevalent, sale has not been recognised in books of accounts. There was a fair value reduction in this investment of ₹ 158.52 crores as on the date of transition to Ind AS.

13.2 Investment of ₹ 0.13 Crore in Associate Gujarat Road and Infrastructure Company limited is shown as asset held for sale.

13.3 Investment of 41% amount to ₹ 338.94 Crore in subsidiary IL&FS Rail limited is shown as asset held for sale. There was a fair value reduction in this investment of ₹ 98.37 crores as on the date of transition to Ind AS.





**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 14: Share capital**

Particulars	₹ in Crore			
	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	₹ in Crore	Number of Shares	₹ in Crore
<b>Authorised</b> Equity Shares of ₹ 10/- each	50,00,00,000	500.00	50,00,00,000	500.00
<b>Issued, Subscribed and Paid up</b> Equity Shares of ₹ 10/- each fully paid	32,89,60,027	328.96	32,89,60,027	328.96
<b>Total</b>	<b>32,89,60,027</b>	<b>328.96</b>	<b>32,89,60,027</b>	<b>328.96</b>

i. Details of shares held by the holding company, the ultimate controlling party, their subsidiaries and associates

Equity shares	As at March 31, 2018	As at March 31, 2017
Holding Company - Infrastructure Leasing & Financial Services Limited ("IL&FS")	23,65,82,632	23,65,82,632
Fellow subsidiary - IL&FS Financial Services Limited ("IFIN")	42,66,368	42,66,368

ii. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year :

Equity Shares	Year ended March 31, 2018		Year ended March 31, 2017	
	Number of Shares	₹ in Crore	Number of Shares	₹ in Crore
Shares outstanding at the beginning of the year	32,89,60,027	328.96	32,89,60,027	328.96
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>32,89,60,027</b>	<b>328.96</b>	<b>32,89,60,027</b>	<b>328.96</b>

iii. Shareholders holding more than 5% of issued, subscribed and paid up equity share capital :

Equity Shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	% of total holding	Number of Shares	% of total holding
IL&FS	23,65,82,632	71.92%	23,65,82,632	71.92%

iv. The Company has one class of equity shares with face value of ₹ 10 each fully paid-up. Each shareholder has a voting right in proportion to his holding in the paid-up equity share capital of the Company.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Where final dividend proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting.



IL&FS TRANSPORTATION NETWORKS LIMITED  
Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 15: Other equity**

	₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
<b>Reserves and surplus</b>		
<b>Debenture Redemption Reserve (refer note 15.1)</b>		
Balance at beginning of the year	46.14	46.14
Transfer (to) / from balance in Statement of Profit and Loss	-	-
<b>Balance at end of the year</b>	<b>46.14</b>	<b>46.14</b>
<b>Capital Redemption Reserve (refer note 15.5)</b>		
Balance at beginning of the year	-	-
Transfer (to) / from balance in Statement of Profit and Loss	-	-
<b>Balance at end of the year</b>	-	-
<b>Securities Premium (refer note 15.4)</b>		
Balance at beginning of the year	2,144.97	2,147.79
Premium utilised towards discount on issue of Non-Convertible Debentures	-	(2.82)
<b>Balance at end of the year</b>	<b>2,144.97</b>	<b>2,144.97</b>
<b>General Reserve (refer note 15.2)</b>		
Balance at beginning of the year	123.90	123.90
Transfer from / (to) Capital Redemption Reserve	-	-
<b>Balance at end of the year</b>	<b>123.90</b>	<b>123.90</b>
<b>Retained Earnings (refer note 15.3)</b>		
Balance at beginning of the year	(2,543.06)	(2,579.43)
Profit / (loss) attributable to owners of the Company	268.46	111.40
Payment of final dividends on equity shares (including dividend distribution tax)	-	(75.03)
Transfer from / (to) Debenture Redemption Reserve	-	-
<b>Balance at end of the year</b>	<b>(2,274.60)</b>	<b>(2,543.06)</b>
<b>Sub-Total</b>	<b>40.41</b>	<b>(228.05)</b>
<b>Items of other comprehensive income</b>		
<b>Cash Flow Hedge Reserve</b>		
Balance at beginning of the year	(39.33)	(3.71)
Gain/(loss) arising on changes in fair value of designated portion of hedging instruments	(4.21)	(35.62)
Income tax relating to items that will be reclassified to Statement of Profit and Loss	1.47	-
<b>Balance at end of the year</b>	<b>(42.07)</b>	<b>(39.33)</b>
<b>Defined Benefit Plan Adjustment</b>		
Balance at beginning of the year	(1.94)	(1.91)
Actuarial loss on defined benefit plan	(2.60)	(0.03)
Income tax relating to items that will be reclassified to Statement of Profit and Loss	0.91	-
<b>Balance at end of the year</b>	<b>(3.63)</b>	<b>(1.94)</b>
<b>Fair value change on assets measured at amortised cost</b>		
Balance at beginning of the year	-	-
Fair value change in investment in preference shares of subsidiary measured at amortised cost	(17.06)	-
<b>Balance at end of the year</b>	<b>(17.06)</b>	-
<b>Total Other Comprehensive Income</b>	<b>(62.76)</b>	<b>(41.27)</b>
<b>Total</b>	<b>(22.35)</b>	<b>(269.32)</b>



**IL&FS TRANSPORTATION NETWORKS LIMITED**

**Notes forming part of the recast financial statements for the year ended 31 March 2018**

**Description of the nature and purpose of each reserve within equity is as follows :**

**15.1. Debenture Redemption Reserve (DRR)**

The Company has issued several series of Non Convertible Debentures (NCDs). In terms of Section 71(4) of the Companies Act, 2013 read with rule 18(7)(b)(iii) of the Companies (Share Capital and Debentures) Rules 2014, the Company being an Infrastructure Company is required to create Debenture Redemption Reserve to the extent of 25% of the value of privately placed NCDs until such NCDs are redeemed.

As per the provisions of section 71(4) of the Companies Act, 2013 read with the Companies (Share capital and Debentures) Rules, 2014, DRR shall be created out of the profits of the Company available for payment of dividend. The Company had profits for payment of dividend, as per original standalone financial statements and the management had additionally appropriated ₹ 212.94 Crores towards DRR. However, as per re-cast standalone financial statements, the Company does not have profits for payment of dividend, accordingly, such DRR has been reversed.

Accordingly, the shortfall in recognition of DRR as at the date of the balance sheet amounts to Rs. 424.18 Crore.

**15.2. General Reserve**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**15.3. Retained Earnings**

Retained earnings are the profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves, debenture redemption reserve etc., amount distributed as dividend and adjustments on account of transition to Ind AS.

During the year ended March 31, 2018, the dividend of ₹ Nil per share (₹ Nil including dividend distribution tax of ₹ Nil) was paid to holders of fully paid equity shares. During the year ended March 31, 2017, the dividend paid was ₹ 2 per share (₹ 75.03 crore including dividend distribution tax of ₹ 9.29 crore).

**15.4. Securities Premium**

Securities premium account is credited when the shares are allotted at premium. It can be utilised in accordance with the provisions of Companies Act, 2013.

**15.5. Capital Redemption Reserve**

During the year, 12,72,50,000 preference shares were redeemed out of profits. As required by the provisions of Section 55 of Companies Act, 2013, a Capital Redemption Reserve (CRR) of ₹ 127.25 crores was created out of General Reserve and disclosed in the original financial statements. However, as per re-cast standalone financial statements, the Company has no profit, accordingly, such CRR has been reversed.

Accordingly, the shortfall in recognition of CRR as at the date of the balance sheet amounts to ₹ 127.25 Crore.

**15.6. Provision for redemption premium**

In the original standalone financial statements of the FY 2013-14, the erstwhile Board of Directors had created a provision of ₹ 2.56 Crore towards redemption premium towards 20.50% CRPS. However, in view of loss as per recast standalone financial statements, no such provision can be created and hence, adjustment entries have been passed to reverse the redemption premium.

Accordingly, the shortfall in recognition of Redemption premium towards 20.50% CRPS as at the date of the balance sheet amounts to ₹ 2.56 Crore.



IL&FS TRANSPORTATION NETWORKS LIMITED  
Notes forming part of the recast financial statements for the year ended 31 March 2018

Note 16: Borrowings

₹ in Crore

Particulars	As at March 31, 2018			As at March 31, 2017		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
<b>Secured ( at amortised cost)(Refer Note 16.1)</b>						
Term Loans from banks	3,094.75	1,715.72	199.08	3,173.29	782.41	185.69
Term Loans from financial institutions	893.45	45.00	-	386.10	22.50	-
Demand loans from banks (Cash credit)	-	-	117.31	-	-	132.35
<b>Debentures</b>						
Redeemable Non-Convertible Debentures [NCDs]	1,654.57	191.30	-	-	-	-
Redeemable NCDs (issued at discount)	300.29	-	-	-	-	-
<b>Sub-total (A)</b>	<b>5,943.06</b>	<b>1,952.02</b>	<b>316.39</b>	<b>3,559.39</b>	<b>804.91</b>	<b>318.04</b>
<b>Unsecured</b>						
<b>Debentures (Refer Note 16.2)</b>						
Unsecured Redeemable Non-Convertible Debentures [NCDs]	2,147.88	365.00	-	3,369.26	-	-
Unsecured Redeemable NCDs (issued at discount)	-	-	-	286.65	-	-
Term Loans from banks	209.43	697.34	750.00	505.50	70.00	1,160.00
Term Loans from financial institutions	-	-	-	-	-	300.00
Term Loans from related parties	-	-	45.56	75.00	-	31.98
Term Loans from Other Parties	-	-	330.00	-	-	-
Demand loans from banks (Bank Overdraft)	-	-	-	-	-	9.39
Commercial Paper	-	-	169.62	-	-	170.32
Redeemable preference share capital (Refer footnote 16.4)	485.92	80.66	-	763.22	78.86	-
<b>Sub-total (B)</b>	<b>2,843.23</b>	<b>1,142.99</b>	<b>1,295.18</b>	<b>4,999.63</b>	<b>148.86</b>	<b>1,671.69</b>
Less: Current maturities of long term borrowing clubbed under "other financial liabilities" (C) (Refer Note 17)	-	3,095.02	-	-	953.77	-
<b>Total (A+B-C)</b>	<b>8,786.29</b>	<b>-</b>	<b>1,611.56</b>	<b>8,559.02</b>	<b>-</b>	<b>1,989.73</b>
	-5.75		-0.10			

Note

₹ in Crore

16.1. Security details	As at March 31, 2018		As at March 31, 2017	
	Long-term	Short-term	Long-term	Short-term
<b>Secured against:</b>				
Investment property under development (refer note 3 a.)	118.93	-	115.31	-
Current assets and receivables	7,728.05	316.39	3,840.66	118.04
Fixed deposits	48.50	-	408.33	200.00
<b>Total</b>	<b>7,895.48</b>	<b>316.39</b>	<b>4,364.30</b>	<b>318.04</b>



IL&FS TRANSPORTATION NETWORKS LIMITED  
Notes forming part of the recast financial statements for the year ended 31 March 2018

Note 16: Borrowings

16.2 - Debentures

Series of NCDs	Face value per NCD (₹)	Rate of Interest p.a.	Terms of repayment	Date of redemption	No. of NCDs Issued	No. of NCDs outstanding As at March 31, 2018	No. of NCDs outstanding As at March 31, 2017
ITNL 11.80% 2024	10,00,000	11.80%	Bullet repayment	3-Jan-25	2,500	2,500	2,500
ITNL 11.80% 2024	10,00,000	11.80%	Bullet repayment	21-Dec-24	2,500	2,500	2,500
ITNL 9.44% 2026	10,00,000	9.44%	Various Dates	25-Oct-24 to 27-Oct-26	2,500	2,500	2,500
ITNL 9.51% 2026	10,00,000	9.51%	Various Dates	16-Aug-24 to 18-Aug-26	1,000	1,000	1,000
ITNL 9.51% 2026	10,00,000	9.51%	Various Dates	9-Aug-24 to 10-Aug-26	2,000	2,000	2,000
ITNL 9.33% 2027 - Series B	10,00,000	9.20%	Various Dates	28-June-24 to 31-Mar-27	4,500	4,500	4,500
ITNL, 11.50%, 2024	10,00,000	11.50%	Bullet repayment	21-Jun-24	2,000	2,000	2,000
ITNL, 11.50%, 2024	10,00,000	11.50%	Bullet repayment	4-Feb-24	1,000	1,000	1,000
ITNL 9.20% 2022, Series A	10,00,000	9.20%	Bullet repayment	15-Apr-22	3,000	3,000	3,000
ITNL 10.50% 2021	10,00,000	10.50%	Bullet repayment	8-May-18	1,250	1,250	1,250
ITNL 9.28% 2021	10,00,000	9.28%	Various Dates	30-Jul-20 to 30-Jun-21	2,000	2,000	2,000
ITNL 11.70% 2020	10,00,000	11.70%	Bullet repayment	26-May-18	2,250	2,250	2,250
ITNL 11.50% 2019	10,00,000	11.50%	Bullet repayment	20-Nov-19	1,250	1,250	1,250
NCD Tranche XIII Series B #	5,00,000	0.00%	Bullet repayment	23-Jun-19	500	500	500
ITNL 9.40% 2020	10,00,000	9.40%	Bullet repayment	5-Apr-19	4,250	4,250	4,250
NCD Tranche XIII Series A #	5,00,000	0.00%	Bullet repayment	23-Mar-19	7,300	7,300	7,300
ITNL, 12.00%, 2019 Series II *	10,00,000	12.00%	Bullet repayment	18-Mar-19	5,300	363	363
ITNL, 12.00%, 2019 *	10,00,000	12.00%	Bullet repayment	23-Jan-19	4,000	50	50
ITNL 11.70% 2018	10,00,000	11.70%	Bullet repayment	12-Apr-18	1,500	1,500	1,500
ITNL 9.25% 2022 Option I	10,00,000	9.25%	Bullet repayment	28-Oct-22	325	325	
ITNL 9.37% 2027 Option II	10,00,000	9.37%	Various Dates	30-Jan-23 to 29-Oct-2027	1,180	1,180	
ITNL 9.37% 2027 Series 1 Option II	10,00,000	9.37%	Various Dates	28-Feb-23 to 30-Nov-27	1,000	1,000	
ITNL 9.00% 2027 Series 2	10,00,000	9.00%	Various Dates	28-Feb-23 to 30-Nov-27	1,000	1,000	
ITNL 9.25% 2022 Series 1 Option I	10,00,000	9.25%	Bullet repayment	15-Dec-22	500	500	
ITNL 9.00% 2027 Series 2	10,00,000	9.00%	Various Dates	15-Mar-23 TO 15-Dec-27	990	990	
ITNL 9.10% 2023 Series 1A	10,00,000	9.10%	Bullet repayment	2-Feb-23	1,000	1,000	
ITNL 9.10% 2023 - Series 1B	10,00,000	9.10%	Bullet repayment	3-Feb-23	1,000	1,000	
ITNL 9.10 % Series 1	10,00,000	9.10%	Bullet repayment	28-Mar-23	750	750	
ITNL 9.15 % Series 2	10,00,000	9.15%	Various Dates	28-Jun-23 to 28-Mar-25	1,000	1,000	
ITNL 9.20% Series 3	10,00,000	9.20%	Various Dates*	30-Jun-23 to 30-Mar-28	1,400	1,400	
<b>Total</b>					<b>60,745</b>	<b>51,858</b>	<b>41,713</b>

# These are 0% coupon NCDs having intrinsic rate of interest of 9.85% p.a.

\* Debenture terms gives put option to debenture holder.

16.3. Age-wise analysis and Repayment terms of the Company's Long term Borrowings (other than NCDs and Preference shares) are as below:

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	Interest rate range	
	₹ In Crore	₹ In Crore	Frequency of Repayment*	Frequency of Repayment*	As at March 31, 2018	As at March 31, 2017
1-3 Years	2,666.66	2,742.96	QT,Y,B	QT,Y,B	9.10% to 14.00%	9.7% to 16.00%
3-5 Years	1,363.63	1,021.39	QT,Y,B	QT,Y	10.06% to 12.75%	10.46% to 11.95%
> 5 Years	167.34	375.54	Y	Y	10.06%	10.46% to 10.80%
<b>Total</b>	<b>4,197.63</b>	<b>4,139.89</b>				

\* QT = Quarterly, HY = Half yearly, Y = Yearly and B = Bullet repayment



**Note 16: Borrowings**

16.4. The Company has Issued following series of Cumulative Redeemable Preference Shares ("CRPS") and Cumulative Non-Convertible Compulsorily Redeemable Preference Shares ("CNCRPS") aggregating to ₹ 752.90 crore:

Series Name	Number of shares	Face value per share	Premium received per share	Maturity date	Dividend payout	Redemption terms
20.50% CRPS	18,00,00,000	10	10	Refer footnote d.(i) below	20.50% per annum	Refer footnote d.(i) below
10.50% ITNL CNCRPS 2018	1,92,00,000	10	10	December 23, 2018	21.44% per annum	Redemption at face value plus premium of ₹ 10 per share
11% ITNL CNCRPS 2021	5,00,00,000	10	10	January 17, 2021	22.32% per annum	

d.(i): The 20.50% CRPS will be redeemed starting from May 31, 2017 to May 31, 2025 at a premium of ₹ 10 per share and an additional redemption premium of 2.50% p.a. on the face value from the date of issue. See below table for details:

Date of redemption	No of shares to be redeemed (In Crore)	Redemption Amount ₹ In Crore
31-May-18	2.00	42.34
31-May-19	3.00	64.26
31-May-20	3.00	65.01
31-May-21	3.00	65.76
31-May-22	3.00	66.51
31-May-23	3.00	67.26
31-May-24	0.50	11.34
31-May-25	0.50	11.48
<b>Total</b>	<b>18.00</b>	<b>393.96</b>

16.5. Authorised preference share capital of the Company is 1,000,000,000 shares of ₹ 10 each aggregating ₹ 1,000 crore (as at March 31, 2017 : 1,000,000,000 shares of ₹ 10 each aggregating ₹ 1,000 crore )

**16.6. Rights of CRPS and CNCRPS holders are as follows:**

The holder(s) of CRPS and CNCRPS shall have no voting rights other than in respect of matters directly affecting the rights attached to the CRPS and CNCRPS. In the event of any due and payable dividends on the CRPS and CNCRPS remaining unpaid for a period of two years prior to the start of any General Meeting of the Equity Shareholders, the holder(s) of CRPS and CNCRPS shall gain voting rights in respect of all matters placed by the Company at a General Meeting of its Equity Shareholders in accordance with the provisions of the Companies Act and the Articles of Association of the Company. In the event of winding up or repayment of capital, the holder(s) of the CRPS and CNCRPS shall carry a preferential right vis-à-vis equity shareholders to be repaid the amount of paid up capital, unpaid dividends and fixed premium, in accordance with the provisions of the Companies Act and the Articles of Association of the Company. The claims of holder(s) of CRPS and CNCRPS shall be subordinated to the claims of all secured and unsecured creditors of the Company but senior to equity shareholders and pari passu amongst other preference shareholders.

During the current year, preference dividend of ₹ 84.72 Crore (previous year ended March 31, 2017: ₹ 78.86 Crore) was paid to holders of CRPS and CNCRPS.



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 17: Other financial liabilities**

Particulars	₹ in Crore			
	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Derivative liability	64.79	-	55.40	-
Payable on account of Capital Expenditure	-	43.55	1.97	67.80
Retention money payable	211.19	161.92	282.40	-
Interest accrued	-	231.35	-	161.00
Unpaid dividends	-	0.12	-	0.13
Current maturities of long-term debt (refer note 16)	-	3,095.02	-	953.77
Advance received against asset classified as held for sale (Refer Note 13.1)	-	270.00	-	-
<b>Total</b>	<b>275.98</b>	<b>3,801.96</b>	<b>339.77</b>	<b>1,182.70</b>

**Note 18: Provisions**

Particulars	₹ in Crore			
	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Employee benefits	3.10	10.75	2.70	18.20
Provision for tax on Proposed Dividend on preference shares	-	12.52	-	16.05
<b>Total</b>	<b>3.10</b>	<b>23.27</b>	<b>2.70</b>	<b>34.25</b>

18.1. The provision for employee benefits is based on the actuarial valuation report under Ind AS 19 dated April 19, 2018 for gratuity and actuarial valuation report under AS 15 dated April 13, 2018 for leave encashment.

**Note 19: Other liabilities**

Particulars	₹ in Crore			
	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Mobilisation Advances Received (Refer Note 31)	134.92	99.94	161.21	100.86
Unearned revenue (Refer Note 31)	-	112.58	-	229.64
Statutory dues	-	112.65	-	89.00
Other Current Liabilities	-	57.28	-	-
<b>Total</b>	<b>134.92</b>	<b>382.45</b>	<b>161.21</b>	<b>419.50</b>

**Note 20 : Trade Payables**

Particulars	₹ in Crore			
	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Trade payables other than MSME	-	881.83	-	523.51
Bills payable	-	458.69	-	306.47
<b>Total</b>	<b>-</b>	<b>1,340.52</b>	<b>-</b>	<b>829.98</b>

19.1. In the original standalone financial statements, the erstwhile management had stated as under:  
 "To the extent information is available with the Company from its vendors, the amount of principal outstanding in respect of MSME as at Balance Sheet date covered under the Micro, Small and Medium Enterprises Development Act, 2006 is ₹ Nil (Previous year ₹ Nil) . There were no delays in the payment of dues to Micro, Small and Medium Enterprises."

Since these recast financial statements have been prepared after a gap of many years from date of the original financial statements, the present management is unable to determine this.



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 21: Revenue from operations**

The following is details of the Company's revenue for the year from continuing operations.

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Construction income (net) (Refer Note 31)	2667.93	2,991.00
Operation and maintenance income	211.85	226.14
Advisory, Design and Engineering fees (Refer Note 48)	201.15	157.53
Supervision fees	11.69	25.98
<b>Total</b>	<b>3,092.62</b>	<b>3,400.65</b>
Check	444.23	86.88

Construction income is net of ₹ 20.93 Crore (previous year ₹ 86.88 Crore) being adjustment for time value for recognising revenue at fair value (Refer Note 11.1).

**Note 22: Other Income**

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income earned on financial assets that are not designated as at fair value through profit or loss (Refer Note 50.5 (c))	762.01	604.13
Interest on Bank deposits (at amortised cost)	19.74	15.04
Dividend Income	32.94	65.96
Guarantee Fees Income	17.25	13.24
Insurance claim	2.06	17.37
Gain arising on financial assets designated as at FVTPL	-	3.73
Lease Rental income	22.46	-
Profit on sale of investments (Refer Note 4.1, 4.2, 4.3, 4.4)	441.72	288.55
Profit on advance received for sale of investment	2.50	-
Miscellaneous income	8.70	3.41
<b>Total</b>	<b>1,309.38</b>	<b>1,011.43</b>
Check	1,172.65	69.52

**Note 23: Cost of material consumed & Construction Cost**

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Inventory at the beginning of the year	22.59	4.79
Add-Purchase of raw material & stores and spares	9.48	36.96
Less- Inventory at the end of the year	19.90	22.59
<b>Cost of Materials consumed</b>	<b>12.17</b>	<b>19.16</b>
<b>Construction Contract Costs # *</b>	<b>2,102.45</b>	<b>2,504.93</b>

# Includes reversal of expenditure of ₹ 26.41 crores (net) (for the year ended March 31, 2017 : of expenditure of ₹ 11.71 crores (net)) (Note 50.4)

\* Refer Note 50.5 (a) and (b)

**Note 24: Other Operating Expenses**

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fees for Legal and technical services (Refer Note 50.5 (b))	45.40	47.39
Operation and maintenance expenses (Refer Note 47 and Note 50.5 (a) and (b))	163.77	145.08
<b>Total</b>	<b>209.17</b>	<b>192.47</b>
Check	23.21	(57.08)





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**Note 25: Employee benefits expense**

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and wages	53.08	48.55
Contribution to provident and other funds	5.59	6.02
Staff welfare expenses	7.45	5.77
Deputation Cost	5.51	9.53
<b>Total</b>	<b>71.63</b>	<b>69.87</b>
Check	8.56	4.54

**Note 26: Finance Costs**

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>Interest expenses</b>		
Interest on loans	1,333.24	1,085.87
Discount on Commercial Papers	41.93	21.51
Dividend on redeemable preference shares	72.16	96.75
<b>Other borrowing costs</b>		
Upfront fees and other finance charges	194.76	173.82
Loss/Gain arising on derivatives designated as hedging instruments in cash flow hedges (Gain)/Loss arising on adjustment for hedged item attributable to the hedged risk in a designated cash flow hedge accounting relationship	(0.68)	40.32
<b>Total</b>	<b>1,642.09</b>	<b>1,377.95</b>
Check	2.36	

a. Interest on bank overdraft, loans and debentures is net off Rs 9.58 Crore (previous year ₹ 14.80 Crore) on account of credit value adjustment/Debit value adjustment (CVA/DVA) on derivative contracts on borrowing.

b. The weighted average rate on funds borrowed generally is 11.57% per annum ( previous year : 12.22 % per annum)

**Note 27: Depreciation and amortisation expense**

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of property, plant and equipment	21.15	8.07
Amortisation of intangible assets	1.17	5.78
<b>Total</b>	<b>22.32</b>	<b>13.85</b>



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**Note 28: Other expenses**

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Provision for doubtful receivables /loan/advance recoverable	22.85	26.25
Impairment loss on consideration paid for acquisition of commercial premises (refer note 9.1)	3.13	-
(Reversal of Expected Credit Losses) / Expected Credit Losses on financial assets (net) (Refer Note 28.3)	(162.16)	(158.58)
Impairment loss on investments in subsidiary (Refer Note 4.vii)	24.23	65.10
Electricity (Refer Note 50.5 (a))	1.13	1.15
Travelling and conveyance	18.04	21.07
Printing and stationery (Refer Note 50.5 (a))	1.53	0.49
Rent (Refer Note 50.5 (a))	17.42	18.33
Rates and taxes	1.76	1.21
Repairs and maintenance (other than building and machinery)	3.62	7.81
Communication expenses	1.56	2.44
Insurance	28.67	20.99
Legal and consultation fees (Refer Note 50.5 (a))	25.46	18.17
Directors' fees	0.56	0.60
Bank commission	8.02	9.81
Loss on sale of fixed assets	0.09	0.11
Foreign exchange fluctuation loss (net)	5.72	1.63
Bid documents	0.34	0.65
Brand Subscription Fees	8.78	4.53
Corporate Social Responsibility expenses (Refer Note 28.1)	4.35	5.47
Miscellaneous expenses (Refer Note 28.2 and 50.5 (a))	32.36	46.36
<b>Total</b>	<b>47.46</b>	<b>93.59</b>
Check	236.26	

28.1. In terms of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee has been formed by the Company. The areas for CSR activities as per the CSR policy are (i) Promotion of education, (ii) promoting gender equality and empowering women, (iii) reducing child mortality and improving maternal health, (iv) ensuring environmental sustainability, (v) employment enhancing vocational skills, (vi) social business projects, (vii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socioeconomic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women and (viii) such other matters as may be prescribed.

In line with Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, issued by the Institute of Chartered Accountants of India, the disclosure of the CSR expenditure during the year, is as under:

(a) Gross amount required to be spent by the company during the year: ₹ 4.95 crore (previous year ₹ 5.89 Crore)

(b) Amount spent during the year on:

Particulars	₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
(i) Livelihood Development	0.60	0.73
(ii) Education enhancement	2.29	2.48
(iii) Local Area projects	1.46	2.26
<b>Total</b>	<b>4.35</b>	<b>5.47</b>

The above disclosures including the amount required to be spent is as per Original Financial Statements and since CSR Committee has considered such amount and has already incurred CSR expenditure, the amount required to be spent has not been updated on account of re-casting.



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28.2. Miscellaneous expenses includes payment to erstwhile auditors for the following:

Payments to auditors excluding taxes	₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
For audit	1.74	1.92
For tax audit	-	0.17
For other services	1.22	1.55
For Out of pocket Expenses	0.03	-
<b>Total</b>	<b>2.99</b>	<b>3.64</b>

The details of recast statutory auditor's remuneration is as under:

Payments to auditors	₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
For audit (including tax thereon)	0.21	0.21
For other services	-	-
<b>Total</b>	<b>0.21</b>	<b>0.21</b>

Since appointment was subsequent to the date of the balance sheet, no provision for the same has been made in these recast financial statements.

28.3. Movement in Expected credit losses

Particulars	₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
Expected credit loss allowance on trade receivables (Refer Note 11.1)	11.89	94.81
Reversal of Expected credit losses on trade receivables	(210.52)	(248.88)
<b>a. Reversal of Expected credit losses on trade receivables (net)</b>	<b>(198.63)</b>	<b>(154.07)</b>
Expected credit loss allowance on loans given (Refer Note 5.1)	221.06	110.87
Reversal of Expected credit losses on loans given (Net of impairment Loss of ₹ 293.29 Crore) (Refer Note 5.1)	(186.89)	(90.26)
<b>b. Expected credit losses on loans given (net)</b>	<b>34.17</b>	<b>20.61</b>
<b>c. Reversal of Expected credit losses on other financial assets (net)</b>	<b>2.30</b>	<b>(25.12)</b>
<b>(Reversal) of Expected Credit Losses) (net) (a+b+c)</b>	<b>(162.16)</b>	<b>(158.58)</b>



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**Note 29: Tax expenses**

Income tax recognised in profit or loss

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>Current tax</b>		
In respect of the current year	28.26	11.47
<b>Minimum Alternate Tax</b>		
In respect of the current year	-	-
	<b>28.26</b>	<b>11.47</b>
<b>Deferred tax</b>		
In respect of the current year	(2.01)	17.39
MAT Entitlement	-	-
	(2.01)	17.39
<b>Total</b>	<b>26.23</b>	<b>28.87</b>
Check	(53.80)	69.56

**Note 30 :Component of other Comprehensive Income(OCI)**

The disaggregation of change to OCI by each type of reserve in equity is shown below :

During the year ended 31 March 2018

Particular	Cash Flow Hedge Reserve	Defined benefit plan adjustment
Reclassified to statement of profit or loss	(2.74)	-
Re-measurement gains (losses) on defined benefit plans	-	(1.69)
<b>Total</b>	<b>(2.74)</b>	<b>(1.69)</b>

During the year ended 31 March 2017

Particular	Cash Flow Hedge Reserve	Defined benefit plan adjustment
Reclassified to statement of profit or loss	(35.62)	-
Re-measurement gains (losses) on defined benefit plans	-	(0.03)
<b>Total</b>	<b>(35.62)</b>	<b>(0.03)</b>

**Note 31: Disclosure in respect of Construction Contracts**

₹ In Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Contract revenue recognised as revenue during the year (Refer Note 21)	2,667.93	2,991.00

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cumulative revenue recognised	11,721.08	17,709.43
Mobilisation Advances received (Refer Note 19)	234.86	262.07
Retention Money receivable (Refer Note 6)	235.65	300.17
Gross amount due from customers for contract work, disclosed as asset (i.e. Unbilled Revenue) (Refer Note 6)	841.48	399.29
Gross amount due to customers for contract work, disclosed as liability (i.e. Unearned Revenue) (Refer Note 19)	112.58	229.64



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Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 32 : Financial Instruments****32.1 Capital management**

The Company endeavours to maintain sufficient levels of working capital, current assets and current liabilities which helps the company to meet its expense obligations while also maintaining sufficient cash flow.

The capital structure of the Company consists of net debt (borrowings as detailed in note 16 offset by cash and bank balances) and equity of the Company (comprising issued capital, reserves and retained earnings as detailed in note 14 and 15). The capital structure of the Company is reviewed by the management on a periodic basis.

**32.1.1 Gearing ratio**

The gearing ratio at end of the reporting period was as follows. ₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Debt	13,724.21	11,663.52
Less: Cash & cash equivalents; and bank balances	466.94	333.70
Net debt	13,257.27	11,329.82
Total Equity	306.61	59.64
Net debt to total equity ratio (in times)	43.24	189.98

Formulae used for the computation of the Ratios:

a) Net Debt/Equity Ratio = Net Debt / (Equity Share Capital + Other Equity)

Debt is defined as long-term borrowings(Including Preference share capital), current maturities of long-term borrowings, short-term borrowings and interest accrued thereon (excluding derivative, financial guarantee contracts), as described in note 16.

Equity includes equity share capital and reserves of the Company that are managed as capital.

In order to achieve its overall objective, the Company's management, amongst other things, aims to ensure that it meets the financial covenants attached to the borrowings. Breaches in meeting the financial covenants would permit the bank to seek action as per terms of the agreement.

**32.2 Categories of financial instruments**

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Financial assets</b>		
<u>Fair value through profit and loss (FVTPL)</u>		
Investments	-	25.86
<u>Derivative instruments designated as cash flow hedge</u>	-	-
<u>At amortised cost</u>		
Trade Receivables	2,955.16	2,309.36
Cash & cash equivalents; and bank balances	466.94	333.70
Loans	5,172.37	4,692.24
Other financial assets	1,722.99	1,091.62
<b>Financial liabilities</b>		
<u>Derivative instruments designated as cash flow hedge</u>	64.79	55.40
<u>At amortised cost</u>		
Borrowings	10,397.85	10,548.75
Trade payables other than MSME	1,340.52	829.98
Other financial liabilities	4,013.16	1,467.08

As at March 31, 2018 there are no significant concentrations of credit risk for financial assets designated as FVTPL. The carrying amount reflected above represents Company's maximum exposure to credit risk for such financial assets.



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**32.3 Financial risk management objectives**

The Company's Corporate Treasury function monitors and manages the financial risks relating to the operations of the Company.

These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors. Compliance with policies and exposure limits is reviewed on a continuous basis. The Company does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes.

The Corporate Treasury function reports to the Company's management, which monitors risks and policies implemented to mitigate risk exposures.

**32.4 Market risk**

The Company does not have activities that exposes it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

There has been no change to the Company's exposure to market risks or the manner in which these risks are managed and measured.

**32.5 Foreign currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations

arise. Exchange rate exposures are managed within approved policy parameters utilising cross currency interest rate swaps.

The carrying amounts of the Company's unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	₹ In Crore			
	Liabilities		Assets	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
USD	-	3.27	8.20	41.24
Euro	17.60	2.91	0.85	1.26
AED	-	-	-	0.06
GBP	-	-	-	-
SGD	-	4.53	0.01	-

**32.6.1 Foreign currency sensitivity analysis**

The Company is mainly exposed to the currency of United States and the currency of Eurozone.

The following table details the Company's sensitivity to a 10% increase and decrease in the ₹ against the relevant foreign currencies. 10% sensitivity indicates management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding unhedged foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

Particulars	₹ in Crore			
	USD		Euro	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Impact on Profit and loss	0.82	3.80	(1.68)	(0.17)
Impact on Total Equity	0.82	3.80	(1.68)	(0.17)

Particulars	₹ in Crore			
	AED		SGD	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Impact on Profit and loss	-	0.01	0.00	(0.45)
Impact on Total Equity	-	0.01	0.00	(0.45)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.



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**32.6.2 Cross currency interest rate swap contracts**

Under these swap contracts, the Company agrees to exchange the difference between fixed interest amounts based on functional currency notional principal amounts and floating rate interest amounts calculated on agreed foreign currency notional principal amounts. Also the Company agrees to exchange difference between the functional currency notional principal amount and the amount calculated based on the spot exchange rates on the foreign currency notional principal amount on specified dates. Such contracts enable the Company to mitigate the risk of changing interest rates and foreign exchange rates on the cash flows of issued foreign currency variable rate debt. The fair value of these swaps at the end of the reporting period is determined by discounting the future cash flows using the foreign currency and interest rate curves at the end of the reporting period and the credit risk inherent in these contracts, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

The following tables detail the notional principal amounts and remaining terms of interest rate swap contracts outstanding at the end of the reporting period.

**Cash flow hedges**

Outstanding receive floating pay fixed contracts	USD in crore		Average contracted exchange		Average contracted fixed	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Upto 1 year	-	3.16	-	63.33	10.50%	10.80%
1 to 3 years	3.06	-	66.57	-	10.49%	-
3 to 5 years	14.86	8.70	66.89	67.30	10.49%	10.66%
More than 5 years	2.58	5.80	64.86	67.30	10.49%	10.66%
<b>Total</b>	<b>20.50</b>	<b>17.66</b>				

Outstanding receive floating pay fixed contracts	Notional principal value		Fair value assets (liabilities)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Upto 1 year	200.00	200.00	(2.30)	2.66
1 to 3 years	203.71	-	(5.11)	-
3 to 5 years	994.04	585.47	(55.40)	(25.45)
More than 5 years	167.34	390.31	(1.97)	(32.61)
<b>Total</b>	<b>1,565.09</b>	<b>1,175.78</b>	<b>(64.79)</b>	<b>(55.40)</b>

The cross currency interest rate swap contracts are generally settled on a quarterly basis. The floating rate on the interest rate swaps is the 3 months LIBOR. The Company settles the difference between the fixed and floating interest rate on a net basis. All cross currency interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Company's cash flow exposure resulting from variable interest rates on borrowings. The cross currency interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

**32.7 Interest rate risk management**

The Company is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.



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**32.7.1 Interest rate sensitivity analysis**

The sensitivity analyse below have been determined based on the exposure to the interest rates for all non-derivative variable interest rate instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the impact of the same is given in below table which is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

Particulars	₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
Impact on Profit and loss	23.16	23.45
Impact on Total Equity	23.16	23.45

The Company's sensitivity to interest rates has decreased during the current year mainly due to the reduction in variable rate debt instruments and the increase in interest rate swaps to swap floating rate debt to fixed rate debt.

**32.8 Commodity Price Risk**

The Company requires construction materials for implementation (construction, operation and maintenance) of the projects, such as cement, bitumen, steel and others, for which, they have fixed price contract (with capped escalation charges) with the EPC contractor and Operation & Maintenance Contractor so as to manage the exposure to price increases in raw materials. Hence, the sensitivity analysis is not required.

**32.9 Other price risks**

The Company is exposed to equity price risks arising from equity investments which is not material.

**32.10 Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and its financing activities (primarily loans given).

The credit risk on derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

**32.10.1 Trade receivables and loans given :**

Customer credit risk is managed by Company's accounts and treasury function. Outstanding receivables and loans are regularly monitored and provision is made for expected credit loss, if any. The trade receivables and loans given are unsecured. As at March 31, 2018, the Company had 9 customers (as at March 31, 2017: 9 customers) that owed the Company more than ₹ 100 crore each and accounted for approximately 92 % (as at March 31, 2017: 82%) of all the receivables outstanding. As at March 31, 2018, the Company had 12 loanees (as at March 31, 2017: 15 loanees) that owed the Company more than crore each and accounted for approximately 77.34% (as at March 31, 2017: 89%, ) of all the loans outstanding.

**32.11 Liquidity risk management**

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The endeavour of the Company is to constantly improve the ratio of short term to long term maturity profile so as to minimise the risk of having to refinance the borrowing at regular short intervals.





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**32.11.1 Liquidity and interest risk tables**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

₹ In Crore

Particulars	March 31, 2018			March 31, 2017		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Weighted average effective interest rate (%)		12.62%	12.27%		12.08%	12.34%
Upto 1 year	2,047.46	3,370.77	2,106.26	1,118.24	2,702.44	1,315.41
1-3 years	211.19	1,551.52	2,758.18	182.52	2,203.19	3,071.11
3-5 years	-	424.92	1,894.16	30.10	563.36	1,378.13
More than 5 years	-	-	3,010.50	-	-	2,991.40
<b>Total</b>	<b>2,258.65</b>	<b>5,347.21</b>	<b>9,769.10</b>	<b>1,330.86</b>	<b>5,468.99</b>	<b>8,756.05</b>

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

₹ In Crore

Particulars	March 31, 2018			March 31, 2017		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Weighted average effective interest rate (%)			12.82%			13.02%
Upto 1 year	5,637.36	-	1,800.25	4,257.26	-	2,971.04
1-3 years	168.64	-	901.64	306.93	-	492.34
3-5 years	-	-	387.63	33.20	-	426.24
More than 5 years	4,810.92	-	5,461.79	5,542.94	-	4,149.69
<b>Total</b>	<b>10,616.91</b>	<b>-</b>	<b>8,551.31</b>	<b>10,140.33</b>	<b>-</b>	<b>8,039.31</b>

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

The following table details the Company's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

₹ in Crore

Particulars	March 31, 2018	March 31, 2017
	Cross currency interest rate swaps	Cross currency interest rate swaps
Upto 1 year	390.17	215.43
1-3 years	963.15	619.99
3-5 years	1,042.81	793.89
More than 5 years	152.63	432.09



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**Notes forming part of the recast financial statements for the year ended 31 March 2018**

**32.12 Fair value measurements**

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

32.12.1 Fair value of the Company's material financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/ financial liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	As at March 31, 2018	As at March 31, 2017			
Cross currency interest rate swap (refer note 6 and 17)	64.79	55.40	Level 2	Future cash flows are estimated based on forward exchange rates & observable yield curves at the end of the reporting period and contract forward rates, contract interest rates discounted at a rate that reflects the credit risk of various counterparties.	None
Investment in equity shares of Pipavav Railway Corporation Limited	-	25.85	Level 3	Net assets value of the investee company based on its audited financial statements	Net assets of the investee company

₹ in Crore

32.12.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
<u>At amortised cost</u>				
Trade Receivables	2,955.16	2,955.16	2,309.36	2,309.36
Cash & cash equivalents; and bank balances	466.94	466.94	333.70	333.70
Loans	5,172.37	5,327.11	4,692.24	4,830.07
Other financial assets	1,722.99	1,722.99	1,091.62	1,091.62
<b>Financial liabilities</b>				
<u>At amortised cost</u>				
Borrowings	10,397.85	10,757.46	10,548.75	10,716.71
Trade payables other than MSME	1,340.52	1,340.52	829.98	829.98
Other financial liabilities	4,013.16	4,013.16	1,467.08	1,467.08

₹ in Crore



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

₹ in Crore

Fair value hierarchy Particulars	As at March 31, 2018			As at March 31, 2017		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
<u>At amortised cost</u>						
Trade Receivables	-	-	2,955.16	-	-	2,309.36
Cash & cash equivalents; and bank balances	-	-	466.94	-	-	333.70
Loans	-	-	5,327.11	-	-	4,830.07
Other financial assets	-	-	1,722.99	-	-	1,091.62
<b>Financial liabilities</b>						
<u>At amortised cost</u>						
Borrowings	-	-	10,757.46	-	-	10,716.71
Trade payables other than MSME	-	-	1,340.52	-	-	829.98
Other financial liabilities	-	-	4,013.16	-	-	1,467.08

The fair values of the financial assets and financial liabilities above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 33 : Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017**

	₹ in Crore	
	Year ended March 31, 2018	Year ended March 31, 2017
Accounting profit before income tax	294.71	140.26
Enacted tax rate in India	34.944%	34.608%
<b>Expected Income tax expenses / (benefit) at statutory tax rate</b>	<b>102.98</b>	<b>48.54</b>
Preference dividend accounted as finance cost	25.22	33.48
Provision for doubtful loans and receivables	(70.41)	(58.05)
Dividend Income exempt from tax	(11.51)	(24.57)
Difference in normal and MAT tax rate	(18.01)	(7.13)
Difference in profits between original and recast financials	-	19.19
<b>Current tax (A)</b>	<b>28.26</b>	<b>11.47</b>
Incremental Deferred tax asset on deductible taxable differences	(15.66)	24.90
Incremental Deferred tax asset on temporary differences of Tangible and Intangible Assets	13.65	(7.52)
<b>Deferred tax (B)</b>	<b>(2.01)</b>	<b>17.39</b>
<b>Total (A+B)</b>	<b>26.24</b>	<b>28.86</b>



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 34. Employee benefit plans****34.1 Defined contribution plans**

The Company offers its employees defined contribution benefits in the form of provident fund, family pension fund and superannuation fund. Provident fund, family pension fund and superannuation fund cover substantially all regular employees. Contributions are paid during the year into separate funds under certain statutory / fiduciary-type arrangements. While both the employees and the Company pay predetermined contributions into the provident fund and pension fund, contributions to superannuation fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. The assets of the plans are held separately from those of the Company in funds under the control of Regional provident fund office and third party fund manager.

The total expense recognised in profit or loss of ₹ 5.95 crores (for the year ended March 31, 2017: ₹ 6.02 crore) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

**34.2 Defined benefit plans**

The Company offers its employees defined-benefit plans in the form of gratuity (a lump sum amount). Benefits under defined benefit plans are typically based on years of service rendered and the employee's eligible compensation (immediately before retirement). The gratuity scheme covers substantially all regular employees. In the case of the gratuity scheme, the Company contributes funds to the Life Insurance Corporation of India which administers the scheme on behalf of the Company. Commitments are actuarially determined at year end. Actuarial valuation is based on "Projected Unit Credit" method. The Company recognizes Actuarial Gain & Loss in the Other Comprehensive Income Account in the year in which they occur.

Under the plans, the employees are entitled to post-retirement lumpsum amounting to 30 days of final salary for each completed years of service. The eligible salary is Basic pay. Benefits are vested to employee on completion of 5 years.

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined based on the benchmark yields available on Government Bonds at the valuation date with terms matching that of the liabilities. If the return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. Salary increase rates take into account inflation, seniority, promotion and other relevant factors.



**IL&FS TRANSPORTATION NETWORKS LIMITED**

**Notes forming part of the recast financial statements for the year ended 31 March 2018**

The actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions, which if changed, would affect the defined benefit commitment's size, funding requirements and pension expense. The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuation as at	
	As at March 31, 2018	As at March 31, 2017
Discount rate(s)	7.53%	6.69%
Rate of increase in compensation <sup>#</sup>	7%	5%
Mortality rates*	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee Attrition rate (Past service)	PS: 0 to 40 : 10%	PS: 0 to 40 : 6.1%

<sup>#</sup> The estimates of future salary increases considered in the actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

\* Based on India's standard mortality table with modification to reflect expected changes in mortality/ others.

₹ in Crore

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Service cost:		
Current service cost	1.85	1.62
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	(0.32)	(0.05)
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>1.53</b>	<b>1.57</b>
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	0.01	(0.02)
Actuarial (gains) / losses arising from changes in demographic assumptions*	-	0.25
Actuarial (gains) / losses arising from changes in financial assumptions	0.95	(0.34)
Actuarial (gains) / losses arising from experience adjustments	1.64	0.15
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>2.60</b>	<b>0.03</b>
<b>Total</b>	<b>4.13</b>	<b>1.60</b>

\* This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income. The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Present value of funded defined benefit obligation	16.10	11.81
Fair value of plan assets	20.64	12.62
Funded status	4.54	0.82
<b>Net asset / (liability) arising from defined benefit obligation</b>	<b>4.54</b>	<b>0.82</b>



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

Movements in the present value of the defined benefit obligation are as follows.

Particulars	₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Opening defined benefit obligation	11.81	9.70
Current service cost	1.85	1.62
Interest cost	0.76	0.74
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic assumptions	-	0.25
Actuarial gains and losses arising from changes in financial assumptions	0.95	(0.34)
Actuarial gains and losses arising from experience adjustments	1.64	0.15
Benefits paid	(0.91)	(0.30)
Others [describe]		
<b>Closing defined benefit obligation</b>	<b>16.10</b>	<b>11.81</b>

Movements in the fair value of the plan assets are as follows.

Particulars	₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
Opening fair value of plan assets	12.62	8.68
Interest income	1.08	0.79
Remeasurement gain (loss):		
Return on plan assets (excluding amounts included in net interest expense)	-	0.02
Adjustment to Opening Fair Value of Plan Asset	0.02	(0.12)
Contributions from the employer	7.83	3.55
Benefits paid	(0.91)	(0.30)
Other [describe]		
<b>Closing fair value of plan assets</b>	<b>20.64</b>	<b>12.62</b>

The fair value of the plan assets at the end of the reporting period for each category, are as follows.

Particulars	₹ in Crore	
	Fair Value of plan asset as at	
	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents	-	-
Gratuity Fund (LIC)	20.64	12.62
Others [describe]	-	-
<b>Total</b>	<b>20.64</b>	<b>12.62</b>

All of the Plan Asset is entrusted to LIC of India under their Company Gratuity Scheme. The reimbursement is subject to LIC's Surrender Policy. Since the scheme funds are invested with LIC of India Expected rate of return on Plan assets is based on rate of return declared by fund managers.

The actual return on plan assets was ₹ 1.07 crore (2017: ₹ 0.81 crore).

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

· If the discount rate is 100 basis points higher/(lower), the defined benefit obligation would decrease by ₹ 15.21 crore (decrease by ₹ 0.82 crore as at March 31, 2017) and increase by ₹ 17.08 crore (increase by ₹ 0.93 crore as at March 31, 2017)



**IL&FS TRANSPORTATION NETWORKS LIMITED****Notes forming part of the recast financial statements for the year ended 31 March 2018**

- If the salary escalation rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 17.02 crore (increase by ₹ 0.90 crore as at March 31, 2017) and decrease by ₹ 15.24 crore (decrease by ₹ 0.81 crore as at March 31, 2017)
- If the Attrition rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 16.09 crore (increase by ₹ 0.07 crore as at March 31, 2017) and decrease by ₹ 16.09 crore (decrease by ₹ 0.08 crore as at March 31, 2017)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

**Asset Liability Comparisons**

Year	₹ in Crore	
	As at March 31, 2018	As at March 31, 2017
PVO at end of the year	16.10	11.81
Plan Assets	20.64	12.62
Surplus/(Deficit)	4.54	0.82
Experience adjustments on plan assets	(0.01)	0.02

**1. Analysis of Defined Benefit Obligation**

The number of members under the scheme have increased by 6.60%. Similarly the total salary increased by 15.59% during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased By 36.33%

**2 Expected rate of return basis**

Since the scheme funds are invested with LIC of India Expected rate of return on Plan assets is based on rate of return declared by fund managers.

**3 Description of Plan Assets and Reimbursement Conditions**

100% of the Plan Asset is entrusted to LIC of India under their Company Gratuity Scheme. The reimbursement is subject to LIC's Surrender Policy

The average duration of the benefit obligation at March 31, 2018 is 7.18 years (as at March 31, 2017: 9.87 years)

The expected contributions to the defined benefit plan for the next annual reporting period as at March 31 2018 is ₹ 2.65 Crore ( as at March 31 2017 is ₹ 1.64 Crore)





**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 35A : Contingent Liabilities and Commitments**

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
<b>(i) Contingent Liabilities (Refer Note 35.1)</b>		
a) Claims against the Company not acknowledged as debts		
- Income tax demands contested by the Company	45.74	10.15
- Indirect tax demands contested by the Company	2.84	4.87
- Claims made by contractors	-	-
b) Guarantees (Refer Note 35.2)		
- Guarantees/counter guarantees issued to outsider in respect of group companies(Net)	680.74	1,389.05
- Guarantees/counter guarantees issued to outsider in respect of other than group companies	-	31.72
c) During the year 2013-14, the Company has assigned loans aggregating to ₹ 4,645.60 million at its book value, out of which in the case of loans of ₹ 1,695.60 million, the lender has a put option on the Company on specified future dates till the maturity of the loans assigned and in the case of loans of ₹ 2,950 million the lenders are having a recourse to the Company in case of default by the borrower on the due dates; of which the outstanding balance of loans as on 31 March 2018 is ₹ 80 crores.		
<b>(ii) Commitments</b>		
Capital Commitments	3.36	8.63
Sub-debt Commitments	771.86	1,134.10
Investment Commitments	1,187.74	1,959.33

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

35.2. Certain bankers have issued guarantees which have been shown under "Guarantees/counter guarantees issued in respect of group companies" aggregating ₹ 13 Crore (as at March 31, 2017 : ₹ 12.96 Crore ) against a first charge on the receivables (including loans and advances) of the Company.

**Note 35B: Letter of comfort, letter of awareness and letter of financial support or Guarantees**

a. The Company has issued letter of comfort / letter of awareness to banks and a related party in respect of loans availed by a few of its subsidiaries aggregating to ₹ 2,655 Crore as at March 31, 2018 (as at March 31, 2017 ₹ 2,535 Crore)

b. Letter of financial support has been issued to ITNL Road Infrastructure Development Company Limited, West Gujarat Expressway Limited, Vansh Nimay Infraprojects Limited, ITNL International Pte. Ltd., Singapore, ITNL Offshore Pte. Ltd., Singapore, ITNL Africa Projects Ltd., Nigeria, ITNL International DMCC, Dubai, Sharjah General Services Company LLC, Dubai IIPL USA LLC, MP Border Checkposts Development Company Limited and Thiruvananthapuram Road Development Company Limited to enable them to continue their operations and meet their financial obligations as and when they fall due.

c. Guarantees or counter guarantees issued to outsider in respect of Group companies amounting to ₹ 1,500 cr which is backed by Parent.



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**Notes forming part of the recast financial statements for the year ended 31 March 2018**

**Note 36: Lease**

The Company holds certain properties under a non-cancellable operating lease. The Company's future lease rentals under the operating lease arrangements as at the year ends are as under:

₹ in Crore		
	As at March 31, 2018	As at March 31, 2017
<b>Future lease rentals :</b>		
Within one year	9.50	4.96
Over one year but less than 5 years	8.86	4.53
More than 5 years	-	-
	Year ended March 31, 2018	Year ended March 31, 2017
<b>Total amount charged to the Statement of Profit and Loss for rent includes in respect of these properties</b>	5.94	6.77

The lease terms do not contain any exceptional / restrictive covenants nor are there any options given to Company to renew the lease or purchase the properties. The agreements provide for changes in the rentals if the taxes leviable on such rentals change.

**Note 37: Earnings / (loss) per Equity Share :**

Particulars	Unit	Year ended	Year ended
		March 31, 2018	March 31, 2017
Profit / (loss) after tax	₹ in Crore	268.46	111.40
Weighted average number of equity shares	Number	32,89,60,027	32,89,60,027
Nominal value per equity share	₹	10.00	10.00
Basic / Diluted earnings / (loss) per share	₹	8.16	3.39



IL&FS TRANSPORTATION NETWORKS LIMITED			
Notes forming part of the recast financial statements for the year ended 31 March 2018			
Note 38 A : Related Party Disclosures			
(i) Current Year			
(a) Name of the Related Parties and Description of Relationship:			
Nature of Relationship	Name of Entity	Abbreviation used	
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS	
	Amravati Chikhli Expressway Ltd	ACEL	
	Badarpur Tollway Operations Management Limited	BTOML	
	Baleshwar Kharagpur Expressway Limited	BKEL	
	Barwa Adda Expressway Limited	BAEL	
	Charminar RoboPark Limited	CRL	
	Chenani Nashri Tunnelway Limited	CNTL	
	East Hyderabad Expressway Limited	EHLE	
	Elsamex India Private Limited	ELSAIND	
	Elsamex Maintenance Services Limited	EMSL	
	Fagne Songadh Expressway Ltd	FSEL	
	Futureage Infrastructure India Limited	FIIL	
	GRICL Rail Bridge Development Company Limited	GRBDCL	
	Gift Parking Facilities Limited (upto 15th September 2016)	GPFL	
	Grusamar India Limited	GIL	
	Hazaribagh Ranchi Expressway Limited	HREL	
	IL&FS Rail Limited	IRL	
	ITNL KMBJV		
	ITNL International Pte Ltd	IIPL	
	ITNL Offshore Pte Ltd	IOPL	
	ITNL Offshore Three Pte Ltd	IO3PL	
	ITNL Offshore Two Pte Ltd	IO2PL	
	ITNL Road Infrastructure Development Company Limited	IRIDCL	
	Jharkhand Infrastructure Implementation Company Limited	JIICL	
	Jharkhand Road Projects Implementation Company Limited	JRPICL	
	Karyavattom Sports Facilities Limited	KSFL	
	Khed Sinner Expressway Limited	KSEL	
	Kiratpur Ner Chowk Expressway Limited	KNCCL	
	Moradabad Bareilly Expressway Limited	MBEL	
	MP Border Checkposts Development Company Limited	MPBCDCL	
	Pune Sholapur Road Development Company Limited	PSRDCL	
	Rajasthan Land Holdings Limited (Upto June 30, 2017)	RLHL	
	Ranchi Muri Road Development Limited (since August 25, 2017)	RMRDL	
	Scheme of ITNL Road Investment Trust	IRIT	
	Sikar Bikaner Highways Limited	SBHL	
	Srinagar Sonmarg Tunnelway Limited	SSTL	
	Vansh Nimay Infraprojects Limited	VNIL	
	West Gujarat Expressway Limited	WGEL	
	Yala Construction Company Private Limited	YCCPL	
	ITNL IECCCL JV		
	Subsidiaries - Indirect	Alcantarilla Fotovoltaica SA, Sociedad Unipersonal	
		Andhra Pradesh Expressway Limited (upto March 10, 2017)	
		Area De Servicio Coiros S.L.U.	
		Area De Servicio Punta Umbria S.L.U.	
		Atenea Seguridad Y Medico Ambiente S.A.	
		Beasolarta S.L.	
		Chattisgarh Highways Development Company Limited	CHDCL
		Chirayu Kath Real Estate Private Limited (upto June 29, 2017)	
		CIESM-INTEVIA S.A. Sociedad Unipersonal	
		Conservacion de Infraestructuras De Mexico SA DE CV	
		Control 7, S. A	
Devika Buildestate Private Limited (upto June 29, 2017)			
Elsamex Colombia SAS			
Elsamex Construcao E Manutencao LTDA, Brazil			
Elsamex Internacional, S.L, Sociedad Unipersonal			
Elsamex Portugal-Engenharia E Sistemas De Gestao, S.A		EPE	
Elsamex Vietnam Joint Stock Company (since May 18, 2016)			
IIPL LAOS Pte. Ltd. (since April 18, 2017)			
Park Line LLC (since May 04, 2016)			
Elsamex S.A. LLC (upto April 18, 2016)			
Elsamex S.A.			
ESM Mantenimiento Integral DE S.A DE C.V			
Flamingo Landbase Private Limited			
Grusamar Albania SHPK			
Grusamar Engenharia & Consultoria Brasil LTDA			
Grusamar Ingenieria Y Consulting Colombia SAS			
Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal			
IIPL USA LLC			
Subsidiaries - Indirect		Inteval Gestao Integral Rodoviaria, S.A	
		ITNL Africa Projects Limited	IAPL
	ITNL International Developer LLC		
	ITNL International DMCC, Dubai (Formerly known as ITNL International JLT, Dubai)	IJLT	
	Mantenimiento Y Conservacion De Vialidades, S.A. de C.V.		
	ITNL Elsamex JVCA, Botswana	EJVCA	
	North Karnataka Expressway Limited	NKEL	
	Rapid MetroRail Gurgaon Limited	RMGL	
	Rapid MetroRail Gurgaon South Limited	RMGSL	
	Senalizacion Viales E Imagen, S.V.		



IL&FS TRANSPORTATION NETWORKS LIMITED			
Notes forming part of the recast financial statements for the year ended 31 March 2018			
Note 38 A : Related Party Disclosures			
(i) Current Year			
(a) Name of the Related Parties and Description of Relationship:			
Nature of Relationship	Name of Entity	Abbreviation used	
Fellow Subsidiaries (Only with whom there have been transaction during the period/ there was balance outstanding at the Nine Months year end)	Sharjah General Services Company LLC		
	Apptex Marketing Services & Solutions Limited	APMSSL	
	Bhopal E-Governance Limited	B EGL	
	Gujarat Integrated Maritime Complex Private Limited	GIMCL	
	IL&FS Airport Limited	I AL	
	IL&FS Cluster Development Initiative Limited	ICDI	
	IL&FS Education & Technologies Services Limited	IETS	
	IL&FS Energy Development Company Limited	IEDCL	
	IL&FS Environment Infrastructure & Services Limited	IEISL	
	IL&FS Financial Services Limited	IFIN	
	IL&FS Global Financial Services (UK) Ltd.	IGFSLUK	
	IL&FS Global Financial Services Pte. Ltd.	IGFSL	
	IL&FS Maritime Infrastructure Company Limited	IMICL	
	IL&FS Renewable Energy Limited	IREL	
	IL&FS Securities Services Limited	ISSL	
	IL&FS Skills Development Corporation Limited	ISDC	
	IL&FS Technologies Ltd.	ITL	
	IL&FS Township & Urban Assets Limited	ITUAL	
	IL&FS Tamil Nadu Power Company Limited	ITPCL	
	IL&FS Water Limited	IWL	
	IL&FS Wind Power Services Limited	IWPSL	
	IL&FS Infra Assets Management Limited	I IAML	
	Kanak Resources Management Limited	KRML	
	Uvia India Limited	IIL	
	Mota Lajja Gas Power Company Limited	MLGPCL	
	Nana Lajja Power Company Limited	NLGPCL	
	PT Mantimin Coal Mining	PTMCM	
	Rohtas Bio Energy Limited	RBEL	
	Sabarmati Capital One Limited	SCOL	
	IL&FS Urban Infrastructure Managers Limited	IUIM	
	IIML Asset Advisors Limited	I AAL	
	IL&FS Asian Infrastructure Managers Limited	ISIM	
	IL&FS Investment Managers Limited	IIML	
	Sabarmati Capital Two Limited	SCTL	
	Skill Training Assessment Management Partners Limited	STAMP	
	Tierra Enviro Limited	TEL	
	IL&FS Engineering & Construction Company limited	IECCL	
	Unique Waste Processing Company Limited	UWPCL	
	Associates	ITNL Toll Management Services Limited	ITMSL
		Gujarat Road and Infrastructure Company Limited	GRICL
		Noida Toll Bridge Company Limited	NTBCL
		Geotecnia y Control De Calidad, S.A.	
		Consorcio De Obras Civiles, Conciviles, S.R.L	
		Vias Y Construcciones, Viacon, S. R. L.	
		CGI 8 S.A.	CGI-8
		Parlo Developers Private Limited (since June 30, 2017)	PDPL
		Elsamex Infrastructure Company WLL	EICWLL
Elsamex Road Technology Company Limited		ERT(China)	
Ramky Elsamex Ring Road Limited, Hyderabad		REHRR	
Sociedad Concesionaria Autovia A-4 Madrid S.A		A4 CONCESSION	
Jorabat Shillong Expressway Limited		JSEL	
Joint Ventures	Road Infrastructure Development Company of Rajasthan Limited	RIDCOR	
	Jharkhand Accelerated Road Development Company Limited	JARDCL	
	Thiruvananthapuram Road Development Company Limited	TRDCL	
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL	
	N.A.M. Expressway Limited	NAMEL	
	Chongqing Yuhe Expressway Co. Ltd.		
	RIDCOR Infra Projects Limited (Subsidiary of RIDCOR)	R IPL	
Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director		
	Mr Mukund Sapre-Executive Director		
	Mr Krishna Ghag, Company Secretary		
	Mr Dilip Bhatia, Chief Financial Officer		
	Mr Deepak Dasgupta-Non-Executive Director		
	Mr R.C. Sinha-Non-Executive Director		
	Mr H.P Jamdar-Non-Executive Director		
	Mr Ravi Parthasarathy-Non-Executive Director		
	Mr Hari Sankaran-Non-Executive Director		
	Mr Arun K Saha-Non-Executive Director		
	Mr Pradeep Puri-Non-Executive Director (upto November 20, 2017)		
	Ms Neeru Singh-Non-Executive Director		
Relatives of KMP	Mrs Rita Ramchand (wife of Mr K Ramchand)		
	Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)		
	Mrs Vishala Parthasarathy (wife of Mr Ravi Parthasarathy)		



IL&FS TRANSPORTATION NETWORKS LIMITED							
Notes forming part of the recast financial statements for the year ended 31 March 2018							
Note 38 A: Related Party Disclosures (contd.)							
(i) Current Year							
(b) transactions/ balances with above mentioned related parties							
₹ in crore							
Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
<b>Balances as at March 31, 2018</b>							
<b>Equity share Capital</b>							
ILFS	236.58	-	-	-	-	-	236.58
OTHERS	-	-	4.27	-	-	-	4.27
	<b>236.58</b>	<b>-</b>	<b>4.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>240.85</b>
<b>Advances recoverable considered doubtful</b>							
IAL	-	-	22.06	-	-	-	22.06
	<b>-</b>	<b>-</b>	<b>22.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22.06</b>
<b>Unbilled revenue</b>							
BAEL	-	275.04	-	-	-	-	275.04
KNCEL	-	318.71	-	-	-	-	318.71
OTHERS	-	229.57	-	-	20.42	-	249.99
	<b>-</b>	<b>823.33</b>	<b>-</b>	<b>-</b>	<b>20.42</b>	<b>-</b>	<b>843.74</b>
<b>Unearned revenue</b>							
IRIDCL	-	22.66	-	-	-	-	22.66
MBEL	-	13.10	-	-	-	-	13.10
SSTL	-	76.82	-	-	-	-	76.82
OTHERS	-	0.00	-	-	-	-	0.00
	<b>-</b>	<b>112.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112.58</b>
<b>Investments</b>							
IJPL	-	779.92	-	-	-	-	779.92
OTHERS	-	4,159.05	-	341.65	407.39	-	4,908.10
	<b>-</b>	<b>4,938.98</b>	<b>-</b>	<b>341.65</b>	<b>407.39</b>	<b>-</b>	<b>5,688.02</b>
<b>Investment assets held for sale</b>							
PSRDCL	-	362.86	-	-	-	-	362.86
IRL	-	338.94	-	-	-	-	338.94
	<b>-</b>	<b>701.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>701.80</b>
<b>Fair Valuation of Investments - Decrease</b>							
HREL	-	136.26	-	-	-	-	136.26
JRPICL	-	259.45	-	-	-	-	259.45
PSRDCL	-	158.52	-	-	-	-	158.52
IJPL	-	285.68	-	-	-	-	285.68
OTHERS	-	315.49	-	30.00	37.84	-	383.33
	<b>-</b>	<b>1,155.40</b>	<b>-</b>	<b>30.00</b>	<b>37.84</b>	<b>-</b>	<b>1,223.24</b>
<b>Provision for diminution in value of investments</b>							
CNTL	-	262.03	-	-	-	-	262.03
NTBCL	-	-	-	106.39	-	-	106.39
SSTL	-	46.38	-	-	-	-	46.38
OTHERS	-	39.26	-	-	6.89	-	46.15
	<b>-</b>	<b>347.67</b>	<b>-</b>	<b>106.39</b>	<b>6.89</b>	<b>-</b>	<b>460.95</b>
<b>Retention Money Receivable</b>							
JSEL	-	-	-	-	50.47	-	50.47
KSEL	-	72.76	-	-	-	-	72.76
PSRDCL	-	48.68	-	-	-	-	48.68
SBHL	-	36.33	-	-	-	-	36.33
OTHERS	-	27.42	-	-	-	-	27.42
	<b>-</b>	<b>185.18</b>	<b>-</b>	<b>-</b>	<b>50.47</b>	<b>-</b>	<b>235.65</b>
<b>Retention Money Payable</b>							
EMSL	-	6.83	-	-	-	-	6.83
IECCL	-	-	22.92	-	-	-	22.92
OTHERS	-	1.80	1.58	-	-	-	3.38
	<b>-</b>	<b>8.63</b>	<b>24.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33.12</b>
<b>Mobilisation Advance paid</b>							
IECCL	-	-	42.90	-	-	-	42.90
OTHERS	-	0.59	4.00	-	-	-	4.59
	<b>-</b>	<b>0.59</b>	<b>46.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47.49</b>
<b>Unamortised Borrowing Cost</b>							
ILFS	0.90	-	-	-	-	-	0.90



IL&FS TRANSPORTATION NETWORKS LIMITED							
Notes forming part of the recast financial statements for the year ended 31 March 2018							
Note 38 A: Related Party Disclosures (contd.)							
(i) Current Year							
(b) transactions/ balances with above mentioned related parties							
₹ in crore							
Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
IGFSL	-	-	10.70	-	-	-	10.70
IFIN	-	-	49.20	-	-	-	49.20
OTHERS	-	0.06	4.27	-	-	-	4.32
	0.90	0.06	64.16	-	-	-	65.12
<b>Prepaid Expenses</b>							
ILFS	0.26	-	-	-	-	-	0.26
	0.26	-	-	-	-	-	0.26
<b>Investment Commitment</b>							
ACEL	-	285.85	-	-	-	-	285.85
FSEL	-	222.25	-	-	-	-	222.25
IRIDCL	-	361.00	-	-	-	-	361.00
RMRDL	-	129.95	-	-	-	-	129.95
OTHERS	-	204.44	-	-	-	-	204.44
	-	1,203.49	-	-	-	-	1,203.49
<b>Sub debt Commitment</b>							
ACEL	-	266.31	-	-	-	-	266.31
IRIDCL	-	144.22	-	-	-	-	144.22
SSTL	-	315.83	-	-	-	-	315.83
OTHERS	-	23.64	-	-	21.86	-	45.50
	-	750.00	-	-	21.86	-	771.86
<b>Rent Deposit</b>							
Mr K Ramchand-Managing Director	-	-	-	-	-	0.10	0.10
Mr Mukund Sapre-Executive Director	-	-	-	-	-	0.05	0.05
Mrs Rita Ramchand (Wife of Mr K Ramchand)	-	-	-	-	-	0.05	0.05
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	-	0.05	0.05
	-	-	-	-	-	0.25	0.25
<b>Interest on trade receivables from related parties</b>							
BAEL	-	82.72	-	-	-	-	82.72
FSEL	-	28.52	-	-	-	-	28.52
KSEL	-	80.16	-	-	-	-	80.16
OTHERS	-	29.13	-	-	-	-	29.13
	-	220.52	-	-	-	-	220.52
<b>Trade Receivables</b>							
CNTL	-	440.82	-	-	-	-	440.82
FSEL	-	401.70	-	-	-	-	401.70
KSEL	-	412.50	-	-	-	-	412.50
SSTL	-	645.90	-	-	-	-	645.90
OTHERS	-	1,095.54	6.59	0.35	219.83	-	1,322.30
	-	2,996.46	6.59	0.35	219.83	-	3,223.22
<b>Fair Valuation of Investments - Decrease</b>							
PDPL	-	-	-	17.06	-	-	17.06
	-	-	-	17.06	-	-	17.06
<b>Preconstruction and Mobilisation advance paid to contractors and other advances</b>							
ILFS	1.19	-	-	-	-	-	1.19
IECCL	-	-	91.64	-	-	-	91.64
OTHERS	-	-	10.07	-	-	-	10.07
	1.19	-	101.71	-	-	-	102.90
<b>Trade payables other than MSME</b>							
ILFS	7.31	-	-	-	-	-	7.31
IRL	-	36.23	-	-	-	-	36.23
EMSL	-	54.55	-	-	-	-	54.55
IECCL	-	-	94.42	-	-	-	94.42
IFIN	-	-	28.86	-	-	-	28.86
OTHERS	-	8.02	23.80	0.00	2.89	0.05	34.77
	7.31	98.81	147.07	0.00	2.89	0.05	256.14
<b>Short-term Borrowings</b>							
GIMCL	-	-	12.43	-	-	-	12.43
NKEL	-	6.73	-	-	-	-	6.73



IL&FS TRANSPORTATION NETWORKS LIMITED							
Notes forming part of the recast financial statements for the year ended 31 March 2018							
Note 38 A: Related Party Disclosures (contd.)							
(i) Current Year							
(b) transactions/ balances with above mentioned related parties							
₹ in crore							
Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
IIML	-	-	5.00	-	-	-	5.00
IUIM	-	-	6.00	-	-	-	6.00
IAAL	-	-	7.50	-	-	-	7.50
OTHERS	-	-	7.90	-	-	-	7.90
	-	6.73	38.83	-	-	-	45.56
<b>Mobilisation Advances Received (Long-term)</b>							
IRIDCL	-	57.90	-	-	-	-	57.90
SSTL	-	64.85	-	-	-	-	64.85
OTHERS	-	9.71	-	-	2.46	-	12.18
	-	132.46	-	-	2.46	-	134.92
<b>Mobilisation Advances Received (Short-term)</b>							
BAEL	-	51.25	-	-	-	-	51.25
SSTL	-	12.73	-	-	-	-	12.73
KNCEL	-	31.97	-	-	-	-	31.97
OTHERS	-	3.99	-	-	-	-	3.99
	-	99.94	-	-	-	-	99.94
<b>Long-Term Borrowings</b>							
IFIN	-	-	206.46	-	-	-	206.46
IMICL	-	-	206.46	-	-	-	206.46
	-	-	412.92	-	-	-	412.92
<b>Loans given - Non current</b>							
BAEL	-	854.53	-	-	-	-	854.53
JRPICL	-	752.82	-	-	-	-	752.82
OTHERS	-	2,209.80	-	-	149.53	-	2,359.33
	-	3,817.15	-	-	149.53	-	3,966.68
<b>Loans given - Current</b>							
MBEL	-	369.72	-	-	-	-	369.72
MPBCDCL	-	364.19	-	-	-	-	364.19
PSRDCL	-	237.50	-	-	-	-	237.50
OTHERS	-	376.48	103.81	19.51	210.37	-	710.17
	-	1,347.89	103.81	19.51	210.37	-	1,681.57
<b>Interest accrued but not due on borrowings</b>							
NKEL	-	0.14	-	-	-	-	0.14
OTHERS	-	-	0.03	-	-	-	0.03
	-	0.14	0.03	-	-	-	0.17
<b>Expected Credit Loss on Loans</b>							
HREL	-	270.38	-	-	-	-	270.38
JRPICL	-	259.13	-	-	-	-	259.13
MPBCDCL	-	224.78	-	-	-	-	224.78
OTHERS	-	362.49	1.82	-	150.84	-	515.15
	-	1,116.78	1.82	-	150.84	-	1,269.44
<b>Expected Credit Loss on Receivables</b>							
MPBCDCL	-	220.07	-	-	-	-	220.07
WGEL	-	38.74	-	-	-	-	38.74
OTHERS	-	40.54	-	-	24.59	-	65.13
	-	299.35	-	-	24.59	-	323.94
<b>Allowance for doubtful advances</b>							
IAL	-	-	22.06	-	-	-	22.06
PTMCM	-	-	18.36	-	-	-	18.36
OTHERS	-	1.64	-	-	-	-	1.64
	-	1.64	40.42	-	-	-	42.06
<b>Dividend receivable</b>							
IRIT	-	-	-	-	-	-	-
<b>Advances Recoverable</b>							
ILFS	0.41	-	-	-	-	-	0.41
CNTL	-	43.35	-	-	-	-	43.35
PTMCM	-	-	18.36	-	-	-	18.36



IL&FS TRANSPORTATION NETWORKS LIMITED							
Notes forming part of the recast financial statements for the year ended 31 March 2018							
Note 38 A: Related Party Disclosures (contd.)							
(i) Current Year							
(b) transactions/ balances with above mentioned related parties							
₹ In crore							
Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
IAL	-	-	27.61	-	-	-	27.61
OTHERS	-	75.34	2.10	-	5.07	0.14	82.65
	0.41	118.69	48.07	-	5.07	0.14	172.37
<b>Excess Brand subscription fees Recoverable</b>							
ILFS	59.12	-	-	-	-	-	59.12
Provision for Doubtful Assets Total	59.12	-	-	-	-	-	59.12
<b>Deemed Investment</b>							
HREL	-	-	-	-	-	-	-
JRPICL	-	-	-	-	-	-	-
SBHL	-	-	-	-	-	-	-
OTHERS	-	-	-	-	-	-	-
<b>Guarantees received in respect of Group Companies</b>							
ILFS	1,500.00	-	-	-	-	-	1,500.00
	1,500.00	-	-	-	-	-	1,500.00
<b>Guarantees issued to outsider in respect of Group Companies</b>							
IIPL	-	617.92	-	-	-	-	617.92
EIJVCA	-	-	-	-	211.96	-	211.96
IO2PL	-	777.99	-	-	-	-	777.99
IO3PL	-	298.30	-	-	-	-	298.30
OTHERS	-	78.07	1.41	-	58.83	-	138.31
	-	1,772.28	1.41	-	270.80	-	2,044.49
<b>Transaction</b>							
<b>Expected Credit loss on Loans</b>							
BAEL	-	13.97	-	-	-	-	13.97
FSEL	-	12.16	-	-	-	-	12.16
JSEL	-	-	-	-	33.64	-	33.64
VNIL	-	13.75	-	-	-	-	13.75
OTHERS	-	27.48	1.82	-	2.81	-	32.11
	-	67.36	1.82	-	36.45	-	105.63
<b>Reversal of Expected Credit loss on Loans</b>							
TRDCL	-	-	-	-	40.20	-	40.20
OTHERS	-	35.29	-	-	-	-	35.29
	-	35.29	-	-	40.20	-	75.49
<b>Expected Credit loss on Receivables</b>							
KSEL	-	9.73	-	-	-	-	9.73
OTHERS	-	1.43	-	-	0.69	-	2.12
	-	11.16	-	-	0.69	-	11.85
<b>Reversal of Expected Credit loss on Receivables</b>							
CNTL	-	117.07	-	-	-	-	117.07
PTMCM	-	-	18.36	-	-	-	18.36
OTHERS	-	39.59	-	-	5.76	-	45.35
	-	156.66	18.36	-	5.76	-	180.78
<b>Provision for diminution in value of Investments</b>							
KSEL	-	5.43	-	-	-	-	5.43
SSTL	-	18.85	-	-	-	-	18.85
	-	24.28	-	-	-	-	24.28
<b>Reversal of Provision for diminution in value of Investments</b>							
BTOML	-	0.05	-	-	-	-	0.05
	-	0.05	-	-	-	-	0.05
<b>Interest Income on Financial Assets</b>							
BAEL	-	90.41	-	-	-	-	90.41
JRPICL	-	76.12	-	-	-	-	76.12
OTHERS	-	478.07	17.97	1.16	35.35	-	532.54
	-	644.60	17.97	1.16	35.35	-	699.07





IL&FS TRANSPORTATION NETWORKS LIMITED							
Notes forming part of the recast financial statements for the year ended 31 March 2018							
Note 38 A: Related Party Disclosures (contd.)							
(i) Current Year							
(b) transactions/balances with above mentioned related parties							
₹ In crore							
Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
<b>Remuneration to director / KMP*</b>							
Mr Dilip Bhatia-Chief Financial Officer	-	-	-	-	-	2.45	2.45
Mr K Ramchand-Managing Director	-	-	-	-	-	1.09	4.19
Mr Mukund Sapre-Executive Director	-	-	-	-	-	1.09	2.88
OTHERS	-	-	-	-	-	1.95	1.95
	-	-	-	-	-	11.48	11.48
<b>Rent Expense</b>							
Mr K Ramchand-Managing Director	-	-	-	-	-	0.34	0.34
Mr Mukund Sapre-Executive Director	-	-	-	-	-	0.16	0.16
Mrs Rita Ramchand ( Wife of Mr K Ramchand)	-	-	-	-	-	0.49	0.49
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	-	0.16	0.16
OTHERS	-	-	-	-	-	0.09	0.09
	-	-	-	-	-	1.25	1.25
<b>Revenue from operations</b>							
BAEL	-	598.75	-	-	-	-	598.75
FSEL	-	847.71	-	-	-	-	847.71
KNCEL	-	368.15	-	-	-	-	368.15
OTHERS	-	1,173.66	-	-	103.03	-	1,276.69
	-	2,988.28	-	-	103.03	-	3,091.31
<b>Borrowings</b>							
ILFS	4,364.35	-	-	-	-	-	4,364.35
OTHERS	-	-	1,159.93	-	-	-	1,159.93
	4,364.35	-	1,159.93	-	-	-	5,524.28
<b>Repayment of borrowings</b>							
ILFS	4,365.18	-	-	-	-	-	4,365.18
OTHERS	-	21.42	1,124.10	-	75.00	-	1,220.52
	4,365.18	21.42	1,124.10	-	75.00	-	5,585.70
<b>Miscellaneous Income</b>							
Elsamex SA	-	3.18	-	-	-	-	3.18
IECCL	-	-	23.06	-	-	-	23.06
OTHERS	-	-	0.60	-	-	-	0.60
	-	3.18	23.66	-	-	-	26.84
<b>Dividend</b>							
IRIT	-	18.57	-	-	-	-	20.03
NKEL	-	4.70	-	-	-	-	4.70
	-	24.73	-	-	-	-	24.73
<b>Finance Charges</b>							
ILFS	12.72	-	-	-	-	-	12.72
IFIN	-	-	47.74	-	-	-	47.74
OTHERS	-	1.08	7.33	-	-	-	8.41
	12.72	1.08	55.07	-	-	-	68.87
<b>Expected Credit Loss on Other Financial Assets</b>							
PTMCM	-	-	18.36	-	-	-	18.36
	-	-	18.36	-	-	-	18.36
<b>Reversal of Expected Credit Loss on Other Financial Assets</b>							
GRICL	-	-	-	21.61	-	-	21.61
IO2PL	-	12.37	-	-	-	-	12.37
OTHERS	-	2.70	1.40	-	-	-	4.10
	-	15.07	1.40	21.61	-	-	38.08
<b>Interest on loans (Expense)</b>							
ILFS	101.51	-	-	-	-	-	101.51
OTHERS	-	2.02	79.74	-	11.97	-	93.72
	101.51	2.02	79.74	-	11.97	-	195.23
<b>Repayment of loans given</b>							
CNTL	-	2,095.00	-	-	-	-	2,095.00
MBEL	-	1,281.75	-	-	-	-	1,281.75
PSRDCL	-	894.05	-	-	-	-	894.05



IL&FS TRANSPORTATION NETWORKS LIMITED							
Notes forming part of the recast financial statements for the year ended 31 March 2018							
Note 38 A: Related Party Disclosures (contd.)							
(i) Current Year							
(b) transactions/ balances with above mentioned related parties							
₹ In crore							
Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
OTHERS	-	3,009.22	181.47	2.42	788.26	-	3,981.36
	-	7,280.02	181.47	2.42	788.26	-	8,252.17
Operating Expenses (Other than Construction Cost)							
EMSL	-	138.21	-	-	-	-	138.21
	-	138.21	-	-	-	-	138.21
Loans given							
CNTL	-	1,895.34	-	-	-	-	1,895.34
MBEL	-	1,035.69	-	-	-	-	1,035.69
OTHERS	-	4,450.42	185.39	20.57	671.42	-	5,327.80
	-	7,381.45	185.39	20.57	671.42	-	8,258.83
Sale of Investment							
IFIN	-	-	157.80	-	-	-	157.80
	-	-	157.80	-	-	-	157.80
Investment made / purchased							
ACEL	-	101.10	-	-	-	-	101.10
BAEL	-	125.50	-	-	-	-	125.50
EMSL	-	116.55	-	-	-	-	116.55
FSEL	-	248.35	-	-	-	-	248.35
PDPL	-	-	-	150.33	-	-	150.33
OTHERS	-	25.96	-	-	-	-	25.96
	-	617.46	-	150.33	-	-	767.79
Guarantee Fees Income							
IIPL	-	3.62	-	-	-	-	3.62
EIJVCA	-	-	-	-	2.91	-	2.91
IO2PL	-	7.48	-	-	-	-	7.48
IO3PL	-	2.85	-	-	-	-	2.85
OTHERS	-	0.40	-	-	-	-	0.40
	-	14.35	-	-	2.91	-	17.25
Construction Cost							
IRL	-	58.70	-	-	-	-	58.70
EMSL	-	42.08	-	-	-	-	42.08
IECCL	-	-	265.56	-	-	-	265.56
	-	100.78	265.56	-	-	-	366.34
Fair Valuation of Investments - Increase							
PDPL	-	-	-	17.06	-	-	17.06
	-	-	-	17.06	-	-	17.06
Administrative and general expenses							
ILFS	22.51	-	-	-	-	-	22.51
JMCL	-	-	10.05	-	-	-	10.05
OTHERS	-	0.08	1.49	-	-	-	1.57
	22.51	0.08	11.54	-	-	-	34.13
Footnote : - * Includes Deputation cost of ₹ 5.63 Crores charged by Holding Company "IL&FS" as mentioned below, but excludes benefits in the nature of gratuity and leave encashment which are created on actuarial basis for Company as a whole and not for the individual employee including KMP.							
Mr K Ramchand-Managing Director							3.47
Mr Mukund Sapre-Executive Director							2.16
							5.63



IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the recast financial statements for the year ended 31 March 2018

Note 38 A: Related Party Disclosures (contd.)

(ii) Previous Year - 31 March 2017

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

Nature of Relationship	Name of Entity	Abbreviation used	
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS	
Subsidiaries - Direct	Amravati Chikhli Expressway Ltd	ACEL	
	Badarpur Tollway Operations Management Limited	BTOML	
	Baleshwar Kharagpur Expressway Limited	BKEL	
	Barwa Adda Expressway Limited	BAEL	
	Charminar RoboPark Limited	CRL	
	Chenani Nashri Tunnelway Limited	CNTL	
	East Hyderabad Expressway Limited	EHEL	
	Fagne Songadh Expressway Ltd	FSEL	
	Futureage Infrastructure India Limited	FIIL	
	GRIICL Rail Bridge Development Company Limited	GRBDCI	
	Gift Parking Facilities Limited (upto 15th September 2016)		
	Hazaribagh Ranchi Expressway Limited	HREL	
	IL&FS Rail Limited	IRL	
	ITNL International Pte Ltd	IJPL	
	ITNL Offshore Pte Ltd	IOPL	
	ITNL Offshore Three Pte Ltd	IO3PL	
	ITNL Offshore Two Pte Ltd	IO2PL	
	ITNL Road Infrastructure Development Company Limited	IRIDCL	
	Jharkhand Infrastructure Implementation Company Limited	JIIICL	
	Jharkhand Road Projects Implementation Company Limited	JRPIICL	
	Karyavattom Sports Facilities Limited	KSFL	
	Khed Sinner Expressway Limited	KSEL	
	Kiratpur Ner Chowk Expressway Limited	KNCEL	
	Moradabad Bareilly Expressway Limited	MBEL	
	MP Border Checkposts Development Company Limited	MPBCDCL	
	Pune Sholapur Road Development Company Limited	PSRDCL	
	Rajasthan Land Holdings Limited	RLHL	
	Scheme of ITNL Road Investment Trust	IRIT	
	Sikar Bikaner Highways Limited	SBHL	
	Vansh Nimay Infraprojects Limited	VNIL	
	Srinagar Sonmarg Tunnelway Limited	SSTL	
	West Gujarat Expressway Limited	WGEL	
	Subsidiaries - Indirect	Alcantarilla Fotovoltaica SA, Sociedad Unipersonal	
		Andhra Pradesh Expressway Limited	APEL
		Area De Servicio Coiros S.L.U.	
		Area De Servicio Punta Umbria S.L.U.	
		Atenea Seguridad Y Medico Ambiente S.A.	
		Beasolarta S.L.	
		Chattisgarh Highways Development Company Limited	CHDCL
		Chirayu Kath Real Estate Private Limited	
CIESM-INTEVIA S.A. Sociedad Unipersonal			
Conservacion de Infraestructuras De Mexico SA DE CV			
Control 7, S. A			
Devika Bulldestate Private Limited			
Elsamex Colombia SAS			
Elsamex Construcao E Manutencao LTDA, Brazil			
Elsamex India Private Limited		ELSAIND	
Elsamex Internacional, S.L, Sociedad Unipersonal			
Elsamex Maintenance Services Limited		EMSL	
Elsamex Portugal-Engenharia E Sistemas De Gestao, S.A		EPE	
Elsamex S.A. LLC			
Elsamex S.A., Spain		ELSA	
ESM Mantenimiento Integral DE S.A DE C.V			
Flamingo Landbase Private Limited			
Grusamar Albania SHPK			
Grusamar Engenharia & Consultoria Brasil LTDA			
Grusamar India Limited		GIL	
Grusamar Ingenieria Y Consulting Colombia SAS			
Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal			
IPL USA LLC			
Inteval Gestao Integral Rodoviaria, S.A			
ITNL Africa Projects Limited		IAPL	
ITNL International Developer LLC			
ITNL International DMCC, Dubai (Formerly known as ITNL International JLT, Dubai)		IJLT	



IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the recast financial statements for the year ended 31 March 2018

Note 38 A: Related Party Disclosures (contd.)

(ii) Previous Year - 31 March 2017

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

Nature of Relationship	Name of Entity	Abbreviation used	
Subsidiaries - Indirect	Mantenimiento Y Conservacion De Vialidades, S.A. de C.V.		
	North Karnataka Expressway Limited	NKEL	
	Rapid MetroRail Gurgaon Limited	RMGL	
	Rapid MetroRail Gurgaon South Limited	RMGSL	
	Senalizacion Viales E Imagen, S.V.		
	Sharjah General Services Company LLC		
Fellow Subsidiaries (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Yala Construction Company Private Limited	YCCPL	
	Apptex Marketing Services & Solutions Limited	APMSSL	
	Bhopal E-Governance Limited	BEGL	
	Gujarat Integrated Maritime Complex Private Limited	GIMCL	
	IL&FS Airport Limited	IAL	
	IL&FS Cluster Development Initiative Limited	ICDI	
	IL&FS Energy Development Company Limited	IEDCL	
	IL&FS Environment Infrastructure & Services Limited	IEISL	
	IL&FS Financial Services Limited	IFIN	
	IL&FS Global Financial Services (UK) Ltd.	IGFSLUK	
	IL&FS Global Financial Services Pte. Ltd.	IGF5L	
	IL&FS Maritime Infrastructure Company Limited	IMICL	
	IL&FS Renewable Energy Limited	IREL	
	IL&FS Securities Services Limited	ISSL	
	IL&FS Skills Development Corporation Limited	ISDC	
	IL&FS Technologies Ltd.	ITL	
	IL&FS Township & Urban Assets Limited	ITUAL	
	IL&FS Tamil Nadu Power Company Limited	ITPCL	
	IL&FS Water Limited	IWL	
	IL&FS Wind Power Limited	IWPL	
	Kanak Resources Management Limited	KRML	
	Livia India Limited	LIL	
	Mota Lajja Gas Power Company Limited	MLGPCL	
	Nana Lajja Power Company Limited	NLGPCL	
	PT Mantimin Coal Mining	PTMCM	
	Rohtas Bio Energy Limited	RBEL	
	Sabarmati Capital One Limited	SCOL	
	Tierra Enviro Limited	TEL	
	Associates	Unique Waste Processing Company Limited	UWPCL
		ITNL Toll Management Services Limited	ITMSL
Gujarat Road and Infrastructure Company Limited		GRICL	
Noida Toll Bridge Company Limited		NTBCL	
Geotecnia y Control De Qualitat, S.A.			
Consortio De Obras Civiles, Conciviles, S.R.L			
Vias Y Construcciones, Viacon, S. R. L.			
CGI 8 S.A.		CGI-8	
Elsamex Infrastructure Company WLL		EICWLL	
Elsamex Road Technology Company Limited		ERT(China)	
Ramky Elsamex Ring Road Limited, Hyderabad		REHRR	
Sociedad Concesionaria Autovla A-4 Madrid S.A		A4 CONCESSION	
Joint Ventures		Jorabat Shillong Expressway Limited	JSEL
	Road Infrastructure Development Company of Rajasthan Limited	RIDCOR	
	Jharkhand Accelerated Road Development Company Limited	JARDCL	
	Thiruvananthapuram Road Development Company Limited	TRDCL	
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL	
	N.A.M. Expressway Limited	NAMEL	
	Chongqing Yuhe Expressway Co. Ltd.		
	RIDCOR Infra Projects Limited (Subsidiary of RIDCOR)	RIPL	
	Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director	
		Mr Mukund Sapre-Executive Director	
Mr Krishna Ghag, Company Secretary			
Mr Dilip Bhatia, Chief Financial Officer			
Mr Deepak Dasgupta-Non-Executive Director			
Mr R.C. Sinha-Non-Executive Director			
Mr H.P. Jamdar-Non-Executive Director			
Mr Ravi Parthasarathy-Non-Executive Director			
Mr Hari Sankaran-Non-Executive Director			
Mr Arun K Saha-Non-Executive Director			
Deepak satwalekar-Non-Executive Director (upto August 9, 2016)			
Vibhav Kapoor-Non-Executive Director (upto September 12, 2016)			
Mr Pradeep Puri-Non-Executive Director			
Ms Neeru Singh-Non-Executive Director			
Relatives of KMP	Mrs Rita Ramchand (wife of Mr K Ramchand)		
	Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)		
	Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)		



IL&FS TRANSPORTATION NETWORKS LIMITED							
Notes forming part of the recast financial statements for the year ended 31 March 2018							
Note 38 A: Related Party Disclosures (contd.)							
(ii) Previous year - 31 March 2017							
(b) transactions/ balances with above mentioned related parties (mentioned in note 38 (ii) (a) above)							
₹ in crore							
Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Balances</b>							
Equity share Capital							
ILFS	236.58	-	-	-	-	-	236.58
OTHERS	-	-	4.27	-	-	-	4.27
Equity share Capital Total	236.58	-	4.27	-	-	-	240.85
Interest accrued but not due on borrowings							
NKEL	-	9.98	-	-	-	-	9.98
OTHERS	-	-	-	-	-	-	-
Interest accrued but not due on borrowings Total	-	9.98	-	-	-	-	9.98
Long-Term Borrowings							
IFIN	-	-	200.00	-	-	-	200.00
IMICL	-	-	200.00	-	-	-	200.00
RIPL	-	-	-	-	75.00	-	75.00
OTHERS	-	-	58.56	-	-	-	58.56
Long-Term Borrowings Total	-	-	458.56	-	75.00	-	533.56
Short-term Borrowings							
NKEL	-	25.15	-	-	-	-	25.15
OTHERS	0.83	3.00	3.00	-	-	-	6.83
Short-term Borrowings Total	0.83	28.15	3.00	-	-	-	31.98
Mobilisation Advance paid							
EMSL	-	1.75	-	-	-	-	1.75
ITL	-	-	4.00	-	-	-	4.00
Mobilisation Advance paid Total	-	1.75	4.00	-	-	-	5.75
Mobilisation Advances Received (Long-term)							
IRIDCL	-	57.90	-	-	-	-	57.90
KNCEL	-	18.98	-	-	-	-	18.98
SSTL	-	77.58	-	-	-	-	77.58
OTHERS	-	6.76	-	-	-	-	6.76
Mobilisation Advances Received (Long-term) Total	-	161.22	-	-	-	-	161.22
Mobilisation Advances Received (Short-term)							
BAEL	-	59.52	-	-	-	-	59.52
KNCEL	-	28.62	-	-	-	-	28.62
OTHERS	-	4.69	-	-	8.03	-	12.72
Mobilisation Advances Received (Short-term) Total	-	92.83	-	-	8.03	-	100.86
Allowance for losses on loans							
HREL	-	270.38	-	-	-	-	270.38
JRPICL	-	259.13	-	-	-	-	259.13
MPBCDCL	-	224.78	-	-	-	-	224.78
SBHL	-	139.45	-	-	-	-	139.45
TRDCL	-	-	-	-	145.94	-	145.94
OTHERS	-	211.63	-	-	8.65	-	220.28
	-	1,105.37	-	-	154.59	-	1,259.96
Allowance for losses on debts							
CNTL	-	128.98	-	-	-	-	128.98
MPBCDCL	-	222.70	-	-	-	-	222.70
OTHERS	-	93.16	18.36	-	29.67	-	141.19
	-	444.84	18.36	-	29.67	-	492.87
Excess Brand subscription fees Recoverable							
ILFS	55.65	-	-	-	-	-	55.65
	55.65	-	-	-	-	-	55.65
Excess remuneration recoverable from Directors							
Mr K Ramchand-Managing Director and his relatives	-	-	-	-	-	16.99	16.99
Mr Mukund Sapre-Executive Director and his relatives	-	-	-	-	-	9.65	9.65
	-	-	-	-	-	26.64	26.64
Rent Deposit							
Mr K Ramchand-Managing Director	-	-	-	-	-	0.10	0.10
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	-	0.05	0.05
Rent Deposit Total	-	-	-	-	-	0.15	0.15
Retention Money Payable							
ELSAIND	-	1.03	-	-	-	-	1.03
EMSL	-	4.24	-	-	-	-	4.24
ITL	-	-	1.55	-	-	-	1.55
OTHERS	-	0.78	0.03	-	-	-	0.81
Retention Money Payable Total	-	6.05	1.58	-	-	-	7.63



IL&FS TRANSPORTATION NETWORKS LIMITED						
Notes forming part of the recast financial statements for the year ended 31 March 2018						
Note 38 A: Related Party Disclosures (contd.)						
(ii) Previous year - 31 March 2017						
(b) transactions/ balances with above mentioned related parties (mentioned in note 38 (ii) (a) above)						
						₹ in crore
<b>Retention Money Receivable</b>						
CNTL	96.19					96.19
JSEL				40.68		40.68
KSEL	71.75					71.75
PSRDCL	48.68					48.68
SBHL	36.20					36.20
OTHERS	6.67					6.67
<b>Retention Money Receivable Total</b>	<b>259.49</b>			<b>40.68</b>		<b>300.17</b>
<b>Trade Receivables</b>						
CNTL	475.49					475.49
KSEL	364.51					364.51
MPBCDCL	275.56					275.56
SSTL	296.57					296.57
FSEL	307.52					307.52
OTHERS	900.97	19.74	0.12	97.73		1,018.56
<b>Trade Receivables Total</b>	<b>2,620.62</b>	<b>19.74</b>	<b>0.12</b>	<b>97.73</b>		<b>2,738.21</b>

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Unbilled Revenue</b>							
JSEL					167.29		167.29
KNCEL		120.41					120.41
RMGSL		49.32					49.32
OTHERS		61.74			0.53		62.27
<b>Unbilled Revenue Total</b>		<b>231.47</b>			<b>167.82</b>		<b>399.29</b>
<b>Unearned Revenue</b>							
BAEL		48.38					48.38
MBEL		78.95					78.95
MPBCDCL		68.77					68.77
OTHERS		33.56					33.56
<b>Unearned Revenue Total</b>		<b>229.66</b>					<b>229.66</b>
<b>Provision for diminution in value of Investments</b>							
NTBCL				106.39			106.39
CNTL		262.03					262.03
OTHERS		61.41			6.89		68.30
		<b>323.44</b>		<b>106.39</b>	<b>6.89</b>		<b>436.72</b>
<b>Allowance for doubtful advances</b>							
IOZPL		14.00					14.00
IAL			23.46				23.46
OTHERS		2.70			0.01		2.71
		<b>16.70</b>	<b>23.46</b>		<b>0.01</b>		<b>40.17</b>
<b>Trade payables other than MSME</b>							
ILFS	26.92						26.92
EMSL		16.24					16.24
IFIN			24.07				24.07
IRL		68.86					68.86
OTHERS		3.88	0.95		2.39		7.22
<b>Trade payables other than MSME Total</b>	<b>26.92</b>	<b>88.98</b>	<b>25.02</b>		<b>2.39</b>		<b>143.31</b>
<b>Other advances to related party</b>							
GRICL				75.00			75.00
<b>Other advances to related party Total</b>				<b>75.00</b>			<b>75.00</b>
<b>Advances Recoverable</b>							
BAEL		17.91					17.91
KSEL		64.98					64.98
ELSA		18.52					18.52
OTHERS	0.01	50.26	6.46	0.50	4.45		61.68
<b>Advances Recoverable Total</b>	<b>0.01</b>	<b>151.67</b>	<b>6.46</b>	<b>0.50</b>	<b>4.45</b>		<b>163.09</b>
<b>Advances recoverable considered doubtful</b>							
IAL			22.06				22.06
OTHERS		1.40					1.40
<b>Advances recoverable considered doubtful Total</b>		<b>1.40</b>	<b>22.06</b>				<b>23.46</b>
<b>Investments</b>							
IRL		688.17					688.17
IPL		779.92					779.92
OTHERS		3,400.66		205.83	407.39		4,013.88
<b>Investments Total</b>		<b>4,868.75</b>		<b>205.83</b>	<b>407.39</b>		<b>5,481.97</b>
<b>Investment Commitment</b>							
ACEL		668.95					668.95
FSEL		551.85					551.85
IRIDCL		401.00					401.00
OTHERS		337.53					337.53
		<b>1,959.33</b>					<b>1,959.33</b>



IL&FS TRANSPORTATION NETWORKS LIMITED						
Notes forming part of the recast financial statements for the year ended 31 March 2018						
Note 38 A: Related Party Disclosures (contd.)						
(ii) Previous year - 31 March 2017						
(b) transactions/ balances with above mentioned related parties (mentioned in note 38 (ii) (a) above)						
						₹ in crore
<b>Sub debt Commitment</b>						
ACEL	--	349.97	--	--	--	349.97
FSEL	--	205.90	--	--	--	205.90
IRIDCL	--	144.22	--	--	--	144.22
SSTL	--	335.33	--	--	--	335.33
OTHERS	--	76.83	--	--	21.86	98.69
<b>Loans given - Non current Total</b>	--	<b>1,112.24</b>	--	--	<b>21.86</b>	<b>1,134.10</b>
<b>Guarantees issued to outsider in respect of Group Companies</b>						
EIJVCA	--	--	--	--	262.94	262.94
IO2PL	--	713.10	--	--	--	713.10
IO3PL	--	256.21	--	--	--	256.21
OTHERS	--	156.80	--	--	--	156.80
	--	<b>1,126.11</b>	--	--	<b>262.94</b>	<b>1,389.05</b>
<b>Loans given - Non current</b>						
BAEL	--	764.71	--	--	--	764.71
JRPICL	--	419.53	--	--	--	419.53
KSEL	--	321.52	--	--	--	321.52
MPBCDCL	--	393.00	--	--	--	393.00
OTHERS	--	830.88	--	--	99.38	930.26
<b>Loans given - Non current Total</b>	--	<b>2,729.64</b>	--	--	<b>99.38</b>	<b>2,829.02</b>

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Loans given - Current</b>							
IRIDCL	--	336.32	--	--	--	--	336.32
MBEL	--	562.36	--	--	--	--	562.36
PSRDCL	--	542.58	--	--	--	--	542.58
OTHERS	--	1,036.50	55.55	0.83	313.34	--	1,406.22
<b>Loans given - Current Total</b>	--	<b>2,477.76</b>	<b>55.55</b>	<b>0.83</b>	<b>313.34</b>	--	<b>2,847.48</b>
<b>Fair Value Adjustment of Other advances to related party</b>							
GRICL	--	--	--	21.61	--	--	21.61
<b>Fair Value Adjustment of Other advances to related party Total</b>	--	--	--	<b>21.61</b>	--	--	<b>21.61</b>
<b>Fair Valuation of Investments - Decrease</b>							
HREL	--	136.26	--	--	--	--	136.26
JRPICL	--	259.45	--	--	--	--	259.45
PSRDCL	--	158.52	--	--	--	--	158.52
I IPL	--	285.68	--	--	--	--	285.68
OTHERS	--	316.75	--	30.00	37.84	--	384.59
	--	<b>1,156.66</b>	--	<b>30.00</b>	<b>37.84</b>	--	<b>1,224.50</b>
<b>Transactions</b>							
<b>Revenue from Operations</b>							
BAEL	--	586.32	--	--	--	--	586.32
CNTL	--	343.54	--	--	--	--	343.54
KNCEL	--	576.13	--	--	--	--	576.13
KSEL	--	555.80	--	--	--	--	555.80
RMGSL	--	510.02	--	--	--	--	510.02
OTHERS	--	672.17	--	11.34	161.78	--	845.29
<b>Revenue from Operations Total</b>	--	<b>3,243.98</b>	--	<b>11.34</b>	<b>161.78</b>	--	<b>3,417.10</b>
<b>Miscellaneous Income</b>							
WGEL	--	0.96	--	--	--	--	0.96
NTBCL	--	--	--	0.66	--	--	0.66
OTHERS	--	--	0.60	--	--	--	0.60
<b>Miscellaneous Income Total</b>	--	<b>0.96</b>	<b>0.60</b>	<b>0.66</b>	--	--	<b>2.22</b>
<b>Dividend</b>							
IRIT	--	41.07	--	--	--	--	41.07
NKEL	--	12.47	--	--	--	--	12.47
NTBCL	--	--	--	7.36	--	--	7.36
OTHERS	--	--	--	4.46	--	--	4.46
<b>Dividend Total</b>	--	<b>53.54</b>	--	<b>11.82</b>	--	--	<b>65.36</b>
<b>Administrative and general expenses</b>							
ILFS *	26.81	--	--	--	--	--	26.81
IGFSLUK	--	--	4.15	--	--	--	4.15
IGFSL	--	--	4.03	--	--	--	4.03
OTHERS	0.31	0.15	0.82	--	--	--	1.28
<b>Administrative and general expenses Total</b>	<b>27.12</b>	<b>0.15</b>	<b>9.00</b>	--	--	--	<b>36.27</b>



IL&FS TRANSPORTATION NETWORKS LIMITED							
Notes forming part of the recast financial statements for the year ended 31 March 2018							
Note 38 A: Related Party Disclosures (contd.)							
(ii) Previous year - 31 March 2017							
(b) transactions/ balances with above mentioned related parties (mentioned in note 38 (ii) (a) above)							
							₹ in crore
Brand subscription fees (Expense)							
ILFS	4.53						4.53
Brand subscription fees (Expense) Total	4.53						4.53
Commission Charges & monitoring fees							
ILFS	21.51						21.51
OTHERS			0.15				0.15
Commission Charges & monitoring fees Total	21.51		0.15				21.66
Construction Cost							
EMSL		51.46					51.46
IRL		320.50					320.50
Construction Cost Total		371.96					371.96
Finance Charges							
IFIN			30.12				30.12
IGFSLUK			4.54				4.54
OTHERS			3.14				3.14
Finance Charges Total			37.80				37.80
Interest on Loans (Expense)							
UWPCL			17.56				17.56
LIL			30.03				30.03
MLGPCL			20.11				20.11
OTHERS	6.37	17.29	81.19		2.41		107.26
Interest on Loans (Expense) Total	6.37	17.29	148.89		2.41		174.96

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Borrowings</b>							
ILFS	1,180.83						1,180.83
IAL			361.00				361.00
ICDI			575.10				575.10
OTHERS		106.00	960.50		200.00		1,266.50
Borrowings Total	1,180.83	106.00	1,896.60		200.00		3,383.43
<b>Profit on Sale of Investment</b>							
IPL		140.93					140.93
Profit on Sale of Investment Total		140.93					140.93
<b>Investment made / purchased</b>							
IRL		138.04					138.04
KNCEL		84.86					84.86
IPL		413.16					413.16
OTHERS		143.12					143.12
Investment made / purchased Total		779.18					779.18
<b>Purchase of Investment</b>							
ILFS	4.52						4.52
Purchase of Investment Total	4.52						4.52
<b>Sale of Investment</b>							
IPL		272.23					272.23
Sale of Investment Total		272.23					272.23
<b>Purchase of Units</b>							
IRIT		0.23					0.23
Purchase of Units Total		0.23					0.23
<b>Redemption of Units</b>							
IRIT		2.94					2.94
Redemption of Units Total		2.94					2.94
<b>Operating Expenses (Other than Construction Cost)</b>							
EMSL		94.52					94.52
OTHERS		2.32					2.32
Operating Expenses (Other than Construction Cost) Total		96.84					96.84
<b>Remuneration to director / KMP</b>							
Mr K Ramchand-Managing Director						0.94	0.94
Mr Krishna Ghag-Company Secretary						0.58	0.58
Mr Mukund Sapre-Executive Director						0.94	3.16
Mr Dilip Bhatia-Chief Financial Officer						1.50	1.50
Others						1.40	1.40
Remuneration to director / KMP Total						5.36	7.58
<b>Rent Expense</b>							
Mr K Ramchand-Managing Director						0.34	0.34
Mr Krishna Ghag-Company Secretary						0.08	0.08
Mrs Rita Ramchand (wife of Mr K Ramchand)						0.45	0.45
Mr Dilip Bhatia-Chief Financial Officer						0.02	0.02
Mr Mukund Sapre-Executive Director						0.16	0.16
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)						0.16	0.16
Rent Expense Total						1.21	1.21





IL&FS TRANSPORTATION NETWORKS LIMITED							
Notes forming part of the recast financial statements for the year ended 31 March 2018							
Note 38 A: Related Party Disclosures (contd.)							
(ii) Previous year - 31 March 2017							
(b) transactions/ balances with above mentioned related parties (mentioned in note 38 (ii) (a) above)							
₹ in crore							
<b>Repayment of Borrowings</b>							
ILFS	1,180.00	-	-	-	-	-	1,180.00
ICDI	-	-	575.10	-	-	-	575.10
OTHERS	-	430.35	2,479.50	-	125.00	-	3,034.85
<b>Repayment of Borrowings Total</b>	<b>1,180.00</b>	<b>430.35</b>	<b>3,054.60</b>	<b>-</b>	<b>125.00</b>	<b>-</b>	<b>4,789.95</b>
<b>Loans given</b>							
CNTL	-	762.80	-	-	-	-	762.80
IRIDCL	-	643.85	-	-	-	-	643.85
JRPICL	-	780.62	-	-	-	-	780.62
JSEL	-	-	-	-	643.37	-	643.37
MBEL	-	956.04	-	-	-	-	956.04
PSRDCL	-	1,064.71	-	-	-	-	1,064.71
OTHERS	-	1,334.57	53.63	0.83	180.77	-	1,569.80
<b>Loans given Total</b>	<b>-</b>	<b>5,542.59</b>	<b>53.63</b>	<b>0.83</b>	<b>824.14</b>	<b>-</b>	<b>6,421.19</b>
<b>Repayment of loans given</b>							
CNTL	-	674.12	-	-	-	-	674.12
IRIDCL	-	488.90	-	-	-	-	488.90
JRPICL	-	624.65	-	-	-	-	624.65
JSEL	-	-	-	-	486.82	-	486.82
MBEL	-	502.25	-	-	-	-	502.25
PSRDCL	-	551.00	-	-	-	-	551.00
OTHERS	-	1,015.86	15.57	-	187.28	-	1,218.71
<b>Repayment of loans given Total</b>	<b>-</b>	<b>3,856.78</b>	<b>15.57</b>	<b>-</b>	<b>674.10</b>	<b>-</b>	<b>4,546.45</b>
<b>Particulars</b>	<b>Holding Company</b>	<b>Subsidiaries</b>	<b>Fellow Subsidiaries</b>	<b>Associates</b>	<b>Joint Ventures</b>	<b>Key Management personnel and relatives</b>	<b>Total</b>
<b>Other Interest</b>							
IFIN	-	-	2.32	-	-	-	2.32
<b>Other Interest Total</b>	<b>-</b>	<b>-</b>	<b>2.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.32</b>
<b>Allowance for Expected Credit losses on loans</b>							
SBHL	-	82.74	-	-	-	-	82.74
SSTL	-	26.51	-	-	-	-	26.51
OTHERS	-	20.31	-	-	-	-	20.31
<b>Allowance for Expected Credit losses on loans</b>	<b>-</b>	<b>129.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129.57</b>
<b>Reversal of Allowance for Expected Credit losses on loans</b>							
CNTL	-	3.87	-	-	-	-	3.87
WGEL	-	15.32	-	-	-	-	15.32
MBEL	-	3.53	-	-	-	-	3.53
OTHERS	-	1.13	-	-	0.06	-	1.19
<b>Reversal of Allowance for Expected Credit losses on loans</b>	<b>-</b>	<b>23.85</b>	<b>-</b>	<b>-</b>	<b>0.06</b>	<b>-</b>	<b>23.91</b>
<b>Allowance for Expected Credit losses on debts</b>							
CNTL	-	51.02	-	-	-	-	51.02
WGEL	-	14.06	-	-	-	-	14.06
PTMCM	-	-	18.36	-	-	-	18.36
OTHERS	-	6.14	-	-	5.27	-	11.41
<b>Allowance for Expected Credit losses on debts</b>	<b>-</b>	<b>71.22</b>	<b>18.36</b>	<b>-</b>	<b>5.27</b>	<b>-</b>	<b>94.85</b>
<b>Reversal of Allowance for Expected Credit losses on debts</b>							
MPBCDCL	-	16.35	-	-	-	-	16.35
SSTL	-	27.28	-	-	-	-	27.28
BAEL	-	35.22	-	-	-	-	35.22
OTHERS	-	72.88	-	0.09	8.43	-	81.40
<b>Reversal of Allowance for Expected Credit losses on debts</b>	<b>-</b>	<b>151.73</b>	<b>-</b>	<b>0.09</b>	<b>8.43</b>	<b>-</b>	<b>160.25</b>
<b>Interest Income on Financial Assets</b>							
BAEL	-	159.88	-	-	-	-	159.88
OTHERS	-	397.54	2.24	-	27.55	-	427.33
<b>Interest Income on Financial Assets Total</b>	<b>-</b>	<b>557.42</b>	<b>2.24</b>	<b>-</b>	<b>27.55</b>	<b>-</b>	<b>587.21</b>
<b>Guarantee Fees Income</b>							
IO2PL	-	7.45	-	-	-	-	7.45
IO3PL	-	2.22	-	-	-	-	2.22
ELSA	-	3.93	-	-	-	-	3.93
OTHERS	-	0.11	-	-	-	-	0.11
<b>Guarantee Fees Income Total</b>	<b>-</b>	<b>13.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.71</b>
<b>Capital Advance received</b>							
IFIN	-	-	115.00	-	-	-	115.00
<b>Capital Advance received Total</b>	<b>-</b>	<b>-</b>	<b>115.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>115.00</b>



IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the recast financial statements for the year ended 31 March 2018

Note 38 A: Related Party Disclosures (contd.)

(H) Previous year - 31 March 2017

(b) transactions/ balances with above mentioned related parties (mentioned in note 38 (ii) (a) above)

₹ in crore

Capital Advance repaid							
IFIN			115.00				115.00
Capital Advance repaid Total			115.00				115.00
Finance Cost							
IFIN			20.50				20.50
IMICL			20.50				20.50
OTHERS			2.50				2.50
Finance Cost Total			43.50				43.50
Redemption of Debenture							
RIDCOR					32.00		32.00
Redemption of Debenture Total					32.00		32.00
Reversal of Expected credit losses on other financial assets							
GRICL					5.79		5.79
APEL		7.18					7.18
OTHERS		1.00					1.00
		8.18			5.79		13.97
Allowance for doubtful advances							
IAL			1.40				1.40
IO2PL		7.16					7.16
OTHERS							
		7.16	1.40				8.56
Reversal of Allowance for doubtful advances							
VNIL		0.02					0.02
PTMCM			18.36				18.36
		0.02	18.36				18.37
Provision for diminution in value of investments							
NTBCL					54.95		54.95
IRL		10.20					10.20
		10.20			54.95		65.14
Reversal of Provision for diminution in value of investments							
GPFL		0.05					0.05
		0.05					0.05
Reduction of Investments as per Court's Scheme							
APEL		83.00					83.00
Reduction of Investments as per Court's Scheme Total		83.00					83.00
Conversion of Investments into Loans as per Court's Scheme							
APEL		137.00					137.00
Conversion of Investments into Loans as per Court's Scheme Total		137.00					137.00
Dividend Paid							
ILFS	47.32						47.32
IFSL		0.85					0.85
	47.32	0.85					48.17

Footnote : - \* Includes Deputation cost of ₹ 6.10 Crores charged by Holding Company "IL&FS" as mentioned below, but excludes benefits in the nature of gratuity and leave encashment which are created on actuarial basis for Company as a whole and not for the individual employee including KMP.

Mr K Ramchand-Managing Director  
Mr Mukund Sapre-Executive Director

3.68

2.42

6.10



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the Recast Financial Statements for the year ended March 31, 2014

**Note 38 B**

The Securities and Exchange Board of India ("SEBI") issued a show cause notice on October 20, 2021 for alleged violation in certain cases of the provisions of the law and the Accounting Standard relating to Related Party Transactions, to the Company.

Subsequently, an order was passed by SEBI on September 15, 2022 for following violations:

1. The Company had taken approval from shareholders for construction contract worth Rs.1702 crores with RMGSL for the period FY 2013-14 to FY 2018-19 and equity investment of Rs.237 crores in RMGSL (Identified RPT contracts). However, it was held by SEBI that in FY 15-16, the transactions between the Company and RMGSL (including the transactions arising from these identified RPT contracts already approved by the shareholders) exceeded the materiality threshold of 10% and hence separate approval of the shareholders should have been obtained by the Company specifically for these transactions irrespective of the approval of the contracts as stated above.

2. It was observed by SEBI that the Company had taken loans/ deposits from the related parties which were in turn taken from IL&FS Financial Services Ltd (IFIN) on the same day or within one day or related parties had borrowed from IFIN and lent to the Company before its repayment to IFIN. In addition, there were instances of the Company borrowing funds from external parties who had in turn borrowed fund from IFIN. SEBI held that if these funds were borrowed directly from IFIN, the total transactions between the Company and IFIN for FY 2015-16 and 2017-18 (including above indirect loans) would have exceeded the materiality threshold requiring specific shareholder approval. Consequently, it was also observed that the clubbing of related party borrowings under the head "Others" in the annual reports was incorrect and the Company avoided requisite disclosure of the borrowings in the annual reports for FYs 2015-16 and FY 17-18 by routing the loans through group companies and third parties. Hence, aggregating the borrowings under 'Others' in the annual reports appear to obscure the importance of the transactions;

3. SEBI held that the RPTs undertaken by the Company prior to November 09, 2017 under the RPT Policy and RPT Framework adopted by the Board of Directors of ITNL on August 13, 2014 (and revised on May 29, 2017) were not individually approved by the audit committee prior to entering into the transaction.

Before the order was passed, the Company provided detailed and point by point response to the observations contained in the SCN and refuted all allegation of any non-compliance. The Company also provided various documentary evidences including market practices followed by large listed companies in support of its explanations and contentions.

The Securities Appellate Tribunal, on appeal filed by the Company, has granted stay on the matter till April 20, 2023. No effect of this order have been given in the Related Party Disclosures and no provision has been made for the penalty of Rs. 100 lakhs levied on the Company as it is treated as Contingent Liability.



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 39: Disclosure of Loans and advances In the nature of loans to subsidiaries and associates and investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance In the nature of loan in accordance with Para A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**

**A. Disclosure of Loans and advances in the nature of loans given to subsidiaries**

₹ in Crore

Name of the Company	March 31, 2018		March 31, 2017	
	Amount as at March 31, 2018	Maximum amount outstanding during the year	Amount as at March 31, 2017	Maximum amount outstanding during the year
East Hyderabad Expressway Limited	17.12	71.19	9.35	82.86
ITNL Road Infrastructure Development Company Limited	362.57	448.07	439.29	439.29
Vansh Nimay Infraprojects Limited	112.90	112.90	99.15	99.15
West Gujarat Expressway Limited	54.24	80.71	50.31	72.29
Hazaribagh Ranchi Expressway Limited	324.47	328.73	328.73	427.33
Jharkhand Road Projects Implementation Company Limited	805.13	811.69	409.63	409.63
MP Border Checkposts Development Company Limited	330.68	515.32	513.32	513.32
Pune Sholapur Road Development Company Limited	233.52	539.16	539.16	539.16
Moradabad Bareilly Expressway Limited	257.98	728.51	504.04	504.04
Sikar Bikaner Highway Limited	135.01	162.00	149.50	170.14
Baleshwar Kharagpur Expressway Limited	63.41	159.14	61.00	151.00
Barwa Adda Expressway Limited	675.65	675.65	664.35	664.35
Khed Sinnar Expressway Limited	366.28	366.28	271.99	274.49
Chenani Nashri Tunnelway Limited	59.58	508.22	259.24	390.56
Kiratpur Ner Chowk Expressway Limited	304.69	304.69	150.73	226.65
Karyavattom Sports Facility Limited	48.56	48.56	28.00	28.00
Rajasthan Land Holdings Limited	124.48	124.48	121.77	121.77
Rapid MetroRail Gurgaon Limited	5.30	126.64	9.30	55.00
Rapid MetroRail Gurgaon South Limited	36.05	114.92	30.00	30.05
Jharkhand Infrastructure Implementation Company Limited	58.50	58.50	39.50	39.50
ITNL International Pte Ltd.	8.12	580.09	24.63	24.63
Srinagar Sonamarg Tunnelway Limited	197.67	197.67	178.18	178.18
Amravati Chikhli Expressway Ltd	70.20	70.20	-	-
Chattisgarh Highways Development Company Limited	0.85	0.85	-	-
Futureage Infrastructure India Limited	0.05	0.05	-	-
Fagne Songadh Expressway Ltd	331.51	331.51	-	-
IL&FS Airport Limited	1.75	1.75	-	-
IL&FS Engineering & Construction Company limited	33.00	128.14	-	-
IL&FS Maritime Infrastructure Company Limited	22.50	33.50	-	-
IL&FS Tamil Nadu Power Company Limited	0.30	20.13	-	-
Noida Toll Bridge Company Limited	17.38	17.38	-	-
Paro Developers Private Limited	1.60	1.60	-	-



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 39: Disclosure of Loans and advances in the nature of loans to subsidiaries and associates and Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan in accordance with Para A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**

**B. Disclosure of Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan**

The above loanees have not made any investment in the shares of the Company or subsidiaries, except Elsamex S.A., Spain and ITNL International Pte Ltd. for which disclosure is given below.

Particulars	₹ in Crore			
	March 31, 2018		March 31, 2017	
	Amount as at March 31, 2018	Maximum amount outstanding during the year	Amount as at March 31, 2017	Maximum amount outstanding during the year
<b>Subsidiaries of Elsamex S.A., Spain</b>				
Alcantarilla Fotovoltaica, S.L.U.	NA	NA	NA	NA
Area De Servicio Coiros S.L.U.	NA	NA	NA	NA
Area De Servicio Punta Umbria, S.L.U.	NA	NA	NA	NA
Atenea Seguridad Y Medio Ambiente S.A.U.	NA	NA	NA	NA
Beasolarita S.A.U.	NA	NA	NA	NA
CIESM-INTEVIA, S.A.	NA	NA	NA	NA
Conservacion De Infraestructuras De Mexico S.A. DE C.V.	NA	NA	NA	NA
Control 7, S.A.	NA	NA	NA	NA
Elsamex Brazil LTDA	NA	NA	NA	NA
Elsamex Colombia SAS	NA	NA	NA	NA
Elsamex Construcao E Manutencao LTDA	NA	NA	NA	NA
Elsamex India Private Limited	NA	NA	NA	NA
Elsamex Internacional S.L.	NA	NA	NA	NA
Elsamex LLC	NA	NA	NA	NA
Elsamex Maintenance Services Limited	NA	NA	NA	NA
Elsamex Portugal S.A.	NA	NA	NA	NA
ESM Mantenimiento Integral, SA DE CV	NA	NA	NA	NA
Grusamar Albania SHPK	NA	NA	NA	NA
Grusamar Engenharia y Consultoria Brasil LTDA	NA	NA	NA	NA
Grusamar India Limited	NA	NA	NA	NA
Grusamar Ingenieria Y Consulting Colombia SAS	NA	NA	NA	NA
Grusamar Ingenieria Y Consulting, S.L.	NA	NA	NA	NA
Inteval Gestao Integral Rodoviaria S.A.	NA	NA	NA	NA
Mantenimiento Y Conservacion De Vialidades S.A. DE C.V.	NA	NA	NA	NA
Senalizacion Viales e Imagen S.A.U.	NA	NA	NA	NA
Yala Construction Co Private Limited	NA	NA	NA	NA

Particulars	₹ in Crore			
	March 31, 2018		March 31, 2017	
	Amount as at March 31, 2018	Maximum amount outstanding during the year	Amount as at March 31, 2017	Maximum amount outstanding during the year
<b>Subsidiaries of ITNL International Pte Ltd.</b>				
Elsamex S.A.	526.33	526.33	524.67	524.67
ITNL Africa Projects Limited	17.89	17.89	17.83	17.83
ITNL Intenational DMCC	61.95	61.95	56.46	56.46
Sharjah General Services Co. LLC	0.33	0.33	0.33	0.33
I IPL US LLC	94.96	94.96	38.90	38.90
INTL Infrastructure Developer LLC	6.28	6.28	0.26	0.26
Elsamex Vietnam Joint Stock Company	4.23	4.23	4.21	4.21

**Note 40: Segment Disclosures:** 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.



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 41**

**Status of New Board of Directors initiated Forensic Examination**

As a consequence of the matter described in Note 1.2 and 1.3 above, the New Board initiated a forensic examination for the period from April 2013 to September 2018, in relation to certain companies of the Group including ITNL and appointed an Independent third party, viz. Grant Thornton India LLP ("GT") for performing the forensic audit and to report their findings to the New Board of the holding company. The Company has received two reports and the same were discussed and taken on record by the Board of Directors of ITNL in their meeting held on November 28, 2019 and January 21, 2022 respectively.

In the above-mentioned reports, the forensic auditors have observed various potential issues relating to operations and management of the Company. Before issue of the final reports, the Company has furnished responses to the preliminary observations communicated by GT. Issues reported in the final reports inter alia include:

- a) Potential stress / liquidity issues appears to have been known to the then KMPs of IL&FS Group during the review period of the forensic audit;
- b) Potential irregularities in investments acquired and disposed by ITNL relating to Elsamex SA, Hazaribaug Ranchi Expressway Limited, Rapid Metro rail Gurgaon Limited, Rajasthan Land Holdings Limited, Gujarat Road Infrastructure Company Limited and Moradabad Bareilly Expressway Limited;
- c) Potential anomalies with regards to borrowings which includes potential circular transactions between ITNL, IFIN and SPVs;
- d) Potential close nexus of vendors with the then KMPs of IL&FS group and anomalies in dealings with them;
- e) Potential inducements received by the then KMPs from IL&FS Group;
- f) Instances indicating potential issues in PDF / PMF charged by ITNL;
- g) Instances indicating potential issues and irregularities in construction cost;
- h) Potential anomalies in O&M contracts;
- i) Potential misrepresentations in cost projections and potentially inflated projection of toll revenue estimates in PIM data;
- j) Transactions with entities which were identified by the forensic auditor as red-flagged\*

\*This refers to the entities where GT had identified multiple potential anomalies during forensic audit of various other IL&FS Group companies.

As described above, the forensic auditors have made various observations in their reports indicating potential issues. However, the forensic auditor has not concluded/ brought out cases of actual loss caused due to such potential issues and anomalies. The board of the Company has discussed and taken on record both the reports and decided to forward the same to regulatory agencies. Subsequently, such reports have been delivered to the regulatory agencies and also put into the public domain wherever required. In the absence of any conclusive quantification made, no financial impacts, if any, could be ascertained and given in the recast financial statements.

**Note 42**

**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.

**Note 43**

**Performance Related Pay**

The Company had a policy approved by the Nomination and Remuneration Committee ("NRC") to pay performance related pay (PRP) to employees basis their individual performance ranking. The pool of the PRP was determined as % of profits for the year. For the year ended 31 March 2018, NRC had approved PRP of ₹ 5.90 Crore (for the year ended 31 March 2017 : ₹ 11.82 Crore). However, provision towards PRP was recognised to the extent of ₹ 12.21 Crore in the books of account. The break-up of such amount among the employees covered under Managerial Remuneration provisions of the Companies Act (referred to as Managerial Personnel) and other employees is not available. Out of provision of ₹ 12.21 Crore recognised in the books of account, no sum was paid to any employee on or before March 31, 2018. Accordingly, no sum is shown as recoverable from Managerial Personnel on account of PRP and amount in excess of what was approved by NRC, provided in the books of account have been reversed amounting to Rs. 6.31 crores.

**Note 44**

**Going Concern**

Material Uncertainty relating to Going Concern assumption used for the preparation of these financial statements

As at March 31, 2018, the current assets of the Company are in excess of the current liabilities and the net worth of the Company is positive. However, the Company and the IL&FS group in general are undergoing substantial financial stress as at the date of approval of this financial statements. The Company has earned a total comprehensive income of ₹ 251.86 Crore during the current year. Subsequent to the date of balance sheet, the Company has also suffered consistent downgrades in its credit ratings and in September 2018 the credit rating was reduced to "default grade" subsequent to the defaults in repayment of loans taken by the Company, details of which are discussed in notes A2 to A5. As a result of the foregoing, the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed.

The New Board of IL&FS has implemented 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. 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.

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 NCLAT approved the resolution plan submitted by Board vide its order dated March 12, 2020.

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 Board of Directors have decided to prepare the accompanying recast financial statements on going concern basis based on cumulative impact of certain steps taken by the New Board."



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 45**

**Income Tax**

The management is in the process of seeking experts advise as well as exploring the manner in which re-casting adjustments can be incorporated in its returns of income filed with the Income-tax Department for the respective financial years for which recast have been ordered as time limit for revision of filing has lapsed. Pending such approvals and filing with the tax department, the management has recomputed provision for current tax based on profit / loss determined as per the recast Statement of Profit & Loss. Based on such re-computation, the provision for current tax for FY 2017-18 has been determined at ₹ 28.26 Crores as against the provision for current tax for FY 2017-18 of ₹ 24.85 Crores in the original financial statements.

**Note 46**

On 31 August 2013, the management executed a Memorandum of Agreement (MOA) with Ramky Infrastructure Limited (RIL) to swap its 50% stake in NAM Expressway Limited (NAMEL) (book value Rs. 1167.55 Million) with 50% stake held by RIL in Jorabat Shillong Expressway Limited (JSEL). In addition, the Company was supposed to get Rs. 398.30 Million in cash from RIL. However, the transaction was not concluded as of the balancesheet date. In absence of any working demonstrating the rationale behind the swap ratio and also independent valuation, it is not possible to compute and recognize onerous loss, if any, pursuant to this MOA.

**Note 47**

**Operation & Maintenance (O&M) contracts**

The Operation and Maintenance expenses amounting to Rs. 163.77 crores as shown in Note 24 includes expense pertaining to O&M contracts relating to Andhra Pradesh Expressway Limited (APEL), Hazaribaug Ranchi Expressway Limited (HREL), Pune Sholapur Road Development Company Limited (PSRDCL), Sikar Bikaner Highway Limited (SBHL), Khed Sinnar Expressway Limited (KSEL) and West Gujarat Expressway Limited (WGEL). The expense pertaining to these O&M contracts have exceeded the revenue resulting into loss of Rs. 1.17 Crores, Rs. 5.75 Crores, Rs. 9.36 Crores, Rs. 0.15 Crores, Rs. 2.31 Crores and Rs. 11.47 Crores respectively which have been recognised in the Statement of Profit & Loss for the year. The O&M Contracts are long-term contracts in nature.

Ind AS 37 on Construction Contracts requires that in case a contract is onerous in nature, the entire loss expected during the tenure of the contracts should be provided for. However, in the above cases, while the income under such contracts are fixed and known for the entire term of the contract, the costs to be incurred during the said tenure are variable and subject to various factors including commodity prices and inflation in the year of execution as the Company followed the practice of awarding annual sub-contracts to fulfil its obligation. In view of non-availability of estimates relating to future expenses that would be required to be incurred to fulfill the Company's future obligations under these contracts over the concession period, on record, it is not possible to conclude that such contracts are onerous in nature.

**Note 48**

**Project Development Fees (PDF) / Project Management Fees (PMF)**

ITNL charges PDF / PMF to its SPVs for providing various services such as activities undertaken for bidding and project cost estimations, traffic surveys, revenue estimates, etc, design and drawing services for roads to be developed, signing of LoA, incorporation of SPV, follow-ups for the signing of agreements, etc. on the basis of agreements entered between ITNL and its SPVs. Such agreements for PDF / PMF were executed by ITNL in addition to the development agreements with SPVs for carrying out the construction activities. Income amounting to ₹ 201.15 Crores (for the year ended March 31, 2017: ₹ 157.53 Crore) has been recognised during the year on achieving milestones as stated in the relevant invoices and as shown as Advisory, Design and Engineering fees in Note 21, however, documents in support of timing of rendering of such services, details such as period over which such services were rendered are not available. In addition, cost associated to provide such services are also not separately captured in the books of account and records and have been charged off as and when incurred. In such circumstances, recognition of PDF/ PMF income is purely based on raising of invoices.



**IL&FS TRANSPORTATION NETWORKS LIMITED**  
**Notes forming part of the recast financial statements for the year ended 31 March 2018**

**Note 49**

For the current financial year, preference dividend of Rs. 49.98 Crore was declared to holders of CRPS and CNCRPS.

As per the resolution passed at the Board Meeting dated May 29, 2018, the Board considered and approved the payment of Rs. 49.98 Crore as Interim Dividend for FY 2017-18 alongwith Rs. 10.27 Crore as Dividend Distribution Tax, out of the profits of the Company for FY 2017-18.

Subsequent to the year-end, the shareholders had approved the dividend in their meeting held on September 04, 2018. Such dividend was distributed to the preference shareholders during the period September 2018.

The free reserves of the Company as on March 31, 2018, as per recast standalone financial statements is negative. In view of the provisions contained in section 130(2) of the Companies Act, 2013, the recast standalone financial statements shall be final. Accordingly, the above declaration and distribution of dividend for the year 2017-18 amounting to Rs. 49.98 Crores is not in compliance with Section 123 of the Companies Act, 2013. The Audit Committee of the Company in its meeting held on March 11, 2022 decided that since there is no provision in the Companies Act, to claw back the dividend paid, no adjustment should be made in the recast standalone financial statements to this effect.

For the previous financial year, preference dividend of Rs. 84.06 Crore was declared to holders of CRPS and CNCRPS.

As per the resolution passed at the Board Meeting dated May 29, 2017, the Board considered and approved the payment of Rs. 84.06 Crore as Interim Dividend for FY 2016-17 alongwith Rs. 17.11 Crore as Dividend Distribution Tax, out of the profits of the Company for FY 2016-17.

Subsequent to the year-end, the shareholders had approved the dividend in their meeting held on August 29, 2017. Such dividend was distributed to the preference shareholders during the period May and June 2017.

The free reserves of the Company as on March 31, 2017, as per recast standalone financial statements is negative. In view of the provisions contained in section 130(2) of the Companies Act, 2013, the recast standalone financial statements shall be final. Accordingly, the above declaration and distribution of dividend for the year 2016-17 amounting to Rs. 84.06 Crores is not in compliance with Section 123 of the Companies Act, 2013. The Audit Committee of the Company in its meeting held on March 11, 2022 decided that since there is no provision in the Companies Act, to claw back the dividend paid, no adjustment should be made in the recast standalone financial statements to this effect.

In the original financial statements of FY 2015-16, it was stated as under:

"The Board of Directors have recommended dividend of ₹ 2 per equity share of ₹ 10 each (20%) for the year ended March 31, 2016 on the existing 328,960,027 fully paid-up equity shares of the Company."

As per the relevant resolution passed by the Board of Directors, such declaration of dividend was "out of profit for the year 2015-16 and free reserves".

Subsequently, the shareholders had approved the said dividend in their meeting held on August 09, 2016. Dividend was distributed to the equity shareholders during the period August 2016 to November 2016. The dividend to the preference shareholders was paid in the month of May 2016.

As per the recast standalone financial statements for the year 2013-14, 2014-15 and 2015-16, the Company has no profit in the respective year that can be utilized for distribution of dividend in terms of above resolution. In addition, the free reserves of the Company as on March 31, 2015, as per recast standalone financial statements is also negative. In view of the provisions contained in section 130(2) of the Companies Act, 2013, the recast standalone financial statements shall be final. Accordingly, the above declaration and distribution of dividend for the years 2013-14, 2014-15 and 2015-16 amounting to Rs. 129.20 Crores, Rs. 177.54 Crores and Rs. 144.65 Crores respectively is not in compliance with Section 123 of the Companies Act. The Audit Committee of the Company in its meeting held on March 11, 2022 decided that since there is no provision in the Companies Act, to claw back the dividend paid, no adjustment should be made in the recast standalone financial statements to this effect.





**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 50**

Following adjustments have been made to the original standalone financial statements of the Company for the financial year 2017-18 on reopening of books of account and recasting of financial statements as stated hereinaabove:

Balance Sheet as at March 31, 2018

Particulars	Note No.	Original standalone financial statements	Recast Adjustments		Recast standalone financial statements
			Cumulative Adjustment upto March 31, 2017	Adjustment in FY 2017-18	
(₹ in Crore)					
<b>ASSETS</b>					
<b>(1) Non-Current Assets</b>					
(a) Property, Plant and Equipment		137.49	-	-	137.49
(b) Capital Work-In-Progress		22.73	-	-	22.73
(c) Investment Property Under Development	7	118.93	(115.31)	(3.62)	-
(d) Intangible Assets		0.69	-	-	0.69
(e) Financial Assets					
(i) Investments	1,9	5,376.90	(1,404.26)	317.84	4,290.48
(ii) Trade Receivables		64.09	-	-	64.09
(iii) Loans	1,9	3,871.09	523.83	(578.99)	3,815.93
(iv) Other Financial Assets		53.57	-	-	53.57
(g) Non-Current Tax Assets (net)	11	539.29	(38.67)	4.18	504.80
(h) Other Non-Current Assets	2,7,10	318.37	195.28	10.09	523.74
<b>Total Non-Current Assets</b>		<b>10,503.15</b>	<b>(839.13)</b>	<b>(250.50)</b>	<b>9,413.52</b>
<b>(2) Current Assets</b>					
(a) Inventories		19.90	-	-	19.90
(b) Financial Assets					
(i) Trade Receivables	1	3,081.19	(196.64)	6.52	2,891.07
(ii) Cash and Cash Equivalents		175.26	4.01	-	179.27
(iii) Bank Balances other than (iii) above		287.67	-	-	287.67
(iv) Loans	1	1,810.82	(593.41)	139.02	1,356.43
(v) Other Financial Assets	1,5,8	1,672.38	(37.81)	34.85	1,669.42
(c) Other Current Assets		712.26	(0.94)	-	711.32
(d) Assets classified as Held for sale		701.93	(485.14)	-	216.79
<b>Total Current Assets</b>		<b>8,461.41</b>	<b>(1,309.93)</b>	<b>180.39</b>	<b>7,331.87</b>
<b>Total Assets</b>		<b>18,964.56</b>	<b>(2,149.06)</b>	<b>(70.11)</b>	<b>16,745.39</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share Capital		328.96	-	-	328.96
(b) Other Equity	1,2,3,4,5,6,8,9,10	2,747.50	(2,769.53)	(0.32)	(22.35)
<b>Total Equity</b>		<b>3,076.46</b>	<b>(2,769.53)</b>	<b>(0.32)</b>	<b>306.61</b>
<b>LIABILITIES</b>					
<b>(1) Non-Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings		8,792.04	(5.75)	-	8,786.29
(ii) Other Financial Liabilities (other than those specified in item (b) below)		275.98	-	-	275.98
(b) Provisions		3.10	-	-	3.10
(c) Deferred Tax Assets (net)	6	(430.01)	558.34	(49.60)	78.73
(d) Other Non-Current Liabilities		134.92	-	-	134.92
<b>Total Non-Current Liabilities</b>		<b>8,776.03</b>	<b>552.59</b>	<b>(49.60)</b>	<b>9,279.02</b>
<b>(2) Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings		1,611.56	-	-	1,611.56
(ii) Trade Payables other than MSME	4,5	1,286.52	67.88	(13.88)	1,340.52
(iii) Other Financial Liabilities (other than those specified in item (c) below)		3,801.96	-	-	3,801.96
(b) Other Current Liabilities		382.45	-	-	382.45
(c) Provisions	2	29.58	-	(6.31)	23.27
<b>Total Current Liabilities</b>		<b>7,112.07</b>	<b>67.88</b>	<b>(20.19)</b>	<b>7,159.76</b>
<b>Total Equity and Liabilities</b>		<b>18,964.56</b>	<b>(2,149.06)</b>	<b>(70.11)</b>	<b>16,745.39</b>



## IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the recast financial statements for the year ended 31 March 2018

### Note 50

#### 50.1. Impairment

The approach adopted in the earlier recast standalone financial statements, was adopted in these recast financial statements also, accordingly, the methodology adopted now for the purposes of provisioning, seeks to determine the provisions at the relevant point in time based on information available with the erstwhile management and as provided by the present management, to the extent available with the current management without considering hindsight and impairment loss recognised in first four years of recast financial statements was reversed only if there is certainty that such loss does not exist or the underlying exposure realised in cash.

For the purposes of the above exercise as well as for impairment testing, the present management has considered financial projections (hereinafter referred to as Ind AS models) which were available at the time of preparation of original standalone financial statements.

However, in following cases, Ind AS models were not available

- a) Noida Toll Bridge Company Limited - NTBCL being a listed entity, the recoverable amount was determined based on quoted price. The financial projections of NTBCL were not available on record.
- b) ITNL International PTE Limited (IIPL) - a subsidiary which only holds overseas investments. A valuation report dated 30 September 2016 was obtained from a firm of Chartered Accountants and as per the valuation report, the value per share was in excess of the carrying amount as per previous GAAP. Accordingly, no incremental impairment provision was recognised.
- c) ITNL Offshore Pte Ltd (IOPL) and ITNL Offshore Two Pte Ltd (IO2PL) – both the companies were wholly owned subsidiary of ITNL and incorporated in Singapore. IOPL had issued 630 million RMB bond and IO2PL had issued 690 million RMB bonds. These bonds were listed on the Singapore stock exchange. IOPL had advanced loan to ITNL while IO2PL had advanced loans to IOPL. In the absence of financial model and documentary evidence demonstrating impairment testing of this investment, the recoverable amount was determined based on the book value of the audited standalone financial statements of IOPL and IO2PL.
- d) Pario Developers Private Limited (PDPL) - ITNL has investments in equity shares and preference shares of PDPL costing to Rs. 0.33 Crores and Rs. 150.00 Crores respectively. The preference shares are redeemable in three tranches at an aggregate premium of Rs. 93.75 Crores. ITNL had sold its entire holding of RLHL to PDPL. The erstwhile management had obtained a valuation report dated 30th June 2017 in respect of RLHL from a firm of Chartered Accountants. The model used for testing impairment in the original financial statements was adjusted with respect to the surplus cash that would be available with PDPL for the purposes of redemption of preference shares. The investment in preference shares of PDPL was tested for Impairment based on such model.
- e) IL&FS Employees' Welfare Trust - In case of IL&FS Employees' Welfare Trust, entire exposure was considered for impairment as the operation and management of this entity were alleged to be mismanaged as per the order of NCLT under section 130 of the Companies Act, 2013 calling for re-opening of books of account and re-casting of financial statements. In the original financial statements, impairment loss was recognised based on the ECL working.

Trade receivables, Loans granted, Advances recoverable and Advances towards capital (hereinafter referred to as "Other Receivables") are carried at cost less impairment, wherein impairment is determined based on Expected Credit Loss (ECL) methodology capturing both cash loss as well as loss on account of time value of money in terms of Ind AS 109 on Financial Instruments.

In following cases, no ECL workings were available and hence, impairment was determined based on ECL recognised in the original financial statements:

- (1) Andhra Pradesh Expressway Limited
- (2) Chhattisgarh Highways Road Development Company Limited
- (3) Elsamex S.A.
- (4) IL&FS Maritime Infrastructure Company Limited
- (5) Kohinoor Properties Private Limited
- (6) Noida Toll Bridge Company Limited
- (7) Rajasthan Land Holdings Limited
- (8) Warora Chandrapur Ballarpur Toll Road Limited
- (9) ITNL International Pte Ltd
- (10) Karyavattom Sports Facilities Limited
- (11) IL&FS Tamil Nadu Power Company Limited
- (12) Futureage Infrastructure India Limited
- (13) IL&FS Airport Limited
- (14) Pario Developers Private Limited
- (15) IL&FS Engineering Construction Company Limited
- (16) IL&FS Financial Services Limited
- (17) Charminar RoboPark Limited
- (18) IL&FS Rail Limited
- (19) Ministry of Physical Infrastructure and Transport (MOPIT)
- (20) Gujarat Road and Infrastructure Company Limited
- (21) N.A.M Expressway Limited

Impairment provisions so determined in the above manner was compared with provision already recognised in the books, and balance amount of Rs. 204.86 Crores is charged to the Statement of Profit & Loss for the year by corresponding reduction in Non-current Loans (Rs. 175.15 Crores) and increase in Investments (Rs. 24.56 Crores), Current Loans (Rs. 139.02 Crores), Trade Receivables (Rs. 6.52 Crores) and Other Current Financial Assets (Rs. 18.32 Crores).



## IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the recast financial statements for the year ended 31 March 2018

### Note 50

The financial statements of the Company for the financial year 2018-19 and report of the Board of Directors and the Statutory Auditors thereon have already been adopted by the shareholders of the Company at their meeting held on June 30, 2020. At the time of preparation of financial statements for the financial year 2018-19, the management has determined the extent of provisions required in respect of various assets of the Company by adopting elaborate process explained in the annual report of that year. The methodology adopted now for the purposes of provisioning for the financial year 2017-18 as explained hereinabove, seeks to determine the provisions at the relevant point in time based on information available with the erstwhile management and as provided by the present management, to the extent available with the current management without considering hindsight.

#### 50.2. Reversal of Managerial Remuneration & Commission

The Company pays remuneration to its Managing Director and its Executive Director by way of salary, perquisites and allowances (fixed component) and performance related pay (variable component). This is determined based on the Company's overall performance in a particular financial year and the performance of individual employee through the annual appraisal process, determined by the Remuneration Committee of the Board, at the end of each financial year, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013. The Company also pays commission to non-executive directors.

The maximum remuneration and commission that can be paid to MD, ED and non-executive directors based on above provisions of the Companies Act, 2013 was recomputed considering the net results as per the recast standalone financial statements and excess expenditure recognised has been reversed and shown as recoverable from the concerned individuals. As a result of these adjustments, Reserve and Surplus and Other Non-Current Assets as on the date of the balance sheet is increased by ₹ 3.00 Crores (Refer note no. 9.2)

In addition, amount of provision of Performance Related Pay (PRP) in excess of the amount approved by NRC, amounting to Rs. 6.31 Crores has been reversed.

#### 50.3. Reversal of transfer to Debenture Redemption Reserve and Capital Redemption Reserve

Refer to Note 15.1 and Note 15.5 dealing with reversal of Debentures Redemption Reserve (DRR) and Capital Redemption Reserve (CRR) respectively. In absence of accumulated profit, the amount transferred to DRR and CRR as per original standalone financial statements has also been reversed. These adjustments have no impact on the closing balance of Reserves and Surplus.

#### 50.4. Claim management

The Board of IL&FS, the holding Company has appointed an independent agency as Claim Management Advisor (CMA) to invite and admit claims from the creditors of the Company as at October 15, 2018. As per the report updated till December 31, 2021, published by the CMA on the website of IL&FS, claims of Rs. 3,214.41 crore have been filed by operational creditors of the Company, out of which claims of ₹ 1,500.01 crore have been admitted by the CMA. The claims are subject to further updation by the CMA if and when any additional information/ clarifications are received from the creditors. The Management of the Company is reviewing such claims and reconciling the same with the corresponding amounts as per Company's books of accounts on a continuous basis. To the extent reconciliations have been completed and approved by the Audit Committee of the Company in their meetings held upto March 18, 2022, consequential impacts have been adjusted in the recast standalone financial statements and accordingly, reversal of expenditure amounting to ₹ 26.41 crore (net) (for the year ended 31 March 2017: expenditure of ₹ 11.71 Crore (net)) shown in Note 23 has been recognised in these recast financial statements. Subsequent processing of claims and reconciliations by CMA, if any, have not been considered in the meetings held by the Audit Committee till the date of signing of this recast financial statements. Considering the materiality, the income recognition of the concerned project has not been re-computed.

#### 50.5. Other adjustments – rectification of errors / omissions

(a) The Tax Auditor in their report u/s 44AB of the Income- tax Act, 1961, of subsequent years has reported expenditure of ₹ 24.34 Crores (net) as prior period expenditure (which includes ₹ 17.59 for Construction Cost, ₹ 0.63 crores for Rent, ₹ 0.73 crores for Printing and Stationery, ₹ 0.98 for Legal and Professional fees, ₹ 0.05 for Electricity, ₹ 4.33 for Miscellaneous expenses and ₹ 0.03 for Operation and Maintenance Expense). Since such expenditure were not recorded by the company in the original standalone financial statements due to error or omission, the same have been recognised in these financial statements.

(b) Also, the prior period expenses as per the tax audit report of financial year 2017-18, recognised in the earlier years amounting to Rs. 13.38 Crore (which includes ₹ 9.36 crores for Construction Cost, ₹ 0.11 for Fees for Legal and Technical services and ₹ 3.91 for Operation and Maintenance Expense) has been reversed in these financial statements.

(c) The balance of Interest on trade receivables has been increased by Rs. 17.99 Crore based on the balance in the books of accounts.

(d) The Board of Directors in their meeting held on May 29, 2018 approved provisions in respect of outstanding receivables aggregating to Rs. 59.94 crores from certain parties. The details stated in the approval included provision of Rs. 3.40 crores for Zealous Infrastructure Private Limited, Rs. 1.12 crores for ITNL Africa Projects Limited and Rs. 9.22 crores for IL&FS Transportation Investment Trust. However, actual outstanding in case of Zealous Infrastructure Private Limited was Rs. 3 crores and Rs. 0.40 crores was for Oscar Infra Pvt. Ltd. In the original standalone financial statements such balances were erroneously written off instead of making provision for impairment. Accordingly, in the recast standalone financial statements, the aforesaid balances are reinstated by reversing the write-off entry and provisions have been created against such advances.



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 50****50.6. Deferred Tax**

Refer to Note 7.1 dealing with recognition of deferred tax assets, pursuant to which deferred tax asset amounting to Rs. 49.60 Crores recognised in the original standalone financial statements, in respect of allowance for doubtful loans / Expected credit loss on loans, receivables, other financial assets and Business and Capital Loss has been reversed.

**50.7. Other re-groupings**

There are certain other reclassifications as listed below which are in the nature of rectifications. These reclassifications have no impact on the closing balance of Reserves & Surplus.

Description	(₹ in Crore)		
	Original Financial Statements	Recast Financial Statements	Amount
Consideration paid for acquisition of commercial premises	Investment Property Under Development	Other Non-Current Assets	3.62

**50.8. Dividend income**

The Company has erroneously recognised dividend income of ₹ 1.46 crores from IRIT as it was in excess of what was declared and distributed as dividend. Accordingly, it has been reversed.

**50.9. Reversal of Deemed Equity**

During the year, the audit committee decided to drop the proposal of transfer of North Karnataka Expressway Limited, Hazaribagh Ranchi Expressway Limited (HREL), Jharkhand Road Projects Implementation Company Limited (JRPICL) and Sikar Bikaner Highway Limited (SBHL) (InvIT SPVs) to InvIT in view of amendments made to the Income Tax Rules in its meeting held on March 29, 2018. In view of the InvIT not being pursued, the Company reassessed its business plan for InvIT SPVs and reversed the expected credit loss recognised in the financial year 2016-17 on restructuring of loans by crediting Profit & Loss Account and added Rs. 403.84 Crores as Deemed Equity to carrying value of equity investment in InvIT SPVs in the original standalone financial statements. Out of four InvIT SPVs, equity investment in two InvIT SPVs were already impaired. Accordingly, the Company recognised impairment on deemed equity of Rs. 293.28 Crore and charged the same to Profit & Loss Account and as a result, net credit to Profit & Loss Account of Rs. 110.56 Crores was recognised in Other Income in the original standalone financial statements.

The subsequent creation of Deemed Equity is not supported by relevant applicable accounting standards. The derecognition of the loans given to three InvIT subsidiaries (HREL, JRPICL, SBHL) is also not in accordance with provisions of Ind AS 109 and the reassessment of InvIT plan cannot be a valid reason for reversal of ECL. In view of the same, in these recast standalone financial statements, entries relating to recognition of Deemed Equity and reversal of ECL as well as subsequent partial impairment of Deemed Equity have been reversed.

On same principle, deemed equity recognised in case of Rapid MetroRail Gurgaon Limited (RMGL) and Rapid MetroRail Gurgaon South Limited (RMGSL) aggregating to Rs. 29.15 Crores on account of changes in the terms of the loan in the earlier years has been reversed and the ECL on the loans reversed has been restated.

**50.10. Brand Subscription Fees**

The Company is liable to pay Brand Subscription fees to the Parent Company, which is lower of (a) 1% of the Total income/ Turnover or (b) 5% of Profit before Provision for Contingencies and Taxation, based on the audited accounts of the previous year, subject to a minimum fee of Rs. 1 Million per annum, in terms of IL&FS Brand Preservation and Promotion Policy ("Policy"). In view of the reduction in the profits of the previous year, the fees payable have been re-computed and excess amount of Rs. 3.47 Crores recognised in the original financial statements is added to the amount shown as "Recoverable from Holding Company" in Note 9.

**50.11. Current Tax**

Refer Note 45 dealing with recomputation of provision for current tax based on profit / loss determined as per the recast Statement of Profit & Loss. As a result of this adjustment, Non-Current Tax Assets and the balance in Reserves and surplus as on the date of the balancesheet is decreased by Rs. 4.18 Crores.



**IL&FS TRANSPORTATION NETWORKS LIMITED**

Notes forming part of the recast financial statements for the year ended 31 March 2018

**Note 51 : Approval of Financial Statements**

The original standalone financial statements were approved for issue by the Board of Directors on May 29, 2018. The recast standalone financial statements were approved for issue by the Board of Directors on March 09, 2023.

**Note 52:** The figures for the year ended March 31, 2017 have been regrouped and / or re-arranged wherever necessary to conform to the classification adopted in the year ended March 31, 2018.

Signature to Notes to Accounts

For Mukund M. Chitale & Co.  
Chartered Accountants  
(Firm Reg. No. 106655W)

*Chitale*

S. M. Chitale  
Partner  
Membership No. 111383  
Mumbai,



09 MAR 2023

As per our compilation report of even date

For G. M. Kapadia & Co.  
Chartered Accountants

Firm Reg. No. 104767W  
ATUL HIRALAL  
SHAH

Digitally signed by  
ATUL HIRALAL SHAH  
Date: 2023.03.09  
22:26:47 +05'30'

Atul Shah  
Partner  
Membership No. 036569  
Mumbai, March 09, 2023

For and on behalf of the Board

CHANDRA  
SHERKHAR RAJAN

Mr. C. S. Rajan  
Authorised signatory  
DIN - 00126063  
MILIND

RAMESH  
GANDHI

Mr. Milind Gandhi  
Authorised signatory

KRISHNA  
DHONDU  
GHAG

Mr. Krishna Ghag  
Authorised signatory

Authorised signatory

Mumbai, March 09, 2023

Digitally signed by NAND KISHORE  
Date: 2023.03.09 20:26:47 +05'30'

Mr. Nand Kishore  
Authorised signatory  
DIN - 08267502  
DILIP

LALCHAND  
D BHATIA

Mr. Dilip Bhatia  
Authorised signatory

Digitally signed by  
KRISHNA DHONDU  
GHAG  
Date: 2023.03.09  
12:17:12 +05'30'

Authorised signatory

Authorised signatory