

**SHARJAH GENERAL SERVICES COMPANY LLC  
(KHADAMAT)**

**FINANCIAL STATEMENTS**

**2013-14**

## **AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS**

### **TO THE BOARD OF DIRECTORS OF**

### **SHARJAH GENERAL SERVICES COMPANY LLC (KHADAMAT)**

#### **Introduction**

We have audited the accompanying special purpose financial statements of **SHARJAH GENERAL SERVICES COMPANY LLC (KHADAMAT)** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the period July 16, 2013 to March 31, 2014, and a summary of significant accounting policies and other explanatory information as per Group Referral Instructions (GRI). The special purpose financial statements have been prepared by the Management based on the accounting principles generally accepted in India and the Group Referral Instructions (GRI) dated March 27, 2014 issued by the Management of IL&FS Transportation Networks Limited (ITNL) ("Parent Company").

#### **Management's Responsibility for the Special Purpose Financial Statements**

The Company's Management is responsible for the preparation and presentation of these special purpose financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the Company in accordance with the Generally Accepted Accounting Principles in India and the accounting policies as mentioned in the GRI and in accordance with the format of financial statements as given in the GRI. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the special purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

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



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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the special purpose financial statements give a true and fair view of the state of affairs of the Company as at March 31, 2014, and of its results of operations and its cash flows for the year the period July 16, 2013 to March 31, 2014 in accordance with the accounting principles generally accepted in India and the GRI.

**Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the special purpose financial statements, which describe the basis of accounting. These special purpose financial statements are prepared in accordance with the GRI to assist the Company to meet the consolidation requirements of the Parent Company. As a result, the special purpose financial statements may not be suitable for any other purpose. Our report is not to be distributed to or used by parties other than the Company or its Parent Company.

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



Kalpesh J. Mehta  
Partner  
(Membership no: 48791)

MUMBAI, May 05, 2014  
KJM/NDU

**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**Sharjah General Services Company LLC (Khadamat)**  
**Balance Sheet as at March 31, 2014**

Equivalent ₹

Particulars		Note	As at March 31, 2014	
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>SHAREHOLDERS' FUNDS</b>			
	(a) Share capital	2	5,093,790	
	(b) Reserves and surplus	3	(14,729,892)	(9,636,102)
<b>2</b>	<b>NON-CURRENT LIABILITIES</b>			
	(a) Long-term borrowings	4		12,212,925
<b>3</b>	<b>CURRENT LIABILITIES</b>			
	(a) Trade Payable		1,709,810	
	(b) Other current liabilities	5	675,082	
	(c) Short-term provisions		-	2,384,892
	<b>TOTAL</b>			<b>4,961,715</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON CURRENT ASSETS</b>			
	(a) Fixed assets	7		
	(i) Tangible assets (net)		1,535,881	
	(b) Long-term loans and advances (net)	8	81,420	1,617,301
<b>2</b>	<b>CURRENT ASSETS</b>			
	(b) Cash and cash equivalents	9	3,344,414	3,344,414
	<b>TOTAL</b>			<b>4,961,715</b>

Note 1 to 18 forms part of the financial statements

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

*Kalpesh J. Mehta*

Kalpesh J. Mehta  
 Partner

Mumbai  
 Date : May 05, 2014



For and on behalf of the Board

*Mani*

Director

*Mani*

Director

Sharjah  
 Date : May 05, 2014

**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**Sharjah General Services Company LLC (Khadamat)**  
**Statement of Profit and Loss for the period June 26 2013 to March 31, 2014**

Equivalent ₹

	Particulars	Note	For the period June 16, 2013 to March 31, 2014
I	Revenue from operations		-
II	Other income		-
III	<b>Total revenue (I + II)</b>		-
IV	<b>Expenses</b>		
	Operating expenses	10	9,860,175
	Employee benefits expense	11	810,358
	Finance costs	12	24,815
	Administrative and general expenses	13	3,815,530
	Depreciation and amortization expense	7	143,909
	<b>Total expenses (IV)</b>		<b>14,654,787</b>
V	<b>Profit / (Loss) before taxation (III-IV)</b>		<b>(14,654,787)</b>
VI	<b>Tax expense:</b>		
	(1) Current tax		-
	(2) Tax relating to earlier period		-
	(3) Deferred tax		-
	(4) MAT credit entitlement		-
	<b>Total tax expenses (VI)</b>		<b>-</b>
VII	<b>Loss for the period (V-VI)</b>		<b>(14,654,787)</b>
	Earnings per equity share (Face value per share AED 3,000/-)	14	
	(1) Basic		(915,924.19)
	(2) Diluted		(915,924.19)

Note 1 to 18 forms part of the financial statements

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

*Kalpesh J. Mehta*

Kalpesh J. Mehta  
 Partner

Mumbai  
 Date : *May 05, 2014*



For and on behalf of the Board

*Mani*

Director

*Abdullah*

Director

Sharjah  
 Date : *May 05, 2014*

**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**Sharjah General Services Company LLC (Khadamat)**  
**Cash Flow Statement for the year ended March 31, 2014**

Equivalent ₹

Particulars	For the period June 16, 2013 to March 31, 2014
<b>Cash Flow from Operating Activities</b>	
Loss Before Taxes	(14,654,787)
<b>Adjustments for :-</b>	
Depreciation and amortization expense	143,909
Interest Expenses	24,589
<b>Operating Loss before Working Capital Changes</b>	<b>(14,486,289)</b>
<b>Adjustments changes in working capital:</b>	
Increase in Current Assets	(81,420)
Decrease in liabilities (current and non current)	2,360,303
<b>Cash used in from Operations</b>	<b>(12,207,406)</b>
Direct Taxes paid (Net)	-
<b>Net Cash used in Operating Activities (A)</b>	<b>(12,207,406)</b>
<b>Cash flow from Investing Activities</b>	
Additions to fixed assets and capital work in progress	(1,679,790)
<b>Net Cash used in Investing Activities (B)</b>	<b>(1,679,790)</b>
<b>Cash flow from Financing Activities</b>	
Proceeds from Issue of Shares	5,093,790
Proceeds from Long term borrowings	12,212,925
<b>Net Cash generated from Financing Activities (C)</b>	<b>17,306,715</b>
<b>Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>3,419,519</b>
Cash and Cash Equivalent at the beginning of the period	
(+)(-) Impact of forex differences(gain)	(75,105)
Cash and Cash Equivalent at the end of the period	3,344,414
<b>Increase in Cash and Cash Equivalents</b>	<b>3,419,519</b>

Components of Cash and Cash Equivalents	
Cash on hand	172,172
Balances with Banks in current accounts	3,172,242
<b>Cash and Cash Equivalents as per Balance Sheet</b>	<b>3,344,414</b>

Note 1 to 18 forms part of the financial statements

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

*Kalpesh J. Mehta*

Kalpesh J. Mehta  
Partner

Mumbai  
Date : May 05, 2014



For and on behalf of the Board

*M. Alani*

Director

*S. Alani*

Director

Sharjah  
Date : May 05, 2014

## SPECIAL PURPOSE FINANCIAL STATEMENTS

### **Sharjah General Services Company LLC (Khadamat)** Notes forming part of the Special Purpose Financial Statements

#### **Note 1 : Significant Accounting Policies**

##### **I. Basis for preparation of Financial Statements**

The primary books of account of the Company are prepared and maintained as per the Local GAAP. These Special Purpose Financial Statements have been specifically prepared in accordance with the Companies (Accounting Standards) Rules, 2006 issued by the Ministry Company Affairs, Government of India (hereinafter referred to as "the Rules"). The accounting policies followed in the preparation and presentation of the Special Purpose Financial Statements are consistent with those followed by IL&FS Transportation Networks Limited ("ITNL") (the Intermediate Holding Company) i.e. the accounting principles generally accepted in India and also the accounting policies given in the Group Referral Instructions issued by ITNL. The functional currency of the company is AED.

These special purpose financial statements have been prepared for the limited purpose of inclusion in the preparation of the consolidated financial statements of ITNL and these special purpose financial statements have been prepared in Indian Rupees (Reporting Currency) in accordance with the principles for conversion laid down in Accounting Standard -11 notified under the Rules.

##### **II Use of estimates**

The preparation of special purpose financial statements requires the Management to make estimates and assumptions considered in the reported amounts of Assets and Liabilities (including Contingent Liabilities) as of the date of the special purpose financial statements and the reported Income and Expenses during the reporting period. Management believes that the estimates used in the preparation of the special purpose financial statements are prudent and reasonable. Actual results could differ from these estimates.

##### **III Fixed Assets and Depreciation/Amortisation**

###### **(a) Tangible assets and depreciation**

Tangible fixed assets 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 location and in working condition for its intended use.

Depreciation on tangible fixed assets is computed as under :

- (i) In respect of premises, depreciation is computed on the Straight Line Method at the rates provided under Schedule XIV of the Companies Act, 1956
- (ii) the company has adopted the Straight Line Method of depreciation so as to depreciate 100% of the cost of the following type of assets at rates higher than those prescribed under the Schedule XIV to the Companies Act 1956, based on Management's estimate of useful life of such assets :

Asset Type	Estimated Useful Life
Office Equipments	3 years
Data Processing Equipment	4 years

- (iii) Depreciation on fixed assets, other than on assets specified in Notes III (a) (i) and (ii) above, is provided for on the Written Down Value Method at the rates provided under Schedule XIV to the Companies Act, 1956.

##### **IV Provisions, Contingent Liabilities and Contingent Assets**

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

##### **V Foreign Currency Transactions**

Transactions in foreign currencies (other than the Company's functional currency) are translated to the functional currency based on the exchange rate on the date of the transaction. Exchange difference arising on settlement thereof during the period is recognised as income or expense in the Statement of Profit and Loss.

Foreign currency (other than company's functional currency) denominated cash and bank balances, receivables (other than those that are in substance the Company's net investment in a non integral foreign operation), and liabilities (monetary items) outstanding as at the period end are revalued to the functional currency rate as at period end and unrealised translation differences are included in the Statement of Profit and Loss.

## SPECIAL PURPOSE FINANCIAL STATEMENTS

### **Sharjah General Services Company LLC (Khadamat)** Notes forming part of the Special Purpose Financial Statements

Since these financial statements have been prepared for the purpose of inclusion in the preparation of the consolidated financial statements of ITNL, the assets and liabilities, both monetary and non - monetary have been translated into Indian Rupees at the closing exchange rate. Income and expense items are translated into Indian Rupees at the average exchange rate for the period. The equity share capital has been translated into Indian Rupees at the historical exchange rates. All resulting exchange differences are accumulated in a foreign currency translation reserve.



**VI Cash and Cash Equivalents**

Cash comprises of Cash on Hand, Cheques on Hand and demand deposits with Banks. Cash Equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

**VII Cash Flow Statement**

The Cash Flow Statement is prepared in accordance with the "Indirect Method" as explained in the Accounting Standard (AS) 3 on Cash Flow Statements as notified under the Rules.

**VIII Earnings per Share**

Basic earnings per share is calculated by dividing the profit / (loss) after tax for the period attributable to equity shareholders of the Company by the weighted average number of equity shares in issue during the period.

Diluted earnings per share is calculated by dividing the profit / (loss) after tax for the period attributable to equity shareholders of the company by the weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive

**IX Employee Benefits**

Provision for employee benefits are recognised as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.

**X Taxation**

The Company's income taxes include taxes on the Company's taxable profits, adjustment attributable to earlier periods and changes in deferred taxes.

Current tax, if any, is provided based on amount of tax payable in respect of taxable income for the year as per the Dubai Tax Laws. However, no tax is applicable to business profits as per Dubai Law.

Deferred tax assets are recognised with regard to all deductible timing differences to the extent that it is probable that taxable profit will be available against which deductible timing differences can be utilised using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. When the Company carries forward unused tax losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised.

However, deferred tax asset on unabsorbed depreciation and carry forward of losses has not been recognised in the current period on the grounds of prudence, since there is no virtual certainty on availability of future taxable income to claim set off.





SPECIAL PURPOSE FINANCIAL STATEMENTS  
 Sharjah General Services Company LLC (Khadamat)  
 Notes forming part of the Special Purpose Financial Statements

Note 2: Share capital

Particulars	As at March 31, 2014	
	Number	Equivalent ₹
<b>Authorised</b> Equity Shares of AED 3,000/- each	100	NOT APPLICABLE
<b>Issued, Subscribed and allotted</b> Equity Shares of AED 3,000/- each fully paid (refer foot note no. i, ii, and iii)	100	50,93,790
<b>Total</b>	<b>100</b>	<b>50,93,790</b>

Foot Notes:

- i. All the above shares are held by Shaikh Sultan Ahmed Sultan Al-Qassimi, Shaikh Mohammed Ahmed Sultan Al-Qassimi and  
 ii. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2014	
	No. of Shares	Equivalent ₹
Shares outstanding at the beginning of the year	-	-
Shares issued during the year / period	100	50,93,790
Shares bought back during the year / period	-	-
Shares outstanding at the end of the year / period	100	50,93,790

iii. Shareholding more than 5% shares

Name of Shareholder	As at March 31, 2014	
	No. of Shares held	% of total holding
Shaikh Sultan Ahmed Sultan Al-Qassimi	41	41%
Shaikh Mohammed Ahmed Sultan Al-Qassimi	10	10%
ITNL International PTE. LTD	49	49%
<b>Total</b>	<b>100</b>	<b>100%</b>

Note 3: Reserves and surplus

Particulars	As at March 31, 2014	
<b>(a) Foreign currency translation reserve</b>		
Opening balance	-	
(+) Created during the period	(75,105)	(75,105)
<b>(b) Surplus in Statement of Profit and Loss</b>		
Opening balance	-	
(+) Profit for the current period	(1,46,54,787)	(1,46,54,787)
<b>Total</b>		<b>(1,47,29,892)</b>



**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**Sharjah General Services Company LLC (Khadamat)**  
**Notes forming part of the Special Purpose Financial Statements**

**Note 4: Long-term borrowings**

Equivalent ₹

Particulars	As at March 31, 2014	
(a) Term Loans (i) Unsecured From Related party		1,22,12,925
<b>Total</b>		<b>1,22,12,925</b>

**Note 5: Other current liabilities**

Equivalent ₹

Particulars	As at March 31, 2014	
(a) Interest accrued but not due on borrowings From related parties		24,589
(k) Other current liabilities From related parties		6,50,493
<b>Total</b>		<b>6,75,082</b>



**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**Sharjah General Services Company LLC (Khadamat)**  
**Notes forming part of the Special Purpose Financial Statements**

**Note 6: Deferred tax liabilities (Net) and Deferred tax assets (Net)**

The entity have net deferred tax liabilities or deferred tax assets aggregating ₹ \_\_\_\_\_ as at March 31, 2014 ( March 31, 2013 ₹ \_\_\_\_\_).

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

Particulars	Equivalent ₹		
	As at March 31, 2013	Movement @@@	As at March 31, 2014
<b>Liabilities:</b>			
Timing differences in respect of construction margin			-
Timing differences in respect of depreciation			-
Timing differences in respect of _____ @@			-
<b>Assets:</b>			
Timing differences in respect of depreciation		NIL	-
Timing differences in respect of employee benefits			-
Timing differences in respect of unabsorbed depreciation ##			-
Timing differences in respect of unabsorbed losses ##			-
Timing differences in respect of provision for doubtful debts			-
Timing differences in respect of provision for overlay			-
Timing differences in respect of _____ @@			-
<b>Net deferred tax liability</b>	-	-	-

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

Particulars	Equivalent ₹		
	As at March 31, 2013	Movement @@@	As at March 31, 2014
<b>Liabilities:</b>			
Timing differences in respect of construction margin			-
Timing differences in respect of depreciation			-
Timing differences in respect of _____ @@			-
<b>Assets:</b>			
Timing differences in respect of depreciation		NIL	-
Timing differences in respect of employee benefits			-
Timing differences in respect of unabsorbed depreciation ##			-
Timing differences in respect of unabsorbed losses ##			-
Timing differences in respect of provision for doubtful debts			-
Timing differences in respect of provision for overlay			-
Timing differences in respect of _____ @@			-
<b>Net deferred tax asset</b>	-	-	-

@@ In case of deferred tax on components other than mentioned above please explain the detail nature thereof.

@@@ Difference between amount reported as deferred tax charge or credit in P&L as compared to these amount be reported here.

## Deferred tax assets on unabsorbed losses and depreciation can be booked only in case of virtual certainty supported by convincing evidence. Please give below the detailed convincing evidence on the basis of which the deferred tax asset has been recognised.



SPECIAL PURPOSE FINANCIAL STATEMENTS  
 Sharjah General Services Company LLC (Khadamat)  
 Notes forming part of the Special Purpose Financial Statements

Note 7: Fixed assets

Particulars	Gross block (at cost)				Depreciation and Amortisation			Net block		Equivalent ₹	
	Balance as at April 1, 2013	Adjustments / Reclassifications	Additions	Deletions	Balance as at March 31, 2014	Balance as at April 1, 2013	Adjustments / Reclassifications	Charge for the period / year	Deletions		Balance as at March 31, 2014
a) Tangible assets											
Office & Guest House equipments	-	-770	84,420	-	83,650	-	(117)	12,835	-	12,718	-
Data processing equipments	-	-3,457	3,79,436	-	3,75,979	-	(213)	23,434	-	23,221	-
Furniture and fixtures	-	-11,207	12,30,057	-	12,18,851	-	(980)	1,07,640	-	1,06,660	-
<b>Total</b>	-	-15,434	16,93,913	-	16,78,480	-	(1,310)	1,43,909	-	1,42,599	15,35,881
<b>Grand total</b>	-	-15,434	16,93,913	-	16,78,480	-	(1,310)	1,43,909	-	1,42,599	15,35,881



**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**Sharjah General Services Company LLC (Khadamat)**  
**Notes forming part of the Special Purpose Financial Statements**

**Note 8: Long-term loans and advances**

Particulars	Equivalent ₹	
	As at March 31, 2014	
(a) Security Deposits Unsecured, considered good		81,420
<b>Total</b>		<b>81,420</b>

**Note 9: Cash and cash equivalents**

Particulars	Equivalent ₹	
	As at March 31, 2014	
(a) Cash and cash equivalents		
Cash on hand	1,72,172	
Balances with Banks in current accounts	31,72,242	
Balances with Banks in deposit accounts	-	33,44,414
<b>Total</b>		<b>33,44,414</b>



**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**Sharjah General Services Company LLC (Khadamat)**  
**Notes forming part of the Special Purpose Financial Statements**

**Note 10: Operating expenses**

Equivalent ₹

	<b>As at March 31, 2014</b>	
(a) Project Management Fees		98,60,175
		<b>98,60,175</b>

**Note 11: Finance costs**

Equivalent ₹

(a) Interest on loans for fixed period		24,815
		<b>24,815</b>

**Note 12: Employee benefit expenses**

<b>Particulars</b>	<b>As at March 31, 2014</b>	
(a) Salaries, Wages and allowances		8,10,358
(b) Employee End-of-Service Indemnity Expense		-
<b>Total</b>		<b>8,10,358</b>

**Note 13: Administrative and general expenses**

<b>Particulars</b>	<b>As at March 31, 2014</b>	
Rent	13,81,624	
Rates and taxes	2,97,613	
Audit Fees	82,168	
Bank commission	7,235	
Books & Periodicals	6,573	
Communication Expenses	1,79,882	
Directors' fees	3,69,757	
Electricity charges	39,769	
Legal and consultation fees	8,51,775	
Office Administration Expenses	3,66,858	
Printing and stationery	4,930	
Repairs and maintenance	65,735	
Travelling and conveyance	1,23,518	
Miscellaneous expenses	38,093	38,15,530
<b>Total</b>		<b>38,15,530</b>



**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**Sharjah General Services Company LLC (Khadamat)**  
**Notes forming part of the Special Purpose Financial Statements**

**Note 14: Earnings per equity share**

Particulars	Unit	Equivalent ₹
		As at March 31, 2014
Profit / (Loss) for the period	Equivalent ₹	(1,46,54,787)
Weighted average number of Equity Shares outstanding	Numbers	16
Nominal Value of equity shares	AED	3,000
Basic Earnings per share	Equivalent ₹	(9,15,924.19)
Equity shares used to compute diluted earnings per share	Numbers	16
Diluted Earnings per share	Equivalent ₹	(9,15,924.19)



**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**Sharjah General Services Company LLC (Khadamat)**  
**Notes forming part of the Special Purpose Financial Statements**

**Note 15: Related Party Statement**

**Current Year / period**

a Name of related parties and description of relationship

Equivalent ₹

Nature of Relationship	Name of Entity	Acronym used
Ultimate Holding Company	Infrastructure Leasing & Financial Services Limited	IL&FS
Immediate Holding Company	ITNL International Pte. Ltd., Singapore	I IPL
Intermediate Holding Company	IL&FS Transportation Networks Limited	ITNL
Fellow Subsidiaries	ITNL International JLT	I IJLT

b Transactions / Balances with related parties as mentioned ( a ) above

Account head	Name of Entity	As at March 31, 2014
<b>Balances:</b>		
Long Term Loans & Advances	I IPL	1,22,12,925
Trade Payable	I IJLT	16,28,390
Other Current Liability	I IJLT	6,50,493
Interest accrued but not due	I IPL	24,589
<b>Account head</b>		
<b>Transactions:</b>		
Management Fees	I IJLT	98,60,175
Interest Expense	I IJLT	24,815





**SPECIAL PURPOSE FINANCIAL STATEMENTS**

Sharjah General Services Company LLC (Khadamat)

Notes forming part of the Special Purpose Financial Statements

**Note 16: Contingent liabilities and capital commitments****A) Contingent liabilities :**

Equivalent ₹

Sr No	Name of party	Description	As at March 31, 2014
1		Guarantees issued on behalf of Group Companies	Nil
2		Guarantees issued on behalf of other than Group Companies	
3		Guarantees / counter guarantees issued in respect of borrowing facilities of foreign subsidiary companies	
4		Claims against the Group not acknowledged as debt	
5		Income tax demands contested by the Company	
6		Other tax demands contested by the Company	
		- Service tax	
		- VAT	
		- Others (Please give description)	
7		Others (Please give description)	
8			

**B) Financial commitments pending to be executed :**

Equivalent ₹

Sr No	Name of party	Description	As at March 31, 2014
1		NIL	

**C) Other commitments pending to be executed :**

Equivalent ₹

Sr No	Name of party	Description	As at March 31, 2014
1		NIL	

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

Equivalent ₹

Sr No	Name of party	Description	As at March 31, 2014
1		Estimated amount of contracts remaining on capital account and not provided for. [Net of advances paid of Rs. _____ ; (As at March 31, 2013 Rs. _____) ]	NIL
2			
3			

**E) Disclose the amount paid/Payable to Auditors :**

Equivalent ₹

Sr No	Name of Auditors	Description	As at March 31, 2014
1		NIL	



**SPECIAL PURPOSE FINANCIAL STATEMENTS**

**Sharjah General Services Company LLC (Khadamat)**

**Notes forming part of the Special Purpose Financial Statements**

**Note 17 : Segment Information**

As per para 1 of AS - 17 as notified under the Companies (Accounting Standards) Rules, 2006, Segment reporting is applicable to the General Purpose financial statements. These Special Purpose Financial Statements have been prepared for limited and specific purpose to be included into the Consolidated Financial Statements of IL&FS Transportation Networks Limited and hence disclosure requirements as per AS-17 under Segment Reporting is not applicable.

**Note 18: Previous period / year**

The Company was incorporated on July 16, 2013. This is the first financial year of the Company and accordingly no previous year figures have been provided.

For and on behalf of the Board



*M. Al...*

Director

*S. Al...*

Director

Sharjah  
Date : May 05, 2014