

**ITNL OFFSHORE PTE. LTD.**

**FINANCIAL STATEMENT**

**2014-15**

**AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS OF  
ITNL OFFSHORE PTE. LTD, SINGAPORE**

**Introduction**

We have audited the accompanying special purpose financial statements of **ITNL OFFSHORE PTE. LTD, SINGAPORE** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year ended, 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 24, 2015 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 Board of Directors is responsible for the preparation of these special purpose financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles Generally Accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the accounting policies as mentioned in the GRI and in accordance with the format of financial statements as given in the GRI. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 have taken into account the provisions of the accounting and auditing standards.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. 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 misstatements.

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 the internal financial control relevant to the Company's preparation of the special purpose financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operative effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, 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 on the special purpose financial statements.

### **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, 2015, and of its results of operations and its cash flows for the year ended March 31, 2015 in accordance with the accounting principles generally accepted in India and the GRI.

### **Emphasis of Matter**

1. We draw attention to the fact that these special purpose financial statements have been prepared on the basis that the Company is a going concern although the accumulated losses exceed 50% of its Paid-up Share Capital as at March 31, 2015. The Management's reasons for preparing the financial statements on a going concern basis are given in Note 1 (IA) of the special purpose interim financial statements.
2. We also draw attention to the Note 5, footnote 3 of the special purpose financial statements, where in management has explained that the bond liability of Equivalent `

**Deloitte  
Haskins & Sells LLP**

6,430,603,828 disclosed in Current maturity of long -term debt due on April 26, 2015 has been repaid using the loan proceeds received by the Company on April 13, 2015 from ITNL Offshore Two Pte Ltd ("IOTPL"), a wholly owned subsidiary of Parent Company, ITNL Transportation Networks Limited ("ITNL") on April 26, 2015.

Our Opinion is not modified in respect of these two matters.

**Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 (IB) to the special purpose financial statements, which describe the basis of accounting. The special purpose financial statements have been prepared for inclusion in the consolidated financial information of Parent Company. As a result, the special purpose financial statements may not be suitable for another purpose. Our report is intended solely for the Company, the Parent Company and the auditors of the Parent Company for their consideration into the audit of Consolidated Financial Statements and should not be distributed to or used by parties other than the Company, the Parent Company and the auditors of the Parent Company.

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



Kalpesh J. Mehta  
Partner  
(Membership no: 48791)

**MUMBAI, May 06, 2015**  
KJM/NDU

	Particulars	Note	As at		As at	
			March 31, 2015		March 31, 2014	
I	<b>EQUITY AND LIABILITIES</b>					
1	<b>SHAREHOLDERS' FUNDS</b>					
	(a) Share capital	2	208,435,444		208,435,444	
	(b) Reserves and surplus	3	(182,362,761)	26,072,683	(40,242,958)	168,192,486
2	<b>NON-CURRENT LIABILITIES</b>					
	(a) Long-term borrowings	4				6,142,199,561
3	<b>CURRENT LIABILITIES</b>					
	(a) Current maturities of long-term debt	5	6,430,603,828		-	
	(b) Trade payables		56,132,243		16,706,748	
	(c) Other current liabilities	6	159,911,019		153,514,475	
	(d) Short-term provisions	7		6,646,647,090	10,157,647	180,378,870
	<b>TOTAL</b>			<b>6,672,719,773</b>		<b>6,490,770,917</b>
II	<b>ASSETS</b>					
1	<b>NON CURRENT ASSETS</b>					
	(a) Long-term loans and advances	8	5,570,581,200		5,348,882,200	
	(b) Other non-current assets	10	313,783,891	5,884,365,091	97,347,011	5,446,229,211
2	<b>CURRENT ASSETS</b>					
	(a) Cash and cash Equivalents	12	439,378,651		433,888,696	
	(b) Short-term loans and advances	9	64,351,686		125,740,178	
	(c) Other current assets	11	284,624,345	788,354,682	484,912,832	1,044,541,706
	<b>TOTAL</b>			<b>6,672,719,773</b>		<b>6,490,770,917</b>

Notes 1 to 20 form part of the Special Purpose Financial Statements


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

  
Kalpesh J. Mehta  
Partner

Mumbai  
Date: May 06, 2015

For and on behalf of the Board

 Director  
 Director

 Singapore  
Date: May 06, 2015

Special Purpose Financial Statements  
 ITNL OFFSHORE PTE. LTD., SINGAPORE  
 Statement of Profit and Loss for the Year ended March 31, 2015

Equivalent ₹

	Particulars	Note	For the year ended March 31, 2015	For the year ended March 31, 2014
I	Revenue from operations	13	416,473,058	363,921,001
II	Other income	14	1,000,922	9,711,226
III	<b>Total revenue (I + II)</b>		<b>417,473,980</b>	<b>373,632,227</b>
IV	<b>Expenses</b>			
	Finance costs	15	508,857,522	360,283,475
	Administrative and general expenses	16	6,900,455	3,035,652
	<b>Total expenses (IV)</b>		<b>515,757,977</b>	<b>363,319,127</b>
V	<b>(Loss)/Profit before taxation (III-IV)</b>		<b>(98,283,997)</b>	<b>10,313,100</b>
VI	<b>Tax expense:</b>			
	(a) Current tax expense		-	10,225,610
	(b) (Less): MAT credit (where applicable)		-	(1,088,993)
	(c) Short / (Excess) provision for tax relating to prior years		1,559,520	-
	(d) Net current tax expense		<b>(1,559,520)</b>	<b>9,136,617</b>
	(e) Deferred tax		-	-
	<b>Net tax (benefit)/expense (VI)</b>		<b>(1,559,520)</b>	<b>9,136,617</b>
VII	<b>(Loss)/Profit for the year (V- VI)</b>		<b>(96,724,477)</b>	<b>1,176,483</b>
	Earnings per equity share (Face value per share USD 1/-)	17		
	(1) Basic		(28.70)	0.35
	(2) Diluted		(28.70)	0.35

Notes 1 to 20 form part of the Special Purpose Financial Statements

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



Kalpesh J. Mehta  
 Partner

Mumbai  
 Date: May 06, 2015

For and on behalf of the Board



Director



Director



Singapore  
 Date: May 06, 2015

Special Purpose Financial Statements  
ITNL OFFSHORE PTE. LTD., SINGAPORE  
Cash Flow Statement for the Year ended March 31, 2015

Equivalent ₹

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>Cash Flow from Operating Activities</b>		
(Loss)/ Profit Before Taxes	(98,283,997)	10,313,100
<b>Adjustments for :-</b>		
Unrealised Foreign Exchange differences	(313,497)	(10,689,472)
Amortisation of Bond Issue Expenses	67,156,028	65,266,020
<b>Operating (Loss)/ Profit before Working Capital Changes</b>	<b>(31,441,466)</b>	<b>73,613,510</b>
<b>Adjustments changes in working capital:</b>		
(Increase) in Current and Non Current Assets	(10,172,779)	(269,128,172)
Increase /(Decrease) in Current and Non Current liabilities	37,870,422	(39,685,962)
<b>Net Cash Used in Operating Activities</b>	<b>(3,743,823)</b>	<b>(235,200,624)</b>
Direct Taxes paid (Net)	(8,774,548)	(2,471,198)
<b>Net Cash Used in Operating Activities (A)</b>	<b>(12,518,371)</b>	<b>(237,671,822)</b>
<b>Cash flow from Investing Activities</b>		
Increase in Bank balance / deposits held as margin money or as security against borrowings	(11,798,049)	1,732,469
<b>Net Cash Used in/ Generated from Investing Activities(B)</b>	<b>(11,798,049)</b>	<b>1,732,469</b>
<b>Cash flow from Financing Activities</b>		
Proceeds from Issue of Shares	-	205,821,193
<b>Net Cash generated from Financing Activities (C)</b>	<b>-</b>	<b>205,821,193</b>
<b>Net Decrease in Cash and Cash Equivalents (A+B+C)</b>	<b>(24,316,420)</b>	<b>(30,118,160)</b>
Cash and Cash Equivalent at the beginning of the year	18,406,952	43,089,114
(+)(-) Impact of forex differences	10,375,416	5,435,998
Cash and Cash Equivalent at the end of the year	4,465,948	18,406,952
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(24,316,420)</b>	<b>(30,118,160)</b>

Equivalent ₹

Components of Cash and Cash Equivalents		
Cash on hand	595	52,948
Balances with Banks in current accounts	4,465,353	18,354,004
	4,465,948	18,406,952
Bank balances / deposits held as margin money or as security against borrowings	434,912,703	415,481,744
<b>Cash and Cash Equivalents as per Balance Sheet</b>	<b>439,378,651</b>	<b>433,888,696</b>

Notes 1 to 20 form part of the Special Purpose Financial Statements

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


  
Kalpesh J. Mehta  
Partner

Mumbai  
Date : May 06, 2015

For and on behalf of the Board

  
Director

  
Director

  
Singapore  
Date : May 06, 2015

## Special Purpose Financial Statements

ITNL OFFSHORE PTE. LTD., SINGAPORE

Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015

### Note 1 : Significant Accounting Policies

#### IA Company and Operations

ITNL Offshore Pte Ltd., was incorporated as a 100% subsidiary of IL&FS Transportation Networks Ltd., (ITNL) in Singapore for the issuance of 630 Mn RMB denominated bonds equivalent to USD 100 Mn. These Bonds are listed on the Hong Kong stock exchange and are backed by a guarantee from ITNL as a sponsor. The money so received from the Bond issuance, net of issue expenses and creation of Debt Service Reserve Account, was provided as a loan at an interest rate higher than the Bond rate to ITNL International Pte Ltd., a fellow subsidiary. The only liability external to the group in the Company is the Bond liability which is guaranteed by ITNL. Accordingly the financial statements have been prepared on going concern basis.

#### IB Basis for preparation of Financial Statements

The primary books of account of the Company are prepared and maintained as per the Singapore GAAP. These Special Purpose Financial Statements have been specifically prepared in accordance with the Accounting Principles Generally Accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 USD.

These special purpose interim financial statements have been prepared for the limited purpose of inclusion in the preparation of the consolidated financial statements of ITNL. These special purpose financial statements have been prepared in Indian Rupees 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 interim 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 year. 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. In case the actual results are different from those estimates, the effect thereof is given in the financial statements of the periods in which the event materialise. Any change in such estimates is accounted.

#### III 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.

#### IV Foreign Currency Transactions

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

Foreign currency denominated cash and cash Equivalents, 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 valued at closing-date rates, and unrealised translation differences are included in the Statement of Profit and Loss.

Since these special purpose interim financial statements have been prepared for the limited 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 half year. 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.

The Company has exercised the option of amortising / capitalising 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





V 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.

VI 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.

VII Earnings per Share

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

Diluted earnings per share is calculated by dividing the profit / (loss) for the year 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 securities.

VIII Borrowing Costs

Borrowing Costs are charged to the Statement of Profit and Loss in the period in which these are incurred except for expenses incurred incidental to the borrowings which are amortised over the period of the borrowings

IX Revenue recognition

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable provided it is not unreasonable to expect ultimate collection.

X Taxes on income

(a) Taxes include taxes on income, adjustment attributable to earlier periods and changes in deferred taxes. Taxes are determined in accordance with enacted tax regulations and tax rates in force and in the case of deferred taxes at rates that have been substantively enacted.

(b) Deferred tax is calculated to correspond to the tax effect arising when final tax is determined. Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items being allowed for income tax purposes during a period different from when they are recognised in the financial statements.

(c) 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. When the Group's entities carry 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.

(d) The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced by the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or a part of the aggregate deferred tax asset to be utilised.

XI Derivative Instruments

Hedging instruments are initially measured at fair value, and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised directly in shareholder's funds and the ineffective portion is recognised immediately in Statement of Profit and Loss. Changes in the fair value under "Cash Flow Hedge Reserve" of derivative financial instruments that do not qualify for hedge accounting are recognised in Statement of Profit and Loss.



**Special Purpose Financial Statements**

ITNL OFFSHORE PTE. LTD., SINGAPORE

Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015

**Note 2: Share capital**

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Equivalent ₹	Number	Equivalent ₹
<b>Authorised</b> Equity Shares of USD 1/- each	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Issued</b> Equity Shares of USD 1/- each	3,370,500	208,435,444	3,370,500	208,435,444
<b>Issued, Subscribed and allotted</b> Equity Shares of USD 1/- each fully paid (refer foot note no. i, ii, and iii)	3,370,500	208,435,444	3,370,500	208,435,444
<b>Total</b>	<b>3,370,500</b>	<b>208,435,444</b>	<b>3,370,500</b>	<b>208,435,444</b>

**Foot Notes:**

i. All the above shares are held by the IL&FS Transportation Networks Limited - the holding company

ii. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year / period.

Particulars	As at March 31, 2015		As at March 31, 2014	
	Equity Shares		Equity Shares	
	No. of Shares	Equivalent ₹	No. of Shares	Equivalent ₹
Shares outstanding at the beginning of the period/ Year	3,370,500	208,435,444	50,000	2,614,251
Shares issued during the period/Year	-	-	3,320,500	205,821,193
Shares outstanding at the end of the period/ Year	3,370,500	208,435,444	3,370,500	208,435,444

iii. Shareholding more than 5% shares

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of total holding	No. of Shares held	% of total holding
IL&FS Transportation Networks Limited	3,370,500	100%	3,370,500	100%
<b>Total</b>	<b>3,370,500</b>	<b>100%</b>	<b>3,370,500</b>	<b>100%</b>



**Special Purpose Financial Statements**

**ITNL OFFSHORE PTE. LTD., SINGAPORE**

**Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015**

**Note 3: Reserves and surplus**

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
<b>(a) Foreign currency translation reserve</b>				
Opening balance	(5,531,702)		74,918	
Add / (Less) :-Effect of foreign Exchange rate Fluctuation during the year	6,318,847	787,145	(5,606,620)	(5,531,702)
<b>(b) Cash flow hedge reserve</b>				
Opening balance	(39,494,639)		(28,206,075)	
(+) Movement during the year	(51,714,173)	(91,208,812)	(11,288,564)	(39,494,639)
<b>(c) Surplus/(Deficit) in Statement of Profit and Loss</b>				
Opening balance	4,783,383		3,606,900	
(+) (Loss)/Profit for the current Year	(96,724,477)	(91,941,094)	1,176,483	4,783,383
<b>Total</b>		<b>(182,362,761)</b>		<b>(40,242,958)</b>



**Special Purpose Financial Statements**

**ITNL OFFSHORE PTE. LTD., SINGAPORE**

**Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015**

**Note 4: Long-term borrowings**

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
Unsecured Guaranteed Bonds (Refer foot note 2, under Note 5)		-		6,142,199,561
<b>Total</b>		-		<b>6,142,199,561</b>



**Special Purpose Financial Statements**

ITNL OFFSHORE PTE. LTD., SINGAPORE

Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015

**Note 5: Current maturities of long-term debt**

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Unsecured Guaranteed Bonds		6,430,603,828		-
<b>Decrease in liabilities (current and non current)</b>		<b>6,430,603,828</b>		<b>-</b>

## Foot Notes:

1. The Company has entered into cross currency interest rate swap on April 26th 2012 for the Bonds issued by the Company. The details of Swap are as under

Swap Counter party	Deutsche Bank AG - Singapore Branch
Cross Currency interest rate SWAP	4.80% on US \$ 100 Million against 5.75% on RMB 630 Million
Interest payable	Semi annually on 26th April and 26th October
Maturity Date	April 26th 2015

The changes in the fair value of these derivatives is designated and effective. Accordingly, the notional gain / loss on Mark to market are recognised in the shareholders funds under "Cash Flow hedge reserve"

Out of the above proceeds, the Company had granted a long term loan of USD 89,000,000 to ITNL International Pte. Ltd. (IIPL) During the current year IIPL has also issued the Bond RMB 575M 8% Bond Due 2017. As per the Bond Offer Memorandum, as long as the Bond remains outstanding in IIPL books, the Company will accrue interest on the aforesaid loan to IIPL at a interest rate of 8%. The aggregate amount of principal and interest not to exceed US\$ 115 Million (Defined under "Qualified Inter Company Loan in the Offer Memorandum. Outstanding as at March 31, 2015 USD 93.77million). The maturity date of the loan has now been revised to January 2018 and thereafter renewable on mutually agreeable terms (Agreement between IIPL and the Company dated July 18, 2014).

2. Exim Bank has provided Guarantee towards payments of all sums due under the bonds

3. During the current year, IL&FS Transportation Networks Limited ("ITNL"), the holding Company has floated a new subsidiary in Singapore, ITNL Offshore Pte Two Ltd. ("IOTPL"), wherein a Bond issue of RMB 690 Mn is done during March 25, 2015. The Proceeds of which will be use to refinance the above unsecured guaranteed bonds of RMB 630 Mn. Although the old bond liability appears as current maturity due to its repayment being due on April 26, 2015, this will be replaced by a new loan from related party IOTPL which is repayable at the end of 3 years vide bullet repayment.

**Note 6: Other current liabilities**

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Interest accrued but not due on borrowings	128,516,117		123,404,903	
(b) Statutory dues	2,907,959		2,756,357	
(c) Advance Received	28,486,943	159,911,019	27,353,215	153,514,475
<b>Total</b>		<b>159,911,019</b>		<b>153,514,475</b>

**Note 7: Short-term provisions**

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Provision for tax (net of advance)		-		10,157,647
<b>Total</b>		<b>-</b>		<b>10,157,647</b>



**Special Purpose Financial Statements**  
**ITNL OFFSHORE PTE. LTD., SINGAPORE**

Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015

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

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
Loans and advances to related parties Unsecured, considered good Long Term Loan (Refer foot note 2, under Note 5)		5,570,581,200		5,348,882,200
<b>Total</b>		<b>5,570,581,200</b>		<b>5,348,882,200</b>

**Note 9: Short-term loans and advances**

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Loans and advances to related parties( Unsecured considered good) - Advance given		64,351,686		125,658,869
(b) Other loans and advances(Unsecured considered good) - Prepaid expenses		-		81,309
<b>Total</b>		<b>64,351,686</b>		<b>125,740,178</b>

**Note 10: Other non-current assets**

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Unamortised bond issue expenses		-		4,622,095
(b) Receivable due to fair valuation of derivative contract (Refer foot note 2, under Note 5)		-		92,724,916
(c) Interest accrued but not due (From Related Party)		313,783,891		-
<b>Total</b>		<b>313,783,891</b>		<b>97,347,011</b>



**Special Purpose Financial Statements**  
**ITNL OFFSHORE PTE. LTD., SINGAPORE**

Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015

**Note 11: Other Current Assets**

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Interest accrued and due (From Related Party)	199,495,657		362,653,372	
(b) Interest accrued but not due ((From Related Party))	-		57,372,110	
(c) Receivable due to fair valuation of derivative contract (Refer foot note 2, under Note 5)	80,315,017		-	
(d) Unamortised bond issue expenses	4,813,671	284,624,345	64,887,350	484,912,832
<b>Total</b>		<b>284,624,345</b>		<b>484,912,832</b>

**Note 12: Cash and cash equivalents**

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) <b>Cash and cash equivalents</b>				
Cash in hand	595		52,948	
Balances with Banks in current accounts	4,465,353	4,465,948	18,354,004	18,406,952
(b) <b>Other bank balances</b>				
Bank balances held as margin money or as security against borrowings		434,912,703		415,481,744
<b>Total</b>		<b>439,378,651</b>		<b>433,888,696</b>



**Special Purpose Financial Statements**  
**ITNL OFFSHORE PTE. LTD., SINGAPORE**

Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015

**Note 13: Revenue from operations**

Equivalent ₹

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
Interest income		416,473,058		363,921,001
<b>Total</b>		<b>416,473,058</b>		<b>363,921,001</b>

**Note 14: Other income**

Equivalent ₹

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
Exchange rate fluctuation gain (net)		1,000,922		9,711,226
<b>Total</b>		<b>1,000,922</b>		<b>9,711,226</b>





**Special Purpose Financial Statements**

**ITNL OFFSHORE PTE. LTD., SINGAPORE**

**Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015**

**Note 15: Finance costs**

Equivalent ₹

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
(a) Interest on Bonds		297,565,663		294,442,687
(b) Other borrowing costs				
Finance charges	2,323,397		574,768	
Guarantee Commission	143,050,708		-	
Amortisation of Bond Issue Expenses	65,917,754	211,291,859	65,266,020	65,840,788
<b>Total</b>		<b>508,857,522</b>		<b>360,283,475</b>

**Note 16: Administrative and general expenses**

Equivalent ₹

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
Legal and consultation fees	4,021,082		740,044	
Directors' fees	1,382,634		846,930	
Auditor's remuneration	856,011		1,059,086	
Bank charges	519,005		389,592	
Travelling and conveyance	91,715		-	
Miscellaneous expenses	30,008	6,900,455	-	3,035,652
<b>Total</b>		<b>6,900,455</b>		<b>3,035,652</b>



**Special Purpose Financial Statements**

ITNL OFFSHORE PTE. LTD., SINGAPORE

Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015

**Note 17: Earnings per equity share**

Particulars	Unit	For the year ended March 31, 2015	For the year ended March 31, 2014
Profit available for Equity Shareholders	Equivalent ₹	(96,724,477)	1,176,483
Weighted number of Equity Shares outstanding	Numbers	3,370,500	1,541,951
Nominal Value per equity share is USD 1	Equivalent ₹	61.84	60.50
Basic Earnings per share	Equivalent ₹	(28.70)	0.35
Equity shares used to compute diluted earnings per share	Numbers	3,370,500	1,541,951
Diluted Earnings per share	Equivalent ₹	(28.70)	0.35



**Special Purpose Financial Statements**

ITNL OFFSHORE PTE. LTD., SINGAPORE

Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015

**Note 18: Related Party Statement**

**Current Year**

a Name of related parties and description of relationship

Nature of Relationship	Name of Entity	Acronym used
Ultimate Holding Company	Infrastructure Leasing & Financial Services Limited	IL&FS
Holding Company	IL&FS Transportation Networks Limited	ITNL
Key Management Person	K Ramchand Director and his relatives	Managing Director in Parent Company and Director in the Company
Key Management Person	Mr George Cherian-Chief Financial Officer	Managing Director in Parent Company and Director in the Company
Key Management Person	Mukund Sapre and his relatives	Managing Director in Parent Company and Director in the Company
Fellow Subsidiaries(Only with Whom there are transaction during the year)	ITNL International Pte. Ltd.	IIPL
	IL&FS Financial Services Limited	IFIN
	Elsamex S.A.	Elsamex

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

Account head	Name of Entity	As at March 31, 2015	Equivalent ₹
<b>Balances:</b>			
long-term loans and advances	IIPL	5,570,581,200	
Interest accrued and due (Other Current assets)	IIPL	199,495,657	
Interest accrued and not due (Other Non -Current assets)	IIPL	313,783,891	
Short Term Loans & Advances (Current assets)	IIPL	64,351,686	
Trade Payables	ITNL	49,523,155	
Unamortised bond issue expenses (Other Current Assets)	IFIN	526,827	
<b>Decrease in liabilities (current and non current)</b>			
<b>Transactions:</b>			
Interest income on long term loan	IIPL	415,215,413	
Other Borrowing Costs	ITNL	75,818,034	
Other Borrowing Costs	IFIN	5,443,067	

**Previous Year**

c Name of related parties and description of relationship

Nature of Relationship	Name of Entity	Acronym used
Ultimate Holding Company	Infrastructure Leasing & Financial Services Limited	IL&FS
Holding Company	IL&FS Transportation Networks Limited	ITNL
Fellow Subsidiaries(Only with Whom there are transaction during the year)	ITNL International Pte. Ltd.	IIPL
	Elsamex S.A.	Elsamex
	IL&FS Financial Services Limited	IFIN

d Transactions / Balances with related parties as mentioned (c) above

Account head	Name of Entity	As at March 31, 2014	Equivalent ₹
<b>Balances:</b>			
long-term loans and advances	IIPL	5,348,882,200	
Short term loans and advances	IIPL	125,658,869	
Interest accrued but not due (Other Current assets)	IIPL	57,372,110	
Interest accrued and due (Other Current assets)	IIPL	362,653,372	
Trade Payables	ITNL	15,619,397	
Trade Payables	ELSAMEX	94,924	
Unamortised bond issue expenses (Other Non Current Assets)	IFIN	7,834,486	
Unamortised bond issue expenses (Other Current Assets)	IFIN	7,313,523	
<b>Account head</b>			
<b>Transactions:</b>			
Other borrowing costs	ITNL	55,721,316	
Interest income on long term loan	IIPL	271,913,155	
Other borrowing costs	IFIN	5,348,442	



**Special Purpose Financial Statements**

**ITNL OFFSHORE PTE. LTD., SINGAPORE**

**Notes forming part of the Special Purpose Financial Statements for the Year ended March 31, 2015**

**Note 19: Segment Information**

The Company is in the business of raising funds for onward lending as such all activities undertaken by the Company are incidental to the main business and thus the Company operates in single business segments. Also it operates in a single geographic segment. In the absence of separate reportable business or geographic segments, disclosure required under the Accounting Standard (AS) 17 - "Segment Reporting" has not been made


**Note 20: Previous year**

Figures for the previous year have been regrouped, reclassified where necessary, to confirm to the classification for the current Year.

For and on behalf of the Board

  
Director

  
Director

Singapore  
Date:  May 06, 2015