

Special Purpose Financial Statements
ITNL Infrastructure Developer LLC
Balance sheet as at March 31, 2017

Particulars	Notes	Equivalent ₹	
		As at March 31, 2017	As at March 31, 2016
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	5	41,688,267	-
(b) Capital work-in-progress		-	3,160,041
(c) Financial assets			
(i) Investments	6	2,699,331	-
Investments in associates		2,699,331	-
(ii) Other financial assets	8	1,005,633	2,945,860
Total Non-current Assets		45,393,231	6,105,901
Current Assets			
(a) Financial assets			
(i) Trade receivables	7	30,305,131	-
(ii) Cash and cash equivalents	9	2,500,024	696,263
		32,805,154	696,263
(b) Other current assets	10	1,861,565	61,134
		34,666,719	757,397
Total Current Assets		34,666,719	757,397
Total Assets		80,059,951	6,863,298
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	5,444,520	-
(b) Other Equity	12	(68,445,160)	(15,799,389)
Equity attributable to owners of the Company		(63,000,640)	(15,799,389)
Total Equity		(63,000,640)	(15,799,389)
SHARE APPLICATION MONEY PENDING ALLOTMENT			2,648,573
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	17,642,690	-
		17,642,690	-
(b) Provisions	15A	1,992,406	418,348
Total Non-current Liabilities		19,635,096	418,348
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	92,800,540	-
(ii) Trade payables	17	14,147,532	660,305
(iii) Other financial liabilities	14	13,135,651	18,316,506
		120,083,723	18,976,811
(b) Provisions	15B	3,341,772	618,955
Total Current Liabilities		123,425,495	19,595,766
Total Liabilities		143,060,591	20,014,114
Total Equity and Liabilities		80,059,951	6,863,298

Notes 1 to 32 forms part of the special purpose financial statements.

Sd

Sd

Sd

Special Purpose Financial Statements
ITNL Infrastructure Developer LLC
Statement of profit and loss for the year ended March 31, 2017

Equivalent ₹

Particulars	Notes	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from Operations	18	29,668,277	-
Other income		-	-
Total Income		29,668,277	-
Expenses			
Operating expenses of SCA	19	13,326,187	-
Employee benefits expense	20	38,590,626	8,937,944
Finance costs	21	7,427,421	-
Depreciation and amortisation expense	22	6,958,026	-
Other expenses	23	17,998,997	6,681,057
Total expenses		84,301,257	15,619,001
Loss for the year attributable to: - Owners of the Company		(54,632,980)	(15,619,001)
Other comprehensive loss for the year attributable to: - Owners of the Company-FCTR		1,806,821	(180,388)
Total comprehensive income for the year attributable to: - Owners of the Company		(54,632,980)	(15,619,001)
		(52,826,159)	(15,799,389)
Loss per equity share:	24		
(1) Basic (in Rs.)		(202,653)	-
(2) Diluted (in Rs.)		(202,653)	-

Notes 1 to 32 forms part of the special purpose financial statements.

Sd

Sd

Sd

ITNL Infrastructure Developer LLC
Statement of cash flows for the year ended March 31, 2017

Equivalent ₹

	Notes	Year ended March 31, 2017	Year ended March 31, 2016
Cash flows from operating activities			
Profit for the year		(54,632,980)	(15,619,001)
Finance costs recognised in profit or loss		7,427,421	-
Employee benefits (net)		1,844,034	-
Depreciation and amortisation of non-current assets (continuing operations)		6,958,026	-
		(38,403,499)	(15,619,001)
Movements in working capital:			
Increase in other assets & loans and advances (current and non current)		(38,259,917)	(2,972,641)
Increase / Decrease in liabilities (current and non current)		4,891,979	16,661,626
		(33,367,937)	13,688,984
Cash generated from operations		(71,771,436)	(1,930,017)
Net cash generated by operating activities		(71,771,436)	(1,930,017)
Cash flows from investing activities			
Payments to acquire financial assets		(42,760,463)	-
Net cash (used in)/generated by investing activities		(42,760,463)	-
Cash flows from financing activities			
Proceeds from issue of equity instruments of the Company		2,758,893	2,618,330
Proceeds from short term borrowings		114,367,317	-
Payment for Employee benefits		(269,976)	-
Interest paid (Finance cost paid)		(441,488)	-
Net (used in)/ generated in financing activities		116,414,746	2,618,330
Net increase/ (decrease) in cash and cash equivalents		1,882,847	688,313
Cash and cash equivalents at the beginning of the year		696,264	-
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		(79,087)	7,950
Cash and cash equivalents at the end of the year		2,500,023	696,264

Notes 1 to 32 forms part of the special purpose financial statements.

Sd

Sd

Sd

ITNL Infrastructure Developer LLC

Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

Equivalent ₹

Statement of changes in equity for the year ended March 31, 2017		
a. Equity share capital	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Balance as at the beginning of the year		
Changes in equity share capital during the year - Share capital issued and allotted	5,444,520	-
Balance as at end of the year	5,444,520	-

b. Other Equity

Equivalent ₹

Statement of changes in equity for the year ended March 31, 2016			
Particulars	Retained earnings	FCTR	Total
	Balance as at April 1, 2015	-	-
Loss for the year	(15,619,001)	(180,388)	(15,799,389)
Other comprehensive income for the year.	-	-	
Balance as at March 31, 2016	(15,619,001)	(15,619,001)	(15,799,389)
Loss for the year	(54,632,980)	1,806,821	(52,826,159)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	(54,632,980)	1,806,821	(52,826,159)
Balance as at March 31, 2017	(70,251,981)	(13,812,180)	(68,625,548)

ITNL Infrastructure Developer LLC

Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

General Information & Significant Accounting Policies

1. General information

ITNL Infrastructure Developer LLC was incorporated on May 4, 2015 as a limited liability company in Dubai, United Arab Emirates. The object of incorporating this Company is to take PPP infrastructure business in the UAE and the Middle-east. The source of income will be from project management consultancy services, success fees and concession contractors etc.

The authorised share capital of the Company is AED 300,000 and the shares shall be subscribed as follows: 49% by ITNL International Pte Ltd., based in Singapore which is the wholly owned subsidiary of IL&FS Transportation Networks Limited and 51% by Mak Holdings LLC. Dubai

The Company has incurred losses aggregating to equivalent ₹ 54,632,980 for the year ended March 31, 2017 and as at March 31, 2017 the accumulated loss aggregating to equivalent ₹ 70,251,981. In spite of these losses the special purpose Financial Statements have been prepared as going concern basis due to the following reason.

(i) The Company is assured of continuing operational and financial support from its parent company, ITNL vide its letter dated April 20, 2017 and as evidenced by the working capital facility extended to the Company.

(ii) IIDL has been awarded the Dubai Supreme Court Project, the first Private Finance Initiative Project in the Transport Infrastructure Sector. The Project scope is to develop approximately 1200 car spaces along with the ancillary office space including the Supreme Court on design, build, finance, operate and transfer basis. IIDL is appointed to provide Project management services for their deployment of personnel.

(lii) Ajman Parking Project: IIDL Dubai Is Providing Fee Based Project Development Advice To Ajman Municipality For Developing Commercial Plots For Public Parking. The Project Include Development Of Automated Car Park In The Downtown Of Ajman On Dbfot - Bot Basis.

(iv) IDL has been appointed by Smart City Robotics (SCR) to assist them with preparation of a business Plan for SCR Middle East. SCR would use this business plan primarily to approach credit funding from MBR Innovation Fund or any other investor to seek funding at SCR ME level.

2. Significant accounting policies

2.1 Statement of compliance

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 Accounting Principles generally accepted in India, including the Indian Accounting Standard (INDAS) prescribed under Section 133 of the Act, as applicable. 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 INDAS -21 notified under the Rules.

2.2 Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis, except for as specifically explained in the accounting policies below.

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.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The balance sheet presents current and non-current assets, and current and non-current liabilities, as separate classifications. For this purpose, an asset is classified as current if:

- It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- It is held primarily for the purpose of trading; or
- The asset is a cash or equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

- The Company does not have an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

2.3 Foreign currencies

In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised 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 carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these financial statements, the assets and liabilities of the Company's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Company's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

2.4 Employee benefits

2.4.1 Retirement benefit costs and termination 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.

2.4.2 Short-term and other long-term employee benefits

A liability is recognised 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 recognised 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.

2.5 Revenue Recognition

Revenue from rendering of services is recognised when the outcome of the transaction can be estimated reliably, by reference to the deliverables of the services or stage of completion of the transaction at the reporting date.

2.6 Property, plant and equipment

The deemed cost exemption is taken, on transition date of April 1, 2015, the accumulated depreciation for non-SCA assets have been made to zero. The net block as per previous GAAP has become gross block as per Ind AS on the transition date of April 1, 2015

a. Tangible:

Property, plant and equipments are stated at their original cost of construction less 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.

d. Depreciation / Amortisation

(i) All tangible assets are depreciated on a Straight Line Depreciation Method, over the useful life of assets as prescribed under Schedule II of the Companies Act 2013 other than assets specified in para (ii) below, as included in the accounting policy of ITNL Group

(ii) Following assets are depreciated over a useful life which is shorter than the life prescribed under Schedule II of the Companies Act 2013 based on internal technical advice, 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.

1. Lease hold property to be depreciated over a period of 3 years
2. Office Premises is depreciated over a period of 61 years
3. Office furniture is depreciated over a period of 10 years
4. Office equipment is depreciated over a period of 5 years

2.7 Provisions

Provisions are recognised 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.

The amount recognised 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).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.8 Financial instruments

Financial assets and financial liabilities are recognised 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 are recognised immediately in profit or loss.

2.9 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised 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 recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.10.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised 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; and

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.

2.11 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 Derecognition of that financial asset in accordance with Ind AS 109, the Company recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in the Statement of Profit and 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 the Statement of Profit or Loss as an income or expense.

2.12 Financial liabilities and equity instruments

2.12.1 Classification 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.

2.12.2 Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method as per Ind AS 109.

Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

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 recognised in profit or loss.

2.13 Use of estimates and judgements

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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

Foreign exchange gains and losses

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

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises 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 derecognised and the consideration paid and payable is recognised in profit or loss.

3. No Tax is applicable on profits as per Dubai Law

3.1 Equity as previously reported under IGAAP to Ind AS;

3.2 Balance Sheet as previously reported under IGAAP to INDAS

3.3 Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS

3.4 Cash flows prepared under Indian GAAP and those prepared under Ind AS;

ITNL Infrastructure Developer LLC
Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

Note-5
Current Year March 2017

Particulars	Cost or Deemed cost			Balance at March 31, 2016	Accumulated depreciation and impairment		Carrying Amount
	Balance as at April 1, 2016	Additions	Deletion		Depreciation expense	Balance at March 31, 2016	As at March 31, 2017
Property plant and equipment							
Office equipments	-	123,446		123,446	17,600	17,008	106,438
Office fitout works	-	48,288,575		48,288,575	6,940,426	6,706,747	41,581,828
Subtotal	-	48,412,021	-	48,412,021	6,958,026	6,723,754	41,688,267
Capital work-in-progress	3,160,041	-	(3,160,041)	-		-	-
Total	3,160,041	48,412,021	(3,160,041)	48,412,021	6,958,026	6,723,754	41,688,267

Previous Year March 2016

Particulars	Cost or Deemed cost			Balance at March 31, 2016	Accumulated depreciation and impairment		Carrying Amount
	Balance as at April 1, 2015	Additions	Deletion		Depreciation expense	Balance at March 31, 2016	As at March 31, 2016
Capital work-in-progress	-	3,160,041		3,160,041		-	3,160,041
Total	-	3,160,041	-	3,160,041	-	-	3,160,041

ITNL Infrastructure Developer LLC
Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

6.1 Break-up of investments in Subsidiaries

Particulars	As at March 31, 2017		As at March 31, 2016	
	Qty	Amount	Qty	Amount
Investments in Equity Instruments				
Park Line LLC	153	2,699,331	-	-
TOTAL AGGREGATE UNQUOTED INVESTMENTS		2,699,331	-	-

6.2 Break-up of investments in associates (carrying amount determined using the equity method of accounting)

Particulars	As at March 31, 2017		As at March 31, 2016	
	Qty	Amount	Qty	Amount
Unquoted Investments (all fully paid)	153	2,699,331	-	-
TOTAL INVESTMENTS CARRYING VALUE	-	2,699,331	-	-

ITNL Infrastructure Developer LLC
Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

7. Trade receivables

Particulars	As at March 31, 2017	As at March 31, 2016
Unsecured, considered good	30,305,132	-
Total	30,305,132	-

8. Other financial assets - Non current

Particulars	As at March 31, 2017	As at March 31, 2016
Others -		
'- Security Deposits	1,005,633	2,945,860
Total	1,005,633	2,945,860

9. Cash and cash equivalents

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	As at March 31, 2017	As at March 31, 2016
Balances with Banks	2,499,616	530,274
Cash on hand	407	165,989
Cash and cash equivalents	2,500,024	696,263

10. Other assets- current

Particulars	As at March 31, 2017	As at March 31, 2016
'-Prepaid expenses	1,861,565	61,134
Total	1,861,565	61,134

ITNL Infrastructure Developer LLC
Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

11. Equity Share Capital

Particulars	Equivalent ₹	
	As at March 31, 2017	As at March 31, 2016
Equity share capital	5,444,520	-
Total	5,444,520	-
Authorised Share capital :		
300 equity shares of AED 1000 each		
Issued and subscribed capital comprises:		
300 fully paid equity shares of Aed 1000 each (as at March 31, 2016: NIL; as at April 1, 2015: NIL)	5,444,520	-
	5,444,520	-

11.1 Movement during the period

Particulars	For the Year ended March 31, 2017		For the Year ended March 31, 2016	
	Number of shares	Share capital (Amount)	Number of shares	Share capital (Amount)
Balance at the start of the period	-	-	-	-
Movements during the period	300	5,444,520	-	-
Balance at the end of the period	300	5,444,520	-	-
Equity Shares pending allotment			-	2,648,573

Fully paid equity shares, which have a par value of Rs.10, carry one vote per share and carry a right to dividends.

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

Particulars	As at March 31, 2017 (No. of shares held)	As at March 31, 2017 (% of holding)	As at March 31, 2016 (No. of shares held)	As at March 31, 2016 (% of holding)
ITNL International PTE Ltd	147	-	-	-
Total	147	-	-	-
<u>Fully paid equity shares</u>				
I IPL	147	49.00%	-	-
Mak Holding	153	51.00%	-	-
Total	300	100.00%	-	-

12. Other Equity (excluding non-controlling interests)

Particulars	Equivalent ₹	
	Year ended March 31, 2017	Year ended March 31, 2016
<u>Foreign currency translation reserve (Note 5)</u>		
Balance at beginning of period	(180,388)	-
Exchange differences arising on translating the foreign operations	1,987,209	(180,388)
Others FCTR	-	-
Balance at end of the period	1,806,821	(180,388)
<u>Retained earnings and Dividend on equity instruments (Note 6)</u>		
Balance at beginning of period	(15,619,001)	-
Loss attributable to owners of the Company	(54,632,980)	(15,619,001)
Balance at end of the period	(70,251,981)	(15,619,001)
Total	(68,445,160)	(15,799,389)

Note : Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency (i.e. Rs.) are recognised directly in other comprehensive income.

ITNL Infrastructure Developer LLC
Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

13. Non-current Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016
Unsecured – at amortised cost		
Term loans from Holding company	17,642,690	-
Total Non-current borrowings	17,642,690	-

Footnote : Loan from a Holding Company is obtained for working capital requirements. The loan is unsecured, carries interest rate 8% per annum and is repayable in one bullet payment at end of one year from the date of drawdown i.e. on April 20, 2017 along with interest.

13.1 Summary of borrowing arrangements

Amounts repayable to related parties of the Company. Interest of 8% per annum is charged on the outstanding loan balances.

Footnote

3. Age-wise analysis and Repayment terms of the Company's Long term Borrowings are as below:

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017
	₹	₹	Frequency of Repayment*
0 to 3 years	17,642,690		Bullet Repayment
Total	17,642,690	-	

14. Other financial liabilities - Current

Particulars	As at March 31, 2017	As at March 31, 2016
Interest accrued	7,177,345	-
- Payable to related party - Holding company	2,876,502	18,316,506
-Employee reimbursement-Others	3,081,804	-
Total	13,135,651	18,316,506

15A. Provisions Non Current

Particulars	As at March 31, 2017	As at March 31, 2016
Employee benefits	1,992,406	418,348
Total	1,992,406	418,348

15B. Provisions - Current

Particulars	As at March 31, 2017	As at March 31, 2016
Employee benefits-provision for Performance Bonus	2,532,273	618,955
Other provisions -provision for leave salary	809,499	-
Total	3,341,772	618,955

16. Current Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016
Unsecured - at amortised cost		
Loans from related parties	92,800,540	-
Total	92,800,540	-

Amounts repayable to related parties of the Company. Interest of 8% per annum is charged on the outstanding loan balances.

17. Trade payables -Current

Particulars	As at March 31, 2017	As at March 31, 2016
Trade payables	12,600,400	490,040
Retention Money payable	1,547,132	170,265
Total	14,147,532	660,305

ITNL Infrastructure Developer LLC

Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

18. Revenue from operations

The following is details of the Company's revenue for the period from continuing operations (excluding other income – see note 32).

Particulars	Equivalent ₹	
	Year ended March 31, 2017	Year ended March 31, 2016
Advisory, Design and Engineering fees	365,148	-
Supervision fees	29,303,129	-
Total	29,668,277	-

19. Operating Expenses of SCA

Particulars	Equivalent ₹	
	Year ended March 31, 2017	Year ended March 31, 2016
Operating Expenses of SCA		
Project Management fees	13,326,187	-
Total	13,326,187	-

20. Employee benefits expense

Particulars	Equivalent ₹	
	Year ended March 31, 2017	Year ended March 31, 2016
Salaries and Wages	31,373,172	7,164,374
Contribution for Indemnity	1,844,034	413,571
Provision for Employee PRP	2,916,072	611,905
Staff Welfare Expenses	101,329	-
Visa Expenses	1,230,378	-
Recruitment expenses	-	748,094
Medical insurance	1,125,642	-
Total	38,590,626	8,937,944

21. Finance costs

Particulars	Equivalent ₹	
	Year ended March 31, 2017	Year ended March 31, 2016
Continuing operations		
(a) Interest costs :-		
Interest on loans from related parties	7,427,421	-
Total	7,427,421	-

22. Depreciation and amortisation expense

Particulars	Equivalent ₹	
	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation of property, plant and equipment pertaining to continuing operations	6,958,026	-
Total depreciation and amortisation pertaining to continuing operations	6,958,026	-

23. Other expenses

Equivalent ₹

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Books and periodicals	4,674	
Rent expense	9,299,754	4,729,024
Travelling and conveyance	1,977,394	218,416
Legal and consultation fees	212,060	-
Rates and taxes	367,284	610,534
Communication expenses	1,730,235	-
Insurance	34,324	-
Printing and Stationary	248,673	-
Electricity Charges	578,971	-
Bank Commission	103,751	10,776
Miscellaneous expenses	10,407	-
Payments to auditors	657,449	484,444
office Administration	1,372,744	539,160
Business promotion expenses	1,401,277	88,703
Total	17,998,997	6,681,057

Equivalent ₹

Payments to auditors	Year ended March 31, 2017	Year ended March 31, 2016
For audit	657,449	484,444
Total	657,449	484,444

ITNL Infrastructure Developer LLC

Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

24. Earnings per share

Equivalent ₹

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
	Rs. per share	Rs. per share
Basic earnings per share	(202,653)	-
Diluted earnings per share	(202,653)	-

24.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Equivalent ₹

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit for the period attributable to owners of the Company (A)	(54,632,980)	(15,619,001)
Weighted average number of equity shares for the purposes of basic earnings per share (B)	270	-
Basic Earnings per share (A/B)	(202,652.82)	-

24.2 Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows.

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Equivalent ₹

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Earnings used in the calculation of basic earnings per share	(54,632,980)	(15,619,001)
Earnings used in the calculation of diluted earnings per share (A)	(54,632,980)	(15,619,001)
Weighted average number of equity shares used in the calculation of basic earnings per share	270	-
Weighted average number of equity shares used in the calculation of diluted earnings per share (B)	270	-
Diluted earnings per share (A/B)	(202,653)	-

SPECIAL PURPOSE FINANCIAL STATEMENTS

ITNL Infrastructure Developer LLC

Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

Note 25: Contingent liabilities and capital commitments

A) Contingent liabilities : NIL

B) Financial commitments pending to be executed : NIL

C) Other commitments pending to be executed : NIL

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

ITNL Infrastructure Developer LLC

Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

26. Related Party Disclosures

As at March 31, 2017

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

Nature of Relationship	Name of Entity	Abbreviation used
Ultimate Holding Company	Infrastructure Leasing & Financial Services Limited.	IL&FS
Immediate Holding company	ITNL International PTE Ltd	I IPL
Intermediate Holding company	IL&FS Transportation Networks Limited	ITNL
Fellow Subsidiaries (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	ITNL International DMCC	IIDMCC
	Park Line LLC]	PLL
	Sharjah General Services LLC	SGSC
Key Management Personnel ("KMP")	H.H. Shaikh Mansour Bin Mohammed Al Maktoum, Chairman	
	Mr.K. Ramchand, Vice chairman	
	Mr. Issa Al Khoory (Director)	
	Mr. Ravi shreehari Maddipatla (Director)	
	Mr. Dilip Bhatia (Director)	
	Mr.Mukund Gajanan Sapre (Director)	

As at March 31, 2016

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

Nature of Relationship	Name of Entity	Abbreviation used
Ultimate Holding Company	Infrastructure Leasing & Financial Services Limited.	IL&FS
Immediate Holding company	ITNL International PTE Ltd	I IPL
Intermediate Holding company	IL&FS Transportation Networks Limited	ITNL
Fellow Subsidiaries (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	ITNL International DMCC	IIDMCC
	Sharjah General Services LLC	SGSC
Key Management Personnel ("KMP")	K Ramchand Director	
	Mukund Sapre Director	
	Ravi Sreehari (Managing Director)	

ITNL Infrastructure Developer LLC
Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

Related Party Disclosures (contd.)

Year ended March 31, 2017

(b) transactions/ balances with above mentioned related parties (mentioned in note 26 above)

Particulars					Equivalent ₹
	IIDMCC	I IPL	PLL	SGSC	Total
Balance					-
Advances Recoverable - Short Term	2,876,502				2,876,502
Advances Recoverable in Cash or Kind			2,699,331		2,699,331
Interest accrued but not due on borrowings		7,177,345			7,177,345
Long term Borrowings		17,642,688			17,642,688
Short-term Borrowings		92,800,539			92,800,539
Trade Receivables			28,488,530	1,307,875	29,796,406
Transactions					-
Interest Expenses		7,427,421			7,427,421
Project Management Expenses	13,326,187				13,326,187

Year ended March 31, 2016

(b) transactions/ balances with above mentioned related parties (mentioned in note 26 above)

Particulars			Equivalent ₹
	IIDMCC	Total	
Balance			
Trade Payables	20,014,114	20,014,114	
Transactions			
Salaries	8,189,850	8,189,850	
Rent	4,729,024	4,729,024	
Travelling and conveyance	218,416	218,416	
Licence fees	610,534	610,534	
Office Administration Expenses	539,160	539,160	
Business Promotion Expenses	88,703	88,703	

ITNL Infrastructure Developer LLC

Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

27. Financial instruments

27.1 Capital management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the company consists of net debt (borrowings as detailed in notes 13 to 30 offset by cash and bank balances) and equity of the Company (comprising issued capital, reserves, retained earnings and non-controlling interests as detailed in note 12).

27.1.1 Gearing ratio

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

Particulars	Equivalent ₹	
	As at March 31, 2017	As at March 31, 2016
Debt (i)	117,620,575	-
Cash and bank balances (including cash and bank balances in a disposal company held for sale)	2,500,024	696,263
Net debt	115,120,551	(696,263)
Equity (ii)	5,444,520	-
Net debt to equity ratio	2114%	

Debt is defined as long-term, current maturity of long-term and short-term borrowings including interest accrued

Equity represents share capital of the company

Particulars	Equivalent ₹	
	As at March 31, 2017	As at March 31, 2016
Financial assets		
Financial Assets measured at amortised cost	33,172,329	3,006,994
Financial liabilities		
Measured at amortised cost		
(i) Borrowings	110,443,230	-
(ii) Trade payables	14,147,532	660,305
(iii) Other financial liabilities	13,135,651	18,316,506

27.2 Financial risk management objectives

The Company's financial risks not affected due to interest rate on borrowing is fixed

27.3 Market risk

The Proposed activities expose it primarily to the financial risks of changes in interest rates. However there are no such risk currently as the borrowings of the Company is at fixed rate.

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

27.4 Foreign currency risk management

There has been no significant change to the Company's exposure to foreign currency risk Management.

27.5.1 Foreign currency sensitivity analysis

The company is not exposed to any foreign currency sensitivity analysis

27.5.2 Forward foreign exchange contracts

The company did not carry out any foreign currency forward contracts during the year

28. Interest rate risk management

The Company is not exposed to interest rate risk because it borrows funds at fixed interest rates.

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

28.1 Interest rate sensitivity analysis

The Company is not exposed to interest rate risk because it has borrowed funds at fixed interest rates.

28.2 Interest rate swap contracts

The Company is not exposed to interest rate risk because it has borrowed funds at fixed interest rates.

29. Other price risks

The company is not exposed to equity price risks arising from equity investments.

28.1 Equity price sensitivity analysis

The company's sensitivity to equity prices has not changed significantly from the prior year.

30. 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 has adopted a policy of only dealing with creditworthy counterparties.

Trade receivables mainly consist receivable from O&M income. Hence there is no major risk

ITNL Infrastructure Developer LLC
Notes forming part of the Special Purpose Financial Statements for the year ended March 31, 2017

31. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium, and long-term funding and liquidity management requirements. 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.

31.1 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.

Particulars	March 31, 2017		31-Mar-16		Equivalent ₹
	Non-interest bearing	Fixed interest rate instruments	Non-interest bearing	Fixed interest rate instruments	
	Weighted average effective interest rate (%)		8%		
Less than 1 month					
1-3 months					
3 months to 1 year	27,283,183	92,800,540	18,976,811		
1-5 years		17,642,690			-
5+ years					
Total	27,283,183	110,443,230	18,976,811		-
Carrying amount	27,283,183		18,976,811		

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.

Particulars	March 31, 2017		March 31, 2016		Equivalent ₹
	Non-interest bearing	Fixed interest rate instruments	Non-interest bearing	Fixed interest rate instruments	
	Weighted average effective interest rate (%)				
Less than 1 month					
1-3 months	35,504,486	-	696,263		-
3 months to 1 year	1,005,633	-	2,945,860		-
Total	-	-	-		-

Carrying amount

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.

32. Fair value measurements

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

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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

The management assessed the fair value of the cash and cash equivalents, trade receivable, trade payable, and other current liabilities approximate their carrying amounts largely due to short term maturity of these instruments, except for Fixed Term long term borrowings, and considered their in level 3 hierarchy of fair value

	As at March 31, 2017		As at March 31, 2016	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets at amortised cost:	33,172,329	33,172,329	3,006,994	3,006,994
- loans to related parties	-	-	-	-
- trade and other receivables	33,172,329	33,172,329	3,006,994	3,006,994
- investment	2,699,331	2,699,331	-	-
Financial liabilities				
Financial liabilities held at amortised cost:	137,726,413	137,726,413	18,976,811	18,976,811
- loans from related parties	110,443,230	110,443,230	-	-
- trade payables	14,147,532	14,147,532	660,305	660,305
- Other financial liabilities	13,135,651	13,135,651	18,316,506	18,316,506