Independent Auditor's Report

To
The Board of Directors
Fagne Songadh Expressway Limited

We have audited the accompanying special purpose financial statement which comprise the Balance Sheet as at March 31,2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, summary of the significant accounting policies and other explanatory information and Hyperion Package, which comprises of all the appendices and other deliverables as listed in the referral instructions (GRI) (referred to as the "Reporting Package") of Fagne Songadh Expressway Limited (the component) a subsidiary of IL&FS Transportation Networks Limited as of March 31, 2018 and for the year then ended. This special purpose financial statement and Reporting Package has been prepared by the management of the component, in accordance with the Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India(as stated in the GRI issued by the management of ITNL).

Management's responsibility for the Special purpose financial statement and Reporting Package

Management is responsible for the preparation and presentation of the special purpose financial statement and Reporting Package in accordance with the Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, other accounting principles generally accepted in India, policies & instructions as mentioned in the GRI and the formats of special purpose financial statements and Reporting Package issued by the management of the company to the components, and for such internal control as management determines is necessary to enable the preparation of special purpose financial statement and Reporting Package that are free from material misstatement, whether due to fraud or error.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; application of appropriate accounting policies as mentioned in GRI; 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 financial statements and the Reporting Package that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the special purpose financial statement and Reporting Package based on our audit. We conducted our audit in accordance with the instructions issued by ITNL management, Group Audit Instructions issued by SRBC & CO LLP (parent company auditors) and 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 statement and Reporting Package are free of material misstatement. As requested by you, we planned and performed our audit using the component materiality specified in your instructions of INR 5.87 crores, which is different from the materiality level that we would have used, had we been designing the audit to express an opinion on the financial statements of the component alone.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the special purpose financial statement and Reporting Package. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the special purpose financial statement and Reporting Package, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the component's preparation and presentation of the special purpose financial statement and Reporting Package in order to design audit procedures that are appropriate in the circumstances. An audit also` includes the evaluation of the appropriateness of accounting policies used and the reasonableness of accounting estimate made by management, as well as evaluating the overall presentation of the purpose financial statement and Reporting Package.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Special purpose financial statements and Reporting Package. The conclusions reached in forming our opinion are based on the component materiality specified by you in the context of the audit of the group financial statements.

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Opinion

In our opinion, the accompanying special purpose financial statement and Reporting Package of Fagne Songadh Expressway Limited as of March 31, 2018 and for the year then ended give the information required by the Act in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India including the Indian Accounting Standard prescribed under Section 133 of Companies Act read with the companies (Indian Accounting Standards) Rules, 2015 and the accounting policies as mentioned in the instructions, of the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year then ended.

Other Matter(s)

The Company has prepared a separate set of financial statements for the year ended March 31, 2018 in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India on which we have issued a separate Auditor's Report to the members of the Company dated 26th April 2018.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet as at March 31,2018, Statement of Profit and Loss (including Other Comprehensive income), Cash Flow Statement, and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the relevant rules issued there under, as applicable;

(e) In our opinion, the aforesaid reporting pack comply with the recognition and measurement principle of the Accounting Standards specified under section 133 of the Act, read with the relevant rules issued there under, as applicable;

(f) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;

(g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position except those disclosed in financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii There has been no delay in transferring amounts, required to be transferred, to the Investor Education And Protection Fund by the Company.

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Restriction on use and distribution

The special purpose financial statement and Reporting Package have been prepared for purposes of providing information to ITNL to enable it to prepare the group financial statements. As a result, the special purpose financial statement and Reporting Package are not a complete set of financial statements of Fagne Songadh Expressway Limited in accordance with applicable financial reporting framework underlying the Company's accounting policies and are not intended to present fairly, in all material respects (or to give a true and fair view of) the financial position of Fagne Songadh Expressway Limited as of March 31, 2018 and of its financial performance, and its cash flow for the year then ended in accordance with applicable financial reporting framework underlying the Company's accounting policies. The special purpose financial statement and Reporting package may, therefore, not be suitable for another purpose.

This report is intended solely for the information and use of S R B C & CO LLP in conjunction with the audit of the group financial statements of ITNL respectively and should not be used by anyone for any other purpose.

For Gianender & Associates
Chartered Accountants
FRN: 04661N

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

G.K.Agrawal
Partner
M.No: 081603
New Delhi, 26/04/2018

Auditor Report Based On Internal Control Financial Reporting (ICFR)

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Fagne Songadh Expressway Limited ("the Component") as of March 31, 2018 in conjunction with our audit of the financial statements of the Component for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Component's Management is responsible for establishing and maintaining internal financial controls based on [the internal control over financial reporting criteria established by the Component considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India]. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Component's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Component's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Component's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Component's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Component; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Component are being made only in accordance with authorizations of management and directors of the Component; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Component's assets that could have a material effect on the financial statements.

K. GAJENDER & ASSOCIATES Chartered Accountants NEW DELHI

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Component has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, [based on the internal control over financial reporting criteria established by the Component considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India].

For Gianender & Associates
Chartered Accountants
FRN: 04661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G.K.Agrawal
Partner
M.No.: 081603
New Delhi, 26/04/2018

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
BALANCE SHEET AS AT MARCH 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

FSEL FTC

Rs.

Particulars	Notes	As at March 31, 2018		As at March 31, 2017	
ASSETS					
Non-current Assets					
(a) Property, plant and equipment	2		-		-
(b) Capital work-in-progress	2		-		-
(c) Investment property	3		-		-
(d) Intangible assets					
(i) Goodwill on consolidation	4	-		-	
(ii) Service Concession Arrangements (SCA)	5	-		-	
(iii) Intangible assets under development	5	14,34,30,22,931		3,65,60,34,648	
(iv) Others	5	-	14,34,30,22,931	-	3,65,60,34,648
(e) Financial assets					
(i) Investments					
a) Investments in associates	6	-		-	
b) Investments in joint ventures	7	-		-	
c) Other investments	8	-	-	-	-
(ii) Trade receivables	9		-		-
(iii) Loans	10		-		-
(iv) Other financial assets	11		55,025		55,025
(f) Tax assets					
(i) Deferred Tax Asset (net)	21	-		-	
(ii) Non Current Tax Asset (Net)	24	-	-	-	-
(g) Other non-current assets	14		11,50,000		11,50,000
Total Non-current Assets			**14,34,42,27,956**		**3,65,72,39,673**
Current Assets					
(a) Inventories	12		-		-
(b) Financial assets					
(i)Trade receivables	9	-		-	
(ii) Cash and cash equivalents	13	5,29,942		35,81,291	
(iii) Bank balances other than (ii) above	13	-		-	
(iv) Loans	10	-		-	
(v) Other financial assets	11	10,67,29,496	10,72,59,438	-	35,81,291
(c) Current tax assets (Net)	24		1,29,28,242		-
(d) Other current assets	14		1,35,88,826		-
Total Current Assets			**13,37,76,506**		**35,81,291**
Total Assets			**14,47,80,04,462**		**3,66,08,20,964**
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	15	2,62,50,00,000		14,15,00,000	
(b) Other Equity	16	1,15,91,40,754		29,02,34,756	
Equity attributable to owners of the Company			**3,78,41,40,754**		**43,17,34,756**
Non-controlling Interests	17		-		-
Total Equity			**3,78,41,40,754**		**43,17,34,756**
LIABILITIES					
Non-current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	18	5,65,76,61,210		-	
(ii) Trade payables other than MSME	23	-		-	
(iii) Other financial liabilities	19	-	5,65,76,61,210	-	-
(b) Provisions	20		-		-
(c) Deferred tax liabilities (Net)	21		-		-
(d) Other non-current liabilities	22		-		-
Total Non-current Liabilities			**5,65,76,61,210**		-
Current liabilities					
(a) Financial liabilities					
(i) Borrowings	18	2,10,01,575		-	
(ii) Trade payables other than MSME	23	4,08,47,84,695		3,08,82,74,203	
(iii) Other financial liabilities	19	55,56,45,651	4,66,14,31,921	1,80,81,600	3,10,63,55,803
(b) Provisions	20		8,38,516		21,97,242
(c) Current tax liabilities (Net)	24		30,79,11,521		8,02,06,850
(d) Other current liabilities	22		6,60,20,540		4,03,26,313
Total Current Liabilities			**5,03,62,02,498**		**3,22,90,86,208**
Total Liabilities			**10,69,38,63,708**		**3,22,90,86,208**
Total Equity and Liabilities			**14,47,80,04,462**		**3,66,08,20,964**

Note 1 to 45 forms part of the consolidated financial statements.

In terms of our report attached.
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For and on behalf of the Board

Mr. Kazim R. Khan
Director
Din No. 05188955

Mr. Subhash C Sachdeva
Director
Din No. 00051945

Ms. Roshni Chopra
Chief Financial Officer

Mr. M Kamalapathy
Manager

Place: Mumbai
Date : 26 April 2018

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31. 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Rs.

	Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
I.	Revenue from Operations	25	11,40,36,50,800	2,34,30,84,648
II.	Other income	26	-	-
III.	**Total Income (I+II)**		11,40,36,50,800	2,34,30,84,648
IV.	Expenses			
	Cost of Material consumed	27	-	-
	Construction Costs	27	10,30,14,05,372	1,96,60,04,841
	Operating expenses	28	-	-
	Employee benefits expense	29	-	-
	Finance costs (net)	30	-	-
	Depreciation and amortisation expense	31	-	-
	Other expenses	32	3,52,93,227	12,55,830
	Total expenses (IV)		10,33,66,98,599	1,96,72,60,671
V	**Profit before share of profit/(loss) of an associate and a joint venture and tax (III-IV)**		1,06,69,52,202	37,58,23,977
VI	Less: Tax expense	33		
	(1) Current tax		22,77,04,671	8,02,06,850
	(2) Deferred tax		-	-
	Total Tax expenses		22,77,04,671	8,02,06,850
VII	**Profit/(loss) after tax (V-VI)**		83,92,47,531	29,56,17,127
VIII	Add: Share of profit of associates (net)		-	-
IX	Add: Share of profit of joint ventures (net)		-	-
X	**Profit for the year (VII+VIII+IX)**		83,92,47,531	29,56,17,127
XI	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Acturial loss of the defined benefit plans		-	-
	(c) Equity instruments through other comprehensive income		-	-
	(d) Others (specify nature)		-	-
	(b) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss		-	-
			-	-
	A (ii) Income tax relating to items that will not be reclassified to profit or loss			
	B (i) Items that may be reclassified to profit or loss			
	(a) Exchange differences in translating the financial statements of foreign operations		-	-
	(b) Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		-	-
	(c) Others		-	-
	(d) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss		-	-
			-	-
	B (ii) Income tax relating to items that may be reclassified to profit or loss		-	-
	Total other comprehensive (loss) / income (A (i-ii)+B(i-ii))		-	-
XII	**Total comprehensive (loss) / income for the year (X+XI)**		83,92,47,531	29,56,17,127
	Profit for the year attributable to:			
	- Owners of the Company		83,92,47,531	29,56,17,127
	- Non-controlling interests			
			83,92,47,531	29,56,17,127
	Other comprehensive income for the year attributable to:			
	- Owners of the Company		-	-
	- Non-controlling interests		-	-
			-	-
	Total comprehensive income for the year attributable to:			
	- Owners of the Company		83,92,47,531	29,56,17,127
	- Non-controlling interests			
			83,92,47,531	29,56,17,127
XIII	Earnings per equity share (face value ` 10 per share):	34		
	(1) Basic (in Rs.)		7.47	23.39
	(2) Diluted (in Rs.)		7.47	23.39

Note 1 to 45 forms part of the consolidated financial statements.

In terms of our report attached.
For Glanender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GLANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For and on behalf of the Board

Mr. Kazim R. Khan
Director
Din No. 05188955

Mr. Subhash C Sachdeva
Director
Din No. 00051945

Ms. Roshni Chopra
Chief Financial Officer

Mr. M Kamalapathy
Manager

Place: Mumbai
Date : 26 April 2018

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cash flows from operating activities		
Profit for the year	83,92,47,531	29,56,17,127
Adjustments for:		
Income tax expense recognised in profit or loss	22,77,04,671	8,02,06,850
Construction Income	(10,68,69,88,283)	(2,34,30,84,648)
	(9,62,00,36,082)	**(1,96,72,60,671)**
Movements in working capital:		
(Increase)/decrease in other financial assets & other assets (current and non current)	(14,50,26,886)	(12,05,025)
Increase/ (Decrease) in financial liabilities & other liabilities (current and non current)	2,43,35,501	1,91,16,83,183
	(12,06,91,385)	1,91,04,78,158
Cash generated from operations	**(9,74,07,27,467)**	**(5,67,82,513)**
Income taxes paid (net of refunds)		
Net cash generated by operating activities (A)	**(9,74,07,27,467)**	**(5,67,82,513)**
Cash flows from investing activities		
Payments for property, plant and equipment, intangible assets	1,53,40,74,543	-
Net cash used in investing activities (B)	**1,53,40,74,543**	-
Cash flows from financing activities		
Proceeds from issue of Equity Shares (including securities premium)	2,48,35,00,000	5,60,00,000
Proceeds from borrowings	5,72,01,01,575	-
Net cash generated in financing activities (C)	**8,20,36,01,575**	**5,60,00,000**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**(30,51,349)**	**(7,82,513)**
Cash and cash equivalents at the beginning of the year	35,81,291	43,63,804
Cash and cash equivalents at the end of the year	**5,29,942**	**35,81,291**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Components of Cash and Cash Equivalents		
Cash on hand	448	348
Balances with Banks in current accounts	5,29,494	35,80,943
Balances with Banks in deposit accounts	-	-
Cash and Cash Equivalents	**5,29,942**	**35,81,291**
Less – Secured Demand loans from banks (Cash credit)(shown under current borrowings in note 18)	-	-
Less – Bank overdraft (note 18)	-	-
Cash and cash equivalents for statement of cash flows	**5,29,942**	**35,81,291**

Note 1 to 45 forms part of the consolidated financial statements.

In terms of our report attached.
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For and on behalf of the Board

Mr. Kazim R. Khan
Director
Din No. 05188955

Mr. Subhash C Sachdeva
Director
Din No. 00051945

Ms. Roshni Chopra
Chief Financial Officer

Mr. M Kamalapathy
Manager

Place: Mumbai
Date : 26 April 2018

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Statement of changes in equity
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Rs.

a. Equity share capital	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Balance as at the begining of the year	14,15,00,000	8,55,00,000
Changes in equity share capital during the year	2,48,35,00,000	5,60,00,000
Balance as at end of the year	2,62,50,00,000	14,15,00,000

Rs.

Statement of changes in equity for the year ended March 31, 2017

b. Other equity	Reserves and surplus									Items of other comprehensive income							
	Deemed Equity	Capital reserve	Securities premium reserve	General reserve	Capital reserve on consolidation	Debenture redemption reserve	Foreign currency monetary items translation difference account	Retained earnings	Total	Effective portion of cash flow hedge	Foreign currency translation reserve	Defined benefit plan adjustment	Others	Total	Attributable to owners of the parent	Non-controlling interests	Total
Balance as at April 1, 2016								(53,82,371)	(53,82,371)					-	(53,82,371)		(53,82,371)
Profit for the year								29,56,17,127	29,56,17,127					-	29,56,17,127		29,56,17,127
Other comprehensive income for the year, net of income tax									-					-			-
Total comprehensive income for the year	-	-	-	-	-	-	-	29,02,34,756	29,02,34,756	-	-	-	-	-	29,02,34,756	-	29,02,34,756
Payment of final dividends (including dividend tax)									-					-			-
Addition during the year from issue of equity shares on a rights basis									-					-			-
Transfer from retained earnings									-					-			-
Addition during the year									-					-			-
Additional non-controlling interests arising on acquisition									-					-			-
Disposal of partial interest in subsidiary									-					-			-
Premium utilised towards preference shares issue expenses and rights issue expenses									-					-			-
Other adjustments									-					-			-
Balance As at March 31, 2017	-	-	-	-	-	-	-	29,02,34,756	29,02,34,756	-	-	-	-	-	29,02,34,756	-	29,02,34,756

GIANENDER & ASSOCIATES ☆ Chartered Accountants ☆ NEW DELHI

FAGNE SONGADH EXPRESSWAY LIMITED
Statement of changes in equity

Rs.

Statement of changes in equity for the year ended March 31, 2018

b. Other equity	Reserves and surplus									Items of other comprehensive income							
	Deemed Equity	Capital reserve	Securities premium reserve	General reserve	Capital reserve on consolidation	Debenture redemption reserve	Foreign currency monetary items translation difference account	Retained earnings	Total	Effective portion of cash flow hedge	Foreign currency translation reserve	Defined benefit plan adjustment	Others	Total	Attributable to owners of the parent	Non-controlling interests	Total
Balance as at April 1, 2017								29,02,34,756	29,02,34,756					-	29,02,34,756		29,02,34,756
Profit for the year								83,92,47,530	83,92,47,530					-	83,92,47,530		83,92,47,530
Other comprehensive income for the year, net of income tax									-					-			-
Total comprehensive income for the year	-	-	-	-	-	-	-	1,12,94,82,286	1,12,94,82,286	-	-	-	-	-	1,12,94,82,286	-	1,12,94,82,286
Payment of final dividends (including dividend tax)									-					-			-
Transfer to retained earnings									-					-			-
Adjustment during the year for cessation of a subsidiary									-					-			-
Addition during the year	2,96,58,468								2,96,58,468					-	2,96,58,468		2,96,58,468
Reversed during the year									-					-			-
Additional non-controlling interests arising on acquisition of / additional investment in a subsidiary (net)									-					-			-
Disposal of partial interest in subsidiary									-					-			-
Premium utilised towards discount on issue of Non-Convertible Debentures									-					-			-
Other adjustments									-					-	-		-
Balance As at March 31, 2018	2,96,58,468	-	-	-	-	-	-	1,12,94,82,286	1,15,91,40,754	-	-	-	-	-	1,15,91,40,754	-	1,15,91,40,754

Note 1 to 45 forms part of the consolidated financial statements.

In terms of our report attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

G K Agrawal
Partner
Membership No. 081603

Place: Mumbai
Date : 26 April 2018

For and on behalf of the Board

Mr. Kazim R. Khan
Director
Din No. 05188955

Mr. Subhash C Sachdeva
Director
Din No. 00051945

Ms. Roshni Chopra
Chief Financial Officer

Mr. M Kamalapathy
Manager

Place: Mumbai
Date : 26 April 2018

General Information & Significant Accounting Policies

Note No-1

1. General information

The Company was incorporated under the Companies Act 2013 on August 25, 2015. The Company is a special purpose vehicle (SPV) promoted by IL&FS Transportation Networks Limited (ITNL). The Company has entered into a Concession Agreement (CA) on September 08, 2015 with The National Highways Authority of India (NHAI) for Rehabilitation, Strengthening and four Laning of Fagne to Maharashtra / Gujarat Border (Package III) Section of NH-6 in the state of Maharashtra km 510.00 to km 650.794.00 (design length 140.794 Km.) on BOT (TOLL) on Design, Build, Finance, Operate and Transfer (DBFOT basis) in the state of Maharashtra. The Concession Agreement envisages concession for a period of 19 years including construction period of 910 days from the appointed date.

2. Significant accounting policies

2.1 Statement of compliance

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

Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

2.2 Basis of preparation and presentation

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

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

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

The principal accounting policies are set out below.

2.3 Use of estimates

The preparation of financial statements in conformity with IND AS requires the Management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statements. The recognition, measurement, classification or disclosures of an item or information in the financial statements have been made relying on these estimates to a greater extent.

2.4 Fair value measurement

The measures financial instruments, such as, derivatives at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

The 's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. The Valuation Committee comprises of the head of the investment properties segment, heads of the's internal mergers and acquisitions team, the head of the risk management department, financial controllers and chief finance officer.

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

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

For the purpose of fair value disclosures, the has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions Contingent consideration
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares (discontinued operations)
- Property, plant and equipment under revaluation model
- Investment properties
- Financial instruments (including those carried at amortised cost)
- Non-cash distribution

2.5 Non-current assets held for sale

Non-current assets and disposal s are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the company is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the will retain a non-controlling interest in its former subsidiary after the sale.

When the is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The discontinues the use of the equity method at the time of disposal when the disposal results in the losing significant influence over the associate or joint venture.

After the disposal takes place, the accounts for any retained interest in the associate or joint venture in accordance with Ind AS 109 unless the retained interest continues to be an associate or a joint venture, in which case the uses the equity method (see the accounting policy regarding investments in associates or joint ventures above).

Non-current assets (and disposal s) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of the Audited Financial Statements for the year ended March 31, 2018

3 Accounting for rights under service concession arrangements and revenue recognition

i. Recognition and measurement

The Company builds, operates and maintains infrastructure assets under public-to-private Service Concession Arrangements (SCAs), which is an arrangement between the "grantor" (a public sector entity/authority) and the "operator" (a private sector entity) to provide services that give the public access to major economic and social facilities utilizing private-sector funds and expertise. The infrastructures accounted for by the Company as concessions are mainly related to the activities concerning roads, tunnels, check posts, railways and other infrastructure facilities.

Concession contracts are public-private agreements for periods specified in the SCAs including the construction, upgradation, restoration of infrastructure and future services associated with the operation and maintenance of assets in the concession period. Revenue recognition, as well as, the main characteristics of these contracts are detailed in Note 2.9.iii.

With respect to service concession arrangements, revenue and costs are allocated between those relating to construction services and those relating to operation & maintenance services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the concession agreement.

When the amount of the arrangement consideration for the provision of public services is substantially fixed by a contract, the Company recognizes revenues from construction services for public facilities (infrastructures) by the percentage-of-completion method, and recognizes the consideration as a financial asset and the same is classified as "Receivables against Service Concession Arrangements". The Company accounts for such financial assets at amortized cost, calculates interest income based on the effective interest method and recognizes it in revenue as Finance Income.

When the demand risk to the extent that the Company has a right to charge the user of infrastructure facility, the Company recognizes revenues from construction services for public facilities (infrastructures) by the percentage-of-completion method, and recognizes the consideration for construction services at its fair value, as an intangible asset. The Company accounts for such intangible asset (along with the present value of committed payments towards concession arrangement to the grantor at the appointed date e.g Negative Grant, premium etc) in accordance with the provisions of Ind AS 38 and is amortized based on projected traffic count or revenue, as detailed in Note 2.29.vi, taking into account the estimated period of commercial operation of infrastructure which generally coincides with the concession period. Intangible asset is capitalized when the project is complete in all respects and when the Company receives the final completion certification from the grantor as specified in the Concession Agreement and not on completion of component basis as the intended purpose and economics of the project is to have the complete length of the infrastructure available for use However, where there is other than temporary delay due to reasons beyond the control of the Company, the management may treat constructed potion of the infrastructure as a completed project.

When the concession arrangement has a contractual right to receive cash from the grantor specifically towards the concession arrangement and also the right to charge users for the public services, these are considered as two separate assets (components) – financial asset component based on the guaranteed amount and an intangible asset for the remainder.

ii. Contractual obligation to restore the infrastructure to a specified level of serviceability

The Company has contractual obligations to maintain the infrastructure to a specified level of serviceability or restore the infrastructure to a specified condition during the concession period and/or at the time of hand over to the grantor of the SCA. Such obligations are measured at the best estimate of the expenditure that

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

would be required to settle the obligation at the balance sheet date. In case of concession arrangements under intangible asset model, the timing and amount of such cost are estimated and recognised on a discounted basis by charging costs to revenue on the units of usage method i.e. on the number of vehicles expected to use the project facility, over the period at the end of which the overlay is estimated to be carried out based on technical evaluation by independent experts. In case of concession arrangements under financial asset model, such costs are recognised in the period in which such costs are actually incurred.

iii. <u>Revenue recognition</u>

Once the infrastructure is in operation, the treatment of income is as follows:

Finance income for concession arrangements under financial asset model is recognized using the effective interest method. Revenues from operations and maintenance services and overlay services are recognized in each period as and when services are rendered in accordance with Ind AS 18 Revenue.

Revenue for concession arrangements under intangible asset model is recognized in the period of collection of toll which generally coincides with the usage of public service or where from such rights have been auctioned, in the period to which auctioned amount relates.

iv. <u>Revenue from construction contracts</u>

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

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

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

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

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

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

v. <u>Borrowing cost related to SCAs</u>

In case of concession arrangement under financial asset model, borrowing costs attributable to construction of the infrastructure are charged to Statement of Profit and Loss in the period in which such costs are incurred.

In case of concession arrangement under intangible asset model, borrowing costs attributable to the

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

construction of infrastructure assets are capitalised up to the date of the final completion certificate of the asset / facility received from the authority for its intended use specified in the Concession Agreement. All borrowing costs subsequent to the capitalization of the intangible assets are charged to the Statement of Profit and Loss in the period in which such costs are incurred.

vi. Amortisation of intangible asset under SCA

The intangible rights relating to infrastructure assets, which are recognised in the form of right to charge users of the infrastructure asset are amortized by taking proportionate of actual traffic count for the period over total projected traffic count from project to cost of intangible assets; i.e. proportionate of actual traffic for the period over total projected traffic count from the intangible assets expected to be earned over the balance concession period as estimated by the management. However, with respect to toll road assets constructed and in operation as at March 31, 2016, the amortization of such intangible rights are based on actual revenue earned compared to total projected revenue from the project over the balance concession period to cost intangible assets, instead of traffic count.

Total projected revenue / traffic count is reviewed at the end of each financial year and is adjusted to reflect any changes in the estimates which lead to the actual collection at the end of the concession period.

vii. Claims

Claims raised with the concession granting authority towards reimbursement for costs incurred due to delay in handing over of unencumbered land to the [Project Special Purpose Vehicle ("SPVs"] Company for construction or other delays attributable solely to the concession granting authority are recognised when there are is a reasonable certainty that there will be inflow of economic benefits to the [concerned Project SPVs] Company. The claims when recognised as such are reduced from the carrying amount of the intangible asset / financial asset under the service concession arrangement, as the case may be, to the extent the claims relate to costs earlier included as a part of the carrying amount of these assets. Further, these claims are credited to profit or loss to the extent they relate to costs earlier debited to profit or loss. The claims are presented separately as a financial asset

viii. Accounting of receivable and payable from / to the grantor (Grants)

a) Receivable towards the concession arrangement from the grantor
When the arrangement has a contractual right to receive cash or other financial asset from the grantor specifically towards the concession arrangement (in the form of grants) during the construction period or otherwise, such a right, to the extent eligible, is recorded as financial asset in accordance with Ind AS 109*"Financial Instruments,"* at amortized cost. The receivable so recognized will be adjusted against the related intangible asset (toll) / financial asset (annuity).

For Intangible assets where the / the Company has availed the exemption under D7AA of Ind AS 101, the Financial asset has to be recognized only for all such receivables post April 01, 2015

b) Payable towards the concession arrangement to the grantor
When the arrangement has a contractual obligation to pay cash or other financial asset to the grantor specifically towards the concession arrangement during the construction period or otherwise, such unconditional obligation to pay cash is recorded as a financial liability on the date when the obligation arises in accordance with Ind AS 109 *"Financial Instruments,"* at amortised cost, with a corresponding recognition of an intangible asset. (Refer Note XX) Thereafter, the interest expense is recognized based on the effective interest rate method, which also becomes eligible for capitalization on qualifying assets.

For Intangible assets where the / the Company has availed the exemption under D7AA of Ind AS 101, the Intangible asset has to be recognized only for all such payables post April 01, 2015

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

3.1 Borrowing costs

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

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

All other borrowing costs are recognised in profit or loss in the period in which tare incurred.

3.2 Taxation

3.2.1 Current tax

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

The provision for tax is taken for each consolidating entity on the basis of the standalone financial statements prepared under Ind AS by that entity and aggregated for the purpose of the financial statements.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax return with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3.2.2 Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future Deferred tax

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

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

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

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

In financial statements, deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit of the respective companies in the .

3.3 Property, plant and equipment

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

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

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

All assets are depreciated on a Straight Line Method (SLM) of Depreciation, over the useful life of assets as prescribed under Schedule II of the Companies Act, 2013 other than assets specified in para below

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

Asset	Useful life based on SLM
Data Processing Equipment (Server & Networking)	4
Mobile Phones and I pad / Tablets	Fully depreciated in the year of purchase
Specialised office equipment's	3

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Vehicles	5
Assets provided to employees	3

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

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

3.4 Intangible assets (other than those covered by SCAs)

Intangible assets, other than those covered by SCAs, comprise of software and amounts paid for acquisition of commercial rights under an "Operation and Maintenance" agreement for a toll road project and are depreciated as follow:

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

Intangible assets are reported at acquisition cost with deductions for accumulated amortisation and impairment losses, if any.

Acquired intangible assets are reported separately from goodwill if they fulfil the criteria for qualifying as an asset, implying they can be separated or they are based on contractual or other legal rights and that their market value can be established in a reliable manner.
An impairment test of such intangible assets is conducted annually or more often if there is an indication of a decrease in value. The impairment loss, if any, is reported in the Statement of Profit and Loss.

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

3.5 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. When the expects some or all of a provision to be reimbursed,

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

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

3.6 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 ("FVTPL) are recognised immediately in the statement of profit and loss.

3.7 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.

3.7.1 Classification of financial assets – debt instruments

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;
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

3.7.2 Amortised cost and Effective interest method

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

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

3.7.3 Impairment of financial assets

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

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b) Lease receivables under Ind AS 17
c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
d) Loan commitments which are not measured as at FVTPL
e) Financial guarantee contracts which are not measured as at FVTPL

the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realized upto one year from the date of the invoice, loss for the time value of money is not recognised, since the same is not considered to be material.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

3.8 Reclassification of financial assets

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

3.9 Modification of Cash Flows of financial assets and revision in estimates of Cash flows

The rate considered for recognizing Finance Income (EIR) and fair valuation of the Receivable under SCA will be finalised on achievement of PCOD / CoD for the Project. Thereafter this rate will remain constant during the balance concession period.

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 recognises a modification gain or loss in profit or loss. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred are adjusted to the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

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 amortised 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 amortised 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 recognised in profit or loss as income or expense.

3.10 Financial liabilities and equity instruments-

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

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

3.10.1 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.

3.10.2 Financial liabilities

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

3.10.3 Financial liabilities subsequently measured at amortised cost

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

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

3.11 Cash and cash equivalents

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

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

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Rs.

Particulars	Deemed cost							Accumulated Depreciation							Carrying Amount	
	Balance as at April 1, 2016	Opening Adjustments	Additions	Deductions	Derecognised on disposal of a subsidiary	Effect of foreign currency exchange differences	Balance at March 31, 2017	Balance as at April 1, 2016	Opening Adjustments	Deductions	Eliminated on disposal of a Subsidiary	Depreciation expense	Effect of foreign currency exchange differences	Balance at March 31, 2017	As at March 31, 2017	As at April 1, 2016
Property plant and equipment														-		
Land							-	-	-	-	-		-	-	-	-
Building and structures							-	-	-	-	-		-	-	-	-
Vehicles							-	-	-	-	-		-	-	-	-
Data processing equipments							-	-	-	-	-		-	-	-	-
Office premises							-	-	-	-	-		-	-	-	-
Office equipments							-	-	-	-	-		-	-	-	-
Leasehold improvements							-	-	-	-	-		-	-	-	-
Furniture and fixtures							-	-	-	-	-		-	-	-	-
Electrical installations							-	-	-	-	-		-	-	-	-
Plant and machinery							-	-	-	-	-		-	-	-	-
Property plant and equipment on lease :																
Plant and machinery							-	-	-	-	-		-	-	-	-
Vehicles							-	-	-	-	-		-	-	-	-
Furniture and fixtures							-	-	-	-	-		-	-	-	-
Building and structures							-	-	-	-	-		-	-	-	-
Land							-	-	-	-	-		-	-	-	-
Subtotal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital work-in-progress							-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Rs.

Particulars	Deemed cost							Accumulated Depreciation							Carrying Amount	
	Balance as at April 1, 2017	Opening Adjustments	Additions	Deductions	Derecognised on disposal of a subsidiary	Effect of foreign currency exchange differences	Balance at March 31, 2018	Balance as at April 1, 2017	Opening Adjustments	Deductions	Eliminated on disposal of a Subsidiary	Depreciation expense	Effect of foreign currency exchange differences	Balance at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Property plant and equipment																
Land	-						-	-						-	-	-
Building and structures	-						-	-						-	-	-
Vehicles	-						-	-						-	-	-
Data processing equipments	-						-	-						-	-	-
Office premises	-						-	-						-	-	-
Office equipments	-						-	-						-	-	-
Leasehold improvements	-						-	-						-	-	-
Furniture and fixtures	-						-	-						-	-	-
Electrical installations	-						-	-						-	-	-
Plant and machinery	-						-	-						-	-	-
Property plant and equipment on lease :																
Plant and machinery	-						-	-						-	-	-
Vehicles							-	-						-	-	-
Furniture and fixtures							-	-						-	-	-
Building and structures							-	-						-	-	-
Land							-	-						-	-	-
Subtotal			-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital work-in-progress							-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Footnote :
Additions to Plant and Machinery for the current year, includes Plant and Machinery of ₹ ___ crore given on operating lease for period of ___ years at fixed monthly rental which is included in Miscellaneous income under Other Income.

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

3. Investment property

Rs.

Particular	As at March 31, 2018	As at March 31, 2017
Investment property (A-B)		
Investment property under development		
Total	-	-

a) Investment property

Rs.

Cost or Deemed Cost	As at March 31, 2018	As at March 31, 2017
Balance at beginning of year		
Effect of foreign currency exchange differences		
Balance at end of the year (A)	-	-

Rs.

Accumulated depreciation and impairment	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year		
Additions		
Effect of foreign currency exchange differences		
Balance at end of the year (B)	-	-

3.1 Fair value measurement of the Company's investment properties

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

	Fair value as per Level 2 (Rs.)	
Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Investment property		
Investment property under development (Refer Footnote)		
Total	-	-

Footnote :

1. Fair value of investment property is determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices,significantly adjusted for difference in nature,location or condition of the specific property.

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

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

4. Goodwill on consolidation

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Cost (or deemed cost)		
Total	-	-

Rs.

Cost or Deemed Cost	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year		
Additional amounts recognised from business combinations		
Derecognised on disposal of a subsidiary (refer Note 39.2.3)		
Effect of foreign currency exchange differences		
Balance at end of year	-	-

4.1 Allocation of goodwill to cash-generating units

Goodwill has been allocated for impairment testing purposes to the following cash-generating units.
- Annuity projects
- Operation and maintenance
- Others

The carrying amount of goodwill was allocated to cash-generating units as follows.

Particulars	As at March 31, 2018	As at March 31, 2017
- Annuity projects		
- Operation and maintenance		
- Others		
Total	-	-

GIANENDER & ASSOCIATES ★ NEW DELHI ★ Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

5. Intangible assets

Rs.

Particulars	Cost or deemed cost						Accumulated Amortisation						Carrying Amount	
	Balance as at April 1, 2016	Opening Adjustments	Additions	Deductions	Effect of foreign currency exchange differences	Balance As at March 31, 2017	Balance as at April 1, 2016	Opening Adjustments	Amortisation expense	Deductions	Effect of foreign currency exchange differences	Balance As at March 31, 2017	As at March 31, 2017	As at April 1, 2016
Software / Licences acquired												-	-	-
Commercial rights acquired												-	-	-
Others												-	-	-
Subtotal (a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rights under service concession arrangements (b)										-		-	-	-
Intangible assets under development (c)	1,31,29,50,000	2,34,30,84,648				3,65,60,34,648				-	-	-	3,65,60,34,648	1,31,29,50,000
Total (a+b+c)	1,31,29,50,000	2,34,30,84,648	-	-	-	3,65,60,34,648	-	-	-	-	-	-	3,65,60,34,648	1,31,29,50,000

Rs.

Particulars	Cost or deemed cost						Accumulated Amortisation						Carrying Amount	
	Balance as at April 1, 2017	Opening Adjustments	Additions	Deductions	Effect of foreign currency exchange differences	Balance As at March 31, 2018	Balance as at April 1, 2017	Opening Adjustments	Amortisation expense	Deductions	Effect of foreign currency exchange differences	Balance As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Software / Licences acquired	-					-	-					-	-	-
Commercial rights acquired	-					-	-					-	-	-
Others	-					-	-					-	-	-
Subtotal (a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rights under service concession arrangements (b)	-					-	-					-	-	-
Intangible assets under development (c)	3,65,60,34,648		10,68,69,88,283			14,34,30,22,931	-	-	-	-	-	-	14,34,30,22,931	3,65,60,34,648
Total (a+b+c)	3,65,60,34,648	-	10,68,69,88,283	-	-	14,34,30,22,931	-	-	-	-	-	-	14,34,30,22,931	3,65,60,34,648

Footnotes :

1. Estimates under Service Concession Arrangement - Right under Service Concession Arrangements / Intangible assets under Development

Estimates under Service Concession Arrangements

Under Service Concession Arrangement (SCA), where a Special Purpose Vehicle (SPV) has received the right to charge users of a public service, such rights are recognized and classified as "Intangible Assets". Such a right is an unconditional right to receive consideration however the amounts are contingent to the extent that the public uses the service.

The book value of such an Intangible Asset is recognized by the SPV at the fair value of the constructed asset which comprises of the actual construction cost plus the margins as per the SCA.

The Intangible Asset is amortised on the basis of units of usage method over the lower of the remaining concession period or useful life of such intangible asset, in terms of each SCA. However, with respect to toll road assets constructed and in operation As at March 31, 2018, the amortization of such intangible rights are based on actual revenue earned compared to total projected revenue from the project over the balance concession period to cost of intangible assets, instead of traffic count.

Estimates of margins are based on internal evaluation by the management. Estimates of units of usage, toll rates, contractual liability for overlay expenditure and the timing of the same are based on technical evaluations and / or traffic study estimates by external agencies.

These factors are consistent with the assumptions made in the previous years

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Cumulative Margin on construction in respect of Intangible Assets / Intangible Assets under development	1,47,93,25,235	37,70,79,807

Particulars	Year ended	
	March 31, 2018	March 31, 2017
Amortisation charge in respect of intangible assets	-	-

GIANENDER & ASSOCIATES * Chartered Accountants * NEW DELHI

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

6 Investments in associates

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

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Qty	Amount	Qty	Amount
Quoted Investments (all fully paid)				
Investments in Equity Instruments (at Deemed cost)				
Total aggregate quoted investments (A)		-		-
Unquoted Investments (all fully paid)				
Investments in Equity Instruments (at cost)				
Total aggregate unquoted investments (B)		-		-
Total investments carrying value (A) + (B)		-		-

Particulars	As at March 31, 2018		As at March 31, 2017	
	Deemed Cost	Market value	Deemed Cost	Market value
Aggregate market value of quoted investments	-		-	

6.2 Details and financial information of material associate

There is no material associate identified by the Group as per group policy i.e. 20% of group networth against carrying value of individual investment in associates

6.3 Financial information in respect of individually not material associates

Rs.

Aggregate information of associates that are not individually material	Year ended March 31, 2018	Year ended March 31, 2017
The Group's share of profit / (loss)		
The Group's share of other comprehensive income		
The Group's share of total comprehensive income	-	-

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Aggregate carrying amount of the Group's interests in these associates	-	-

Unrecognised share of losses of an associate

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Share of profit / (loss) for the year		

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Cumulative share of loss of an associate		

7. Investments in joint ventures

7.1 Break-up of investments in joint ventures

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Qty	Amount	Qty	Amount
Unquoted Investments (all fully paid)				
(a) Investments in Equity Instruments (at cost / Deemed cost)				
(b) Investments in covered warrant (at Deemed cost)				
(c) Investments in debentures or bonds (at amortised cost)	-	-		
Total investments carrying value		-		-

8. Other Non Current Investments

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Qty	Amount	Qty	Amount
Unquoted Investments (all fully paid)				
Investments in Equity Instruments				
TOTAL INVESTMENTS (A)		-		-
Add / (Less) : Fair value of investments (B)				
TOTAL INVESTMENTS CARRYING VALUE (A) + (B)		-		-

Category-wise other investments – as per Ind AS 109 classification

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Financial assets carried at fair value through profit or loss (FVTPL)		
Held for trading non-derivative financial assets		
Sub-total (a)	-	-
Financial assets carried at amortised cost		
Debentures		
Sub-total (b)	-	-
Grand total (a+b)	-	-

Footnotes:
Add any relevant Footnotes, in case any

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

9. Trade receivables

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Trade receivables from related parties				
-Unsecured, considered good				
Less : Allowance for expected credit loss				
Trade receivables from others				
-Unsecured, considered good				
Less : Allowance for expected credit loss				
-Unsecured, considered doubtful				
Less : Allowance for bad and doubtful debts				
Total	-	-	-	-

Footnotes :

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

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

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

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

Age of receivables that are past due but not impaired

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2015
XX-XX days			
XX-XX days			
Total	-	-	-
Average age (days)			

9.1 Movement in the allowance for expected credit loss

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	-	-
Adjustment for recognising revenue at fair value		
Loss allowance measured at an amount of 12 months ECL		
Loss allowance measured at an amount of more than 12 months ECL		
Reversal of Expected credit losses on trade receivables		
Balance at end of the year	-	-
Pertaining to the ECL Adjustments	-	-
Pertaining to the adjustment for revenue at fair value	-	-
Total	-	-

10. Loans

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
a) Loans to related parties				
-Unsecured, considered good				
Less : Allowance for expected credit loss				
Subtotal (a)	-	-	-	-
b) Loans to other parties				
-Unsecured, considered good				
Less : Allowance for expected credit loss				
-Unsecured, considered doubtful				
Less : Allowance for bad and doubtful debts				
Subtotal (b)	-	-	-	-
Total (a+b)	-	-	-	-

10.1 Movement in the allowance for expected credit loss

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	-	-
Loss allowance measured at an amount of 12 months ECL		
Loss allowance measured at an amount of more than 12 months ECL		
Reversal of Expected credit losses on loans given		
Reversal of Expected credit losses on account of acquisition of subsidiary		
Balance at end of the year	-	-

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation Into the Financial Information of IL&FS Transportation Networks Limited)
11. Other financial assets (Unsecured, considered good unless otherwise mentioned)

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Receivable under service concession arrangements				
Claim & others receivable from authority		3,56,51,812		
Derivative assets				
Advances recoverable :				
From related parties				
Allowance for expected credit loss				
From related parties considered doubtful				
Allowance for doubtful advances				
From others				
From others considered doubtful				
Allowance for doubtful advances				
Interest accrued - Related Party				
Interest accrued - Others				
Receivable for sale of investment				
Call Option Premium Assets				
Retention money receivable - Related Party				
Retention money receivable - Others				
Security Deposits - Related Party				
Security Deposits - Others	55,025		55,025	
Grant receivable				
Unbilled Revenue		7,10,77,684		
Balances with Banks in deposit accounts (under lien)				
Interest Accrued on fixed deposits				
Inter-corporate deposits				
Total	55,025	10,67,29,496	55,025	-

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Cumulative Margin on construction and operation & maintenance and renewal services recognised in respect of Financial Assets		
Future Operation and maintenance and renewal services considered in respect of Financial Assets		
Revenue recognised on Receivables against Service Concession Arrangement on the basis of effective interest method		

12. Inventories (At lower of cost and net realisable value)

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Raw materials		
Work-in-progress		
Stock-in-trade		
Stores and spares		
Total	-	-

GIANENDER & ASSOCIATES ★ NEW DELHI ★ Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

13. Cash and cash equivalents

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

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with Banks		
In current accounts	5,29,494	35,80,943
In deposit accounts		
Cash on hand	448	348
Cash and cash equivalents	**5,29,942**	**35,81,291**
Unpaid dividend accounts		
Balances held as margin money or as security against borrowings		
Other bank balances	-	-

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents	**5,29,942**	**35,81,291**
Less – Secured Demand loans from banks (Cash credit)(shown under current borrowings in note 18) Less – Unsecured Demand loans from banks (Bank overdraft) (shown under current borrowings in note 18)		
Cash and cash equivalents for statement of cash flows	**5,29,942**	**35,81,291**

c. Non-cash transactions excluded from cash flow statement
Please add as necessary

14. Other assets (Unsecured, considered good unless otherwise mentioned)

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Capital Advances				
-Secured, considered good				
-Unsecured, considered good				
-Doubtful				
Less : Allowance for bad and doubtful loans				
Other advances				
Prepaid expenses	11,50,000		11,50,000	
Preconstruction and Mobilisation advances paid to contractors and other advances				
Mobilisation advances considered doubtful				
Allowance for doubtful advances				
Advance Against Properties				
Debts due by Directors				
Current maturities of Long term loans and advances				
Indirect tax balances / Receivable credit		1,35,88,826		
Others assets				
Total	11,50,000	1,35,88,826	11,50,000	-

GIANENDER & ASSOCIATES Chartered Accountants NEW DELHI

15. Equity Share Capital

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares	Rs.	Number of shares	Rs.
Authorised				
Equity Shares of ₹ 10/- each fully paid	47,50,00,000	4,75,00,00,000	5,00,00,000	50,00,00,000
Issued, Subscribed and Paid up Equity Shares of ₹ 10/- each fully paid	26,25,00,000	2,62,50,00,000	1,41,50,000	14,15,00,000
Total	26,25,00,000	2,62,50,00,000	1,41,50,000	14,15,00,000

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

	Year ended March 31, 2018		Year ended March 31, 2017	
Particulars	Number of shares	Rs.	Number of shares	Rs.
Shares outstanding at the beginning of the year	1,41,50,000	14,15,00,000	85,50,000	8,55,00,000
Shares issued during the year	24,83,50,000	2,48,35,00,000	56,00,000	5,60,00,000
Shares outstanding at the end of the year	26,25,00,000	2,62,50,00,000	1,41,50,000	14,15,00,000

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

Particulars	As at March 31, 2018	As at March 31, 2017
IL&FS Transportation Networks Limited & its Nominees, the holding company	26,25,00,000	1,41,50,000

15.3 Details of shares held by each shareholder holding more than 5% shares

Equity Shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
IL&FS Transportation Networks Limited & its Nominees, the holding company	26,25,00,000	100%	1,41,50,000	100%
Total	26,25,00,000	100%	1,41,50,000	100%

15.4 The Company has one class of equity shares with face value of ₹ 10 each fully paid-up. Each shareholder has a voting right in proportion to his holding in the paid-up equity share capital of the Company.
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
Where final dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the Annual General Meeting.

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)
16. Other Equity (excluding non-controlling interests)

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Capital Reserve		
Balance at beginning of the year		
Adjustments during the year		
Balance at end of the year	-	-
Securities premium reserve		
Balance at beginning of the year		
Addition during the year from issue of equity shares on a rights basis		
Premium utilised towards discount on issue of Non-Convertible Debentures		
Premium utilised towards rights issue expenses		
Balance at end of the year	-	-
General reserve		
Balance at beginning of the year		
Transfer from balance in Statement of Profit and Loss		
Balance at end of the year	-	-
Capital Reserve on consolidation		
Balance at beginning of the year		
Addition during the year		
Balance at end of the year	-	-
Debenture redemption reserve		
Balance at beginning of the year		
Transfer from / (to) balance in the Statement of Profit and Loss		
Adjustment during the year for cessation of a subsidiary		
Balance at end of the year	-	-
Foreign currency monetary item translation reserve		
Balance at beginning of the year		
Addition during the year		
Balance at end of the year	-	
Retained earnings		
Balance at beginning of year	29,02,34,756	(53,82,371)
Profit attributable to owners of the Company	83,92,47,531	29,56,17,127
Payment of dividends on equity shares		
Transfer (to) / from debenture redemption redemption reserve		
Consolidated adjustments		
Balance at end of the year	**1,12,94,82,286**	**29,02,34,756**
Sub-Total	**1,12,94,82,286**	**29,02,34,756**
Items of other comprehensive income		
Cash flow hedging reserve		
Balance at beginning of year		
Gain/(loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges		
Balance at end of the year	-	-
Foreign currency translation reserve		
Balance at beginning of year		
Exchange differences arising on translating the foreign operations		
Balance at end of the year	-	-
Defined benefit plan adjustment		
Balance at beginning of the year		
Other comprehensive income arising from re-measurement of defined benefit		
Balance at end of the year	-	-
Deemed Equity		
Balance at beginning of the year	-	-
Adjustments during the year	2,96,58,468	-
Balance at end of the year	**2,96,58,468**	-
Sub-Total	**2,96,58,468**	-
Total	**1,15,91,40,754**	**29,02,34,756**

Footnotes :

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

17. Non-controlling interests

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at beginning of year		
Share of profit for the year		
Non-controlling interests arising on the acquisition of / additional investment in a subsidiary (net)		
Reduction in non-controlling interests on disposal of a subsidiary		
Additional non-controlling interests arising on disposal of interest in subsidiary that does not result in loss of control (net)		
Total	-	-

GIANENDER & ASSOCIATES * Chartered Accountants * NEW DELHI

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

18.Borrowings

Rs.

Particulars	As at March 31, 2018			As at March 31, 2017		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
Secured – at amortised cost						
(i) Bonds / debentures (refer Footnote 3)						
- from other parties						
(ii)Term loans						
- from banks						
- from financial institutions	2,00,00,00,000					
- from related parties (Refer Note 43)						
- from other parties						
(iii) Other loans						
-Demand loans from banks (Cash credit)						
Unsecured – at amortised cost						
(i) Bonds / debentures (refer Footnote 3)						
- from related parties (Refer Note 43)	3,66,94,41,532		2,10,01,575			
- from other parties						
(ii)Term loans						
- from banks						
- from financial institutions						
- from related parties (Refer Note 43)						
- from other parties						
(iii) Finance lease obligations						
(iv) Commercial paper						
(v) Other loans						
-Redeemable preference share capital (refer Footnote 4)						
-Demand loans from banks (bank overdraft)						
Less:						
Unamortised borrowing cost	(1,17,80,322)					
Total	**5,65,76,61,210**	-	**2,10,01,575**	-	-	-
Less: Current maturities of long term debt clubbed under "other current liabilities"	-	-	-	-	-	-
Total	**5,65,76,61,210**	-	**2,10,01,575**	-	-	-

Footnotes :

1. Security details

(i) Secured Loan from Financial Institution - SREI Infrastruture Finance Limited

a) Residual charge by way of hypothecation of the moveable fixed assets, current assets & non-current investments, and loans & advances of the Borrower including but not limited to book debts, operating cash flows, receivables, deposits, commissions, Revenue of whatever natutre and wherever arising, both present and future

b) Resdiual charge of immovable fixed assets, both present and future.

c) Repayment Schedule - Facilities shall be repaid in 3 equal montly instalmets at the end of 35th, 36th and 37th month from the date of first disbursement or on exercise of Put/Call Option

(ii) Unsecured Loan - Sub Debt from Related Party ITNL Rs.329,41,00,000/-. Interest of 13% per annum payable post COD subject to Escrow Mechanism.

(iii) Amounts Repayable to Related parties from ITNL Rs.21,001,575/- as at March 31, 2018. Interest of 12.8% per annum.

(iii) Unsecured Loan from Related parties - Hill County as at March 31, 2018 is Rs. 40,50,00,000/-. Interest Rate of 17% per annum payable quarterly in arrears. Repayment is 36 Months from Disbursement i.e on September 27, 2020.

2. Age-wise analysis and Repayment terms of the Company's Long term Borrowings (other than NCDs and Preference shares) are as below: (Refer New Annexure 11)

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

3. The details of Redeemable Non-Convertible Debentures [NCDs] :

Series of NCDs	Face value per NCD (₹)	Rate of interest % p.a.	Terms of repayment	Date of redemption	No. of NCDs issued	No. of NCDs outstanding	
						As at March 31, 2018	As at March 31, 2017
Secured							
N.A							
Unsecured							
N.A							

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

4. The Company has issued the following series of CRPS and CNCRPS

Series Name	Number of shares	Face value per share	Premium received per share	Maturity date	Dividend payout	Redemption terms

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

19. Other financial liabilities

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Current maturities of long-term debt				
Current maturities of finance lease obligations				
Interest accrued				
From Related Parties				
Holding Company		28,02,37,960		
Others		1,52,79,041		
Income received in advance				
Payable for purchase of capital assets				
Retention Money Payable				
Derivative liability				
Security Deposit from customer				
Connectivity Charges Payable				
Unpaid dividends				
Premium payable to authority				
Others		4,25,556		1,80,81,600
Interest on EPC to Related party		25,97,03,094		
Unearned Revenue				
Financial guranatee contracts				
Total	-	55,56,45,651	-	1,80,81,600

20. Provisions

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Provision for Employee benefits.				
Provision for overlay (refer Footnote 1)				
Provision for replacement cost (refer Footnote 2)				
Provision for dividend tax on dividend on preference shares				
Other provisions		8,38,516		21,97,242
Total	-	8,38,516	-	21,97,242

Footnotes :

1. Provision for overlay

Provision for overlay in respect of toll roads maintained by the Group under service concession arrangements and classified as intangible assets represents contractual obligations to restore an infrastructure facility to a specified level of serviceability in respect of such asset. Estimate of the provision is measured using a number of factors, such as contractual requirements, technology, expert opinions and expected price levels. Because actual cash flows can differ from estimates due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provision is reviewed at regular intervals and adjusted to take account of such changes.

Accordingly, financial and accounting measurements such as the revenue recognized on financial assets, allocation of annuity into recovery of financial asset, carrying values of financial assets and depreciation of intangible assets and provisions for overlay in respect of service concession agreements are based on such assumptions.

Rs.

Particulars	Year end March 31, 2018		Year end March 31, 2017	
	Non Current	Current	Non Current	Current
Balance at the beginning of the year				
Provision made during the year				
Utilised for the year				
Adjustment for foreign exchange fluctuation during the year				
Unwinding of discount and effect of changes in the discount rate				
Balance at the end of the year	-	-	-	-

2. Provision for replacement cost

Rs.

Particulars	Year end March 31, 2018		Year end March 31, 2017	
	Non Current	Current	Non Current	Current
Balance at the beginning of the year				
Provision made during the year				
Unwinding of discount and effect of changes in the discount rate				
Balance at the end of the year	-	-	-	-

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)
21. Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred tax assets		
Deferred tax liabilities		
Deferred Tax Asset / (Liabilities) (Net)	-	-

Rs.

Particulars	As at April 1, 2016	Movement Recognised in Statement of Profit and Loss	Acquisitions /disposals	Exchange difference	As at March 31, 2017	Movement Recognised in Statement of Profit and Loss	Movement Recognised in other comprehensive income	Acquisitions /disposals	Exchange difference	As at March 31, 2018
Deferred tax (liabilities)/assets in relation to:										
Cash flow hedges										-
Property, plant and equipment										-
Finance leases										-
Intangible assets										-
Unamortised borrowing costs										-
Provision for doubtful loans										-
Provision for doubtful receivables										-
Defined benefit obligation										-
Other financial liabilities										-
Other financial assets										-
Other assets										-
Others										-
Expected credit loss in investments										-
Expected credit loss in financial assets										-
Business loss										-
Capital loss										-
Total (A)	-	-	-	-	-	-	-	-	-	-
Tax Losses										-
Unabsorbed Depreciation										-
Total (B)	-	-	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-	-	-
MAT Credit Entitlement (refer footnote 1)										-
Deferred Tax Asset / (Liabilities) (Net)	-	-	-	-	-	-	-	-	-	-

Footnotes :

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

22. Other liabilities

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
(a) Mobilisation Advance Received				
(b) Other Advance received				
(c) Others				
Statutory dues		6,60,20,540		4,03,26,313
Other Liabilites				
Total	-	**6,60,20,540**	-	**4,03,26,313**

23. Trade payables

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Trade payables other than MSME				
Holding Company		4,03,31,59,252		3,07,52,46,265
Fellow Subsidiary		1,30,27,938		1,30,27,938
Others		3,85,97,505		-
Bills payable				
Total	-	**4,08,47,84,695**	-	**3,08,82,74,203**

24. Current tax assets and liabilities

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Current tax assets				
Advance payment of taxes		1,29,28,242		-
Total	-	**1,29,28,242**	-	-
Current tax liabilities				
Provision for tax		30,79,11,521		8,02,06,850
Total	-	**30,79,11,521**	-	**8,02,06,850**

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

25. Revenue from operations

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(a) Advisory, Design and Engineering fees		
(b) Supervision fees		
(c) Operation and maintenance income		
(d) Toll revenue		
(f) Construction income		
Construction Income	10,68,69,88,283	2,34,30,84,648
Claim from authority		
Others (Utility Shifting)	71,66,62,517	-
(g) Sales (net of sales tax)		
(h) Operation and maintenance Grant		
(i) Other operating income:		
Claim from authority		
Interest on Claims		
Profit on sale of investment in Subsidiary		
Total	**11,40,36,50,800**	**2,34,30,84,648**

26. Other Income

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income earned on financial assets that are not designated as at fair value through profit or loss		
Interest on loans granted		
Interest on debentures		
Interest on bank deposits (at amortised cost)		
Interest on short term deposit		
Dividend Income on non-current investments		
Profit on sale of investment (net) (refer Footnotes)		
Gain on disposal of property, plant and equipment		
Excess provisions written back		
Exchange rate fluctuation (Gain)		
Insurance claim received / receivable		
Miscellaneous income		
Other gains and losses		
Net gain/(loss) arising on financial assets designated as at FVTPL		
Net gain / (loss) on derecognition of financial assets measured at amortised cost		
Reversal of Expected credit losses on trade receivables (net)		
Reversal of Expected credit losses on loans given (net)		
Reversal of Expected credit losses on other financial assets (net)		
Total	-	-

26.1 Movement in Expected credit losses

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Expected credit loss allowance on trade receivables		
Reversal of Expected credit losses on trade receivables		
Reversal of Expected credit losses on trade receivables (net)	-	-
Expected credit loss allowance on loans given		
Reversal of Expected credit losses on loans given		
Expected credit losses on loans given (net)	-	-
Expected credit losses on other financial assets (net)	-	-

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

27. Cost of Material Consumed & Construction Cost

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Material consumption		
Changes in inventories of finished goods, work-in-progress and stock-in-trade.		
Total (a)	-	-
Construction contract costs (b)	9,58,47,42,855	1,96,60,04,841
Others (Utility Shifting) (C)	71,66,62,517	-
Total (a+b+c)	**10,30,14,05,372**	**1,96,60,04,841**

28. Operating Expenses

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fees for technical services / design and drawings		
Diesel and fuel expenses		
Operation and maintenance expenses		
Provision for overlay expenses		
Provision for replacement cost		
Toll plaza expenses		
Other Operating Expenses		
Total	-	-

29. Employee benefits expense

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and Wages		
Contribution to provident and other funds (Refer Note 37.1)		
Staff welfare expenses		
Deputation Cost		
Total	-	-

30. Finance costs

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(a) Interest costs		
Interest on bank overdrafts, loans and debentures		
Interest on loans for fixed period (refer Footnote)		
Interest on debentures		
Discount on commerical paper		
Other interest expense		
(b) Dividend on redeemable preference shares		
(c) Other borrowing costs		
Guarantee commission		
Finance charges		
Upfront fees on performance guarantee		
(d) Others		
Loss / (gain) arising on derivatives designated as hedging instruments in cash flow hedges		
(Gain) / Loss arising on adjustment for hedged item attributable to the hedged risk in a designated cash flow hedge accounting relationship		
Total (a+b+c+d)	-	-

Footnote :
Interest on bank overdrafts, loans and debentures is net off ₹ ___ Crore (previous year ₹ ___) on account of Credit Value Adjustment / Debit Value Adjustments (CVA / DVA) on derivative contracts on borrowings.

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

31. Depreciation and amortisation expense

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of property, plant and equipment		
Depreciation of investment property (refer Note 3)		
Amortisation of intangible assets (refer Note 5)		
Total depreciation and amortisation	-	-

32. Other expenses

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Legal and consultation fees	10,08,216	3,52,876
Travelling and conveyance	-	87,736
Rent (refer Note 36.2)		
Rates and taxes	3,15,45,643	67,723
Repairs and maintenance		
Bank commission	468	1,725
Registration expenses		
Communication expenses		
Insurance		
Printing and stationery		
Electricity charges		
Directors' fees	7,51,000	2,87,200
Loss on sale of fixed assets (net)		
Brand Subscription Fee		
Corporate Social Responsibility Exp. (Refer Note 32.2)	13,87,500	-
Business promotion expenses		
Payment to auditors (Refer Note 32.1)	5,98,500	4,58,570
Provision for doubtful debts and receivables		
Miscellaneous expenses	1,900	
Total	**3,52,93,227**	**12,55,830**

32.1 Payments to auditors

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
a) For audit	2,00,000	2,00,000
b) For taxation matters		
c) For other services	3,87,000	2,48,250
d) For reimbursement of expenses	11,500	10,320
e) Service tax on above	-	-
Total	**5,98,500**	**4,58,570**

GIANENDER & ASSOCIATES ★ NEW DELHI ★ Chartered Accountants

32.2 Expenditure incurred for corporate social responsibility

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

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

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(a) Gross amount required to be spent by the company during the year:	**29,02,348**	
(b) Amount spent during the year on:		
(i) Skilling for employment		
(ii) Livelihood Development		
(iii) Education enhancement		
(iv) Local Area projects		
(v) Others	13,87,500	-
Total	**13,87,500**	**-**

33. Income taxes

33.1 Income tax recognised in profit or loss

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current tax		
In respect of the current period	22,77,04,671	8,02,06,850
In respect of prior period		
	22,77,04,671	8,02,06,850
Deferred tax		
In respect of the current period		
MAT credit entitlement		
	-	-
Total income tax expense recognised in the current period relating to continuing operations	**22,77,04,671**	**8,02,06,850**

GIANENDER & ASSOCIATES ★ NEW DELHI ★ Chartered Accountants

33.2 The income tax expense for the period can be reconciled to the accounting profit as follows:

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit before tax from continuing operations	1,06,69,52,202	37,58,23,977
Income tax expense calculated at 0% to 34.608%		
Income tax expense reported in the statement of profit and loss		
Movement to be explained	-	-
Set off against unabsorbed depreciation and carry forward losses		
Deferred tax not created on IndAS adjustment		
Effect of income that is exempt from taxation		
Effect of expenses that are not deductible in determining taxable profit		
Effect of unused tax losses and tax offsets not recognised as deferred tax assets		
Foreign Withholding tax		
Deferred tax not created on business losses		
Effect of different tax rates of subsidiaries operating in other jurisdictions		
Preference dividend accounted as finance cost in IndAS		
Reversal of tax at normal rate in the tax holiday period and MAT on book profit		
Effect on deferred tax balances due to the change in income tax rate		
Profit on sale of Investment. Nil tax since capital loss as per Tax		
Deferred tax created on Capital Losses		
Deferred tax created on Business Losses		
Others		
Total movement explained	-	-
Adjustments recognised in the current year in relation to the current tax of prior years	-	-
Income tax expense recognised in profit or loss (relating to continuing operations)	-	-

As against the tax liability of Rs. 8.02 crores the Company has made provision of Rs. 8.02 crores in the financial for FY 2016-17 considering profit as per accounting done under IND-AS, however in the return of income, the Company has eliminated notional adjustment in profits under IND-AS and paid the tax of Rs. NIL. The company is in process to file the letter to the tax authorities, fully disclosing the facts and the stand taken for filing the return of income. The above views has been taken on the basis of ;

(i) various judicial precedents on " Notional Vs Real Income" concept and

(ii) CBDT Circular no 24 of 2017 clarifing that "adjustments on account of Service Concession Arrangements would be included in the Transition Amount and also on an ongoing basis" is not binding on the company.

33.3 Income tax recognised in other comprehensive income

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		
Re-measurement of defined benefit obligation		
Total	-	-

Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss		
Items that may be reclassified to profit or loss		

CHANDER & ASSOCIATES
NEW DELHI
Chartered Accountants

Not Applicable

35.3 The financial position and results of the Companies which became a subsidiary / ceased to be a subsidiary

a. The financial position and results (after eliminations and consolidation adjustments) of entities which became subsidiaries during the Year ended March 31, 2018 are given below:

Particulars	Name of Subsidary	Name of Subsidary
Assets As at March 31, 2018		
Non-current assets		
Current assets		
Total	-	-
Equity and Liability As at March 31, 2018		
Total Equity		
Current liabilities		
Total	-	-
Income for the period (from the date of incorporation / acquisition to March 31, 2018)		
Operating income		
Other income		
Total Income	-	-
Expenses for the period (from the date of incorporation / acquisition to March 31, 2018)		
Operating expenses		
Depreciation		
Interest cost		
Other administrative expenses		
Total Expenses	-	-
Profit / (Loss) for the period before tax	-	-
Taxes		
Profit / (Loss) for the period after tax	-	-
Other Comprehensive Income / (loss)		
Total other comprehensive Income / (loss)	-	-

b. The financial position and results (after eliminations and consolidation adjustments) of entities which became subsidiaries during the Year ended March 31, 2017 are given below:

Rs.

Particulars	Name of Subsidary	Name of Subsidary	Name of Subsidary	Name of Subsidary	Name of Subsidary	Name of Subsidary
Assets As at March 31, 2017						
Non-current assets						
Current assets						
Total	-	-	-	-	-	-
Equity and Liability As at March 31, 2017						
Total Equity						
Non-current liabilities						
Current liabilities						
Total	-	-	-	-	-	-
Income for the period (from the date of incorporation / acquisition to March 31, 2017)						
Operating income						
Other income						
Total Income	-	-	-	-	-	-
Expenses for the period (from the date of incorporation / acquisition to March 31, 2017)						
Operating expenses						
Depreciation						
Interest cost						
Other administrative expenses						
Total Expenses	-	-	-	-	-	-
Profit / (Loss) for the period before tax						
Taxes						
Profit / (Loss) for the period after tax	-	-	-	-	-	-
Other Comprehensive Income / (loss)						
Total other comprehensive Income / (loss)	-	-	-	-	-	-

CHANDER & ASSOCIATES
NEW DELHI
Chartered Accountants

36. Leases **Not Applicable**

36.1 Obligations under finance leases

The Company as lessee

Finance lease liabilities Rs.

Particulars	Minimum lease payments		Present value of minimum lease payments	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Not later than one year Later than one year and not later than five years Later than five years				
	-	-	-	-
Less: Future Finance charges				
Present value of minimum lease payments	-	-	-	-

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Included in the financial statements as:		
- Non-current borrowings (note 18)	-	-
- Current maturities of finance lease obligations (note 18)	-	-
Total	-	-

36.2 Operating lease arrangements

The Company as lessee

Leasing arrangements

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

Non-cancellable operating lease commitments

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Not later than 1 year Later than 1 year and not later than 5 years Later than 5 years		
Total	-	-

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Amount charged to the Statement of Profit and Loss for rent		
Total	-	-

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

The Company as lessor

Leasing arrangements

The Company has given certain machinery under a non-cancellable operating lease. The Company's future lease receivables under the operating lease arrangements as at the year ends are as under:

Future lease rentals:

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Not later than 1 year Later than 1 year and not later than 5 years Later than 5 years		
Total	-	-

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Amount credited to the Statement of Profit and Loss for rent		
Total	-	-

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

GIANENDER & ASSOCIATES Chartered Accountants NEW DELHI

37. Employee benefit plans **Not Applicable**

37.1 Defined contribution plans

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

The total expense recognised in profit or loss of Rs. ___ (for the Year ended March 31, 2017: Rs. ____) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

37.2 Defined benefit plans

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

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

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

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

Particulars	Valuation as at	
	As at March 31, 2018	As at March 31, 2017
Discount rate(s)		
Rate of increase in compensation#		
Mortality rates*		
Employee Attrition rate (Past service)		

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

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

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

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

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Service cost:		
Current service cost		
Past service cost and (gain)/loss from settlements		
Net interest expense		
Components of defined benefit costs recognised in profit or loss	-	-
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)		
Actuarial (gains) / losses arising from changes in demographic assumptions*		
Actuarial (gains) / losses arising from changes in financial assumptions		
Actuarial (gains) / losses arising from experience adjustments		
Components of defined benefit costs recognised in other comprehensive income	-	-
Total	-	-

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

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

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Present value of funded defined benefit obligation		
Fair value of plan assets		
Funded status		
Net liability arising from defined benefit obligation	-	-

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

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Opening defined benefit obligation		
Current service cost		
Interest cost		
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic assumptions		
Actuarial gains and losses arising from changes in financial assumptions		
Actuarial gains and losses arising from experience adjustments		
Benefits paid		
Others -Transfer outs		
Closing defined benefit obligation	-	-

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

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Opening fair value of plan assets		
Interest income		
Remeasurement gain (loss):		
Return on plan assets (excluding amounts included in net interest expense)		
Adjustment to Opening Fair Value of Plan Asset		
Contributions from the employer		
Benefits paid		
Closing fair value of plan assets	-	-

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

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

Rs.

Particulars	Fair Value of plan asset as at		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2015
Cash and cash equivalents	-	-	-
Gratuity Fund (LIC)	-	-	-
Total	-	-	-

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

The actual return on plan assets was ₹___ (2017: ₹___).

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

- If the discount rate is 100 basis points higher/(lower), the defined benefit obligation would decrease by ₹__ (decrease by ₹__ As at March 31, 2017) and increase by ₹ ____ (increase by ₹ ___ As at March 31, 2017).

- If the salary escalation rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ __ (increase by ₹ __ As at March 31, 2017) and decrease by ₹__ (decrease by ₹___ As at March 31, 2017).

- If the Attrition rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹__ (increase by ₹__ As at March 31, 2017) and decrease by ₹ ___ (decrease by ₹___ As at March 31, 2017).

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

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

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

The average duration of the benefit obligation at March 31, 2018 is _____ years (As at March 31, 2017: __ years).

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

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

38. Business combinations **Not Applicable**

38.1.1 Business combinations

Rs.

Particulars	Principal activity	Date of acquisition	Proportion of voting equity Interests acquired (%)	Consideration transferred
During the period Name of Entity acquired				
Total			-	-

38.1.2 Consideration transferred

Rs.

Particulars	Name of Entity acquired	Name of Entity acquired
Cash Othres		
Total	-	-

38.1.3 Assets acquired and liabilities recognized at the date of acquisition

Rs.

Particulars	Name of Entity acquired	Name of Entity acquired
	Date of acquisition	Date of acquisition
Current assets		
Cash and cash equivalents		
Inventories		
Other current financial assets		
Other current assets		
Non-current assets		
Deferred tax Assets		
Non current tax		
Loans given		
Other non current financial assets		
Other Non current assets		
Total (A)	-	-
Current liabilities		
Trade payables		
Other current financial liability		
Other current liability		
Non-current liabilities		
Borrowings		
Other non current financial liability		
Deferred Tax liability		
Total (B)	-	-
Net Assets acquired (A-B)	-	-

38.1.4 Goodwill arising on acquisition

Rs.

Particulars	Name of Entity acquired	Name of Entity acquired
Consideration transferred Less: fair value of identifiable net assets acquired		
Goodwill arising on acquisition	-	-

Goodwill arose in the acquisition of RLHL because the cost of the acquisition included a control premium. In addition, the consideration paid effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

38.1.5 Net cash outflow on acquisition of subsidiaries

Rs.

Particulars	Name of Entity acquired	Name of Entity acquired
	Date of acquisition	Date of acquisition
Consideration paid in cash Less: cash and cash equivalent balances acquired		
Total	-	-

GIANENDER & ASSOCIATES ★ Chartered Accountants ★ NEW DELHI

38.2 Disposal of a subsidiary

38.2.1 Consideration received

Rs.

Particulars	Date of Disposal
Consideration received in cash and cash equivalents	
Total consideration received	-

38.2.2 Analysis of asset and liabilities over which control was lost

Rs.

	Name of entity
Particulars	**Date of Disposal**
Current assets	
Cash and cash equivalents	
Other Current Financial assets	
Current tax assets (Net)	
Other assets	
Non-current assets	
Property, plant and equipment and investment property	
Other Non Current Financial assets	
Other assets	
Total (A)	-
Current liabilities	
Borrowings	
Other financial liabilities	
Provisions	
Other current liabilities	
Non-current liabilities	
Borrowings	
Total (B)	-
Net assets disposed of (A-B)	-

38.2.3 Loss on disposal of a subsidiary

Rs.

Particulars	Year ended March 31, 2018
Consideration received	-
Less : Net assets disposed of	-
Less : Goodwill impairment	
Loss on disposal	-

38.2.4 Net cash inflow/(outflow) on disposal of a subsidiary

Rs.

Particulars	Year ended March 31, 2018
Consideration received in cash and cash equivalents	-
Less: cash and cash equivalent balances disposed of	-
Total	-

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

39. Disclosure in respect of Construction Contracts

Rs.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Contract revenue recognised as revenue during the year	10,68,69,88,283	2,34,30,84,648

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Cumulative revenue recognised	14,34,30,22,931	3,65,60,34,648
Advances received	-	-
Retention Money receivable	-	-
Gross amount due from customers for contract work, disclosed as asset (i.e. Unbilled Revenue)	-	-
Gross amount due to customers for contract work, disclosed as liability (i.e. Unearned Revenue)	-	-

40. Commitments for expenditure

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances paid aggregate ` __ crore (As at March 31, 2017 ` ___ crore)	6,92,37,63,702	15,83,77,29,494
(b) Other commitments	-	-
Total	**6,92,37,63,702**	**15,83,77,29,494**

41. Contingent liabilities and Letter of awareness and letter of financial support

41.1 Contingent liabilities

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Claims against the Company not acknowledged as debt	-	-
(b) Other money for which the company is contingently liable		
- Income tax demands contested by the Group	-	-
- Other tax liability	-	-
- Royalty to Nagpur Municipal Corporation	-	-
- Others	-	-
(c) Guarantees/ counter guarantees issued in respect of other companies	-	-
(d) Put option on sale of investment	-	-
- Contingent liabilities incurred by the Company arising from its interests in joint ventures	-	-
- Contingent liabilities incurred by the Company arising from its interests in associates	-	-

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

42. Related Party Disclosures

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

Nature of Relationship	Name of Entity	Abbreviation used	March 2018	March 2017
Ultimate Holding Company	Infrastructure Leasing & Financial Services Ltd	IL&FS	√	√
Holding Company	IL&FS Trasnportation Networks Ltd	ITNL	√	√
Fellow Subsidiaries (Only with whom there have been transaction during the period/ there was balance outstanding at the year end)	Elsamex Maintenance Services Ltd	EMSL	√	√
	ISSL CPG BPO Pvt Ltd	ISSL		√
Associates - Indirect	Hill County Properties Ltd	HCPL	√	
Key Management Personnel ("KMP") and Other Director's	Mr. S C Sachdeva	Director	√	√
	Mr. Dilip Bhatia	Director	√	√
	Mr. H K Labh	Director	√	√
	Mr. Kazim Raza Khan	Director	√	√
	Ms. Jyotsna Matondkar	Additional Director	√	√
	Mr. M Kamalapathy	Manager	√	√
	Mr. Kamlakant Chaubal	Independent Director	√	√
	Mr. Rupak Ghosh	Independent Director	√	√

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)
Related Party Disclosures (contd.)

Year ended March 31, 2018

(b) transactions/ balances with above mentioned related parties (mentioned in note 42 above)

Rs.

Particulars	Holding Company - ITNL	Subsidiaries	Fellow Subsidiaries - EMSL	Associates - HCPL	Joint Arrangements	Key Management personnel and relatives	Total
Balance							
Equity share Capital with Premium	2,62,49,99,940						2,62,49,99,940
Interest Accrued and due							
On Sub Debt	28,02,31,332						28,02,31,332
On Short Term Loan	6,628						6,628
On Term Loan				1,52,79,041			1,52,79,041
Long-term Borrowings	3,26,44,41,532			40,50,00,000			3,66,94,41,532
Short-term Borrowings	2,10,01,575						2,10,01,575
Trade Payables	4,03,31,59,252		1,30,27,938				4,04,61,87,190
Interest payable on EPC	25,97,03,094						25,97,03,094

Particulars	Holding Company - ITNL	Subsidiaries	Fellow Subsidiaries - EMSL	Associates - HCPL	Joint Arrangements	Key Management personnel and relatives	Total
Transactions							
Issue of Equity Shares	2,48,35,00,000						2,48,35,00,000
Long Term Borrowings	3,29,41,00,000			40,50,00,000			3,69,91,00,000
Short Term Borrowings	2,10,01,575						2,10,01,575
Construction Cost	8,91,39,65,792						8,91,39,65,792
Expense on Utility Shifting	32,01,76,969						32,01,76,969
Interest on Loans (Expense)							
On Sub Debt	31,10,36,528						31,10,36,528
On Short Term Loan	7,365						7,365
On Term Loan				3,48,96,575			3,48,96,575
Interest on EPC	28,51,64,182						28,51,64,182
Interest on Delayed payment				5,70,088			5,70,088
Director Remuneration							
S C Sachdeva						60,000	60,000
Kazim Raza Khan						90,000	90,000
Dilip Bhatia						1,10,000	1,10,000
Hemant Kumar Labh						60,000	60,000
Kamlakant Chaubal						1,50,000	1,50,000
Rupak Ghosh						1,50,000	1,50,000
Jyotsana Matondkar						20,000	20,000

GIANENDER & ASSOCIATES * Chartered Accountants * NEW DELHI

SPECIAL PURPOSE FINANCIAL STATEMENTS

FAGNE SONGADH EXPRESSWAY LIMITED

Notes forming part of Financial Statements for the year ended March 31, 2018

(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Year ended March 31, 2017

(b) transactions/ balances with above mentioned related parties (mentioned in note 42 above)

Rs.

Particulars	Holding Company - ITNL	Subsidiaries	Fellow Subsidiaries - EMSL	Fellow Subsidiaries - ISSL	Associates - HCPL	Joint Arrangements	Key Management personnel and relatives	Total
Balance								
Equity share Capital with Premium	14,14,99,940							14,14,99,940
Trade Payables	3,07,52,46,265							3,07,52,46,265

Transactions								
Administrative and general expenses				18,400				18,400
Issue of Equity shares	5,60,00,000							
Construction Cost	1,91,55,26,692		1,32,93,814					1,92,88,20,506
Director Remuneration								
S C Sachdeva							30,000	30,000
Kazim Raza Khan							40,000	40,000
Dilip Bhatia							40,000	40,000
Hemant Kumar Labh							20,000	20,000
Kamlakant Chaubal							60,000	60,000
Rupak Ghosh							60,000	60,000

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

SPECIAL PURPOSE FINANCIAL STATEMENTS
FAGNE SONGADH EXPRESSWAY LIMITED
Notes forming part of Financial Statements for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

43. Segment Reporting **Not Applicable**

Rs.

	Surface Transportation Business		Others		Total	
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
Revenue						
External						
Inter-Segment						
Segment Revenue						
Segment expenses						
Segment results						
Unallocated income (excluding interest income) (Refer Footnote 3)						
Unallocated expenditure (Refer Footnote 4)						
Finance cost						
Interest Income unallocated						
Tax expense (net)						
Share of profit / (loss) of Joint ventures (net)						
Share of profit / (loss) of Associates (net)						
Profit for the year					-	-
	As at March 31, 2018	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**
Segment assets						
Unallocated Assets (Refer Footnote 1)						
Total assets					-	-
Segment liabilities						
Unallocated Liabilities (Refer Footnote 2)						
Total liabilities					-	-
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
Capital Expenditure for the year					10,68,69,88,283.00	-
Depreciation and amortisation expense					-	-
Non cash expenditure other than depreciation for the year					-	-

(II) Secondary - Geographical Segments:

Rs.

Particulars	India	Outside India	India	Outside India
	Year ended March 31, 2018	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2017
Revenue - External				
Capital Expenditure				
	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2017
Segment Assets				

Footnotes:

1) Unallocated assets include investments, advance towards share application money, loans given, interest accrued, option premium, deferred tax assets, advance payment of taxes (net of provision), unpaid dividend accounts and fixed deposits placed for a period exceeding 3 months, goodwill on consolidation etc.
2) Unallocated liabilities include borrowings, interest accrued on borrowings, deferred tax liabilities (net), provision for tax (net), unpaid dividends etc.
3) Unallocated income includes Profit on sale of investment (net), Advertisement income, Excess provisions written back, Miscellaneous income and Exchange rate fluctuation.
4) Unallocated expenditure includes Exchange rate fluctuation, Directors' fees and Brand subscription fees.

44. **Approval of financial statements**

The Financial statements were approved for issue by the Board of Directors on 26 April 2018

45. **Previous Year**

Figures for the previous year / period have been regrouped, reclassified where necessary, to conform to the classification of the current year.

In terms of our report attached.
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner

Place: Mumbai
Date : 26 April 2018

For and on behalf of the Board

Mr. Kazim R. Khan
Director
Din No. 05188955

Mr. Subhash C Sachdeva
Director
Din No. 00051945

Ms. Roshni Chopra
Chief Financial Officer

Mr. M Kamalapathy
Manager

Place: Mumbai
Date : 26 April 2018

Annexure - 2

FAGNE SONGADH EXPRESSWAY LIMITED

Audit for the year ended March 31, 2018

Differences in Accounting Policies & Disclosures

Accounting Policies Differences

Accounting Policy of consolidating entity	Accounting Policy of ITNL	Difference (Explain)	Impact (Estimated if not quantified) Rs.	Action proposed
		NIL		

*only if impact as quantified or likely to be greater than Rs. 1.20 Mn

Indicate Accounting Policy followed by Component for the items not covered in ITNL Accounting Policy

Accounting Policy of consolidating entity and its financial impact

For Fagne Songadh Expressway Ltd.

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

Annexure - 3

FAGNE SONGADH EXPRESSWAY LIMITED

Shareholding Pattern as at March 31, 2018

Sr. No.	Name of the Shareholder	No of Shares Held	% Holding
1	IL&FS Transportation Network Limited	262499994	100%
2	Mr. Swapnil Suresh Bhalekar	1	0%
4	Mr. Ajay Menon	1	0%
5	Mr. Vijay Kini	1	0%
6	Mr. Chandrakant Jagasia	1	0%
7	Ms. Jyotsana Matondkar	1	0%
7	Ms. Anwaya Sachin Kadu	1	0%
	Total	262500000	100

For Fagne Songadh Expressway Ltd.

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

Annexure - 4

FAGNE SONGADH EXPRESSWAY LIMITED

Movement in Shareholding Pattern for the Year ended March 31, 2018

Date of Purchase/sale /new Issue/buy back etc	No. of Equity Shares	Transaction price	Details of Purchaser/Investor / Seller	Net Asset Value calculation as on date of the transaction
April 29, 2017	70,00,000	10	IL&FS Transportation Networks Ltd.	
September 09, 2017	5,00,000	10	IL&FS Transportation Networks Ltd.	
October 07, 2017	35,00,000	10	IL&FS Transportation Networks Ltd.	
October 30, 2017	26,00,000	10	IL&FS Transportation Networks Ltd.	
November 10, 2017	22,50,00,000	10	IL&FS Transportation Networks Ltd.	
January 06, 2018	20,00,000	10	IL&FS Transportation Networks Ltd.	
February 01, 2018	27,00,000	10	IL&FS Transportation Networks Ltd.	
March 06, 2018	38,50,000	10	IL&FS Transportation Networks Ltd.	
March 30, 2018	12,00,000	10	IL&FS Transportation Networks Ltd.	

For Fagne Songadh Expressway Ltd.

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

(Part 1) - Provision for Overlay
Provision for overlay in respect of toll roads maintained by the Group under service concession arrangements and classified as intangible assets represents contractual obligations to restore an infrastructure facility to a specified level of serviceability in respect of such asset. Estimate of the provision is measured using a number of factors, such as current contractual requirements, technology, expert opinions and expected price levels. Because actual cash flows can differ from estimates due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provision is reviewed at regular intervals and adjusted to take account of such changes.
Accordingly, provision for overlay in respect of such service concession agreements are based on above assumptions.

Movements in provision made for overlay made in respect of Intangible Assets under SCA are tabulated below:

Rs.

Particulars	As at March 31, 2018		As at March 31, 2017	
	Long-term	Short-term	Non-Current	Current
Opening balance as on	Not Applicable		Not Applicable	
Provision made during the period / year				
Provision utilised				
Adjustment for Foreign exchange fluctuation during the period / year				
Adjustment for reclassification during the period / year				
Closing balance as on				

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 5

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

(Part 2) - Estimates Used (Intangible Assets)

As per the accounting policy followed by the Group, the fair value of consideration for construction services in respect of intangible assets covered under service concession arrangements of the Group, the useful lives of such intangible assets, the annual amortisation in respect thereof, and the provisions for overlay costs have been estimated by the management having regard to the contractual provisions, the evaluations of the units of usage and other technical evaluations by independent experts, the key elements having been tabulated below:

	Upto March 31, 2018
Margin on construction services recognised in respect of intangible assets (Rs.)	1,47,93,25,235
Amortisation charge in respect of intangible assets (Rs.)	NIL
	As at March 31, 2018
Carrying amounts of intangible assets (Rs.)	-
Carrying amounts of intangible assets under development (Rs.)	14,34,30,22,931
Provision for overlay in respect of intangible assets (Rs.)	-
	For the year ended March 31, 2018
Amortisation charge in respect of intangible assets (Rs.)	-

Particulars	**Amount Rs.**
Total estimated cost till the end of the construction period	
Total estimated margin till the end of the construction period	

Particulars	**Amount Rs.**
Opening Margins till March 31, 2017	37,70,79,807
During the period under audit	
Construction Revenue	10,68,69,88,283
Construction Cost	9,58,47,42,855
Margin	**1,10,22,45,428**
Margins Recognised till the balance sheet date upto March 31, 2018	**1,47,93,25,235**

Margin Percentage Applied on Construction Cost to recognise Construction Revenue	**11.50%**

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES ★ NEW DELHI ★ Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 5

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

(Part 3) - Estimates Used (Financial Assets) Not Applicable

As per the accounting policy followed by the Group:-
Under a Service Concession Arrangement (SCA), where a Special Purpose Vehicle (SPV) has acquired contractual rights to receive specified determinable amounts (Annuity) for use of an asset, such amounts are recognised as "Financial Assets" and are disclosed as "Receivable against Service Concession Arrangements"
The value of a Financial Asset covered under a SCA includes the fair value estimate of the construction services which is estimated at the inception of the contract and is based on the fair value of the constructed asset and comprises of the actual construction cost, a margin as per the SCA, estimates of the future operating and maintenance costs, including overlay / renewal costs
The cash flows from a Financial Asset commences from the Provisional / Final Commercial Operation Date as certified by the granting authority for the SCA.
The cash flow from a Financial Asset is accounted using the effective interest rate method. The intrinsic interest element in each Annuity receipt is accounted as finance income and the balance amount is accounted towards recovery of dues from the "Receivable against Service Concession Arrangements"
These factors are consistent with the assumptions made in the previous years.
The key elements have been tabulated below:

	Upto / as at March 31, 2017 (Rupees)
Cumulative Margin on construction and operation & maintenance and renewal services recognised in respect of Financial Assets	-
Future Operation and maintenance considered in respect of Financial Assets	-
Future Renewal services considered in respect of Financial Assets	-
Carrying amounts of Financial Assets included under Receivables against Service Concession Arrangements	-
Revenue recognised on Financial Assets on the basis of effective interest method	-

Particulars	Amount Rs.
Total estimated cost till the end of the construction period	
Total estimated margin till the end of the construction period	

Particulars	Amount Rs.
March 31, 2016	-
Opening Margins as per last year notes	-
Construction Revenue	-
Construction Cost	-
O & M Revenue	-
O & M Cost	-
Periodic Maintenance Revenue	-
Periodic Maintenance Cost	-
Margin	-
Margins Recognised till the balance sheet date	-

Receivable on SCA as at March 31, 2017	-

Margin Percentage Applied on Construction Cost to recognise Construction Revenue	%

Financial Income	
Revenue recognised on Financial Assets on the basis of effective interest method	Amount Rs.
March 31, 2016	-
Total	-

Fiancial Assets Reco:

Particulars	Current	Non-Current
Opening Receivables under Service Concession Arrangements		
Add - Additions during the period / year		
Less - Receipt of Annuity		
Closing Receivables Balance as per Balance Sheet	-	-

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

NEW DELHI
GIANENDER & ASSOCIATES
Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

(Part 4) - Other Information

Significant terms of Service Concession Arrangements (SCA) are provided below.

Particulars	Project 1
Nature of Asset	Intangible Asset
Year when SCA granted	November 09, 2016
Period	19 years
Extension of period	NO
Completed/Under Construction	Under Construction
Premature Termination	NIL
Special term	NIL
Brief description of Concession	The company has been setup for for Rehabilitation, Strengthening and four laning of Fagne to MAH/Guj Border (Package III) Section of NH-6 in the state of Maharashtra km 510.00 to km 650.794.00 (design length 140.794 Km.) on BOT (TOLL) on Design, Build, Finance, Operate and Transfer (DBFOT basis) in the state of Maharashtra

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 6

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

List of Related Parties and transactions / balances with them not included in Related Party Disclosures in Notes to Accounts.-

Not Applicable

1. Name of the related parties and description of relationship:

Nature of Relationship with "ITNL"	Name of Entity	Acronym used
Holding Company :		
Fellow Subsidiaries		
Associates :		
Co - Venture :		
Key Management personnel :		

-NOT APPLICABLE-

2. Details of balances and transactions during the period with related parties

Account head	Name of Entity	31-Mar-18	31-Mar-17
Balances:			
Account head	Name of Entity	31-Mar-18	31-Mar-17
Transactions:			

3. Managerial Remuneration to Key Management Personnel (KMP) for Related Party Disclosure:

Name	Remuneration	Director's Sitting Fees	Rent	Interest payment	Others (Specify, if any) (See Note below)
Mr Ravi Parthasarathy					
Mr Hari Sankaran					
Mr Arun K Saha					
Mr Vibhav Kapoor					
Mr Manu Kochhar					
Mr Ramesh C Bawa					
Mr K Ramchand					
Mr Shahzaad Dalal					
Ms Vishpala Parthasarathy					
Ms Sulagna Saha					
Ms Nafisa Dalal					
Mr Faizaan Dalal					

Note: Please add respective columns for the outstanding balances with the above KMPs also in addition to Profit & Loss transactions

Part 2

1. Name of the related parties and description of relationship:

Nature of Relationship with "ITNL"	Name of Entity	Acronym used
Holding Company :		
Fellow Subsidiaries		
Associates :		
Co - Venture :		
Key Management personnel :		

2. Details of balances and transactions during the period with related parties

Account head	Name of Entity	31-Mar-18	31-Mar-17
Balances:			
Account head	Name of Entity	31-Mar-18	31-Mar-17
Transactions:			

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 7

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Movement of Long term Investments for Cash flow
All the movements in Long term Investment needs to be given under following table to identify the cash flow impact

Script	Opening Balance as of 01/04/2017	Purchase Amount	Cost of Sale	Profit / (Loss)	Sale Value	Forex adjustments	Other adjustments	Transfer	Closing Balance as of 31/03/2018	Remarks
									-	
									-	
				--NOT APPLICABLE--					-	
									-	
	-	-	-	-	-	-	-	-	-	

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES ★ Chartered Accountants ★ NEW DELHI

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 8

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Variance Analysis with Comparatives:
All the Companies needs to provide reasons / justifications of variances in comparison with previous period

(1) Balance sheet

Liabilities	March 31, 2018	March 31, 2017	Increase / (Decrease)	Reasons for variance
ASSETS				
Non-current Assets				
(a) Property, plant and equipment			-	
(b) Capital work-in-progress			-	
(c) Investment property			-	
(a) Intangible assets				
(i) Goodwill			-	
(ii) under SCA			-	
(iii) others			-	
(i) Intangible assets under development	14,34,30,22,931	3,65,60,34,648	10,68,69,88,283	Increase in Construction Activity
(e) Financial assets			-	
(i) Investments			-	
a) Investments in associates			-	
b) Investments in joint ventures			-	
c) Other investments			-	
(ii) Trade receivables			-	
(iii) Loans			-	
(iv) Other financial assets	55,025	55,025	-	
(f) Tax assets			-	
(i) Deferred Tax Asset (net)			-	
(ii) Current Tax Asset (Net)			-	
(b) Other non-current assets	11,50,000	11,50,000	-	
Total Non-current Assets	14,34,42,27,956	3,65,72,39,673	10,68,69,88,283	
Current Assets				
(a) Inventories				
(a) Financial assets				
(i) Investments			-	
(ii) Trade receivables			-	
(i) Cash and cash equivalents	5,29,942	35,81,291	(30,51,349)	
(iv) Bank balances other than (iii) above			-	
(v) Loans			-	
(vi) Other financial assets	10,67,29,496	-	10,67,29,496	
(c) Current tax assets (Net)	1,29,28,242		1,29,28,242.00	
(d) Other current assets	1,35,88,826		1,35,88,826.00	
Assets classified as held for sale			-	
Total Current Assets	13,37,76,506	35,81,291	13,01,95,216	
			-	
			-	
Total Assets	14,47,80,04,462	3,66,08,20,964	10,81,71,83,499	
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	2,62,50,00,000	14,15,00,000	2,48,35,00,000	Issue of Shares
(b) Other Equity	1,15,91,40,754	29,02,34,756	86,89,05,999	
Equity attributable to owners of the Company	3,78,41,40,754	43,17,34,756	3,35,24,05,999	
Non-controlling Interests	-	-	-	
Total Equity	3,78,41,40,754	43,17,34,756	3,35,24,05,999	
LIABILITIES				
Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	5,65,76,61,210		5,65,76,61,210	
(ii) Trade payables			-	
(iii) Other financial liabilities			-	
(b) Provisions			-	
(c) Deferred tax liabilities (Net)			-	
(d) Other non-current liabilities			-	
Total Non-current Liabilities	5,65,76,61,210	-	5,65,76,61,210	
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	2,10,01,575	-	2,10,01,575	
(i) Trade payables	4,08,47,84,695	3,08,82,74,203	99,65,10,492	Increase in Construction Activity
(iii) Current matutities of long term debt			-	
(ii) Other financial liabilities	55,56,45,651	1,80,81,600	53,75,64,051	Increased in Creditors
(b) Provisions	8,38,516	21,97,242	(13,58,726)	
(c) Current tax liabilities (Net)	30,79,11,521	8,02,06,850	22,77,04,671	MAT Payable @ 21.3416%
(d) Other current liabilities	6,60,20,540	4,03,26,313	2,56,94,227	TDS Payable on Construction Activity
Liabilities directly associated with assets classified as held for sale			-	
Total Current Liabilities	5,03,62,02,498	3,22,90,86,208	1,80,71,16,290	
Total Liabilities	10,69,38,63,708	3,22,90,86,208	7,46,47,77,500	
Total Equity and Liabilities	14,47,80,04,462	3,66,08,20,964	10,81,71,83,499	

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

(2) Statement of Profit and Loss

Statement of Profit and Loss	March 31, 2018	March 31, 2017	Increase / (Decrease)	Reasons for variance
Income				
Revenue from Operations	11,40,36,50,800	2,34,30,84,648	9,06,05,66,152	Increase in Construction Activity
Other income	-	-	-	
Total Income	11,40,36,50,800	2,34,30,84,648	13,74,67,35,448	
Expenses				
Cost of Material consumed			-	
Construction Costs	10,30,14,05,372	1,96,60,04,841	8,33,54,00,531	Increase in Construction Activity
Employee benefits expense			-	
Finance costs			-	
Depreciation and amortisation expense			-	
Impairment loss on financial assets			-	
Reversal of impairment on financial assets			-	
Other expenses	3,52,93,227	12,55,830	3,40,37,397	Paid Stamp Duty for increase in Authorised Share Capital
Total expenses	10,33,66,98,599	1,96,72,60,671	8,36,94,37,928	
Add: Share of profit/(loss) of associates			-	
			-	
Add: Share of profit/(loss) of joint ventures			-	
			-	
Profit before exceptional items and tax	1,06,69,52,202	37,58,23,977	1,44,27,76,179	
Add: Exceptional items			-	
Profit before tax (I)	1,06,69,52,202	37,58,23,977	69,11,28,225	
Less: Tax expense (II)				
(1) Current tax	22,77,04,671	8,02,06,850	14,74,97,821	MAT Payable @21.3416%
(2) Deferred tax			-	
	22,77,04,671	8,02,06,850	30,79,11,521	
Profit for the period from continuing operations (I)	83,92,47,531	29,56,17,127	1,13,48,64,658	
Profit from discontinued operations before tax			-	
Tax expense of discontinued operations	-	-	-	
Profit from discontinued operations (after tax) (II)	-	-	-	
Profit for the period (III) = (I) - (II)	83,92,47,531	29,56,17,127	54,36,30,404	
			-	
			-	
Other Comprehensive Income	-	-	-	
A (i) Items that will not be reclassified to profit or loss			-	
(a) Changes in revaluation surplus			-	
(b) Remeasurements of the defined benefit plans			-	
(c) Equity instruments through other comprehensive income			-	
(d) Others (specify nature)			-	
(e) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss			-	
	-	-	-	
A (ii) Income tax relating to items that will not be reclassified to profit or loss			-	
			-	
B (i) Items that may be reclassified to profit or loss			-	
(a) Exchange differences in translating the financial statements of foreign operations including the gain / loss on related hedging instrument			-	
(b) Debt instruments through other comprehensive income			-	
(c) Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge			-	
(d) Others (specify nature)			-	
(e) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss			-	
	-	-	-	
B (ii) Income tax relating to items that may be reclassified to profit or loss			-	
Total other comprehensive income	-	-	-	
Total comprehensive income for the period	83,92,47,531	29,56,17,127	54,36,30,404	
Profit for the period attributable to:				
- Owners of the Company	83,92,47,531	29,56,17,127	54,36,30,404	
- Non-controlling interests		-	-	
	83,92,47,531	29,56,17,127	54,36,30,404	

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

NDER & ASSOCIATES
NEW DELHI
Chartered Accountants

Annexure - 9

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Utilisation of fund Investments by Parent Company in Toll Project Company under construction as of March 31, 2018

Project Company	Financial Year of Investment	Instrument	Name of Parent company	Incremental Investment by Parent Company in Project Company (Rs)	Amount used in project / construction activity by Project Company (Rs)	Amount used for general administrative expenses by Project Company (Rs)	Amount lying in FD, cash / bank balance (Rs)	Amount used for any other purposes (Pls define) by Project Company (Rs)	Project Status Operational / Under construction	Project Commissioning date	Remarks (if any)
FSEL	For 2015-16	Equity shares		8,55,00,000	-	8,11,36,196	43,63,804				
		Adv - Invst									
		Pref shares									
		Others (Pls specify)									
	For 2016-17	Equity shares		5,60,00,000	1,71,82,835	3,52,35,875	35,81,291		Under Construction		
		Adv - Invst									
		Pref shares									
		Others (Pls specify)									
	For 2017-18	Equity shares	ITNL	2,48,35,00,000	2,44,06,60,000	4,28,40,000	-	-	Under Construction		
		Adv - Invst									
		Pref shares									
		Others (Pls specify)									
		Sub Debt		3,29,41,00,000	3,29,41,00,000	-					
		Short Term Loan		2,10,01,575	-	2,10,01,575					

Project Company	Financial Year of Investment	Instrument	Name of Parent company	Incremental Investment by Parent Company in Project Company (Rs)	Amount used in project / construction activity by Project Company (Rs)	Amount used for general administrative expenses by Project Company (Rs)	Amount lying in FD, cash / bank balance (Rs)	Amount used for any other purposes (Pls define) by Project Company (Rs)	Project Status Operational / Under construction	Project Commissioning date	Remarks (if any)
FSEL	As of March 31, 2018	Equity shares	ITNL	2,62,50,00,000	2,45,78,42,835	15,92,12,071	-	-	Under Construction		
		Adv - Invst		-	-	-	-	-			
		Pref shares		-	-	-	-	-			
		Others (Pls specify)		3,31,51,01,575	-	2,10,01,575	-	-			

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES * Chartered Accountants * NEW DELHI

G K Agrawal
Partner
Membership No. 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure 10

COMPANY NAME
FCTR WORKING FOR CASHFLOW PURPOSE MARCH 2018

Opening Exchange Rate	8.6586
Closing Exchange rate	8.5573
Capital transaction Average Rate	
Average Exchange rate	8.6044

Not Applicable

(In currency of respective Foreign Companies)

	As at March 31, 2018	As at March 31, 2017	March 2018 in INR	March 2017 in INR	Difference in INR	Difference in FC Amt	Exchange Rate	Amount in INR	Expected March 2018 INR	FCTR Difference	Adjustment for Capital Movement	FCTR Difference (Net)	In Cash Flow
ASSETS													
Non-current Assets													
(a) Property, plant and equipment					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(c) Investment property					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(d) Intangible assets					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(i) Goodwill					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(ii) under SCA					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(iii) others					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(iv) Intangible assets under development					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(e) Financial assets					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(i) Investments					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
a) Investments in associates					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
b) Investments in joint ventures					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
c) Other investments					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(ii) Trade receivables					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(iii) Loans					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(iv) Other financial assets					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(f) Tax assets					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(i) Deferred Tax Asset (net)					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(ii) Current Tax Asset (Net)					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(g) Other non-current assets					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Current Assets													
(a) Inventories					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(b) Financial assets					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(i) Investments					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(ii) Trade receivables					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(iii) Cash and cash equivalents					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(iv) Bank balances other than (iii) above					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(v) Loans					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(vi) Other financial assets					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(c) Current tax assets (Net)					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(d) Other current assets					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Assets classified as held for sale					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Total Assets	-	-	-	-	-	-		-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
EQUITY AND LIABILITIES													
Equity													
(a) Equity share capital					-	-	8.56	-	-	-	-	-	-
(b) Other Equity (FCTR Balance not to be considered)					-	-	8.60	-	-	-			
Non-controlling interests					-	-	8.60	-	-	-	-	-	-
LIABILITIES													
Non-current Liabilities													
(a) Financial Liabilities					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(i) Borrowings					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(ii) Trade payables					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(iii) Other financial liabilities					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(b) Provisions					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(c) Deferred tax liabilities (Net)					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(d) Other non-current liabilities					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Current liabilities					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(a) Financial liabilities					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(i) Borrowings					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(ii) Trade payables					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(iii) Current maturities of long term debt					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(iv) Other financial liabilities					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(b) Provisions					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(c) Current tax liabilities (Net)					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
(d) Other current liabilities					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Liabilities directly associated with assets classified as held for sale					-	-	8.60	-	-	-	#DIV/0!	#DIV/0!	#DIV/0!
Total Equity and Liabilities	-	-	-	-	-	-		-	-	-	#DIV/0!	#DIV/0!	#DIV/0!

	-	#DIV/0!	#DIV/0!	#DIV/0!

Should Tally with the FCTR Movement FY 2016-17

FCTR Opening	
FCTR Closing	
Movement	-
Difference	#DIV/0!

In terms of our Clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

GIANENDER & ASSOCIATES
Chartered Accountants
NEW DELHI

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

FINANCIAL INSTRUMENTS

Annexure -11

1 Capital management

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

The capital structure of the Group consists of net debt (borrowings as detailed in notes 18 offset by cash and bank balances) and equity of the Company (comprising issued capital, reserves, retained earnings and non-controlling interests as detailed in notes 15 to 17). The capital structure of the Group is reviewed by the management on a periodic basis.

1.1 Gearing ratio

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

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Debt (i)	5,97,41,79,786	-
Cash and bank balances (including cash and bank balances in a disposal company held for sale)	5,29,942	35,81,291
Net debt	5,97,36,49,844	(35,81,291)
Total Equity (ii)	3,78,41,40,754	43,17,34,756
Net debt to total equity ratio	1.58	(0.01)

Footnotes:
(i) Debt is defined as long- and short-term borrowings including interest accrued (excluding derivative), as described in notes 18

(ii) Equity includes all capital and reserves of the Company that are managed as capital.

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

2 Categories of financial instruments

Rs.

Particulars	As at March 31, 2018	As at March 31, 2017
Financial assets		
Fair value through profit and loss (FVTPL)		
Investment in equity instruments	-	-
Derivative instruments designated as cash flow hedge	-	-
At amortised cost		
Investment in equity instruments		
Loans	-	-
Trade receivables	-	-
Cash & cash equivalents; and bank balances (including Balances with Banks in deposit accounts under lien)	5,29,942	35,81,291
SCA receivable	-	-
Other financial assets (excluding Balances with Banks in deposit accounts under lien)	10,67,84,521	55,025
Financial liabilities		
Financial Liabilities		
Derivative instruments designated as cash flow hedge	-	-
At amortised cost		
Borrowings (including interest accrued)	5,97,41,79,786	-
Trade payables	4,08,47,84,695	3,08,82,74,203
Other financial liabilities (excluding interest accrued)	26,01,28,650	1,80,81,600

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

G.K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

FINANCIAL INSTRUMENTS

Annexure -11

3 Financial risk management objectives
The Company 's Corporate Treasury function monitors and manages the financial risks relating to the operations of The Company . These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by The Company 's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes. The Corporate Treasury function reports to The Company 's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures

4 Market risk

The Company does not have activities that exposes it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into cross currency interest rate swaps to mitigate the risk of rising interest rates to manage its exposure to foreign currency risk and interest rate risk

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

5 Foreign currency risk management

The company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts and/or cross currency swaps

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

Particulars	ITNL and its subsidiaries				Other than ITNL and its subsidiaries				Total			
	Liabilities as at (INR)		Assets as at (INR)		Liabilities as at (INR)		Assets as at (INR)		Liabilities as at (INR)		Assets as at (INR)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
USD	Not Applicable											
Euro												
CNY												
AED												
VND												
Botswana Pula												
Dominican Peso												
Ethiopian Birr												
Mexican Peso												
Add other currencies												

5 1 Foreign currency sensitivity analysis

The company is mainly exposed to the US Dollars, Euro, Chinese Yuan and Arab Emarites Dirham

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

	USD		Euro		CNY		AED		Add other Currencies	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Profit or loss										
Equity										

	Botswana Pula		Dominican Peso		Ethiopian Birr		Mexican Peso	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Profit or loss								
Equity								

GIANENDER & ASSOCIATES Chartered Accountants NEW DELHI

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

38.5.2 Cross currency swap contracts

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

The company has tested the hedge effectiveness through critical term matching (CTM) approach. Hedge Effectiveness Testing is assessed at designation date of the hedging relationship, and on an ongoing basis till the maturity of the hedging instrument and hedge item. The ongoing assessment is performed at a minimum at each reporting date or upon a significant change in circumstances affecting the hedge effectiveness requirements, whichever comes first. Any change in the critical terms of the hedge item and Hedge instrument over the life of hedge will lead to discontinuation of the hedging relationship. As the critical terms of the hedged item and the hedging instrument (notional, start date, , strike / contracted rate) are matching and cashflows are offsetting, hence economic relationship exists.
This also confirms that the hedging instrument and hedged item have values that generally move in the opposite direction because of the same hedged risk.The company's intention is to keep currency risk hedged all the time and will keep rolling forwards or enter in to new swap till maturity of the hedged item.

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

Outstanding receive floating pay fixed contracts	Foreign currency-CNY		Average exchange rate		Average contracted		Notional principal value		Fair value assets (liabilities)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Buy US Dollar	Not Applicable									
Less than 1 year										
1 to 3 years										
3 to 5 years										
5 years +										
Total										

Outstanding receive floating pay fixed contracts	Foreign currency-CNY		Average exchange rate		Average contracted		Notional principal value		Fair value assets (liabilities)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Upto 1 year	Not Applicable									
1 to 3 years										
3 to 5 years										
More than 5 years										
Total										

The interest rate swaps settle on a quarterly basis. The floating rate on the interest rate swaps is the 3 months LIBOR. The company will settle the difference between the fixed and floating interest rate on a net basis.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the company's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

6 Interest rate risk management

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

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

6.1 Interest rate sensitivity analysis - Not applicable as company has only fixed interest borrowings

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

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's:

i) profit for the Year ended March 31, 2018 would decrease/increase by ₹ ____ (2016: decrease/increase by ₹ ___). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings; and

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

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

6.2 Interest rate swap contracts

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

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

Cash flow hedges

Outstanding receive floating pay fixed contracts	Average contracted fixed interest rate		Notional principal value		Fair value assets (liabilities)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Less than 1 year 1 to 3 years 3 to 5 years 5 years +	Not Applicable					
Total						

The interest rate swaps settle on a quarterly basis. The floating rate on the interest rate swaps is the local interbank rate of India. The company will settle the difference between the fixed and floating interest rate on a net basis.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the company's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

7 Other price risks

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

8 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 Management of The Company believes that the credit risk is negligible since its main receivable is from the grantors of the concession which is a government authority.Further,in respect of other receivables, The Company has adopted a policy of only dealing with creditworthy counterparties.

The Company has significant credit exposure to mainly two parties :
1.National Highways Authority of India- ₹ 3,56,51,812/- (March 31, 2017 ₹ NIL)
2. State Government Authorities - ₹ NIL (March 31, 2017 ₹ NIL)

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

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

9 Liquidity risk management

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

9.1 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.

	ITNL and its subsidiaries					
Particulars	March 31, 2018			March 31, 2017		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Upto 1 year	4,58,61,28,244		45,19,22,777	3,08,82,74,203		
1-3 years			85,72,01,515			
3-5 years			85,86,50,000			
More than 5 years			7,44,76,34,500			
Total	4,58,61,28,244	-	9,61,54,08,792	3,08,82,74,203	-	-

	Other Entities					
Particulars	March 31, 2018			March 31, 2017		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Upto 1 year	5,43,02,102		32,38,50,000	1,80,81,600		
1-3 years			2,34,39,17,581			
3-5 years			67,31,87,214			
More than 5 years			-			
Total	5,43,02,102	-	3,34,09,54,795	1,80,81,600	-	-

The amounts included above for financial guarantee contracts are the maximum amounts the company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the company considers that it is more likely than not that such an amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

GIANENDER & ASSOCIATES ☆ Chartered Accountants ☆ NEW DELHI

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	ITNL and its subsidiaries					
	March 31, 2018			March 31, 2017		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed Interest rate instruments
Upto 1 year						
1-3 years						
3-5 years						
More than 5 years						
Total	-	-	-	-	-	-

Particulars	Other Entities					
	March 31, 2018			March 31, 2017		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Upto 1 year	10,67,29,496					
1-3 years						
3-5 years						
More than 5 years	55,025			55,025		
Total	10,67,84,521	-	-	55,025	-	-

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

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

Particulars	March 31, 2018		March 31, 2017	
	Interest rate swaps	Cross Currency Swaps	Interest rate swaps	Cross Currency Swaps
Upto 1 year				
1-3 years				
3-5 years				
More than 5 years				

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Annexure -11

FINANCIAL INSTRUMENTS

10 Fair value measurements

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

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

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

Financial assets/ (financial liabilities)	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship
	As at March 31, 2018	As at March 31, 2017				
1) Interest rate swaps			Level 2	Discounted cash flow Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.	None	None
2) Interest rate cross currency swaps			Level 2	Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.	None	None
3) Investment in equity shares of			Level 3	Net assets value of the investee company based on its audited financial statements	Net assets of the investee company	Direct

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

	ITNL Group Entities				Other Entities			
	As at March 31, 2018		As at March 31, 2017		As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets								
Fair value through profit and loss (FVTPL)								
Investment in equity instruments								
Derivative instruments designated as cash flow hedge								
At amortised cost								
Investment in equity instruments								
Loans								
Trade receivables								
Cash & cash equivalents, and bank balances								
SCA receivable								
Other financial assets					10,67,84,521	10,67,84,521	55,025	55,025
Financial liabilities								
Derivative instruments designated as cash flow hedge								
At amortised cost								
Borrowings	3,28,54,43,107	3,31,51,01,575	-	-	2,39,32,19,678	2,40,50,00,000	-	-
Trade payables	4,03,31,59,252	4,03,31,59,252	3,07,52,46,265	3,07,52,46,265	5,16,25,443	5,16,25,443	1,30,27,938	1,30,27,938
Other financial liabilities	53,99,41,054	54,27,81,335	-	-	1,57,04,597	1,57,04,597	1,80,81,600	1,80,81,600

Fair value hierarchy	As at March 31, 2018			As at March 31, 2017		
Particulars	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Fair value through profit and loss (FVTPL)						
Investment in equity instruments						
Derivative instruments designated as cash flow hedge						
Financial Assets measured at amortised cost						
Investment in equity instruments						
Loans						
Trade receivables						
Cash & cash equivalents, and bank balances						
SCA receivable						
Other financial assets			10,67,84,521			55,025
Financial liabilities						
Derivative instruments designated as cash flow hedge						
At amortised cost						
Borrowings			3,31,51,01,575			-
Trade payables			4,03,31,59,252			3,07,52,46,265
Other financial liabilities			54,27,81,335			-

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

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 00466[illegible]

G K Agrawal
Partner
Membership No. - [illegible]

Place: Mumbai
Date : 26 April 2018

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Annexure -11

11. Borrowing Ageing
11.1For year ended 31st March 2018

Type of Borrowing	Terms of Loans	Range for rate of interest	ITNL and its subsidiaries			IL&FS Group Companies			Other than IL&FS Companies	Total	Frequency of Repayment
			Parent (i.e. ITNL)	Subsidiaries	Jointly Controlled Entities	Parent (i.e. IL&FS)	Subsidiaries	Jointly Controlled Entities			Monthly / Quarterly / Half Yearly / Yearly / On maturity
Secured :											
Debentures	1-3 years	<= 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	<= 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	> 5 years	<= 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
Sub Debts / Bonds	1-3 years	<= 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	<= 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	> 5 years	<= 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
Term Loans	1-3 years	<= 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%							1,33,33,33,333	1,33,33,33,333	Monthly
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	<= 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%							66,66,66,667	66,66,66,667	Monthly
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	> 5 years	<= 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
Foreign Currency Loan	1-3 years	Eur + 3.25%									
		Euribor + 3.20%									
		LIBOR + 10 bps									
		LIBOR + 60 bps									
		LIBOR+ 400 bps									
		3 M USD LIBOR + 540 bps									
		2MM: 6.628%									
		718K: 6.969%									
		AED 6%									
		Others (Specify)									
	3-5 years	Eur + 3.25%									
		Euribor + 3.20%									
		LIBOR + 10 bps									
		LIBOR + 60 bps									
		LIBOR+ 400 bps									
		3 M USD LIBOR + 540 bps									
		2MM: 6.628%									
		718K: 6.969%									
		AED 6%									
		Others (Specify)									
	> 5 years	Eur + 3.25%									
		Euribor + 3.20%									
		LIBOR + 10 bps									
		LIBOR + 60 bps									
		LIBOR+ 400 bps									
		3 M USD LIBOR + 540 bps									
		2MM: 6.628%									
		718K: 6.969%									
		AED 6%									
		Others (Specify)									
Others (Specify)	1-3 years										
	3-5 years										
	> 5 years										
Total			-	-	-	-	-	-	2,00,00,00,000	2,00,00,00,000	

NEW DELHI
GIANENDER & ASSOCIATES
Chartered Accountants

Unsecured											
Subordinated Debt	1-3 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Others (Specify)									
	3-5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Others (Specify)									
	> 5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%	3,26,44,41,532							3,26,44,41,532	Quarterly
		More than 14%									
		Others (Specify)									
Debentures	1-3 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	> 5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
Bonds	1-3 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	> 5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
Term Loans	1-3 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%								2,10,01,575	On maturity
		11.01% to 14.00%	2,10,01,575						40,50,00,000	40,50,00,000	On maturity
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	> 5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

Foreign Currency Loan	1-3 years	Euribor +3.5%									
		Fixed 6.40%									
		EURIBOR + 137 bps									
		EUR 1 + 3.5%									
		Fixed (4.092%) Variable EUR 1 + 3.5%									
		1st Yr 4.95%, rest EUR +4.50%									
		0 to 24 month 3% / Eur 1Y + 3%									
		EUR + 2.5%									
		Fixed 3.15%									
		Eur 1A+ 2.84%									
		Fixed 75 bps									
		Euribor + 3.2%									
		ICAPEURO + 1.30%									
		Others (Specify)									
	3-5 years	Euribor +3.5%									
		Fixed 6.40%									
		EURIBOR + 137 bps									
		EUR 1 + 3.5%									
		Fixed (4.092%) Variable EUR 1 + 3.5%									
		1st Yr 4.95%, rest EUR +4.50%									
		0 to 24 month 3% / Eur 1Y + 3%									
		EUR + 2.5%									
		Fixed 3.15%									
		Eur 1A+ 2.84%									
		Fixed 75 bps									
		Euribor + 3.2%									
		ICAPEURO + 1.30%									
		Others (Specify)									
	>5 years	Euribor +3.5%									
		Fixed 6.40%									
		EURIBOR + 137 bps									
		EUR 1 + 3.5%									
		Fixed (4.092%) Variable EUR 1 + 3.5%									
		1st Yr 4.95%, rest EUR +4.50%									
		0 to 24 month 3% / Eur 1Y + 3%									
		EUR + 2.5%									
		Fixed 3.15%									
		Eur 1A+ 2.84%									
		Fixed 75 bps									
		Euribor + 3.2%									
		ICAPEURO + 1.30%									
		Others (Specify)									
Inter Corporate Deposits											
Commercial Papers											
Finance Lease Obligations	1-3 years										
	3-5 years										
	>5 years										
Others (Specify)	1-3 years										
	3-5 years										
	>5 years										
Total			3,28,54,43,107	-	-	-	-	-	40,50,00,000	3,69,04,43,107	

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

G K Agarwal
Partner
Membership No. - [illegible]

Place: Mumbai
Date : 26 April 2018

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Annexure -11

11. Borrowing Ageing

11.2For year ended 31st March 2017

Type of Borrowing	Terms of Loans	Range for rate of interest	ITNL and its subsidiaries			IL&FS Group Companies			Other than IL&FS Companies	Total	Frequency of Repayment
			Parent (i.e. ITNL)	Subsidiaries	Jointly Controlled Entities	Parent (i.e. IL&FS)	Subsidiaries	Jointly Controlled Entities			Monthly / Quarterly / Half Yearly / Yearly / On maturity
Secured :											
Debentures	1-3 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	› 5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
Sub Debts / Bonds	1-3 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	› 5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
Term Loans	1-3 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	› 5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
Foreign Currency Loan	1-3 years	Eur + 3.25%									
		Euribor + 3.20%									
		LIBOR + 10 bps									
		LIBOR + 60 bps									
		LIBOR+ 400 bps									
		3 M USD LIBOR + 540 bps									
		2MM: 6.628%									
		718K: 6.969%									
		AED 6%									
		Others (Specify)									
	3-5 years	Eur + 3.25%									
		Euribor + 3.20%									
		LIBOR + 10 bps									
		LIBOR + 60 bps									
		LIBOR+ 400 bps									
		3 M USD LIBOR + 540 bps									
		2MM: 6.628%									
		718K: 6.969%									
		AED 6%									
		Others (Specify)									
	› 5 years	Eur + 3.25%									
		Euribor + 3.20%									
		LIBOR + 10 bps									
		LIBOR + 60 bps									
		LIBOR+ 400 bps									
		3 M USD LIBOR + 540 bps									
		2MM: 6.628%									
		718K: 6.969%									
		AED 6%									
		Others (Specify)									
Others (Specify)	1-3 years										
	3-5 years										
	› 5 years										
Total											

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Unsecured :											
Subordinated Debt	1-3 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Others (Specify)									
	3-5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Others (Specify)									
	› 5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Others (Specify)									
Debentures	1-3 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	› 5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
Bonds	1-3 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
	› 5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		Zero Coupon									
		LIBOR + 10 bps									
		Others (Specify)									
Term Loans	1-3 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	3-5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	› 5 years	< = 7.00 %									
		7.01% to 9.00%									
		9.01% to 11.00%									
		11.01% to 14.00%									
		More than 14%									
		LIBOR + 10 bps									
		Others (Specify)									
	1-3 years	Euribor +3.5%									
		Fixed 6.40%									
		EURIBOR + 137 bps									
		EUR 1 + 3.5%									
		Fixed (4.092%) Variable EUR 1 + 3.5%									
		1st Yr 4.95%, rest EUR +4.50%									
		0 to 24 month 3% / Eur 1Y + 3%									
		EUR + 2.5%									
		Fixed 3.15%									
		Eur 1A+ 2.84%									
		Fixed 75 bps									
		Euribor + 3.2%									
		ICAPEURO + 1.30%									
		Others (Specify)									

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

Foreign Currency Loan	3-5 years	Euribor +3.5%									
		Fixed 6.40%									
		EURIBOR + 137 bps									
		EUR 1 + 3.5%									
		Fixed (4.092%) Variable EUR 1 + 3.5%									
		1st Yr 4,95%, rest EUR +4.50%									
		0 to 24 month 3% / Eur 1Y + 3%									
		EUR + 2.5%									
		Fixed 3.15%									
		Eur 1A+ 2.84%									
		Fixed 75 bps									
		Euribor + 3.2%									
		ICAPEURO + 1.30%									
		Others (Specify)									
	> 5 years	Euribor +3.5%									
		Fixed 6.40%									
		EURIBOR + 137 bps									
		EUR 1 + 3.5%									
		Fixed (4.092%) Variable EUR 1 + 3.5%									
		1st Yr 4,95%, rest EUR +4.50%									
		0 to 24 month 3% / Eur 1Y + 3%									
		EUR + 2.5%									
		Fixed 3.15%									
		Eur 1A+ 2.84%									
		Fixed 75 bps									
		Euribor + 3.2%									
		ICAPEURO + 1.30%									
		Others (Specify)									
Inter Corporate Deposits											
Commercial Papers											
Finance Lease Obligations	1-3 years										
	3-5 years										
	> 5 years										
Others (Specify)	1-3 years										
	3-5 years										
	> 5 years										
Total											

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

NEW DELHI
GIANENDER & ASSOCIATES
Chartered Accountants

G K Agrawal
Partner
Membership No. - 08160

Place: Mumbai
Date : 26 April 2018

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Annexure -11 | Not Applicable

12. Disclosure of Derivative Instruments :

(i) Following are the details of outstanding Derivative Contracts

Fair value hedge

Particulars	March 31, 2018			March 31, 2017		
	Contracts (Nos.)	Notional Amount of c	Fair Value	Contracts (Nos.)	Notional Amount of c	Fair Value
For e.g. Interest Rate Swaps	NIL					

Cash flow hedge

Particulars	March 31, 2018			March 31, 2017		
	Contracts (Nos.)	Notional Amount of c	Fair Value	Contracts (Nos.)	Notional Amount of c	Fair Value
USD*						
Swaps	NIL					
Forward Contract						
EURO*						
Swaps	NIL					
Forward Contract						
Coupon Swaps						

* Currency wise Information needs to be provided

Other than Fair value hedge

Particulars	March 31, 2018			March 31, 2017		
	Contracts (Nos.)	Notional Amount of contracts	Fair Value	Contracts (Nos.)	Notional Amount of contracts	Fair Value
For e.g. Interest Rate Swaps	NIL					

(ii) The Movement in Cash Flow Hedges for the year ended March 31, 2018 is as follows

Particulars	Amount
Opening balance	
Gain / (Loss) recognized during the year	
Amount transferred to statement of profit and loss account under finance charges	
Transfer to Minority	
Closing balance	

(iii) The carrying amounts of foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

I Assets	Foreign Currency	Current Year			Previous Year		
		Exchange Rate	Amount in Foreign Currency	Amount	Exchange Rate	Amount in Foreign Currency	Amount
Receivables (trade and other)		NIL			NIL		
Other Monetary assets (e.g. ICDs/Loans given in FC)							
Total Receivables (A)							
Hedges by derivative and forward contracts (B)							
Unhedged receivables (C=A-B)							

II Liabilities	Foreign Currency	Current Year			Previous Year		
		Exchange Rate	Amount in Foreign Currency	Amount in Rs	Exchange Rate	Amount in Foreign Currency	Amount in Rs
payables (trade and other)		NIL			NIL		
Borrowings (e.g. ECB and others)							
Total Payables (D)							
Hedges by derivative and forward contracts (E)							
Unhedged Payables (F=D-E)							

* in million

III Contingent Liabilities and Commitments	Foreign Currency	Current Year			Previous Year		
		Exchange Rate	Amount in Foreign Currency	Amount in Rs	Exchange Rate	Amount in Foreign Currency	Amount in Rs
Contingent Liabilities							
Commitments							
Total (G)							
Hedges by derivative and forward contracts (H)							
Unhedged Payable (I=G-H)							
Total unhedged FC Exposures (J=C+F+I)							

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 0[illegible]

Place: Mumbai
Date : 26 April 2018

Annexure 12 Not Applicable

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Fair Valuation of Service Concession Arrangement Receivables

	31-Mar-18	31-Mar-19	19-Dec-19
Annuity			
Less			
O&M			
Overlay			
Net Inflow		Not Applicable	
No of days			
31-Mar-17			
Present Value			
Present Value			

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

G K Agrawal
Partner
Membership No. - 081603

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure 12.1

Not Applicable

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Projected operating cash flow-Annuity Projects

		31-Mar-18	31-Mar-19	31-Mar-20
	Annuity	Not Applicable		
	Less			
	O&M			
	Overlay			
	Net Inflow			
	No of days			
7.32%	31-Mar-17			
	Present Value			
	Present Value			

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 13

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Details of Intercompany difference with reason

Name of Company	Name of Related Party (ICP)	Description of Account (Line item of the Financial Statement)	Transaction / Closing Balance Amount			Reason for Difference
			Accounted by Company	Accounted by Related Party	Difference	
NIL						

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Details of ICP Difference on account of Ind AS Adjustments

For ITNL Group Companies

Name of Entity	Gl code as per Hyperion CoA	Gl name as per Hyperion CoA	Name of ICP (related party)	Debit (Rs.)	Credit (Rs.)	Nature of Transactions
FSEL	2040104050	Unsecured Term Loan - Related Party	ITNL	2,96,58,468		Deemed Equity
FSEL	2112000050	Deemed Equity	ITNL		2,96,58,468	
FSEL	2050304020	Interest accrued and due on borrowings - Related party	ITNL	28,40,281		Deemed Equity
FSEL	3030101010	Construction Contract Cost	ITNL		28,40,281	

For ILFS Group Companies

Name of Entity	Gl code as per Hyperion CoA	Gl name as per Hyperion CoA	Name of ICP (related party)	Debit (Rs.)	Credit (Rs.)	Nature of Transactions
			NIL			

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 15

FAGNE SONGADH EXPRESSWAY LIMITED

Audit for the year ended March 31, 2018

Not Applicable

Movement of Prepaid / Unamortised Expenses of Inter-Company Balances

Company Name - Amortising Expenses	Corresponding Company - recognising income - Specify Nature of Income	Year	Account Code and Head	Balance as at March 31, 2017	Transfer to Expense (Specify nature of expense)	Transfer to Fixed Assets	Charged to Reserves (Specify reserve)	Addition During the period	Transfer from Non-current to current	FCTR Difference	Balance as on March 31, 2018
NIL											

For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

G K Agrawal
Partner
Membership No. 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 16

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Not Applicable

Impact as per Ind AS 115

Name of Entity	Line item as per Financials	Impact (Rs.) (ITNL and Subsidiaries)	Impact (Rs.) (Other Entities)
	NIL		

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Annexure - 17

Movement in borrowings

Rs.

	Opening Balance (as on 31st March 2017)	Additions	Repayments	Assignments	Foreign Exchange movement	EIR impact	Unamortised Borrowing cost	Closing balance (as on 31st March 2018)
Secured – at amortised cost								
(i) Bonds / debentures								
- from ITNL and Subsidiaries								0
- from other related parties								0
- from other parties								0
(ii)Term loans								
- from banks								0
- from financial institutions		2,00,00,00,000					(1,17,80,322)	1,98,82,19,678
- from ITNL and Subsidiaries								-
- from other related parties								-
- from other parties								0
(iii) Deposits								0
(v) Long term maturities of finance lease obligations								0
(iii) Other loans								
-Redeemable preference share capital								0
-Secured Deferred Payment Liabilities								0
Unsecured – at amortised cost								
(i) Bonds / debentures								
- from ITNL and Subsidiaries								
- from other related parties								0
- from other parties								0
(ii)Term loans								
- from banks								0
- from financial institutions								0
- from ITNL and Subsidiaries		3,28,54,43,107						3,28,54,43,107
- from other related parties		40,50,00,000						40,50,00,000
- from other parties								0
(iii) Deposits								0
(iii) Finance lease obligations								0
(iv) Commercial paper								0
Unexpired discount								0
(v) Other loans								
-Redeemable preference share capital								0
Sub total (A)	-	5,69,04,43,107	-	-	-	-	(1,17,80,322)	5,67,86,62,785

	Opening Balance (as on 31st March 2017)	Closing balance (as on 31st March 2018)
Secured – at amortised cost		
-Demand loans from banks (do not give movement)		
Unsecured – at amortised cost		
-Demand loans from banks (do not give movement)		0
Sub total (B)	-	
Total Borrowings (A-B)	-	5,67,86,62,785

	Opening Balance (as on 31st March 2017)	Closing balance (as on 31st March 2018)
Borrowings as per Financials		
Long term Borrowings		5,65,76,61,210
Current maturities of long-term debt		
Current maturities of finance lease obligations		
Short term borrowings		2,10,01,575
Total	-	5,67,86,62,785

	Opening Balance (as on 31st March 2017)	Closing balance (as on 31st March 2018)
Check - to be zero	-	-

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES Chartered Accountants NEW DELHI

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 18
Part -1

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

List of Consolidating Entities
(All the Companies submitting Consolidated Accounts needs to submit detail list of consolidated entities)

Sr. No.	Name of the Company	Country of Incorporation	March 31, 2018		Reason for non consolidated for March 31, 2018	March 31, 2017
			% Holding	Consolidated Yes/No		% Holding
	Subsidiaries - Direct					
1						
2						
3						
4						
	Subsidiaries - Indirect					
1						
2						
3						
4						
	Jointly Controlled Entities					
1						
2						
3						
4						
	Associates					
1						
2						
3						
4						
	Jointly Controlled Operations					
1						
2						
3						
4						

NOT APPLICABLE

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

G K Agrawal
Partner
Membership No. - 081603

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 18
Part -2

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Minority Interest (Non-controlling interests)

Not Applicable

Minority Interest (Non-controlling interests)	Company 1	Company 2	Total
Balances as of April 1, 2015			
Share Capital			-
Share of Minority in Opening P&L Account			-
Share in Other Reserves Opening			-
Total Opening Minority Interest (Non-controlling interests)	-	-	-
Movement			
Share Capital			-
Share of Minority in Current Period's Profits *			-
Effects of foreign currency translation			-
Share Minority in Movement in Other Reserves			-
Dividend Paid to Minority			-
Other Adjustments**			-
1			-
2			-
3			-
4			-
Total Movement in Minority (Non-controlling interests)	-	-	-
Closing Minority Interest (Non-controlling interests) as of March 31, 2017***	-	-	-

* Total of this should tally with Share of Minority in Current period's Profits in the Statement of Profit & Loss.

*** Explain the nature of "Other Adjustments"

*** Total of this should tally with Minority Interest in Balance Sheet

Minority Interest (Non-controlling interests)	Company 1	Company 2	Total
Balances as of April 1, 2017			
Share Capital			-
Share of Minority in Opening P&L Account			-
Share in Other Reserves Opening			-
Total Opening Minority Interest (Non-controlling interests)	-	-	-
Movement			
Share Capital			-
Share of Minority in Current Period's Profits *			-
Effects of foreign currency translation			-
Share Minority in Movement in Other Reserves			-
Dividend Paid to Minority			-
Other Adjustments**			-
1			-
2			-
3			-
4			-
Total Movement in Minority (Non-controlling interests)	-	-	-
Closing Minority Interest (Non-controlling interests) as of March 31, 2018***	-	-	-

* Total of this should tally with Share of Minority in Current period's Profits in the Statement of Profit & Loss.

*** Explain the nature of "Other Adjustments"

*** Total of this should tally with Minority Interest in Balance Sheet

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 18
Part -3

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Investment in Associates

Not Applicable

Name of the Associate	Company 1	Company 2	Total
Balances as of April 1, 2016			
Initial Investment			-
Goodwill on Consolidation of Associates			-
Capital Reserve on Consolidation of Associates			-
Post Acquisition Share of Cash flow hedge reserve			-
Post Acquisition Share of Profits			-
Post Acquisition Share of Other Reserves (Other than Cash flow hedge reserve)			-
Post-acquisition Goodwill write off			-
Post-acquisition Goodwill amortization			-
Others (give break-up)			-
Total Opening Investment in Associate	-	-	-
Movement			
Initial Investment			-
Goodwill on Consolidation of Associates			-
Capital Reserve on Consolidation of Associates			-
Current period Share of Cash flow hedge reserve			-
Current period Share of Profit of Associate			-
Effects of foreign currency translation			-
Current period's Movement in Other Reserves (Other Cash flow hedge reserve)			-
Post-acquisition Goodwill write off			-
Post-acquisition Goodwill amortization			-
Others (give break-up)			-
Total Movement for Investment in Associate	-	-	-
Closing Investment in Associate as of March 31, 2017***	-	-	-

*** The Total carrying value of Investment in Associates needs to be matched with Investment in Associates on Assets side in Balance Sheet

Name of the Associate	Company 1	Company 2	Total
Balances as of April 1, 2017			
Initial Investment			-
Goodwill on Consolidation of Associates			-
Capital Reserve on Consolidation of Associates			-
Post Acquisition Share of Cash flow hedge reserve			-
Post Acquisition Share of Profits			-
Post Acquisition Share of Other Reserves (Other than Cash flow hedge reserve)			-
Post-acquisition Goodwill write off			-
Post-acquisition Goodwill amortization			-
Others (give break-up)			-
Total Opening Investment in Associate	-	-	-
Movement			
Initial Investment			-
Goodwill on Consolidation of Associates			-
Capital Reserve on Consolidation of Associates			-
Current period Share of Cash flow hedge reserve			-
Current period Share of Profit of Associate			-
Effects of foreign currency translation			-
Current period's Movement in Other Reserves (Other Cash flow hedge reserve)			-
Post-acquisition Goodwill write off			-
Post-acquisition Goodwill amortization			-
Others (give break-up)			-
Total Movement for Investment in Associate	-	-	-
Closing Investment in Associate as of March 31, 2018***	-	-	-

*** The Total carrying value of Investment in Associates needs to be matched with Investment in Associates on Assets side in Balance Sheet

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 18
Part 4

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Format for Disclosure of Share of Joint Ventures in notes to accounts **Not Applicable**

Name of the Joint Ventures	Company 1	Company 2	Total
Balances as of April 1, 2016			
Initial Investment			-
Goodwill on Consolidation of Joint Ventures			-
Capital Reserve on Consolidation of Joint Ventures			-
Post Acquisition Share of Cash flow hedge reserve			-
Post Acquisition Share of Profits			-
Post Acquisition Share of Other Reserves (Other than Cash flow hedge reserve)			-
Post-acquisition Goodwill write off			-
Post-acquisition Goodwill amortization			-
Others (give break-up)			-
Total Opening Investment in Joint Ventures	-	-	-
Movement			
Initial Investment			-
Goodwill on Consolidation of Joint Ventures			-
Capital Reserve on Consolidation of Joint Ventures			-
Current period Share of Cash flow hedge reserve			-
Current period Share of Profit of Joint Ventures			-
Effects of foreign currency translation			-
Current period's Movement in Other Reserves (Other Cash flow hedge reserve)			-
Post-acquisition Goodwill write off			-
Post-acquisition Goodwill amortization			-
Others (give break-up)			-
Total Movement for Investment in Joint Ventures	-	-	-
Closing Investment in Associate as of March 31, 2017***	-	-	-

*** The Total carrying value of Investment in Joint Ventures needs to be matched with Investment in Joint Ventures on Assets side in Balance Sheet

Name of the Joint Ventures	Company 1	Company 2	Total
Balances as of April 1, 2017			
Initial Investment			-
Goodwill on Consolidation of Joint Ventures			-
Capital Reserve on Consolidation of Joint Ventures			-
Post Acquisition Share of Cash flow hedge reserve			-
Post Acquisition Share of Profits			-
Post Acquisition Share of Other Reserves (Other than Cash flow hedge reserve)			-
Post-acquisition Goodwill write off			-
Post-acquisition Goodwill amortization			-
Others (give break-up)			-
Total Opening Investment in Joint Ventures	-	-	-
Movement			
Initial Investment			-
Goodwill on Consolidation of Joint Ventures			-
Capital Reserve on Consolidation of Joint Ventures			-
Current period Share of Cash flow hedge reserve			-
Current period Share of Profit of Joint Ventures			-
Effects of foreign currency translation			-
Current period's Movement in Other Reserves (Other Cash flow hedge reserve)			-
Post-acquisition Goodwill write off			-
Post-acquisition Goodwill amortization			-
Others (give break-up)			-
Total Movement for Investment in Joint Ventures	-	-	-
Closing Investment in Associate as of March 31, 2018***	-	-	-

*** The Total carrying value of Investment in Joint Ventures needs to be matched with Investment in Joint Ventures on Assets side in Balance Sheet

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 18
Part -5

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Not Applicable

The financial position and results of the Companies which became subsidiaries / ceased to be subsidiary during the year ended March 31, 2018

(a) Company became subsidiary during the year:

Financial Position as at March 31, 2018 (After Eliminations and Consolidation adjustments)

	Company 1	Company 2	Total
			-
ASSETS			-
			-
Non-current Assets			-
(a) Property, plant and equipment			-
(b) Capital work-in-progress			-
(c) Investment property			-
(d) Intangible assets			-
(i) Goodwill			-
(ii) under SCA			-
(iii) others			-
(iv) Intangible assets under development			-
(e) Financial assets			-
(i) Investments			-
a) Investments in associates			-
b) Investments in joint ventures			-
c) Other investments			-
(ii) Trade receivables			-
(iii) Loans			-
(iv) Other financial assets			-
(f) Tax assets			-
(i) Deferred Tax Asset (net)			-
(ii) Current Tax Asset (Net)			-
(g) Other non-current assets			-
Total Non-current Assets			-
			-
Current Assets			-
(a) Inventories			-
(b) Financial assets			-
(i) Investments			-
(ii)Trade receivables			-
(iii) Cash and cash equivalents			-
(iv) Bank balances other than (iii) above			-
(v) Loans			-
(vi) Other financial assets			-
(c) Current tax assets (Net)			-
(d) Other current assets			-
Assets classified as held for sale			-
Total Current Assets			-
			-
			-
Total Assets	-	-	-
			-
EQUITY AND LIABILITIES			-
			-
Equity			-
(a) Equity share capital			-
(b) Other Equity			-
Equity attributable to owners of the Company			-
			-
Non-controlling Interests			-
			-
Total Equity			-
			-
LIABILITIES			-
Non-current Liabilities			-
(a) Financial Liabilities			-
(i) Borrowings			-
(ii) Trade payables			-
(iii) Other financial liabilities			-
(b) Provisions			-
(c) Deferred tax liabilities (Net)			-
(d) Other non-current liabilities			-
Total Non-current Liabilities			-
			-
Current liabilities			-
(a) Financial liabilities			-
(i) Borrowings			-
(ii) Trade payables			-
(iii) Current matuities of long term debt			-
(iv) Other financial liabilities			-
(b) Provisions			-
(c) Current tax liabilities (Net)			-
(d) Other current liabilities			-
Liabilities directly associated with assets classified as held for sale			-
Total Current Liabilities			-
			-
Total Liabilities			-
			-
Total Equity and Liabilities	-	-	-

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

(b) Financial Results for the period from the date Company became Subsidiary till March 31, 2018 (After Eliminations and Consolidation adjustments)

	Company 1	Company 2	Total
	for the period from the date Company became Subsidiary till March 31, 2018	for the period from the date Company became Subsidiary till March 31, 2018	for the period from the date Company became Subsidiary till March 31, 2018
Income			
Revenue from Operations			
Other income			-
			-
Total Income	-	-	-
			-
Expenses			-
Cost of Material consumed			-
Operating expenses			-
Employee benefits expense			-
Finance costs			-
Depreciation and amortisation expense			-
Impairment loss on financial assets			-
Reversal of impairment on financial assets			-
Other expenses			-
			-
Total expenses	-	-	-
			-
Add: Share of profit/(loss) of associates			-
			-
Add: Share of profit/(loss) of joint ventures			-
			-
Profit before exceptional items and tax	-	-	-
Add: Exceptional items			-
Profit before tax	-	-	-
			-
Less: Tax expense			-
(1) Current tax			-
(2) Deferred tax			-
	-	-	-
Profit for the period from continuing operations (I)	-	-	-
Profit from discontinued operations before tax			-
Tax expense of discontinued operations	-	-	-
Profit from discontinued operations (after tax) (II)	-	-	-
			-
Profit for the period (III=I+II)	-	-	-
			-
			-
			-
Other Comprehensive Income			-
A (i) Items that will not be reclassified to profit or loss			-
(a) Changes in revaluation surplus			-
(b) Remeasurements of the defined benefit plans			-
(c) Equity instruments through other comprehensive income			-
(d) Others (specify nature)			-
(e) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss			-
	-	-	-
A (ii) Income tax relating to items that will not be reclassified to profit or loss			-
			-
B (i) Items that may be reclassified to profit or loss			-
(a) Exchange differences in translating the financial statements of foreign operations including the gain / loss on related hedging instrument			-
(b) Debt instruments through other comprehensive income			-
(c) Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge			-
(d) Others (specify nature)			-
(e) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss			-
	-	-	-
B (ii) Income tax relating to items that may be reclassified to profit or loss			-
			-
Total other comprehensive Income (IV=A (i-ii)+B(i-ii))	-	-	-
			-
Total comprehensive income for the period (III+IV)	-	-	-
			-
Profit for the period attributable to:			-
- Owners of the Company			-
- Non-controlling interests			-
	-	-	-
			-
Other comprehensive income for the period attributable to:			-
- Owners of the Company			-
- Non-controlling interests			-
	-	-	-
			-
Total comprehensive income for the period attributable to:			-
- Owners of the Company			-
- Non-controlling interests			-
	-	-	-

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

(c) Companies ceases to be subsidiary during the year:

Financial Position as at date of cessation (After Eliminations and Consolidation adjustments)

	Company 1	Company 2	Total
			-
ASSETS			-
			-
Non-current Assets			-
(a) Property, plant and equipment			-
(b) Capital work-in-progress			-
(c) Investment property			-
(d) Intangible assets			-
(i) Goodwill			-
(ii) under SCA			-
(iii) others			-
(iv) Intangible assets under development			-
(e) Financial assets			-
(i) Investments			-
a) Investments in associates			-
b) Investments in joint ventures			-
c) Other investments			-
(ii) Trade receivables			-
(iii) Loans			-
(iv) Other financial assets			-
(f) Tax assets			-
(i) Deferred Tax Asset (net)			-
(ii) Current Tax Asset (Net)			-
(g) Other non-current assets			-
Total Non-current Assets			-
			-
Current Assets			-
(a) Inventories			-
(b) Financial assets			-
(i) Investments			-
(ii)Trade receivables			-
(iii) Cash and cash equivalents			-
(iv) Bank balances other than (iii) above			-
(v) Loans			-
(vi) Other financial assets			-
(c) Current tax assets (Net)			-
(d) Other current assets			-
Assets classified as held for sale			-
Total Current Assets			-
			-
			-
Total Assets	-	-	-
			-
EQUITY AND LIABILITIES			-
			-
Equity			-
(a) Equity share capital			-
(b) Other Equity			-
Equity attributable to owners of the Company			-
			-
Non-controlling Interests			-
			-
Total Equity			-
			-
LIABILITIES			-
Non-current Liabilities			-
(a) Financial Liabilities			-
(i) Borrowings			-
(ii) Trade payables			-
(iii) Other financial liabilities			-
(b) Provisions			-
(c) Deferred tax liabilities (Net)			-
(d) Other non-current liabilities			-
Total Non-current Liabilities			-
			-
Current liabilities			-
(a) Financial liabilities			-
(i) Borrowings			-
(ii) Trade payables			-
(iii) Current matutities of long term debt			-
(iv) Other financial liabilities			-
(b) Provisions.			-
(c) Current tax liabilities (Net)			-
(d) Other current liabilities			-
Liabilities directly associated with assets classified as held for sale			-
Total Current Liabilities			-
			-
Total Liabilities			-
			-
Total Equity and Liabilities	-	-	-

GIANENDER & ASSOCIATES
NEW DELHI
Chartered Accountants

(d) Financial Results for the period from April 1, 2017 up to the date of cessation (After Eliminations and Consolidation adjustments)

	Company 1	Company 2	Total
	for the period from April 1, 2016 upto the date of cessation	for the period from April 1, 2016 upto the date of cessation	for the period from April 1, 2016 upto the date of cessation
Income			
Revenue from Operations			
Other income			-
			-
Total Income	-	-	-
			-
Expenses			-
Cost of Material consumed			-
Operating expenses			-
Employee benefits expense			-
Finance costs			-
Depreciation and amortisation expense			-
Impairment loss on financial assets			-
Reversal of impairment on financial assets			-
Other expenses			-
			-
Total expenses	-	-	-
			-
Add: Share of profit/(loss) of associates			-
			-
Add: Share of profit/(loss) of joint ventures			-
			-
Profit before exceptional items and tax	-	-	-
Add: Exceptional items			-
Profit before tax	-	-	-
			-
Less: Tax expense			-
(1) Current tax			-
(2) Deferred tax			-
	-	-	-
Profit for the period from continuing operations (I)	-	-	-
Profit from discontinued operations before tax			-
Tax expense of discontinued operations	-	-	-
Profit from discontinued operations (after tax) (II)	-	-	-
			-
Profit for the period (III=I+II)	-	-	-
			-
			-
			-
Other Comprehensive Income			-
A (i) Items that will not be reclassified to profit or loss			-
(a) Changes in revaluation surplus			-
(b) Remeasurements of the defined benefit plans			-
(c) Equity instruments through other comprehensive income			-
(d) Others (specify nature)			-
(e) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss			-
	-	-	-
A (ii) Income tax relating to items that will not be reclassified to profit or loss			-
			-
B (i) Items that may be reclassified to profit or loss			-
(a) Exchange differences in translating the financial statements of foreign operations including the gain / loss on related hedging instrument			-
(b) Debt instruments through other comprehensive income			-
(c) Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge			-
(d) Others (specify nature)			-
(e) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss			-
	-	-	-
B (ii) Income tax relating to items that may be reclassified to profit or loss			-
			-
Total other comprehensive income (IV=A (i-ii)+B(i-ii))	-	-	-
			-
Total comprehensive income for the period (III+IV)	-	-	-
			-
Profit for the period attributable to:			-
- Owners of the Company			-
- Non-controlling interests			-
	-	-	-
			-
Other comprehensive income for the period attributable to:			-
- Owners of the Company			-
- Non-controlling interests			-
	-	-	-
			-
Total comprehensive income for the period attributable to:			-
- Owners of the Company			-
- Non-controlling interests			-
	-	-	-

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 18
Part -6

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Statement containing salient features of the Financial Statements of Subsidiaries / Associate Companies / Joint Ventures (pursuant to Section 129 (3) of the Companies Act, 2013)

Not Applicable

Part A :

Statement related to Parent and Subsidiries Company (Before any eliminations and consolidated adjustments)

Amount in million

Sr. No.	Name of Entities	Country of incorporation	Reporting Period	Reporting Currency	Share Capital	Reserve and Surplus	Total Assets	Total Liabilities (Other than shareholder's funds)	Investment	Turnover / Total Revenue	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend
1	Elsamex SA	Spain	06-03-2018	Euro										
	Subsidiaries: (Give details of all subsidiaries - Direct or Indirect)													
1														
2														
3														
4														
5														

Checkpoint - Should be zero

Additional information :
1 Names of subsidiaries which are yet to commence operations :
a
b
c

2 Names of subsidiaries which have been liquidated or sold during the year :
a
b
c

Part B :

Statement related to Associate Companies and Joint Ventures

Sr No	Name of Associates/Joint Ventures	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/joint venture is not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
			Numbers	Amount of Investment in Associates/Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
	Joint Ventures: (Give details of all Joint Ventures)									
1										
2										
3										
4										
5										
	Associates: (Give details of all Associates)									
1										
2										
3										
4										
5										

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES Chartered Accountants NEW DELHI

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018

Annexure - 18
Part -7

FAGNE SONGADH EXPRESSWAY LIMITED
Audit for the year ended March 31, 2018

Not Applicable

Additional Disclosure as per Schedule III of the Companies Act, 2013 related to Consolidated Financial Statements (CFS)

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount in millions	As % of consolidated profit or loss	Amount in millions
1	2	3	4	5
Parent				
Subsidiaries				
Indian				
ABC				
XYZ				
Foreign				
1				
2				
3				
.				
Minority Interest in all subsidiaries				
ABC				
XYZ				
Associates (Investment as per the equity method) (Refer Note 1)				
Indian				
DEF				
JKL				
Foreign				
1				
2				
Joint Ventures				
(as per proportionate consolidation/ investment as per the equity method)				
Indian				
MNO				
.				
.				
Foreign				
1				
2				
3				

Note : (1) Company wise details of Investment in Associate needs to be updated

In terms of our clearance memorandum attached
For Gianender & Associates
Chartered Accountants
Firm Regn. No. 004661N

GIANENDER & ASSOCIATES NEW DELHI Chartered Accountants

G K Agrawal
Partner
Membership No. - 081603

Place: Mumbai
Date : 26 April 2018

For Fagne Songadh Expressway Limited

CFO / Authorised signatory

Place: Mumbai
Date : 26 April 2018