Special Purpose Financial Statements
ITNL Africa Projects Ltd.
Balance sheet as at March 31, 2018

Equivalent ₹

Particulars	Notes	As at March 31, 2018		As at March 31, 2017	
ASSETS					
1) Non-current Assets					
(a) Property, plant and equipments	**5**		-		
(b) Financial assets					
Other financial assets			-		-
Total Non-current Assets			**-**		**-**
2) Current Assets					
(a) Financial assets					
(i) Other Financial Assets	**6**	-	88,866	-	103,943
(ii) Cash and cash equivalents	**7**		11,071,884		16,100,934
Total Current Assets			**11,160,750**		**16,204,877**
Total Assets			**11,160,750**		**16,204,877**
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	**9**	146,788,481		146,788,480	
(b) Other Equity	**10**	(170,659,236)		(168,580,065)	
Equity attributable to owners of the Company			**(23,870,755)**		**(21,791,585)**
Total Equity			**(23,870,755)**		**(21,791,585)**
LIABILITIES					
Non-current liabilities			**-**		**-**
Current liabilities					
(a) Financial liabilities					
Trade payables	**12**	34,078,261		36,972,122	
			34,078,261		36,972,123
(b) Other current liabilities	**11**		953,245		1,024,339
Total Current Liabilities			**35,031,506**		**37,996,462**
Total Liabilities			**35,031,506**		**37,996,462**
Total Equity and Liabilities			**11,160,750**		**16,204,877**

Notes 1 to 24 forms part of the special purpose financial statements.

For SBRC & CO LLP
Chartered Accountants
ICAI Firm's Registration no. 324982E/E300003

Per Nishant Mankodi
Partner
Membership No.

Place : Mumbai
Date :

For and on behalf of the Board

Director Director

Place: Dubai
Date :

Special Purpose Financial Statements
ITNL Africa Projects Ltd.
Statement of profit and loss

Equivalent ₹

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
(i) Revenue from Operations		-	-
(ii) Other income	**14**	-	-
Total Income		**-**	**-**
(iii) Expenses			
Depreciation and amortisation expense	**15**	-	899,672
Other expenses	**16**	15,195,910	8,525,268
Total expenses		**15,195,910**	**9,424,940**
Profit/ (Loss) for the year (i-iii)		**(15,195,910)**	**(9,424,940)**
Other comprehensive income			
(i) Items that may be reclassified to profit or loss		13,116,738	-
Exchange differences in translating the financial statements of foreign operations including the gain / loss on related hedging instrument			
Total other comprehensive profit/ (loss)		**13,116,738**	**-**
Total comprehensive profit/ (loss) for the year		**(2,079,171)**	**(9,424,940)**
Loss for the year attributable to:		(15,195,910)	(9,424,940)
		(15,195,910)	(9,424,940)
Other comprehensive income for the year attributable to:		13,116,738	-
		13,116,738	-
Total comprehensive Profit/ (loss) for the year attributable to:		(2,079,171)	(9,424,940)
		(2,079,171)	(9,424,940)
Profit/(Loss) per equity share (Face Value: Naira 1 Per share)	**17**		
Basic and Diluted (in Rs.)		(0.03)	(0.02)

Notes 1 to 24 forms part of the special purpose financial statements.

For SBRC & CO LLP
Chartered Accountants
ICAI Firm's Registration no. 324982E/E300003

For and on behalf of the Board

Per Nishant Mankodi
Partner
Membership No.

Director Director

Place : Mumbai
Date :

Place: Dubai
Date :

Special Purpose Financial Statements
ITNL Africa Projects Ltd.
Statement of cash flows

Equivalent ₹

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Cash flows from operating activities			
Loss for the year		(15,195,910)	(9,424,940)
Adjustments for:			
Investment income recognised in profit or loss		-	986,711
Depreciation and amortisation		-	899,672
		(15,195,909)	**(7,538,557)**
Movements in working capital:			
(Increase) / Decrease in other non - current financial assets & other current assets		15,078	67,344
Increase in payables and other current liabilities		10,151,781	(6,768,962)
		10,166,859	**(6,701,618)**
Cash generated from / used in operations		**(5,029,050)**	**(14,240,175)**
Income taxes paid		-	-
Net cash used in operating activities		**(5,029,050)**	**(14,240,175)**
Cash flows from investing activities			
Proceeds on sale of property, plant and equipmentsfinancial assets		-	1,801,916
Net cash generated by investing activities		**-**	**1,801,916**
Cash flows from financing activities			
Proceeds from issue of equity instruments of the Company		-	-
Interest paid (Finance cost paid)		-	-
Net (used in)/ generated in financing activities		**-**	**-**
Net (decrease) in cash and cash equivalents		**(5,029,050)**	**(12,438,259)**
Cash and cash equivalents at the beginning of the year		16,100,934	28,539,193
Cash and cash equivalents at the end of the year		**11,071,884**	**16,100,934**

Components of Cash and Cash Equivalents			
Cash on hand		1,768	2,068
Balances with Banks in current accounts		11,070,117	16,098,866
Cash and Cash Equivalents as per Balance Sheet		**11,071,884**	**16,100,934**

Notes 1 to 24 forms part of the special purpose financial statements.

For SBRC & CO LLP
Chartered Accountants
ICAI Firm's Registration no. 324982E/E300003

For and on behalf of the Board

Per Nishant Mankodi
Partner
Membership No.

Director Director

Place : Mumbai
Date :

Place: Dubai
Date :

Special Purpose Financial Statements
ITNL Africa Projects Ltd.
Statement of changes in equity for the year ended March 31, 2018

Equivalent ₹

a. Equity share capital	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
Balance as at the beginning of the year	**146,788,480**	**146,788,480**
Changes in equity share capital during the year	-	-
Balance as at end of the year	146,788,480	146,788,480

Equivalent ₹

b. Other equity	Reserves and surplus		Items of other comprehensive income		
	Retained earnings	Total	Foreign currency translation reserve	Total	Total
Balance as at April 1, 2016	**(168,453,826)**	(168,453,826) -	**9,298,701**	9,298,701	(159,155,125)
Loss for the year	(9,424,940)	(9,424,940)	-	-	(9,424,940)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	**(9,424,940)**	**(9,424,940)**	**-**	-	**(9,424,940)**
Balance as at March 31, 2017	**(177,878,766)**	**(177,878,766)**	**9,298,701**	**9,298,701**	**(168,580,065)**
Loss for the year	(15,195,910)	(15,195,910)	-	-	(15,195,910)
Other comprehensive income	22,415,439	-	13,116,738	13,116,738	13,116,738
Total comprehensive loss for the year	**7,219,530**	**(15,195,910)**	**13,116,738**	**13,116,738**	**(2,079,171)**
Balance as at March 31, 2018	**(170,659,236)**	**(193,074,676)**	**22,415,439**	**22,415,439**	**(170,659,236)**

Notes 1 to 24 forms part of the special purpose financial statements.

For SBRC & CO LLP
Chartered Accountants
ICAI Firm's Registration no. 324982E/E300003

Per Nishant Mankodi
Partner
Membership No.

Place : Mumbai
Date :

For and on behalf of the Board

Director Director

Place: Dubai
Date

General Information & Significant Accounting Policies

1. General information

ITNL Africa Projects Ltd. was incorporated on October 3, 2012 as a limited liability company in the Federal Republic of Nigeria. The object of incorporating this Company is to source infrastructure business in the African countries. The source of income will be in the form of project management consultancy services, success fees, construction etc from various Projects.

The subscribed share capital of the Company is Naira 434.80 Million and is held 99.50% by ITNL International Pte Ltd. based in Singapore which is the wholly owned subsidiary of IL&FS Transportation Networks Limited ("ITNL"). and 0.50% by ITNL.

IAPL has been pursuing for a road project with the Government of Nigeria and the proposal is still under consideration with the Government of Nigeria. The project is moving slow because of the following reasons:-
(a) The Change in Government of Nigeria.
(b) Drop in Global crude oil prices
This has slowed down the infrastructure projects implementation in Nigeria and the project in ppp route also. However, Government of Nigeria is making necessary strides to keep the project alive. Nigeria's infrastructure bank has raised $274MM for Lagos -Ibadan carriageway rehabilitation ,to keep the momentum in infra projects.
During the year ended March 31, 2018, the Company has incurred losses aggregating Equivalent ₹ 15,195,910, resulting in accumulated losses of Equivalent ₹ 183,775,974 as on March 31, 2018. In spite of these accumulated losses eroding the net worth fully, the special purpose financial statements have been prepared on going concern basis due to the following reasons:

(i) The Company is assured of continuing operational and financial support from its intermediate Holding Company vide its letter dated May 02, 2018 which is effective for the period of 12 months.

(ii) The Company is bidding for Ilorin kaduna road and has submitted outline business case to Federal Ministry of Work ,Government of Nigeria ("GON"). The Federal ministry of work has issued no objection letter for further progress on procurement phase activity, however no further communication is received from GON and the project is still pending approval under procurement stage. Further, the Company has been assured by the the GON, that it will not accept any unsolicited proposal from any other bidder for the project until further processing of the project. Proponent's proposal through Swiss Challenge Process is completed vide letter dated April 03, 2014 reference no PPPDEPT/138/VOL.I/162

(iii) Accordingly the Management of the Company has decided to wait till further communication from GON and to undertake following austerity measure with the board consent:
- Control over the operational and general office expenses in the Company
- Travel Expenses to be reduced to bare minimum

Once the communication is received , the Company will resume to normal activities and till such period it has been decided to carry on the business with austerity measures in place. Government of Nigeria is recovering from the fall in oil prices and is expected to communicate the same shortly.

(iv) The proposed project is 480 Km in Length. It Connects 3 States in Nigeria – Kwara, Niger and Kaduna and Stretches from Illorin to Kaduna through 7 Major Road Segments. It is proposed to complete the project in 2 phases. Phase I consists of 2 Laning of 91 km from Illorin to Jebab Bridge, 4 Laning of 49 Kms from Jebba Bridge to Bidda Junction and Refurbishment of 340 Kms from Bidda Junction to Kaduna. Phase I is to be completed in 30 months from achieving financial closure. Phase II consists of 2 Laning of 340 Kms from Bidda Junction to Kaduna. Phase II is to be started 12 Months after COD of Phase I and to be completed in 36 months from the financial closure of phase II. The Total Project Cost Expected is Nigerian 471 billion and of the various option of funding, it is recommended to fund the project with 35 % of vgf and through partial annuity.

2. Significant accounting policies

2.1 Statement of compliance

The primary books of account of the Company are prepared and maintained as per the Local GAAP. These Special Purpose financial Statements have been specifically prepared in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standard (INDAS) prescribed under Section 133 of the Act, as applicable. The accounting policies followed in the preparation and presentation of the Special Purpose Financial Statements are consistent with those followed by IL&FS Transportation Networks Limited ("ITNL") (the Intermediate Holding Company) i.e. the accounting principles generally accepted in India and also the accounting policies given in the Group Referral Instructions issued by ITNL. The functional currency of the company is considered as INR for the purpose of consolidation of the Parent Company, ITNL.

These special purpose financial statements have been prepared for the limited purpose of inclusion in the preparation of the consolidated financial statements of ITNL and these special purpose financial statements have been prepared in Indian Rupees (Reporting Currency) in accordance with the principles for conversion laid down in INDAS -21 notified under the Rules.

2.2 Basis of preparation and presentation

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 inputs are unobservable inputs for the asset or liability.

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

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

All other assets are classified as non-current.

Similarly, a liability is classified as current if:
· It is expected to be settled in the normal operating cycle; or
· It is held primarily for the purpose of trading; or
· It is due to be settled within 12 months after the reporting period; or
· The Company does not have an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

2.3 Foreign currencies

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

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

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

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

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

2.4 Employee benefits

2.4.1 Retirement benefit costs and termination benefits

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

2.4.2 Short-term and other long-term employee benefits

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

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

2.4.3 Revenue Recognition

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

2.4.3.1 Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

2.4.3.2 Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVOCI criteria based on the facts and circumstances that existed as of the transition date.

2.4.3.3 Cumulative translation differences on foreign operations

The Company has elected the option to reset the cumulative translation differences on foreign operations that exist as of the transition date to zero. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date
The Company's service offering includes management services. Revenue is recognised when it is realised or realisable and earned. Revenue is considered as realised or realisable and earned when it has persuasive evidence of an arrangement, services provided, the sale price / contract price is fixed or determinable and collectability is reasonably assured.

2.5 Property, plant and equipment

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

a. Tangible:
Property, plant and equipments are stated at their original cost of construction less accumulated depreciation and impairment losses, if any.
The acquisition cost includes the purchase price (excluding refundable taxes) and expenses such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the location and in working condition for its intended use.

d. Depreciation / Amortisation

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

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

1. Data Processing Equipment – Server and Networking equipment are depreciated over a period of 3 years
2. Mobile Phones and Ipad / Tablets are fully depreciated in the year of purchase
3. Cars purchased by the company for employees, are depreciated on Straight Line Method over a period of Five years
4. Office Premises is depreciated over a period of 61 years
5. Office furniture is depreciated over a period of 10 years
6. Office equipment is depreciated over a period of 5 years

2.6 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).
When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.7 Financial instruments

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

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

2.8 Financial assets

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

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

2.9.1 Classification of financial assets

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

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

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

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

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

2.11 Financial liabilities and equity instruments

2.11.1 Classification as debt or equity

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

2.11.2 Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method as per Ind AS 109.
Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

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

2.12 Use of estimates and judgements

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

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

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

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

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

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

Derecognition of financial liabilities

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

3. First-time adoption optional exemptions

3.1 Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

3.1.1 Deemed cost for property, plant and equipment, investment properties, and intangible assets

(i) For other than SCA assets, [the Group] the Company has elected to continue with the carrying value of all of its plant and equipment, investment properties, and intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.
(ii)The Group has elected the option to reset the cumulative translation differences on foreign operations that exist as of the transition date to zero. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

3.1.2 Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).
3.1.3 Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

ITNL Africa Projects Ltd.
Notes forming part of the Special Purpose Financial Statements

4.1 Critical judgements in applying accounting policies
In the application of the Company's accounting policies which are described in Note 2 above, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The management is of the opinion that any instances of application of judgments are not expected to have a significant effect on the amounts recognised in the financial statements

4.2 No Tax is applicable on profits as per the Law of the Country where the Company is incorporated.

4.3 Key sources of estimation uncertainty
The key assumptions made concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4.4 Ind AS Reconciliation:
There were no significant reconciliation items between:
i) Equity as previously reported under IGAAP to Ind AS;
ii) Balance Sheet as previously reported under IGAAP to INDAS;
iii) Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS; and
iv) Cash flows prepared under Indian GAAP and those prepared under Ind AS;
and hence, no disclosure with respect to Ind AS reconciliation items have been made. There were only regrouping under Ind AS as compared to IGAAP

4.5 Recent accounting pronouncements
Standards issued but not yet effective
On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("Amended Rules ") as per which Ind AS 115 "Revenue from Contract with Customers" supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue" and also MCA has carried out amendments to other existing Ind AS. These amendments shall be applicable to the Company for all accounting periods commencing on or after April 01, 2018

ITNL Africa Projects Ltd.
Notes forming part of the Special Purpose Financial Statements

Note-5: Property, plant and equipments
Current Year

Equivalent ₹

Particulars	Cost or Deemed cost			Accumulated depreciation				Carrying Amount
	Balance as at April 1, 2017	Disposals	Balance at March 31, 2018	Balance as at April 1, 2017	Eliminated on disposals of assets	Depreciation	Balance at March 31, 2018	As at March 31, 2018
Property plant and equipment								
Vehicles	-	-	-	-			-	-
Data processing equipments	-		-	-			-	-
Office equipments	-		-	-			-	-
Furniture and fixtures	-		-	-			-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Previous Year

Equivalent ₹

Particulars	Cost or Deemed cost			Accumulated depreciation				Carrying Amount
	Balance as at April 1, 2015	Disposals	Balance at March 31, 2016	Balance as at April 1, 2015	Eliminated on disposals of assets	Depreciation	Balance at March 31, 2016	As at March 31, 2016
Property plant and equipment								
Vehicles	3,894,622	3,894,622	-	990,571.06	(1,703,340.06)	712,769	-	-
Data processing equipments	34,082	34,082	-	32,227.86	(34,081.86)	1,854	-	-
Office equipments	415,449	415,449	-	132,658.77	(253,713.66)	121,055	-	-
Furniture and fixtures	569,730	569,730	-	70,125.56	(134,119.92)	63,994	-	-
Total	**4,913,883**	**4,913,883**	**-**	**1,225,583.25**	**(2,125,255.50)**	**899,672**	**(0)**	**0**

ITNL Africa Projects Ltd.
Notes forming part of the Special Purpose Financial Statements

6. Other financial assets - current

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
- Security Deposits	88,866	103,943
Total	**88,866**	**103,943**

7. Cash and cash equivalents

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with Banks	11,070,117	16,098,866
Cash on hand	1,768	2,068
Cash and cash equivalents	**11,071,884**	**16,100,934**

8. Other assets- Current

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
-Prepaid expenses	-	-
Total	**-**	**-**

ITNL Africa Projects Ltd.
Notes forming part of the Special Purpose Financial Statements

Note-9
Equity Share Capital

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
Equity share capital	146,788,480	146,788,480
Total	146,788,480	146,788,480
Authorised Share capital :		
434,800,000 equity shares of Naira 1 each	146,788,480	146,788,480
Issued and subscribed capital comprises:		
434,800,000 fully paid equity shares of Naira 1 each (as at March 31, 2016: 434,800,000; as at April 1, 2015: 434,800,000)	146,788,480	146,788,480
	146,788,480	146,788,480

Equivalent ₹

Movement during the year	For the Year ended March 31, 2018		For the Year ended March 31, 2017	
Particulars	**Number of shares**	**Share capital (Amount)**	**Number of shares**	**Share capital (Amount)**
Balance at the start of the period	434,800,000	146,788,480	434,800,000	-
Movements during the period		-	-	146,788,480
Balance at the end of the period	434,800,000	146,788,480	434,800,000	146,788,480

Fully paid equity shares, which have a par value of Naira 1, carry one vote per share and carry a right to dividends.

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

Particulars	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**
Fully paid equity shares ITNL International Pte. Ltd., Holding Company	432,300,000	99.50%	432,300,000	99.50%
Total	432,300,000	99.50%	432,300,000	99.50%

10. Other Equity

Equivalent ₹

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Balance at end of the period	-	-
Foreign currency translation reserve		
Balance at beginning of period	9,298,701	9,298,701
Exchange differences arising on translating the foreign operations	13,116,738	-
Balance at end of the period	**22,415,439**	**9,298,701**
Retained earnings		
Balance at beginning of year	(177,878,766)	(168,453,826)
Loss attributable to owners of the Company	(15,195,910)	(9,424,940)
Balance at end of the period	**(193,074,676)**	**(177,878,766)**
Total	**(170,659,236)**	**(168,580,065)**

11. Other current liabilities

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
Other payables	953,245	1,024,339
Statutory dues payable	-	-
Total	**953,245**	**1,024,339**

12. Trade payables - Current

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
Trade payables	34,078,261	36,972,122
Others	-	-
Total	**34,078,261**	**36,972,122**

13. Current tax assets and liabilities

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
Current tax assets		
Others - Advance Payment of taxes	-	-

ITNL Africa Projects Ltd.
Notes forming part of the Special Purpose Financial Statements

14. Other Income

Equivalent ₹

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Other financial assets carried at amortised cost	-	-
Foreign Exchange fluctuation gain (net)	-	-
Total	**-**	**-**

15. Depreciation and amortisation expense

Equivalent ₹

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of property, plant and equipment	-	899,672
Total depreciation and amortisation pertaining to continuing operations	**-**	**899,672**

16. Other expenses

Equivalent ₹

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Rent expense	-	-
Legal and consultation fees	666,804	343,082
Rates and taxes	-	1,881,163
Insurance	-	3,412
Exchange rate fluctuation cost (Net)	13,628,251	3,540,266
Bank Commission	20	1,870
Loss on sale of Property, Plant and Equipment (Net)	-	986,711
payments to Auditors	900,834	1,768,763
Total	**15,195,910**	**8,525,267**

ITNL Africa Projects Ltd.
Notes forming part of the Special Purpose Financial Statements

17. Profit/(Loss) per share (Basic and diluted)

Equivalent ₹

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit/(Loss) for the year attributable to owners of the Company (A)	(15,195,910)	(9,424,940)
Weighted average number of equity shares (B)	434,800,000	434,800,000
Loss per share (Basic and diluted) (A/B) (₹)	(0.03)	(0.02)

ITNL Africa Projects Ltd.
Notes forming part of the Special Purpose Financial Statements

18. Financial instruments

18.1 Capital management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. However there is no debt in the Company as at March 31, 2017 as there is no businiess operations in the Company. Once the Company starts its operation, it shall raise borrow and manage its capital accordingly.

18.2 Categories of financial instruments

Equivalent ₹

Particulars	As at March 31, 2018	As at March 31, 2017
Financial assets		
Measured at amortised cost		
Cash and bank balances	11,071,884	16,100,934
Other Financial Assets	-	-
Total	**11,071,884**	**16,100,934**
Financial liabilities		
Measured at amortised cost		
Other current liabilities	953,245	1,024,339
Trade payables	34,078,261	36,972,123
Total	**35,031,506**	**37,996,462**

18.3 Financial risk management objectives

The Company's overall financial risk management program seeks to minimise potential adverse effects to the financial performance of the Company. The management provides principles for overall financial risk management and policies covering specific areas, such as credit risk, currency risk, liquidity risk and interest rate risk.

18.4 Market risk

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

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

18.5 Foreign currency risk management

Foreign currency risk refers to the risk that changes in foreign exchange rates would have an adverse impact on the fair value or future cash flows of the Company's financial instruments. The Company has underlying investment denominated in USD, and Indian Rupees, and therefore is exposed to foreign currency risks.

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	Liabilities as at		Assets as at	
	As at March 31,2018	As at March 31, 2017	As at March 31,2018	As at March 31, 2017
USD	775,390	-	-	-
INR	25,158,991	-	-	-

18.5.1 Foreign currency sensitivity analysis

The company is mainly exposed to the currency of Country India and the currency of Country Singapore.

The following table details the company's sensitivity to a 10% increase and decrease in the USD against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the USD strengthens 10% against the relevant currency. For a 10% weakening of the USD against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Particulars	Currency INR Impact		Currency USD Impact	
	As at March 31,2018	As at March 31, 2017	As at March 31,2018	As at March 31, 2017
Profit or (loss) (i) and (iii)	2,515,899	-	77,539	-
Equity (ii) and (iv)	-	-	-	-

(i) This is mainly attributable to the exposure outstanding on Currency INR & USD payables at the end of the reporting period
(ii) This is mainly as a result of (i) net of income tax.

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

18.6 Interest rate risk management

The Company is not exposed to interest rate risk because it does not borrows funds .

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

18.6.1 Interest rate sensitivity analysis

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

18.6.2 Interest rate swap contracts

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

18.7. Other price risks

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

28.1 Equity price sensitivity analysis

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

18.8. 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 Company has adopted a policy of only dealing with creditworthy counterparties.

18.9. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium, and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

18.9.1 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.

				Equivalent ₹
Particulars	**31-Mar-18**		**31-Mar-17**	
	Non-interest bearing	**Fixed interest rate instruments**	**Non-interest bearing**	**Fixed interest rate instruments**
Upto 1 Year	35,031,506	-	-	-
1-3 years	-	-	-	-
3-5 year			37,996,461	
More than 5 years	-	-	-	-
	-	-	-	-
Total	**35,031,506**	**-**	**37,996,461**	**-**

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.

Equivalent ₹

Particulars	**31-Mar-18**		**31-Mar-17**	
	Non-interest bearing	**Fixed interest rate instruments**	**Non-interest bearing**	**Fixed interest rate instruments**
Weighted average effective interest rate (%)				
Upto 1 Year	11,071,884			
1-3 years				
3-5 year			16,100,934	-
More than 5 years		-		-
Total	**11,071,884**	**-**	**16,100,934**	**-**

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.

18.10. Fair value measurements

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

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable

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

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

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

Equivalent ₹

	As at March 31, 2018		**As at March 31, 2017**	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial assets				
Financial assets at amortised cost:	-	-	-	-
- trade and other receivables	-	-	-	-
- Cash and Cash equivalents	11,071,884	11,071,884	16,100,934	16,100,934
Financial liabilities				
Financial liabilities held at amortised cost:				
- trade payables and other libilities	35,031,506	35,031,506	37,996,462	37,996,462

Fair value hierarchy as at March 31, 2018

Particulars	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Financial assets at amortised cost:				
- trade and other receivables			-	-
- Cash and Cash equivalents			11,071,884	11,071,884
Total	-	-	11,071,884	11,071,884
Financial liabilities	-	-	-	-
Financial liabilities held at amortised cost:			-	-
- trade payables and other libilities		-	35,031,506	35,031,506
Total	-	-	35,031,506	35,031,506

ITNL Africa Projects Ltd.
Notes forming part of the Special Purpose Financial Statements

19. Related Party Disclosures

As at March 31, 2018

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

Nature of Relationship	**Name of Entity**	**Abbreviation used**
Ultimate Holding Company	Infrastructure Leasing and Financial Services Limited	IL&FS
Intermediate Holding company	IL&FS Transportation Networks Limited	ITNL
Holding Company	ITNL International PTE Ltd.	IIPL
Fellow Subsidiaries (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	ITNL International DMCC (Formerly known as ITNL Internation JLT)	IIDMCC
Key Management Personnel ("KMP")	K Ramchand, Director Mukund Sapre, Director Ravi Shreehari, Director	

As at March 31, 2017

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

Nature of Relationship	**Name of Entity**	**Abbreviation used**
Ultimate Holding Company	Infrastructure Leasing and Financial Services Limited	IL&FS
Intermediate Holding company	IL&FS Transportation Networks Limited	ITNL
Holding Company	ITNL International PTE Ltd.	IIPL
Fellow Subsidiaries (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	ITNL International DMCC (Formerly known as ITNL Internation JLT)	IIDMCC
Key Management Personnel ("KMP")	K Ramchand, Director Mukund Sapre, Director Ravi Shreehari, Director	

Related Party Disclosures (contd.)

Year ended March 31, 2018

(b) transactions/ balances with above mentioned related parties (mentioned in note 19 (a) above)

Equivalent ₹

Particulars	ITNL	IIPL	Total
Balance			
Equity share capital	146,054,538	733,942	146,788,480
Trade Payables	25,158,991	775,390	25,934,381

Year ended March 31, 2017

(b) transactions/ balances with above mentioned related parties (mentioned in note 19 (a) above)

Equivalent ₹

Particulars	ITNL	IIPL	Total
Balance			
Trade Payables	26,909,633	536,864	27,446,497

ITNL Africa Projects Ltd.
Notes forming part of the Special Purpose Financial Statements

20. Capital Commitments: NIL

21: Contingent liabilities and contingent assets:

21.1 Contingent liabilities: NIL

21.2 Contingent assets: NIL

22. Letter of Comfort
The company has received letter of comfort dated May 2, 2018 which is effective for the period of 12 months from ITNL Transportation Networks Ltd for financial assistance

23. Audit of Last year Financials

The last year financials being audited by Deloitte Haskin & Sells LLP

24. Approval of financial statements
The Ind AS financial statements were approved for issue by the Board of Directors on May 4 , 2018.

For SBRC & CO LLP
Chartered Accountants
ICAI Firm's Registration no. 324982E/E300003

Per Nishant Mankodi
Partner
Membership No.

Place : Mumbai
Date :

For and on behalf of the Board

Director Director

Place: Dubai
Date :