

Independent Auditor's Report

To
The Board of Directors
Pune Sholapur Road Development Company 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 Pune Sholapur Road Development Company 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 special 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.



Opinion

In our opinion, the accompanying special purpose financial statement and Reporting Package of Pune Sholapur Road Development Company 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.



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 Pune Sholapur Road Development Company 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 Pune Sholapur Road Development Company 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


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 Pune Sholapur Road Development Company 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.



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



G.K. Agrawal
Partner

M.No.: 081603

New Delhi, 26/04/2018



BALANCE SHEET AS AT MARCH 31, 2018

| Particulars | Notes | As at | | As at | |
|--|-------|-----------------|------------------------|-----------------|------------------------|
| | | March 31, 2018 | | March 31, 2017 | |
| ASSETS | | | | | |
| Non-current Assets | | | | | |
| (a) Property, plant and equipment | 2 | | 1,39,559 | | 22,14,705 |
| (b) Capital work-in-progress | 2 | | | | |
| (c) Investment property | 3 | | | | |
| (d) Intangible assets | | | | | |
| (i) Goodwill on consolidation | 4 | | | | |
| (ii) Service Concession Arrangements (SCA) | 5 | 19,30,77,98,313 | | 20,28,31,47,694 | |
| (iii) Intangible assets under development | 5 | | | | |
| (iv) Others | 5 | | 19,30,77,98,313 | | 20,28,31,47,694 |
| (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 | | | | 3,10,71,77,169 |
| (f) Tax assets | | | | | |
| (i) Deferred Tax Asset (net) | 21 | | | | |
| (ii) Non Current Tax Asset (Net) | 24 | | | | |
| (g) Other non-current assets | 14 | | 2,13,53,398 | | 2,00,69,918 |
| Total Non-current Assets | | | 19,32,92,91,270 | | 23,41,26,09,485 |
| Current Assets | | | | | |
| (a) Inventories | 12 | | | | |
| (b) Financial assets | | | | | |
| (i) Trade receivables | 9 | 1,39,85,607 | | 6,68,65,356 | |
| (ii) Cash and cash equivalents | 13 | 2,22,67,362 | | 7,16,04,050 | |
| (iii) Bank balances other than (ii) above | 13 | 82,04,63,770 | | 6,63,50,000 | |
| (iv) Loans | 10 | | | | |
| (v) Other financial assets | 11 | 5,72,15,53,289 | 6,57,82,70,028 | 1,09,00,305 | 21,57,19,712 |
| (c) Current tax assets (Net) | 24 | | 3,34,17,617 | | 2,98,42,461 |
| (d) Other current assets | 14 | | 1,54,33,704 | | 1,49,13,746 |
| Total Current Assets | | | 6,62,71,21,349 | | 26,04,75,919 |
| Total Assets | | | 25,95,64,12,619 | | 23,67,30,85,404 |
| EQUITY AND LIABILITIES | | | | | |
| Equity | | | | | |
| (a) Equity share capital | 15 | 1,76,00,00,000 | | 1,76,00,00,000 | |
| (b) Other Equity | 16 | 3,10,62,11,178 | | 3,36,60,90,401 | |
| Equity attributable to owners of the Company | | | 4,86,62,11,178 | | 5,12,60,90,401 |
| Non-controlling interests | 17 | | | | |
| Total Equity | | | 4,86,62,11,178 | | 5,12,60,90,401 |
| LIABILITIES | | | | | |
| Non-current Liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Borrowings | 18 | 6,90,48,68,800 | | 11,02,03,57,044 | |
| (ii) Trade payables other than MSME | 23 | | | | |
| (iii) Other financial liabilities | 19 | 34,16,917 | 6,90,82,85,717 | 35,41,00,418 | 11,37,44,57,462 |
| (b) Provisions | 20 | | 15,89,13,433 | | 12,72,66,267 |
| (c) Deferred tax liabilities (Net) | 21 | | | | |
| (d) Other non-current liabilities | 22 | | | | |
| Total Non-current Liabilities | | | 7,06,71,99,150 | | 11,50,17,23,729 |
| Current liabilities | | | | | |
| (a) Financial liabilities | | | | | |
| (i) Borrowings | 18 | 10,75,82,38,487 | | 5,70,16,32,425 | |
| (ii) Trade payables other than MSME | 23 | 60,79,73,317 | | 57,80,47,223 | |
| (iii) Other financial liabilities | 19 | 2,64,99,06,139 | 14,01,61,17,943 | 73,29,21,192 | 7,01,26,00,840 |
| (b) Provisions | 20 | | | | |
| (c) Current tax liabilities (Net) | 24 | | | | |
| (d) Other current liabilities | 22 | | 68,84,348 | | 3,26,70,434 |
| Total Current Liabilities | | | 14,02,30,02,291 | | 7,04,52,71,274 |
| Total Liabilities | | | 21,09,02,01,441 | | 18,54,69,95,003 |
| Total Equity and Liabilities | | | 25,95,64,12,619 | | 23,67,30,85,404 |

Note 1 to 44 forms part of the consolidated financial statements.

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

G. K. Agarwal
 Partner
 Membership Number : 081603



For and on behalf of the Board

Kazim R Khan
 Mr. Kazim R Khan
 Director
 DIN No. 05188955

Ms Varsha Sawant
 Ms. Varsha Sawant
 Director
 DIN No. 07018824

Prayesh Ruia
 Prayesh Ruia
 Chief Financial Officer

Mukesh Ranga
 Mukesh Ranga
 Company Secretary

Place : 26/4/18
 Date :

Place :
 Date :

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Rs.

| Particulars | Notes | Year ended March 31, 2018 | Year ended March 31, 2017 |
|--|-------|---------------------------|---------------------------|
| I. Revenue from Operations | 25 | 2,02,49,65,741 | 2,48,94,92,797 |
| II. Other income | 26 | 1,34,65,00,850 | 33,47,53,027 |
| III. Total Income (I+II) | | 3,37,14,66,591 | 2,82,42,45,824 |
| IV. Expenses | | | |
| Cost of Material consumed | 27 | - | - |
| Construction Costs | 27 | - | 11,60,46,448 |
| Operating expenses | 28 | 17,58,79,060 | 14,70,12,102 |
| Employee benefits expense | 29 | - | - |
| Finance costs (net) | 30 | 2,46,88,45,472 | 1,82,32,77,478 |
| Expected Credit Loss on Financial Assets | | - | 29,01,20,892 |
| Depreciation and amortisation expense | 31 | 44,81,54,182 | 52,04,35,276 |
| Other expenses | 32 | 53,84,67,099 | 34,44,22,504 |
| Total expenses (IV) | | 3,63,13,45,813 | 3,24,13,14,700 |
| V Profit before share of profit/(loss) of an associate and a joint venture and tax (III-IV) | | (25,98,79,222) | (41,70,68,877) |
| VI Less: Tax expense | 33 | - | - |
| (1) Current tax | | - | - |
| (2) Deferred tax | | - | - |
| Total Tax expenses | | - | - |
| VII Profit/(loss) after tax (V-VI) | | (25,98,79,222) | (41,70,68,877) |
| 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) | | (25,98,79,222) | (41,70,68,877) |
| XI Other Comprehensive Income | | | |
| A (i) Items that will not be reclassified to profit or loss | | | |
| (a) Actuarial 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) | | (25,98,79,222) | (41,70,68,877) |
| Profit for the year attributable to: | | | |
| - Owners of the Company | | (25,98,79,222) | (41,70,68,877) |
| - Non-controlling interests | | (25,98,79,222) | (41,70,68,877) |
| 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 | | (25,98,79,222) | (41,70,68,877) |
| - Non-controlling interests | | (25,98,79,222) | (41,70,68,877) |
| XIII Earnings per equity share (face value ` 10 per share): | 34 | | |
| (1) Basic (in Rs.) | | (1.48) | (2.37) |
| (2) Diluted (in Rs.) | | (1.48) | (2.37) |

Note 1 to 44 forms part of the consolidated financial statements.

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

G. K. Agarwal
Partner
Membership Number : 081603

Place :
Date : 26/4/18

For and on behalf of the Board


Mr. Kazim R Khan
Director
DIN No. 05188955


Ms. Varsha Sawant
Director
DIN No. 07018624


Prayesh Raut
Chief Financial Officer


Mitesh Ranga
Company Secretary

Place :
Date :

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

| Particulars | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|---------------------------|---------------------------|
| Cash flows from operating activities | | |
| Profit for the year | (25,98,79,222) | (41,70,68,877) |
| Adjustments for: | | |
| Income tax expense recognised in profit or loss | | |
| Share of profit of associates (net) | | |
| Share of profit of joint ventures (net) | | |
| Finance costs recognised in profit or loss | 2,28,64,26,469 | 1,64,18,09,766 |
| Interest income recognised in profit or loss | (2,25,56,596) | (51,60,035) |
| Construction Revenue | | (1,41,98,94,025) |
| Construction Cost | | 11,60,46,448 |
| Profit on sale of investments (net of goodwill) | | |
| Dividend income on non-current investments | | |
| (Loss) / Gain on disposal of property, plant and equipment | | |
| Provision for employee benefits (net) | | |
| Provision for overlay (net) | 8,63,20,705 | 6,73,57,671 |
| Provision for replacement cost (net) | | |
| Provision for doubtful debts and receivables | | |
| Expected credit losses on trade receivables (net) | | |
| Expected credit losses on debt instruments (net) | | |
| Expected credit losses on other financial assets (net) | (29,01,20,892) | 29,01,20,892 |
| Depreciation and amortisation expenses | 44,81,54,182 | 52,04,35,276 |
| Excess provision written back | | |
| Exchange (gain) / loss | | |
| Finance Cost on unwinding | 9,78,16,724 | 77,80,021 |
| Claim Receivable and Interest thereon | (1,77,10,14,586) | (32,88,68,406) |
| | 57,51,46,783 | 47,25,58,731 |
| Movements in working capital: | | |
| Decrease in trade receivables (current and non current) | 5,28,79,750 | 11,89,69,275 |
| Decrease in Inventories | | |
| (Increase)/decrease in other financial assets & other assets (current and non current) | 6,05,36,036 | (3,05,71,37,058) |
| Increase/ (Decrease) in financial liabilities & other liabilities (current and non current) | (6,74,47,137) | (3,70,17,05,568) |
| | 4,59,68,649 | (6,63,98,73,350) |
| Cash generated from operations | 62,11,15,432 | (6,16,73,14,619) |
| Income taxes paid (net of refunds) | (35,75,156) | (30,60,865) |
| Net cash generated by operating activities (A) | 61,75,40,276 | (6,17,03,75,484) |
| Cash flows from investing activities | | |
| Payments for property, plant and equipment, intangible assets | | |
| Proceeds from disposal of property, plant and equipment, intangible assets | | |
| Increase in receivable under service connection arrangements (net) | | 2,95,23,83,207 |
| Interest received | 2,10,31,686 | 17,38,744 |
| Purchase of investments in joint venture | | |
| Receipt of Grant | | 1,84,07,986 |
| Movement in Other Bank Balance | (75,41,13,770) | |
| Proceeds from redemption of debentures | | |
| Proceed from sale of investment in subsidiary and associate | | |
| Proceeds on disposal of partial interest in a subsidiary that does not involve loss of control | | |
| Investment in Mutual funds | | |
| Redemption of Mutual funds | | |
| Long term loans repaid / (given) (net) | | |
| Short term loans repaid / (given) (net) | | |
| Inter-corporate deposits (placed) / matured (net) | | |
| Dividend received from associates & joint ventures | | |
| Dividend received from others | | |
| Net cash used in investing activities (B) | (73,30,82,085) | 2,97,25,29,937 |
| Cash flows from financing activities | | |
| Proceeds from issue of Rights Equity Shares (including securities premium) | | |
| Rights issue / preference share issue expenses adjusted in securities premium | | |
| Proceeds from borrowings | 5,66,79,29,706 | 16,36,78,22,025 |
| Repayment of borrowings | (3,31,93,72,800) | (11,51,85,23,600) |
| Finance costs paid | (2,28,23,51,785) | (1,60,71,90,999) |
| Equity dividend paid | | |
| Tax on equity dividend paid | | |
| Proceeds from minority interest | | |
| Preference dividend paid | | |
| Tax on Preference dividend paid | | |
| Balances held as margin money or as security against borrowings | | |
| Net cash generated in financing activities (C) | 6,62,05,121 | 3,24,21,07,426 |
| Net Increase / (decrease) in cash and cash equivalents (A+B+C) | (4,93,36,687) | 4,42,61,879 |
| Cash and cash equivalents at the beginning of the year | 7,16,04,050 | 2,73,42,171 |
| Impact of acquisition / disposal of subsidiary | | |
| Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies | | |
| Cash and cash equivalents at the end of the year | 2,22,67,363 | 7,16,04,050 |

| Particulars | Year ended March 31, 2018 | Year ended March 31, 2017 |
|--|---------------------------|---------------------------|
| Components of Cash and Cash Equivalents | | |
| Cash on hand | 40,26,709 | 36,08,393 |
| Balances with Banks in current accounts | 1,82,40,653 | 6,79,95,657 |
| Balances with Banks in deposit accounts | | |
| Cash and Cash Equivalents | 2,22,67,362 | 7,16,04,050 |
| 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 | 2,22,67,362 | 7,16,04,050 |

Note 1 to 44 forms part of the consolidated financial statements.

In terms of our report attached
For Glenender & Associates
Chartered Accountants
Firm Registration no. 004661N

G. K. Agarwal
Partner
Membership Number : 081603



For and on behalf of the Board

Mr. Kazim R. Khan
Director
DIN No. 05188995

Ms. Varsha Sawant
Director
DIN No. 07018924

Piyesh R. Jha
Chief Financial Officer

Mukesh Ranga
Company Secretary

Place :
Date : 20/4/18

Place :
Date :

| | For the Year ended March 31, 2018 | For the Year ended March 31, 2017 |
|---|--------------------------------------|--------------------------------------|
| Balance as at the beginning of the year | 1,76,00,00,000 | 1,76,00,00,000 |
| Changes in equity share capital during the year | - | - |
| Balance as at end of the year | 1,76,00,00,000 | 1,76,00,00,000 |

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

| | Reserves and surplus | | | | | | Items of other comprehensive income | | | | Total | | | |
|--|----------------------|----------------------------|-----------------|----------------------------------|-----------------------------|--|-------------------------------------|-------|--------------------------------------|--------------------------------------|-------|---------------------------------|----------------|--------------------------------------|
| | Capital reserve | Securities premium reserve | General reserve | Capital reserve on consolidation | Debiture 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 | Attributable to owners of the parent |
| Balance as at April 1, 2016 | 2,82,95,32,621 | 4,80,00,000 | - | - | - | 90,56,76,657 | 3,78,31,59,278 | - | - | - | - | - | 3,78,31,59,278 | - |
| Profit for the year | - | - | - | - | - | (41,70,68,877) | (41,70,68,877) | - | - | - | - | - | (41,70,68,877) | - |
| Other comprehensive income for the year, net of tax | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Comprehensive Income for the year | - | - | - | - | - | (41,70,68,877) | (41,70,68,877) | - | - | - | - | - | (41,70,68,877) | - |
| Payment of final dividends (including dividend tax) during the year | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Additional shares issued in public market during the year | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Additional non-controlling interests arising from acquisition of / additional investment in a subsidiary | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Additional non-controlling interests arising on acquisition of / additional investment in a subsidiary | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Premium utilised towards discount on issue of Non-Convertible Debentures | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance As at March 31, 2017 | 2,82,95,32,621 | 4,80,00,000 | - | - | - | 48,85,57,780 | 1,16,00,00,451 | - | - | - | - | - | 3,16,60,90,451 | - |

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

| | Reserves and surplus | | | | | | Items of other comprehensive income | | | | Total | | | |
|--|----------------------|----------------------------|-----------------|----------------------------------|-----------------------------|--|-------------------------------------|-------|--------------------------------------|--------------------------------------|-------|---------------------------------|----------------|--------------------------------------|
| | Capital reserve | Securities premium reserve | General reserve | Capital reserve on consolidation | Debiture 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 | Attributable to owners of the parent |
| Balance as at April 1, 2017 | 2,82,95,32,621 | 4,80,00,000 | - | - | - | 48,85,57,780 | 3,36,60,90,401 | - | - | - | - | - | 3,36,60,90,401 | - |
| Profit for the year | - | - | - | - | - | (25,98,79,222) | (25,98,79,222) | - | - | - | - | - | (25,98,79,222) | - |
| Other comprehensive income for the year, net of tax | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Comprehensive Income for the year | - | - | - | - | - | (25,98,79,222) | (25,98,79,222) | - | - | - | - | - | (25,98,79,222) | - |
| Payment of final dividends (including dividend tax) during the year | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Adjustment during the year for cessation of a subsidiary | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Additional non-controlling interests arising on acquisition of / additional investment in a subsidiary | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Additional non-controlling interests arising on acquisition of / additional investment in a subsidiary | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Premium utilised towards discount on issue of Non-Convertible Debentures | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Balance As at March 31, 2018 | 2,82,95,32,621 | 4,80,00,000 | - | - | - | 22,86,78,557 | 1,10,62,11,178 | - | - | - | - | - | 3,10,62,11,178 | - |

Note 1 to 44 forms part of the consolidated financial statements

In terms of our report attached
 For Glenford & Associates
 Chartered Accountants
 Firm Registration No. 000191



G. K. Mishra
 Partner
 Membership Number: 129116

For and on behalf of the Board
 Mr. Karamjit Singh
 Director
 DIN No. 01518023

Ms. Vanita Swami
 Director
 DIN No. 01518023

Mr. Naveed
 Director
 DIN No. 01518023

Mr. Naveed
 Director
 DIN No. 01518023

Mr. Naveed
 Director
 DIN No. 01518023

Place: Delhi

Pune Sholapur Road Development Company Limited

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

General Information & Significant Accounting Policies

Note No-1

1. General information

The Company has been set up with the main object of design engineering construction development finance operation and maintenance of 4 laning of Pune-Sholapur Section of NH-9 from KM 144.400 to KM 249.000 in the state of Maharashtra under NHDP phase III on Design Build Finance Operate and Transfer (DBFOT) basis. The Company has entered into a Concession Agreement on September 30, 2009 with the National Highways Authority of India (NHA), under the terms of which, the Company has obtained a Concession to Design, Finance, Construct, Operate and Maintain the Project for a period of 19 years 295 days commencing from the appointed date 28/9/2011 including construction period of 910 days required for 4 laning of the Project.

Note No-2

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.

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.



Note No-3

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 portion 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 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. **Revenue recognition**

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. **Revenue from construction contracts**

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. **Borrowing cost related to SCAs**

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 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

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 they are 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 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 |
| 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 Company 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 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:

- 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.

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.



| Particulars | Deemed cost | | | | | Accumulated Depreciation | | | | | Carrying Amount | | | | |
|---|-----------------------------|---------------------|-----------|------------|---|---------------------------|-----------------------------|---------------------|------------|--|----------------------|---|---------------------------|----------------------|----------------------|
| | Balance as at April 1, 2016 | Opening Adjustments | Additions | Deductions | 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 March 31, 2016 |
| Property, plant and equipment | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Land | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Buildings and structures | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vehicles | 1,49,10,648 | - | - | - | - | 1,49,10,648 | 1,04,13,800 | 23,20,828 | - | 23,20,828 | - | - | 1,27,34,628 | 21,76,020 | 44,96,848 |
| Data processing equipments | 2,49,839 | - | - | - | - | 2,49,839 | 1,80,174 | 30,980 | - | 30,980 | - | - | 2,11,154 | 38,685 | 69,655 |
| 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 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Buildings and structures | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Land | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal | 1,51,60,487 | - | - | - | - | 1,51,60,487 | 1,05,93,974 | 23,51,808 | - | 23,51,808 | - | - | 1,29,45,782 | 22,14,705 | 45,66,513 |
| Capital work-in-progress | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | 1,51,60,487 | - | - | - | - | 1,51,60,487 | 1,05,93,974 | 23,51,808 | - | 23,51,808 | - | - | 1,29,45,782 | 22,14,705 | 45,66,513 |

| Particulars | Deemed cost | | | | | Accumulated Depreciation | | | | | Carrying Amount | | | | |
|---|-----------------------------|---------------------|-----------|------------|---|---------------------------|-----------------------------|---------------------|------------|--|----------------------|---|---------------------------|----------------------|----------------------|
| | Balance as at April 1, 2017 | Opening Adjustments | Additions | Deductions | 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 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Buildings and structures | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Vehicles | 1,49,10,648 | - | - | - | - | 1,49,10,648 | 1,27,34,628 | 20,44,166 | - | 20,44,166 | - | - | 1,47,78,794 | 1,31,854 | 21,76,020 |
| Data processing equipments | 2,49,839 | - | - | - | - | 2,49,839 | 2,11,154 | 30,980 | - | 30,980 | - | - | 2,42,134 | 7,705 | 38,685 |
| 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 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Buildings and structures | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Land | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal | 1,51,60,487 | - | - | - | - | 1,51,60,487 | 1,29,45,782 | 20,75,146 | - | 20,75,146 | - | - | 1,50,20,928 | 1,39,559 | 22,14,705 |
| Capital work-in-progress | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | 1,51,60,487 | - | - | - | - | 1,51,60,487 | 1,29,45,782 | 20,75,146 | - | 20,75,146 | - | - | 1,50,20,928 | 1,39,559 | 22,14,705 |

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.



Pune Sholapur Road Development Company 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, 2017 are as follows:

| Particulars | Fair value as per Level 2 (Rs.) | |
|--|---------------------------------|----------------------|
| | 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.



Pune Sholapur Road Development Company 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 | - | - |



5. Intangible assets

| 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 | Impairment losses recognised in profit or loss | Reversals of impairment losses recognised in profit or loss | Effect of foreign currency exchange differences | Balance As at March 31, 2017 | As at March 31, 2017 | As at March 31, 2016 |
| Software Licences acquired | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Computerised rights acquired | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal (A) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Right under service concession arrangement (B) | 22,66,90,02,483 | - | 10,78,10,385 | (1,77,68,13,374) | - | 20,99,99,99,474 | 19,87,68,312 | - | 51,80,79,036 | - | - | - | - | 71,68,51,780 | 20,28,31,47,694 | 22,47,02,54,171 |
| Intangible assets under development (C) | 22,66,90,02,483 | - | 10,78,10,385 | (1,77,68,13,374) | - | 20,99,99,99,474 | 19,87,68,312 | - | 51,80,79,036 | - | - | - | - | 71,68,51,780 | 20,28,31,47,694 | 22,47,02,54,171 |
| Total (A+B+C) | 22,66,90,02,483 | - | 10,78,10,385 | (1,77,68,13,374) | - | 20,99,99,99,474 | 19,87,68,312 | - | 51,80,79,036 | - | - | - | - | 71,68,51,780 | 20,28,31,47,694 | 22,47,02,54,171 |
| Particulars | 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 | Impairment losses recognised in profit or loss | Reversals of impairment losses recognised in profit or loss | 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 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Computerised rights acquired | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal (A) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Right under service concession arrangement (B) | 20,99,99,99,474 | - | - | (52,92,70,349) | - | 20,47,29,229 | 21,68,51,780 | - | 44,60,79,036 | - | - | - | - | 1,16,29,20,216 | 19,30,77,98,313 | 20,28,31,47,694 |
| Intangible assets under development (C) | 20,99,99,99,474 | - | - | (52,92,70,349) | - | 20,47,29,229 | 21,68,51,780 | - | 44,60,79,036 | - | - | - | - | 1,16,29,20,216 | 19,30,77,98,313 | 20,28,31,47,694 |
| Total (A+B+C) | 20,99,99,99,474 | - | - | (52,92,70,349) | - | 20,47,29,229 | 21,68,51,780 | - | 44,60,79,036 | - | - | - | - | 1,16,29,20,216 | 19,30,77,98,313 | 20,28,31,47,694 |

Footnotes:

1. Estimate under Service Concession Arrangement: Right under Service Concession Arrangements / Intangible assets under Development
 Estimate under Service Concession Arrangement
 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 amount 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 margin 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 amortisation of such Intangible rights are based on actual revenue earned compared to total projected revenue from the project over the balance concession period.
 Estimate of margins are based on internal evaluation by the management. Estimate of units of usage, toll rates, contractual liability for overly 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.
 The key assumptions have been disclosed below:

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------------------|----------------|----------------------|----------------|
| | March 31, 2018 | March 31, 2017 | March 31, 2018 | March 31, 2017 |
| Estimated Margin on construction of Intangible Assets / Intangible assets under development | 3,13,86,92,150 | 3,13,86,92,150 | 44,60,79,036 | 51,80,83,468 |
| Amortisation charge in respect of intangible assets | - | - | - | - |



6 Investments in associates

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

| 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

| 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 | | - |

| 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

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

| 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

| 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

| 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

| 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



9. Trade receivables

| 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 | | 1,39,85,607 | | 6,68,65,356 |
| Less : Allowance for expected credit loss | | | | |
| -Unsecured, considered doubtful | | | | |
| Less : Allowance for bad and doubtful debts | | | | |
| Total | | 1,39,85,607 | | 6,68,65,356 |

Footnotes :

- 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.
- Trade receivables are generally on terms of immediate to 7 days and certain receivables carry interest for overdue period.
- 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.
- 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

| Particulars | Rs. | | |
|--------------------|----------------------|----------------------|---------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2015 |
| Less than 365 days | 14,30,150 | 6,68,65,356 | |
| More than 365 days | 1,25,55,457 | | |
| Total | 1,39,85,607 | 6,68,65,356 | |
| Average age (days) | | | |

9.1 Movement in the allowance for expected credit loss

| Particulars | Rs. | |
|---|----------------------|----------------------|
| | 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

| 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

| Particulars | Rs. | |
|--|----------------------|----------------------|
| | 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 | | |

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

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|--|----------------------|----------------|----------------------|---------|
| | Non Current | Current | Non Current | Current |
| Receivable under service concession arrangements | | | | |
| Claim receivable from authority | | 5,69,75,82,992 | 3,10,71,77,169 | |
| Others receivable from authority | | 1,16,25,082 | | |
| 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 | | | | |



| | | | | |
|--|--|----------------|----------------|-------------|
| Call Option Premium Assets | | | | |
| Retention money receivable - Related Party | | | | |
| Retention money receivable - Others | | | | |
| Security Deposits - Related Party | | | | |
| Security Deposits - Others | | | | |
| Grant receivable | | 20,59,393 | | 20,59,393 |
| Unbilled Revenue | | | | |
| Balances with Banks in deposit accounts (under lien) | | | | |
| Interest Accrued on fixed deposits | | 68,57,294 | | 53,32,384 |
| Inter-corporate deposits | | | | |
| Investment in Call Money | | | | |
| Other Receivable | | 34,28,528 | | 35,08,528 |
| Total | | 5,72,15,53,289 | 3,10,71,77,169 | 1,09,00,305 |

| Particulars | Rs. | |
|--|---------------------------|----------------------|
| | 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 | NOT APPLICABLE | |
| Future Operation and maintenance and renewal services considered in respect of Financial Assets | NOT APPLICABLE | |
| 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)

| Particulars | Rs. | |
|-------------------|---------------------------|----------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Raw materials | | |
| Work-in-progress | NOT APPLICABLE | |
| Stock-in-trade | | |
| Stores and spares | | |
| Total | | |

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:

| Particulars | Rs. | |
|---|----------------------|----------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Balances with Banks | | |
| In current accounts | 1,82,40,653 | 6,79,95,657 |
| In deposit accounts | | |
| Cash on hand | 40,26,709 | 36,08,393 |
| Cash and cash equivalents | 2,22,67,362 | 7,16,04,050 |
| Unpaid dividend accounts | | |
| Balances held as margin money or as security against borrowings | 82,04,63,770 | 6,63,50,000 |
| Other bank balances | 82,04,63,770 | 6,63,50,000 |

| Particulars | Rs. | |
|---|----------------------|----------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Cash and cash equivalents | 2,22,67,362 | 7,16,04,050 |
| 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 | 2,22,67,362 | 7,16,04,050 |

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

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

| 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 | | | | 1,14,410 |
| Prepaid expenses | | 6,81,167 | | 46,799 |
| 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 | | 1,47,52,537 | | 1,47,52,537 |
| Security Deposits | | | | |
| Others assets | | | | |
| Security Deposits | 11,96,461 | | 11,96,461 | |
| -Other Loans and Advances | 2,01,56,937 | | 1,88,73,457 | |
| Total | 2,13,53,398 | 1,54,33,704 | 2,00,69,918 | 1,49,13,746 |



15. Equity Share Capital

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|--|----------------------|-----------------------|----------------------|-----------------------|
| | Number of shares | Rs. | Number of shares | Rs. |
| Authorised | | | | |
| 17,60,00,000 Equity Shares of ₹ 10/- each fully paid | 17,60,00,000 | 1,76,00,00,000 | 17,60,00,000 | 1,76,00,00,000 |
| 17,60,00,000 Issued, Subscribed and Paid up Equity Shares of ₹ 10/- each fully paid | 17,60,00,000 | 1,76,00,00,000 | 17,60,00,000 | 1,76,00,00,000 |
| Total | 17,60,00,000 | 1,76,00,00,000 | 17,60,00,000 | 1,76,00,00,000 |

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

| Particulars | Year ended March 31, 2018 | | Year ended March 31, 2017 | |
|--|---------------------------|-----------------------|---------------------------|-----------------------|
| | Number of shares | Rs. | Number of shares | Rs. |
| Shares outstanding at the beginning of the year | 17,60,00,000 | 1,76,00,00,000 | 17,60,00,000 | 1,76,00,00,000 |
| Shares issued during the year | | | | |
| Shares outstanding at the end of the year | 17,60,00,000 | 1,76,00,00,000 | 17,60,00,000 | 1,76,00,00,000 |

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 | 16,00,00,000 | 16,00,00,000 |
| East Nippon Expressway Company (NEXCO) | 1,60,00,000 | 1,60,00,000 |
| Total | 17,60,00,000 | 17,60,00,000 |

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 |
| Fully paid equity shares | | | | |
| IL&FS Transportation Networks Limited & Its Nominees | 16,00,00,000 | 91% | 16,00,00,000 | 91% |
| East Nippon Expressway Company (NEXCO) | 1,60,00,000 | 9% | 1,60,00,000 | 9% |
| Total | 17,60,00,000 | 100% | 17,60,00,000 | 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.

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 | 2,82,95,32,621 | 2,82,95,32,621.00 |
| Adjustments during the year | | |
| Balance at end of the year | 2,82,95,32,621 | 2,82,95,32,621.00 |
| Securities premium reserve | | |
| Balance at beginning of the year | 4,80,00,000 | 4,80,00,000.00 |
| 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 | 4,80,00,000 | 4,80,00,000.00 |
| 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 | 48,85,57,780 | 90,56,26,656.76 |
| Profit attributable to owners of the Company | (25,98,79,222) | (41,70,68,876.98) |



| | | |
|---|-----------------------|--------------------------|
| Payment of dividends on equity shares | | |
| Transfer (to) / from debenture redemption redemption reserve | | |
| Consolidated adjustments | | |
| Balance at end of the year | 22,86,78,557 | 48,85,57,779.78 |
| Sub-Total | 3,10,62,11,178 | 3,36,60,90,400.78 |
| Items of other comprehensive income | | |
| <u>Cash flow hedging reserve</u> | | |
| 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 | - | - |
| <u>Foreign currency translation reserve</u> | | |
| Balance at beginning of year | | |
| Exchange differences arising on translating the foreign operations | | |
| Balance at end of the year | - | - |
| <u>Defined benefit plan adjustment</u> | | |
| Balance at beginning of the year | | |
| Other comprehensive income arising from re-measurement of defined benefit | | |
| Balance at end of the year | - | - |
| <u>Others</u> | | |
| Balance at beginning of the year | | |
| Adjustments during the year | | |
| Balance at end of the year | - | - |
| Sub-Total | - | - |
| Total | 3,10,62,11,178 | 3,36,60,90,400.78 |
| Footnotes : | | |



Pune Sholapur Road Development Company 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 | - | - |

NOT APPLICABLE



18. Borrowings

| 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 | 6,90,48,68,800 | 91,93,72,800 | | 7,82,42,41,600 | 68,95,29,600 | |
| - from financial institutions | | | | | | |
| - 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) | | | | | | |
| - from other parties | | | | | | |
| (ii) Term loans | | | | | | |
| - from banks | | 1,27,50,00,000 | | 2,40,00,00,000 | | |
| - from financial institutions | | | 1,87,00,00,000 | 87,00,00,000 | | 5,70,16,32,425 |
| - from related parties (Refer Note 43) | | | 8,88,82,38,487 | | | |
| - 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 | | (2,35,19,556) | | (7,38,84,556) | | |
| Total | 6,90,48,68,800 | 2,17,08,53,244 | 10,75,82,38,487 | 11,02,03,57,044 | 68,95,29,600 | 5,70,16,32,425 |
| Less: Current maturities of long term debt clubbed under other current liabilities* | | 2,17,08,53,244 | | | 68,95,29,600 | |
| Total | 6,90,48,68,800 | - | 10,75,82,38,487 | 11,02,03,57,044 | - | 5,70,16,32,425 |

Footnotes :

Term Loans – Secured

(i) Amounts repayable to related parties of the Company Interest of 12.75% - 16.00% per annum is charged on the outstanding loan balances (as at March 31, 2017: 13.5% - 16% per annum Secured by hypothecation of:

(ii) All movable, tangible and intangible assets other than the Project Assets;
 (iii) All the monies lying in Escrow Account into which all the investments in the Project and all Project revenues, Receivables, Cash and Insurance proceeds in Project accounts, Debt Service Reserve Account and any other bank accounts relating to/connected with the Project and all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to, under and in respect thereof and all monies including all cash flows and receivables and all proceeds arising from / in connection with the Project and all insurance proceeds payable into the said accounts, which have been/are deposited / lying therein, all investments, assets, instruments and securities which represent amounts in the said accounts, both present and future, provided such charge over the Escrow Account shall only be to the extent permissible as per the water fall of priorities specified in the Concession Agreement and Escrow Agreement

(iv) All contractual rights, assignment rights, applicable permits, title, interest, benefits, claims and demands whatsoever of the Borrowers in, to under and or in respect of all the Project Agreements including agreements, contracts, indemnities, guarantees, and all other documents/writings in respect of the Project and all licences, security, permits, approvals and consents in respect of the Project which are now executed or hereafter to be executed and delivered by the Borrower, including, without limitation, the right to compel performance thereunder, and to be substituted for the Borrower therein, and to commence and conduct either in the name of the Borrower or in its own name or otherwise any proceedings against any Person in respect of any breach of the Project

(v) All rights under project guarantees obtained pursuant to construction, development contract or operations contract, if any relating to the project provided such assignment shall be limited to and to arise to the extent provided under the Substitution Agreement

(vi) Secured Term Loan are charged at 10.95%



Repayment Schedule:

| FY ending | Repayment in | % repaid | Amount of Debt As at March 31, | Amount of Debt As at March 31, |
|--------------|-----------------------------------|---------------|-----------------------------------|-----------------------------------|
| 2018 | (4 quarterly instalment) | 7.20% | As at March 31, | As at March 31, |
| 2019 | (4 quarterly instalment) | 9.60% | 91,93,72,800 | 68,95,29,600 |
| 2020 | (4 quarterly instalment) | 12.00% | 1,14,92,16,000 | 91,93,72,800 |
| 2021 | (4 quarterly instalment) | 14.80% | 1,41,73,66,400 | 1,14,92,16,000 |
| 2022 | (4 quarterly instalment) | 16.47% | 1,57,72,98,960 | 1,41,73,66,400 |
| 2023 | (4 quarterly instalment) | 16.47% | 1,57,72,98,960 | 1,57,72,98,960 |
| 2024 | (3 quarterly instalment) | 12.35% | 1,18,36,88,480 | 1,57,72,98,960 |
| Total | (3 quarterly instalment) | 88.90% | 7,82,42,41,600 | 1,18,36,88,480 |
| | | | | 8,51,37,71,200 |

| 1. Security details | As at March 31, 2018 | | As at March 31, 2017 | |
|-----------------------|-----------------------|---------------------|-----------------------|---------------------|
| | Long-term | Short-term | Long-term | Short-term |
| Secured against | | | | |
| Refer Note 18.1 Above | 6,90,48,68,800 | 91,93,72,800 | 7,82,42,41,600 | 68,95,29,600 |
| Total | 6,90,48,68,800 | 91,93,72,800 | 7,82,42,41,600 | 68,95,29,600 |

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

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|--------------------|-----------------------|-----------------------|---------------------------|---------------------------|
| | ₹ | ₹ | Frequency of Repayment | Frequency of Repayment |
| 1 Year | 91,93,72,800 | 68,95,29,600 | Quarterly | Quarterly |
| 1 Year to 3 Years | 2,56,65,82,400 | 2,06,85,88,800 | Quarterly | Quarterly |
| 3 Years to 5 years | 3,15,45,97,920 | 2,99,46,55,360 | Quarterly | Quarterly |
| Above 5 Years | 1,18,36,88,480 | 2,76,09,87,440 | Quarterly | Quarterly |
| Total | 7,82,42,41,600 | 8,51,37,71,200 | | |

Term Loans - Unsecured

1. Rate of Interest - Floating interest rate of 10.75% p.a payable monthly in arrears, to be linked to the applicable benchmark rate with a corresponding spread

2. Terms of repayment

- (a) The Borrower shall repay in 13 months from the date of first disbursement under the facility
(b) Repayment in a bullet instalment at the end of the Tenor, or upon exercise of the Put / Call option, or at the time of refinancing / Securitization of the project debt, along with refinancing of Senior Debt Lenders and existing loan from IndusInd Bank, whichever is earlier
(c) In case of occurrence of any Mandatory Prepayment Event, the Facility would be immediately repayable



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 | | | | | | | |
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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 |
|-------------|------------------|---------------------------|----------------------------|---------------|-----------------|------------------|
| | | NOT APPLICABLE | | | | |
| | | | | | | |



19. Other financial liabilities

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------------------|-----------------------|----------------------|---------------------|
| | Non Current | Current | Non Current | Current |
| Current maturities of long-term debt | | 2,17,08,53,244 | | 68,95,29,500 |
| Current maturities of finance lease obligations | | 3,97,49,349 | | 3,54,84,679 |
| Interest accrued but Not Due - Related | | 2,71,233 | | 4,61,219 |
| Interest accrued and Due - Other | | | | |
| Income received in advance | | | | |
| Payable for purchase of capital assets | | | | |
| Retained | 34,16,917 | 43,77,26,952 | 35,41,00,418 | 74,45,694 |
| Other | | 13,05,361 | | |
| Derivative liability | | | | |
| Security Deposit from customer | | | | |
| Connectivity Charges Payable | | | | |
| Unpaid dividends | | | | |
| Premium payable to authority | | | | |
| Unearned Revenue | | | | |
| Financial Guarantee contracts | | | | |
| Total | 34,16,917 | 2,64,99,06,139 | 35,41,00,418 | 73,29,21,192 |

20. Provisions

| 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) | 15,89,13,433 | | 12,72,66,267 | |
| Provision for replacement cost (refer Footnote 2) | | | | |
| Provision for dividend tax on dividend on preference shares. | | | | |
| Total | 15,89,13,433 | - | 12,72,66,267 | - |

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.

| Particulars | Year-end March 31, 2018 | | Year-end March 31, 2017 | |
|--|-------------------------|----------|-------------------------|----------|
| | Non Current | Current | Non Current | Current |
| Balance at the beginning of the year | 12,72,66,267 | | 5,98,98,671 | |
| Provision made during the year | 6,63,20,705 | | 6,73,57,671 | |
| Utilised for the year | (6,88,63,728) | | | |
| Adjustment for foreign exchange fluctuation during the year | | | 60,09,725 | |
| Unwinding of discount and effect of changes in the discount rate | 1,41,90,189 | | | |
| Balance at the end of the year | 15,89,13,433 | - | 12,72,66,267 | - |

2. Provision for replacement cost

| 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 | - | - | - | - |

21. Deferred tax balances

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

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



| Particulars | As at April 1, 2016 | | Movement Recognised in Statement of Profit and Loss | | Acquisitions /disposals | Exchange difference | As at March 31, 2016 | | Movement Recognised in Statement of Profit and Loss | Movement Recognised in other comprehensive income | Acquisitions /disposals | Exchange difference | As at March 31, 2017 |
|---|---------------------|---------------------|---|---------------------|----------------------------|---------------------|-------------------------|----------------------|---|---|----------------------------|------------------------|-------------------------|
| | As at April 1, 2016 | As at April 1, 2016 | As at April 1, 2016 | As at April 1, 2016 | | | As at March 31, 2016 | As at March 31, 2016 | | | | | |
| 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 | | | | | | | | | | | | | |
| 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 | | | | | | | | | | | | | |
| Mar Credit Entitlement (refer footnote 1) | | | | | | | | | | | | | |
| Deferred Tax Asset / (Liabilities) (Net) | | | | | | | | | | | | | |
| Footnotes : | | | | | | | | | | | | | |

NOT AFFILIATE

22. Other liabilities

| 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 | | 68,84,348 | | 3,26,70,434 |
| Other Liabilities | | | | |
| Total | | 68,84,348 | - | 3,26,70,434 |

23. Trade payables

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|---|----------------------|--------------|----------------------|--------------|
| | Non Current | Current | Non Current | Current |
| Trade payables other than MISME Related | | 56,38,35,374 | | 53,41,11,420 |
| Others | | 4,41,37,943 | | 4,39,35,803 |
| Bills payable | | 60,79,23,317 | | 57,80,47,223 |
| Total | | 1,21,47,667 | | 1,16,56,446 |

24. Current tax assets and liabilities

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|--------------------------|----------------------|-------------|----------------------|-------------|
| | Non Current | Current | Non Current | Current |
| Current tax assets | | | | |
| Advance payment of taxes | | 3,34,17,617 | | 2,98,42,461 |
| Total | | 3,34,17,617 | | 2,98,42,461 |
| Current tax liabilities | | | | |
| Provision for tax | | | | |
| Total | | | | |



Pune Sholapur Road Development Company 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

| Particulars | Rs. | |
|--|------------------------------|------------------------------|
| | 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 | 1,28,77,65,741 | 1,06,95,98,772 |
| (e) Finance income | | |
| (f) Construction income | | 1,41,98,94,025 |
| Claim from authority | | |
| Others | | |
| (g) Sales (net of sales tax) | | |
| (h) Operation and maintenance Grant | | |
| (i) Other operating income: | | |
| Claim from authority | 73,72,00,000 | |
| Interest on Claims | | |
| Profit on sale of investment in Subsidiary | | |
| Total | 2,02,49,65,741 | 2,48,94,92,797 |

26. Other Income

| Particulars | Rs. | |
|--|------------------------------|------------------------------|
| | 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 Claim Receivable | 1,03,38,14,586 | 32,88,68,406 |
| Interest on Income Tax Refund | | 5,71,158 |
| Interest on short term deposit | 2,25,56,596 | 51,60,035 |
| 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 | 8,776 | 1,53,428 |
| 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) | 29,01,20,892 | |
| Total | 1,34,65,00,850 | 33,47,53,027 |

26.1 Movement in Expected credit losses

| Particulars | Rs. | |
|---|------------------------------|------------------------------|
| | 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) | 29,01,20,892 | - |

27. Cost of Material Consumed & Construction Cost

| Particulars | Rs. | |
|--|------------------------------|------------------------------|
| | 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) | | 11,60,46,448 |
| Total (a+b) | - | 11,60,46,448 |

28. Operating Expenses

| Particulars | Rs. | |
|------------------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2018 | Year ended March 31, 2017 |
| Construction Contract cost | | |
| Diesel and fuel expenses | | |
| Operation and maintenance expenses | 4,62,90,012 | 3,83,04,509 |
| Provision for overlay expenses | 8,63,20,705 | 6,73,57,671 |
| Provision for replacement cost | | |
| Toll plaza expenses | 4,32,68,343 | 4,13,49,922 |
| Other Operating Expenses | | |
| Total | 17,58,79,060 | 14,70,12,102 |



29. Employee benefits expense

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

30. Finance costs

| Particulars | Rs. | |
|---|------------------------------|------------------------------|
| | 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) | | |
| Related | 93,26,26,738 | 46,81,71,449 |
| Others | 1,35,37,99,731 | 1,17,36,38,317 |
| Interest on debentures | | |
| Discount on commercial paper | | |
| Other interest expense | 19,26,644 | 10,32,63,520 |
| (b) Dividend on redeemable preference shares | | |
| (c) Other borrowing costs | | |
| Guarantee commission | | 45,07,426 |
| Finance cost on unwinding | 9,78,16,724 | 77,80,021 |
| Finance charges | 8,26,75,636 | 6,59,16,746 |
| 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) | 2,46,88,45,472 | 1,82,32,77,478 |

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.

31. Depreciation and amortisation expense

| Particulars | Rs. | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2018 | Year ended March 31, 2017 |
| Depreciation of property, plant and equipment | 20,75,146 | 23,51,808 |
| Depreciation of investment property (refer Note 3) | | |
| Amortisation of intangible assets (refer Note 5) | 44,60,79,036 | 51,80,83,468 |
| Total depreciation and amortisation | 44,81,54,182 | 52,04,35,276 |

32. Other expenses

| Particulars | Rs. | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2018 | Year ended March 31, 2017 |
| Legal and consultation fees | 52,94,56,367 | 34,04,14,436 |
| Travelling and conveyance | 12,42,525 | 7,63,414 |
| Rent (refer Note 36.2) | | |
| Rates and taxes | 55,36,518 | 20,63,002 |
| Repairs and maintenance | | |
| Bank commission | | |
| Registration expenses | | |
| Communication expenses | | 8,512 |
| Insurance | | 42,458 |
| Printing and stationery | | 2,450 |
| Electricity charges | | |
| Directors' fees | 7,18,600 | 4,36,300 |
| Loss on sale of fixed assets (net) | | |
| Brand Subscription Fee | | |
| Corporate Social Responsibility Exp. (Refer Note 32.2) | | |
| Business promotion expenses | | |
| Payment to auditors (Refer Note 32.1) | 9,16,900 | 6,81,153 |
| Provision for doubtful debts and receivables | | |
| Miscellaneous expenses | 5,96,189 | 10,779 |
| Total | 53,84,67,099 | 34,44,22,504 |

32.1 Payments to auditors

| Particulars | Rs. | |
|----------------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2018 | Year ended March 31, 2017 |
| a) For audit | 2,75,000 | 3,50,000 |
| b) For taxation matters | | |
| c) For other services | 6,36,150 | 2,99,700 |
| d) For reimbursement of expenses | 5,750 | 31,453 |
| e) Service tax on above | | |
| Total | 9,16,900 | 6,81,153 |



32. 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:

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

33. Income taxes

33.1 Income tax recognised in profit or loss

| Particulars | Rs. | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2018 | Year ended March 31, 2017 |
| Current tax | | |
| In respect of the current period | | |
| In respect of prior period | | |
| Deferred tax | | |
| In respect of the current period | | |
| MAT credit entitlement | | |
| Total income tax expense recognised in the current period relating to continuing operations | | |

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

| Particulars | Rs. | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2018 | Year ended March 31, 2017 |
| Profit before tax from continuing operations | (25,98,79,222) | (41,70,68,877) |
| Income tax expense calculated at ___% (2016-17: 34.61%) | | |
| 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) | | |

33.3 Income tax recognised in other comprehensive Income

| Particulars | Rs. | |
|---|------------------------------|------------------------------|
| | 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 | | |



34. Earnings per share

| Particulars | Unit | Year ended March 31, 2018 | Year ended March 31, 2017 |
|---|------------|---------------------------|---------------------------|
| Profit for the year attributable to owners of the Company | ₹ in Crore | (25,98,79,222) | (41,70,68,877) |
| Weighted average number of equity shares | Number | 17,60,00,000 | 17,60,00,000 |
| Nominal value per equity share | ₹ | 10 | 10 |
| Basic / Diluted earnings per share | ₹ | (1.48) | (2.37) |

35. Subsidiaries

Details of the Group's subsidiaries at the end of the reporting year are as follows.

| Name of subsidiary | Principal activity | Place of incorporation and operation | Proportion of ownership interest and voting power held by the Group (%) | |
|--------------------------------------|--------------------|--------------------------------------|---|----------------------|
| | | | As at March 31, 2018 | As at March 31, 2017 |
| 1. Held directly: | | | | |
| | | | | |
| | | | | |
| 2. Held through subsidiaries: | | | | |
| | | | | |
| | | | | |

35.1 Composition of the Group

Details of the Group's joint venture at the end of the reporting year are as follows.

| Name of joint operation | Principal activity | Place of incorporation and operation | Proportion of ownership interest and voting power held by the Group (%) | |
|------------------------------------|--------------------|--------------------------------------|---|----------------------|
| | | | As at March 31, 2018 | As at March 31, 2017 |
| Held Directly : | | | | |
| | | | | |
| Held through Subsidiaries : | | | | |
| | | | | |

The Group's interest in jointly controlled operations are :

| Name of the Jointly Controlled Operations | Proportion of Group's Interest (%) | |
|---|------------------------------------|----------------|
| | As at March 18 | As at March 17 |
| | | |
| | | |

35.2 Details of the Group's associates at the end of the reporting period are as follows.

| Name of joint operation | Principal activity | Place of incorporation and operation | Proportion of ownership interest and voting power held by the Group (%) | |
|--------------------------------------|--------------------|--------------------------------------|---|----------------------|
| | | | As at March 31, 2018 | As at March 31, 2017 |
| 1.Held directly : | | | | |
| | | | | |
| 2.Held through Subsidiaries : | | | | |
| | | | | |



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 Subsidiary | Name of Subsidiary |
|---|--------------------|--------------------|
| 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:

| Particulars | Rs. | | | | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | Name of Subsidiary | Name of Subsidiary | Name of Subsidiary | Name of Subsidiary | Name of Subsidiary | Name of Subsidiary |
| 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) | - | - | - | - | - | - |



36. Leases

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.



37. Employee benefit plans

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 / regulatory-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 the Company for the year ended March 31, 2017, is ₹ _____ (for the year ended March 31, 2017: ₹ _____) represents contribution payable to these plans by the Company at rates specified in the rules of the plan.

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 plan, 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 factors. |

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 services) | | |

* 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

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

| Particulars | Rs. | |
|--|---------------------------|---------------------------|
| | Year ended March 31, 2018 | Year ended March 31, 2017 |
| Service cost: | | |
| Current service cost | | |
| Past service cost and gains/losses 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 inter-relationship 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:

| Particulars | Rs. | |
|---|----------------------|----------------------|
| | 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:

| Particulars | Rs. | |
|--|----------------------|----------------------|
| | 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 | | |
| Other Transfer (net) | | |
| Closing defined benefit obligation | | |

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

| Particulars | Rs. | |
|--|----------------------|----------------------|
| | 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 employees | | |
| Benefits paid | | |
| Closing fair value of plan assets | | |

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

| Particulars | Rs. | | |
|---------------------------|----------------------|----------------------|---------------------|
| | As at March 31, 2018 | As at March 31, 2017 | As at April 1, 2015 |
| Cash and cash equivalents | | | |
| Equity fund (UCI) | | | |
| 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 benefit liability are discount rate, expected salary increase and mortality. The sensitivity analysis below has 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 ₹ _____)



38 Business combinations

38.1.1 Business combinations

| 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

| Particulars | Name of Entity acquired | Name of Entity acquired |
|-------------|-------------------------|-------------------------|
| Cash | | |
| Others | | |
| Total | | |

38.1.3 Assets acquired and liabilities recognized at the date of acquisition

| 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

| 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

| 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 | | |

38.2 Disposal of a subsidiary

38.2.1 Consideration received

| 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

| Particulars | Name of entity |
|---|------------------|
| | 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

| 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

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



39. Disclosure in respect of Construction Contracts

| Particulars | Rs. | |
|--|---------------------------|---------------------------|
| | Year ended March 31, 2018 | Year ended March 31, 2017 |
| Contract revenue recognised as revenue during the year | - | 1,41,98,94,025 |

| Particulars | Rs. | |
|---|----------------------|----------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Cumulative revenue recognised | 4,55,32,43,641 | 4,55,32,43,641 |
| 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

| Particulars | Rs. | |
|--|-----------------------|-----------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| IL&FS Transportation Networks Limited | 1,82,02,65,158 | 1,94,06,60,877 |
| Operation & Maintenance (upto the end of concession period) | | |
| IL&FS Trust Company Limited | 30,00,000 | 35,00,000 |
| Estimated amount of contracts to be executed on security trusteeship fees (upto the end of repayment of last installment of term loan) | | |
| Total | 1,82,32,65,158 | 1,94,41,60,877 |

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

41.1 Contingent liabilities

| Particulars | Rs. | |
|---|----------------------|----------------------|
| | 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 | | |



Pune Sholapur Road Development Company 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)

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 Limited | ILFS | √ | √ |
| Holding Company | IL&FS Transportation Networks Limited | ITNL | √ | √ |
| Subsidiaries - Direct | XX XX XX XX | NIL | | |
| Subsidiaries - Inirect | XX XX XX XX | NIL | | |
| Fellow Subsidiaries (Only with whom there have been transaction during the period/ there was balance outstanding at the year end) | ISSL CPG BPO Private Limited | ISCBPL | | √ |
| | IL&FS Financial Services Limited | IFIN | √ | √ |
| | IL&FS Airport Limited | IAL | | √ |
| | IL&FS Cluster Development Initiative Limited | ICDI | √ | √ |
| | Rapid Metrorail Gurgaon Ltd | RMGL | | √ |
| | Sabarmati Capital One Ltd | SCOL | √ | |
| Associates - Direct | XX | NIL | | |
| Associates - Indirect | XX | NIL | | |
| Jointly Controlled Entities - Direct | XX | NIL | | |
| Jointly Controlled Entities - Indirect | XX | NIL | | |
| Jointly Controlled Operations | XX | NIL | | |
| Key Management Personnel ("KMP") | Mr. M Kamalpathy * | Manager | | √ |
| | Mr. Praveen Kumar Ravi ** | Manager | √ | |
| | Mr. Priyesh Ruia | Chief Financial Officer | √ | √ |
| | Ms. Mukesh Ranga | Company Secretary | √ | √ |
| | Mr. Kazim Raza Khan | Director | √ | √ |
| | Mr. Krishna D. Ghag | Director | √ | √ |
| | Mr. Rajiv Dubey | Director | √ | √ |
| | Mr. Goutam Mukherjee | Independent Director | √ | |
| | Mr. Sanjay Rane | Independent Director | √ | |
| Ms. Varsha Sawant | Director | √ | √ | |
| Relatives of KMP | XX | NIL | | |
| KMP of Holding Company | XX | NIL | | |

* Mr. M Kamalpathy resigned as Manager w.e.f May 10, 2017

** Mr. Praveen Kumar Ravi appointed as Manager w.e.f May 10, 2017



Pune Sholapur Road Development Company 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 4.2 above)

| Particulars | IL&FS | ITNL | ICDI | IFIN | Sabarnati | Mr. Kazim Raza Khan | Mr. Krishna D. Ghag | Mr. Rajiv Dubey | Ms. Varsha Sawant | Mr. Sanjay Rane | Mr. Goutam Mukerjee | Total |
|------------------------------------|----------------|----------------|----------------|----------------|--------------|---------------------|---------------------|-----------------|-------------------|-----------------|---------------------|-----------------|
| Balance | | | | | | | | | | | | |
| Equity Share Capital | - | 1,60,00,00,000 | - | - | - | - | - | - | - | - | - | 1,60,00,00,000 |
| Retention Money - Payable | - | 43,77,26,952 | - | - | - | - | - | - | - | - | - | 43,77,26,952 |
| Trade Payables | 21,60,000 | 55,62,75,374 | - | 54,00,000 | - | - | - | - | - | - | - | 56,38,35,374 |
| Unsecured Loan - Short Term Loan | 2,50,00,00,000 | 2,33,52,38,487 | 81,25,00,000 | 2,71,55,00,000 | 52,50,00,000 | - | - | - | - | - | - | 8,88,82,38,487 |
| Interest Accrued & Not Due | - | 3,97,49,349 | - | - | - | - | - | - | - | - | - | 3,97,49,349 |
| Interest Recoverable | - | - | - | - | - | - | - | - | - | - | - | - |
| Expenses payable | - | - | - | - | - | - | - | - | - | - | - | - |
| Syndication Fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Transactions | | | | | | | | | | | | |
| Tolling Fees | - | 4,32,68,343 | - | - | - | - | - | - | - | - | - | 4,32,68,343 |
| Periodic Maintenance (Overlay Exp) | - | 7,71,27,375 | - | - | - | - | - | - | - | - | - | 7,71,27,375 |
| Operation & Maintenance Charges | - | 4,26,30,179 | - | - | - | - | - | - | - | - | - | 4,26,30,179 |
| Deputation Cost | - | 15,38,948 | - | - | - | - | - | - | - | - | - | 15,38,948 |
| Guarantee Commission | - | - | - | - | - | - | - | - | - | - | - | - |
| Claim Management Fees | - | 50,91,83,059 | - | - | - | - | - | - | - | - | - | 50,91,83,059 |
| Rates & taxes | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Interest | 18,67,827 | - | - | - | - | - | - | - | - | - | - | 18,67,827 |
| Finance Cost | 23,60,000 | - | - | - | - | - | - | - | - | - | - | 23,60,000 |
| Monitoring Fees | - | 1,62,84,000 | - | - | - | - | - | - | - | - | - | 1,62,84,000 |
| Syndication Fees | - | - | - | 59,00,000 | - | - | - | - | - | - | - | 59,00,000 |
| Interest on Loan | 14,28,35,836 | 24,38,95,766 | 11,94,56,439 | 38,54,16,780 | 4,10,21,917 | - | - | - | - | - | - | 93,26,26,738 |
| Unsecured Short term Loan Taken | 2,50,00,00,000 | 5,88,41,06,063 | 1,20,00,00,000 | 2,71,55,00,000 | 52,50,00,000 | - | - | - | - | - | - | 12,82,46,06,063 |
| Unsecured Short term Loan Repaid | 31,00,00,000 | 8,94,05,00,000 | 38,75,00,000 | - | - | - | - | - | - | - | - | 9,63,80,00,000 |
| Director Sitting Fees | - | - | - | - | - | 60000 | 150000 | 60000 | 30000 | 160000 | 150000 | 6,10,000 |



Pune Sholapur Road Development Company 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)

| Particulars | IL&FS | ITNL | ICDI | IFIN | IAL | ISCBPL | RMGL | Mr. Kazim Raza Khan | Mr. Krishna D. Ghag | Mr. Rajiv Dubey | Ms. Varsha Sawant | Total |
|----------------------------------|----------------|-----------------|--------------|--------------|--------------|--------|----------------|---------------------|---------------------|-----------------|-------------------|-----------------|
| Balance | - | - | - | - | - | - | - | - | - | - | - | - |
| Retention Money - Payable | - | 48,67,52,371 | - | - | - | - | - | - | - | - | - | 48,67,52,371 |
| Trade Payables | - | 52,72,60,170 | - | - | - | - | - | - | - | - | - | 52,72,60,170 |
| Unsecured Loan - Short Term Loan | 31,00,00,000 | 5,39,16,32,425 | - | - | - | - | - | - | - | - | - | 5,70,16,32,425 |
| Interest Accrued | - | 3,41,50,746 | - | - | - | - | - | - | - | - | - | 3,41,50,746 |
| Interest Recoverable | - | - | 1,14,410 | - | - | - | - | - | - | - | - | 1,14,410 |
| Expenses Payable | 13,33,933 | - | - | 68,51,250 | - | - | - | - | - | - | - | 81,85,183 |
| Syndication Fees | - | - | - | 74,65,852 | - | - | - | - | - | - | - | 74,65,852 |
| Share Capital | - | 1,60,00,00,000 | - | - | - | - | - | - | - | - | - | 1,60,00,00,000 |
| Transactions | - | - | - | - | - | - | - | - | - | - | - | - |
| Construction Cost | - | 17,68,96,875 | - | - | - | - | - | - | - | - | - | 17,68,96,875 |
| Tolling Fees | - | 4,12,07,942 | - | - | - | - | - | - | - | - | - | 4,12,07,942 |
| Operation & Maintenance Charges | - | 4,39,55,136 | - | - | - | - | - | - | - | - | - | 4,39,55,136 |
| Depreciation Cost | - | 9,31,988 | - | - | - | - | - | - | - | - | - | 9,31,988 |
| Guarantee Commission | - | 45,07,426 | - | - | - | - | - | - | - | - | - | 45,07,426 |
| Legal & Professional | - | 32,48,74,997 | - | - | - | 18,400 | - | - | - | - | - | 32,48,93,397 |
| Rates & taxes | - | - | - | - | - | 3,000 | - | - | - | - | - | 3,000 |
| Other Interest | - | 10,32,63,520 | - | - | - | - | - | - | - | - | - | 10,32,63,520 |
| Finance Cost | - | - | - | 37,898 | - | - | - | - | - | - | - | 37,898 |
| Interest on Loan | 13,15,31,123 | 6,71,34,572 | 2,35,17,809 | 2,42,56,437 | 6,21,69,864 | - | 15,95,61,644 | - | - | - | - | 46,81,71,449 |
| Unsecured Short term Loan Taken | 3,21,00,00,000 | 10,64,71,32,425 | 29,00,00,000 | 34,00,00,000 | 80,00,00,000 | - | - | - | - | - | - | 15,28,71,32,425 |
| Unsecured Short term Loan Repaid | 2,90,00,00,000 | 5,51,00,00,000 | 29,00,00,000 | 34,00,00,000 | 80,00,00,000 | - | 1,00,00,00,000 | - | - | - | - | 10,84,00,00,000 |
| Director Sitting Fees | - | - | - | - | - | - | - | 40000 | 90000 | 40000 | 40000 | 2,10,000 |

Rs.



43. Segment Reporting

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 | | | | | | |
| Depreciation and amortisation expense | | | | | | |
| Non cash expenditure other than depreciation for the year | | | | | | |

iii) Secondary - Geographical Segments:

| Particulars | India | | Outside India | | Rs. | |
|---------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 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 | | | | | | |
| Capital Expenditure | | | | | | |
| 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 26th April 2018

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



G. K. Agarwal
Partner
Membership Number : 081603

For and on behalf of the Board



Mr. Kazim R Khan
Director
DIN No. 05188955



Ms. Varsha Sawant
Director
DIN No. 07018824



Priyesh Ruia
Chief Financial Officer



Mukesh Ranga
Company Secretary

Place :

Date :

N. Delhi
24/4/18

Place :

Date :

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Audit for the year ended March 31, 2018

Annexure - 2

Differences in Accounting Policies & Disclosures

Accounting Policies Differences

| Accounting Policy of consolidating entity | Accounting Policy of ITNL | Difference (Explain) | Impact (Estimated if not quantified) | Action proposed |
|---|---------------------------|----------------------|--------------------------------------|-----------------|
| | | | ₹ | |
| | | | | |
| ----- N.A. ----- | | | | |
| | | | | |

*only if impact as quantified or likely to be greater than ₹ 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 Gianender & Associates

Chartered Accountants

Firm Registration no. 004661N



G. K. Agarwal

G. K. Agarwal

Partner

Membership Number : 081603

Place

Date

26/4/18

For Pune Sholapur Road Development Company Limited

[Signature]

Chief Financial Officer

Place

Date

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Annexure - 3

Shareholding Pattern as at March 31, 2018

| Sr. No. | Name of the Shareholder | No. of Shares Held | % Holding |
|----------------|---|---------------------------|------------------|
| 1 | IL&FS Transportation Networks Limited | 15,99,99,940 | 90.91% |
| 2 | IL&FS Transportation Networks Ltd & Mr. Dilip Bhatia | 10 | 0.00% |
| 3 | IL&FS Transportation Networks Ltd & Mr. Krishna Ghag | 10 | 0.00% |
| 4 | IL&FS Transportation Networks Ltd & Mr. Prashant Agarwal | 10 | 0.00% |
| 5 | IL&FS Transportation Networks Ltd & Mr. Chandrakant Jagasia | 10 | 0.00% |
| 6 | IL&FS Transportation Networks Ltd & Mr. Ajay Menon | 10 | 0.00% |
| 7 | IL&FS Transportation Networks Ltd & Mr. Jyotsna Matonkar | 10 | 0.00% |
| 8 | East Nippon Expressway Company (NEXCO) | 1,60,00,000 | 9.09% |
| Total | | 17,60,00,000 | 100.00% |

For Pune Sholapur Road Development Company Limited


Chief Financial Officer

Company Secretary

Place

Date

26/4/18

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Annexure - 4

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 |
|---|----------------------|-------------------|--|---|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

The Authorised Capital of the Company is Rs. 1,760,000,000/-

For Gianender & Associates
Chartered Accountants
 Firm Registration no. 004661N

For Pune Sholapur Road Development Company Limited


 G. K. Agarwal
Partner
 Membership Number : 081603




Chief Financial Officer

Company Secretary

Place
 Date


 26/4/18

Place
 Date

**SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)**

Audit for the year ended March 31, 2018

Annexure - 5

(Part 1) - Provision for Overlay

Provision for overlay in respect of toll roads maintained by the Company 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:

| Particulars | As at March 31, 2018 | | As at March 31, 2017 | |
|--|----------------------|---------|----------------------|---------|
| | Non-Current | Current | Non-Current | Current |
| Opening balance as on | 12,72,66,267 | - | 5,38,98,871 | - |
| Provision made during the year | 10,05,10,894 | - | 7,33,67,396 | - |
| Provision utilised | (6,88,63,728) | - | - | - |
| Adjustment for Foreign exchange fluctuation during the year / period | | | | |
| Adjustment for reclassification during the year | | | | |
| Closing balance as on March 31, 2018 | 15,89,13,433 | - | 12,72,66,267 | - |


In terms of our clearance memorandum attached

For Gianender & Associates

Chartered Accountants

Firm Registration no. 004661N

For Pune Sholapur Road Development Company Limited


G. K. Agarwal
Partner
Membership Number : 081603




Chief Financial Officer

Place
Date

Place
Date

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Audit for the year ended March 31, 2018

Annexure - 5

(Part 2) - Estimates Used (Intangible Assets)

As per the accounting policy followed by the Group :-

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.

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.

The key elements have been tabulated below:

| | Upto March 31, 2018 |
|--|--|
| Margin on construction services recognised in respect of intangible assets (Rs.) | 3,13,86,92,150 |
| Amortisation charge in respect of intangible assets (Rs.) | 44,60,79,036 |
| | As at March 31, 2018 |
| Carrying amounts of intangible assets (Rs.) | 19,30,77,98,313 |
| Carrying amounts of intangible assets under development (Rs.) | - |
| Provision for overlay in respect of intangible assets (Rs.) | 15,89,13,433 |
| Total Estimated Revenue for project upto concession period | 56,87,17,58,904 |
| | For the Year Ended March 31, 2018 |
| Amortisation charge in respect of intangible assets (Rs.) | 44,60,79,036 |

Workings

| Particulars | Amount Rs. |
|---|-----------------------|
| | |
| Opening Margins till March 31, 2017 | 3,13,86,92,150 |
| During the period under audit | |
| Construction Revenue | - |
| Construction Cost | - |
| Margin | - |
| Margins Recognised till the balance sheet date | 3,13,86,92,150 |

| | |
|---|---------------|
| Margin Percentage Applied on Construction Cost to recognise Construction Revenue | 10.54% |
|---|---------------|

In terms of our clearance memorandum attached

For Gianender & Associates

Chartered Accountants

Firm Registration no. 0046074

G. K. Agarwal

Partner

Membership Number : 081603



For Pune Sholapur Road Development Company Limited

Chief Financial Officer

Place

Date

Place

Date

**SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)**

Audit for the year ended March 31, 2018

Annexure - 5

(Part 3) - Estimates Used (Financial Assets)

NOT APPLICABLE

In terms of our clearance memorandum attached

For Gianender & Associates
Chartered Accountants
Firm Registration no. 004661N

For Pune Sholapur Road Development Company Limited


G. K. Agarwal
Partner
Membership Number : 081603




Chief Financial Officer

Place
Date

Place
Date

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Audit for the year ended March 31, 2018

Annexure - 5

(Part 4) - Other Information

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

| Particulars | PSRDCL |
|---------------------------------|--|
| Nature of Assets | Intangible assets |
| Year when SCA granted | 30-09-2009 |
| Period | 19 years 295 days from appointment date i.e. 28/9/2011 |
| Extension of period | No |
| Construction | Operational |
| Premature Termination | Premature termination is permitted only upon happening of a force majeure event or upon the parties defaulting on their obligation. |
| Special Term | Nil |
| Brief description of Concession | The Company has been set up with the main object of design engineering construction development finance operation and maintenance of 4 laning of Pune-Sholapur Section of NH-9 from KM 144.400 to KM 249.000 in the sate of Maharashtra under NHDP phase III on Design Build Finance Operate and Transfer (DBFOT) basis. The Company has entered into a Concession Agreement on September 30, 2009 with the National Highways Authority of India (NHAI), under the terms of which, the Company has obtained a Concession to Design, Finance, Construct, Operate and Maintain the Project for a period of 19 years 295 days commencing from the appointed date 28/9/2011 including construction period of 910 days required for 4 laning of the Project. Grant of ` 285 crores is receivable from NHAI as Equity support for the Project. In consideration for performing its obligations under the SCA, the Company is entitled to collect toll/user charges from the users of the infrastructure assets/facility on completion of the construction activities. At the end of the concession period, the Company will hand back the Road to the NHAI without additional consideration |

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

For Pune Sholapur Road Development Company Limited



G. K. Agarwal
Partner

Membership Number : 081603




Chief Financial Officer

Place
 Date

Place
 Date

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Audit for the year ended March 31, 2018

Annexure - 6

Transaction / Balances with the related parties of ITNL which is not disclosed under AS-18 Related Party Transactions in the notes to Financial Statements.

Name of the related parties and description of relationship:

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: | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

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| 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 Registration no. 004661N

For Pune Sholapur Road Development Company Limited

G. K. Agarwal
Partner
 Membership Number : 081603

Chief Financial Officer

Place
 Date

Place
 Date



**SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)**

Audit for the year ended March 31, 2018

Annexure - 7

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 1/4/2017 | 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 Registration no. 004661N

For Pune Sholapur Road Development Company Limited


G. K. Agarwal
Partner
Membership Number : 081603




Chief Financial Officer

Place
Date

Place
Date

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks 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 | 1,39,559 | 22,14,705 | (20,75,146) | |
| (b) Capital work-in-progress | | | | |
| (c) Investment property | | | | |
| (d) Intangible assets | | | | |
| (i) Goodwill | | | | |
| (ii) under SCA | | | | |
| (iii) others | | | | |
| (iv) Intangible assets under development | 19,30,77,98,313 | 20,28,31,47,694 | (97,53,49,381) | |
| (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 | - | 3,10,71,77,169 | (3,10,71,77,169) | |
| (f) Tax assets | | | | |
| (i) Deferred Tax Asset (net) | | | | |
| (ii) Current Tax Asset (Net) | | | | |
| (g) Other non-current assets | 2,13,53,398 | 2,00,69,918 | 12,83,480 | |
| Total Non-current Assets | | | | |
| Current Assets | | | | |
| (a) Inventories | | | | |
| (b) Financial assets | | | | |
| (i) Investments | | | | |
| (ii) Trade receivables | 1,39,85,607 | 6,68,65,356 | (5,28,79,750) | |
| (iii) Cash and cash equivalents | 2,22,67,362 | 7,16,04,050 | (4,93,36,688) | |
| (iv) Bank balances other than (iii) above | 82,04,63,770 | 6,63,50,000 | 75,41,13,770 | |
| (v) Loans | | | | |
| (vi) Other financial assets | 5,72,15,53,289 | 1,09,00,305 | 5,71,06,52,984 | |
| (c) Current tax assets (Net) | 3,34,17,617 | 2,98,42,461 | 35,75,156 | |
| (d) Other current assets | 1,54,33,704 | 1,49,13,746 | 5,19,958 | |
| Assets classified as held for sale | | | | |
| Total Current Assets | | | | |
| Total Assets | 25,95,64,12,619 | 23,67,30,85,404 | 2,28,33,27,215 | |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity share capital | 1,76,00,00,000 | 1,76,00,00,000 | - | |
| (b) Other Equity | 3,10,62,11,178 | 3,36,60,90,401 | (25,98,79,222) | |
| Equity attributable to owners of the Company | | | | |
| Non-controlling Interests | | | | |
| Total Equity | | | | |
| LIABILITIES | | | | |
| Non-current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 6,90,48,68,800 | 11,02,03,57,044 | (4,11,54,88,244) | |
| (ii) Trade payables | | | | |
| (iii) Other financial liabilities | 34,16,917 | 35,41,00,418 | (35,06,83,501) | |
| (b) Provisions | 15,89,13,433 | 12,72,66,267 | 3,16,47,166 | |
| (c) Deferred tax liabilities (Net) | | | | |
| (d) Other non-current liabilities | | | | |
| Total Non-current Liabilities | | | | |
| Current liabilities | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 10,75,82,38,487 | 5,70,16,32,425 | 5,05,66,06,062 | |
| (ii) Trade payables | 60,79,73,317 | 57,80,47,223 | 2,99,26,094 | |
| (iii) Current maturities of long term debt | | | | |
| (iv) Other financial liabilities | 2,64,99,06,139 | 73,29,21,192 | 1,91,69,84,947 | |
| (b) Provisions | | | | |
| (c) Current tax liabilities (Net) | | | | |
| (d) Other current liabilities | 68,84,348 | 3,26,70,434 | (2,57,86,086) | |
| Liabilities directly associated with assets classified as held for sale | | | | |
| Total Current Liabilities | | | | |
| Total Liabilities | | | | |
| Total Equity and Liabilities | 25,95,64,12,619 | 23,67,30,85,404 | 2,28,33,27,215 | |



(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 | 2,02,49,65,741 | 2,48,94,92,797 | (46,45,27,056) | |
| Other income | 1,34,65,00,850 | 33,47,53,027 | 1,01,17,47,823 | |
| Total Income | 3,37,14,66,591 | 2,82,42,45,824 | 54,72,20,767 | |
| Expenses | | | | |
| Cost of Material consumed | - | 11,60,46,448 | (11,60,46,448) | |
| Operating expenses | 17,58,79,060 | 14,70,12,102 | 2,88,66,958 | |
| Employee benefits expense | - | - | - | |
| Finance costs | 2,46,88,45,472 | 1,82,32,77,478 | 64,55,67,994 | |
| Depreciation and amortisation expense | 44,81,54,182 | 52,04,35,276 | (7,22,81,094) | |
| Impairment loss on financial assets | - | - | - | |
| Reversal of impairment on financial assets | - | - | - | |
| Other expenses | 53,84,67,099 | 34,44,22,504 | 19,40,44,595 | |
| Total expenses | 3,63,13,45,813 | 2,95,11,93,808 | 68,01,52,004 | |
| Add: Share of profit/(loss) of associates | | | | |
| Add: Share of profit/(loss) of joint ventures | | | | |
| Profit before exceptional items and tax | (25,98,79,222) | (12,69,47,985) | (13,29,31,237) | |
| Add: Exceptional items | - | - | - | |
| Profit before tax | (25,98,79,222) | (12,69,47,985) | (13,29,31,237) | |
| Less: Tax expense | | | | |
| (1) Current tax | - | - | - | |
| (2) Deferred tax | - | - | - | |
| Profit for the period from continuing operations (I) | (25,98,79,222) | (12,69,47,985) | (13,29,31,237) | |
| 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) | (25,98,79,222) | (12,69,47,985) | (13,29,31,237) | |
| 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) | (25,98,79,222) | (12,69,47,985) | (13,29,31,237) | |
| 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 | - | - | - | |

For Pune Sholapur Road Development Company Limited

Chief Financial Officer

Place:
Date:

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (For Consolidation into the Financial Information of IL&FS Transportation Networks 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

Annexure - 9

| Project Company | Financial Year of Investment | Instrument | Name of Parent company | Incremental Investment by Parent Company in Project Company in (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 (Pis define) by Project Company (Rs) | Project Status - Operational / Under construction | Project Commissioning date | Remarks (if any) |
|--|------------------------------|---------------|--|--|--|---|--|---|---|--|------------------|
| Pune Sholapur Road Development Company Limited | For 2009-10 | Equity Shares | IL&FS Transportation Networks Limited | 1,60,00,00,000 | 1,59,98,38,084 | 1,61,916 | - | - | Operational | Provisional COD received w.e.f. 23/08/2013 | |
| Pune Sholapur Road Development Company Limited | For 2013-14 | Equity Shares | East Nippon Expressway Company (NEXCO) | 16,00,00,000 | 16,00,00,000 | - | - | - | Operational | Provisional COD received w.e.f. 23/08/2013 | |

In terms of our clearance memorandum attached

For Glamender & Associates
 Chartered Accountants
 Firm Registration no. 004567

G. K. Agarwal
 Partner
 Membership Number : 081803



Place
 Date

For Pune Sholapur Road Development Company Limited

Chief Financial Officer

Place
 Date

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

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.

| Particulars | Rs. | |
|---|----------------------|----------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Debt (i) | 19,87,39,81,113 | 17,44,70,03,748 |
| Cash and bank balances (including cash and bank balances in a disposal company held for sale) | 84,27,31,132 | 13,79,54,050 |
| Net debt | 19,03,12,49,981 | 17,30,90,49,698 |
| Total Equity (ii) | 4,86,62,11,178 | 5,12,60,90,401 |
| Net debt to total equity ratio | 3.91 | 3.38 |

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

| Particulars | Rs. | |
|---|----------------------|----------------------|
| | As at March 31, 2018 | As at March 31, 2017 |
| Financial assets | | |
| <u>Fair value through profit and loss (FVTPL)</u> | | |
| Investment in equity instruments | - | - |
| <u>Derivative instruments designated as cash flow hedge</u> | | |
| <u>At amortised cost</u> | | |
| Investment in equity instruments | | |
| Loans | | |
| Trade receivables | 1,39,85,607 | 6,68,65,356 |
| Cash & cash equivalents; and bank balances (including Balances with Banks in deposit accounts under lien) | 84,27,31,132 | 13,79,54,050 |
| SCA receivable | | |
| Other financial assets (excluding Balances with Banks in deposit accounts under lien) | 5,72,15,53,289 | 3,11,80,77,474 |
| Financial liabilities | | |
| <u>Financial Liabilities</u> | | |
| <u>Derivative instruments designated as cash flow hedge</u> | | |
| <u>At amortised cost</u> | | |
| Borrowings (including interest accrued) | 19,87,39,81,113 | 17,44,70,03,748 |
| Trade payables | 60,79,73,317 | 57,80,47,223 |
| Other financial liabilities (excluding interest accrued) | 44,24,49,230 | 36,20,07,331 |

For Gianender & Associates
Chartered Accountants
Firm Registration no. 004661N

For Pune Sholapur Road Development Co. Ltd


G. K. Agarwal
Partner
Membership Number : 081603




CFO / Authorised Signatory

Place :
Date :

Place :
Date :

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) As at March 31, 2018 | Assets as at (INR) As at March 31, 2017 | Liabilities as at (INR) As at March 31, 2018 | Assets as at (INR) As at March 31, 2017 | Liabilities as at (INR) As at March 31, 2018 | Assets as at (INR) As at March 31, 2017 | Liabilities as at (INR) As at March 31, 2018 | Assets as at (INR) As at March 31, 2017 | Liabilities as at (INR) As at March 31, 2018 | Assets as at (INR) As at March 31, 2017 |
| USD | | | | | | | | | | |
| 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 Emirates 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.

| Profit or loss Equity | 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 |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |



Under these swap contracts, the company agrees to exchange the difference between fixed interest amounts based on functional 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 | | | | | | | | | | |
| 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 | | | | | | | | | | |
| 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

The sensitivity analysis 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.

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 + | | | | | | |
| 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- ₹ _____ (March 31, 2017 ₹ _____)
2. State Government Authorities - ₹ _____ (March 31, 2017 ₹ _____)

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.

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.

| 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 |
| Up to 1 year | 99,40,02,326 | | 2,62,73,13,325 | 6,10,42,06,048 |
| 1-3 years | | | | |
| 3-5 years | | | | |
| More than 5 years | | | | |
| Total | 99,40,02,326 | | 2,62,73,13,325 | 6,10,42,06,048 |

| Particulars | Other Entities | | | |
|-------------------|----------------------|------------------------------------|---------------------------------|----------------------|
| | March 31, 2018 | | March 31, 2017 | |
| | Non-interest bearing | Variable interest rate instruments | Fixed interest rate instruments | Non-interest bearing |
| Up to 1 year | 5,64,20,221 | 1,73,84,78,940 | 10,20,79,64,383 | 94,00,54,554 |
| 1-3 years | | 3,84,96,20,852 | | 1,64,72,14,699 |
| 3-5 years | | 3,80,27,87,622 | | 3,68,93,49,025 |
| More than 5 years | | 1,24,86,72,867 | | 4,03,56,51,264 |
| Total | 5,64,20,221 | 10,63,95,60,281 | 10,20,79,64,383 | 94,00,54,554 |

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.



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, 2018 | March 31, 2017 | 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 |
| Up to 1 year | | | | | | |
| 1-3 years | | | | | | |
| 3-5 years | | | | | | |
| More than 5 years | | | | | | |
| Total | | | | | | |

| Particulars | Other entities | | | | | |
|-------------------|-----------------------|------------------------------------|---------------------------------|-----------------------|------------------------------------|---------------------------------|
| | March 31, 2018 | March 31, 2018 | March 31, 2017 | 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 |
| Up to 1 year | 5,75,78,06,258 | | 83,29,44,959 | 3,25,65,46,880 | | 7,26,51,798 |
| 1-3 years | | | | | | |
| 3-5 years | | | | | | |
| More than 5 years | | | | | | |
| Total | 5,75,78,06,258 | | 83,29,44,959 | 3,25,65,46,880 | | 7,26,51,798 |

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 |
| Up to 1 year | | | | |
| 1-3 years | | | | |
| 3-5 years | | | | |
| More than 5 years | | | | |
| | NOT APPLICABLE | | | |

For Gianmender & Associates
Chartered Accountants
Firm Registration Number : 081603

C. K. Nayyar
Partner
Membership Number : 081603

CFO / Authorised Signatory

Place :
Date :



For Pune Sholapur Road Development Co. Ltd

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).

| | Fair value | | Fair value hierarchy | Valuation technique(s) and key inputs) | Significant unobservable input(s) | Relationship of |
|---|----------------------|----------------------|----------------------|---|------------------------------------|-----------------|
| | As at March 31, 2018 | As at March 31, 2017 | | | | |
| Financial assets/ (financial liabilities) | | | | | | |
| 1) Interest rate swaps | NIL | NIL | 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 | NIL | NIL | 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 | NIL | NIL | 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 |
| Financial assets | Carrying amount | Fair value | Carrying amount | Fair value |
| 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 | | | 1,39,85,607 | 1,39,85,607 |
| Cash & cash equivalents; and bank balances | | | 84,27,31,132 | 85,52,12,321 |
| SCA receivable | | | 5,72,15,53,289 | 5,72,15,53,289 |
| Other financial assets | | | | |
| Financial liabilities | | | | |
| Derivative instruments designated as cash flow hedge | | | | |
| At amortised cost: | | | | |
| Borrowings | 2,33,52,38,487 | 2,62,73,13,325 | 5,70,16,32,425 | 6,10,42,06,048 |
| Trade payables | 55,62,75,374 | 55,62,75,374 | 59,41,11,420 | 59,41,11,420 |
| Other financial liabilities | 43,77,26,952 | 43,77,26,952 | 3,54,84,679 | 3,54,84,679 |
| | | | 17,53,87,42,626 | 20,84,75,24,664 |
| | | | 5,16,97,943 | 5,16,97,943 |
| | | | 47,22,278 | 47,22,278 |
| | | | | 11,74,53,71,323 |
| | | | | 4,39,35,803 |
| | | | | 32,65,22,652 |
| | | | | 14,88,58,47,844 |
| | | | | 4,39,35,803 |
| | | | | 32,65,22,652 |



SPECIAL PURPOSE FINANCIAL STATEMENTS
 PUNE SHOJAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (for Consolidation into the Financial Information of TLRFS Transportation Networks Limited)
 FINANCIAL INSTRUMENTS

Annexure -11

| Fair value hierarchy | Particulars | As at March 31, 2018 | | | As at March 31, 2017 | |
|--|-----------------|----------------------|----------------|-----------------|----------------------|----------------|
| | | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 |
| Financial assets | | | | | | |
| <i>Fair value through profit and loss (FVTPL)</i> | | | | | | |
| Investment in equity instruments | | | | | | |
| Derivative instruments designated as cash flow hedge | | | | | | |
| Financial assets measured at amortised cost | | | | | | |
| Investment in equity instruments | | | | | | |
| Loans | | | | | | |
| Trade receivables | | | 1,39,85,607 | | | |
| Cash & cash equivalents; and bank balances | 84,27,31,132 | | | 13,79,54,050 | 6,68,65,356 | |
| SCA receivable | | | | | | 3,11,80,77,474 |
| Other financial assets | | | 5,72,15,53,289 | | | |
| Financial liabilities | | | | | | |
| Derivative instruments designated as cash flow hedge | | | | | | |
| At amortised cost | | | | | | |
| Borrowings | 19,87,39,81,113 | 44,24,49,230 | 60,79,73,317 | 17,44,70,03,748 | 36,20,07,391 | 57,80,47,223 |
| Trade payables | | | | | | |
| Other financial liabilities | | | | | | |

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 input being the discount rate that reflects the credit risk of counterparties.

For Gianender & Associates
 Chartered Accountants
 Firm Registration Number: 000171N

 G. K. Ajmal
 Partner
 Membership Number: 000171N


Place :
 Date :

For Pune Shojapur Road Development Co. Ltd

 CFO / Authorised Signatory

11. Borrowing Ageing
 11.1 For 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 Monthly / Quarterly / Half Yearly / Yearly / On maturity | |
|-----------------------|-------------------------|----------------------------|---------------------------|--------------|-----------------------------|-----------------------|--------------|-----------------------------|----------------------------|------------|--|-----------|
| | | | Parent (i.e. ITNL) | Subsidiaries | Jointly Controlled Entities | Parent (i.e. IL&FS) | Subsidiaries | Jointly Controlled Entities | | | | |
| Secured : | | | | | | | | | | | | |
| Debentures | 1-3 years | < = 7.00 % | | | | | | | | | | |
| | | 7.01% to 9.00% | | | | | | | | | | |
| | | 9.01% to 11.00% | | | | | | | | | | |
| | 3-5 years | 11.01% to 14.00% | | | | | | | | | | |
| | | More than 14% | | | | | | | | | | |
| | | Zero Coupon | | | | | | | | | | |
| | + 5 years | LIBOR + 10 bps | | | | | | | | | | |
| | | Others (Specify) | | | | | | | | | | |
| | | < = 7.00 % | | | | | | | | | | |
| Sub Debts / Bonds | 1-3 years | 7.01% to 9.00% | | | | | | | | | | |
| | | 9.01% to 11.00% | | | | | | | | | | |
| | | 11.01% to 14.00% | | | | | | | | | | |
| | 3-5 years | More than 14% | | | | | | | | | | |
| | | LIBOR + 10 bps | | | | | | | | | | |
| | | Others (Specify) | | | | | | | | | | |
| | + 5 years | < = 7.00 % | | | | | | | | | | |
| | | 7.01% to 9.00% | | | | | | | | | | |
| | | 9.01% to 11.00% | | | | | | | | | | |
| Term Loans | 1-3 years | 11.01% to 14.00% | | | | | | | 148595200 | | Quarterly | |
| | | More than 14% | | | | | | | | | | |
| | | LIBOR + 10 bps | | | | | | | | | | |
| | 3-5 years | Others (Specify) | | | | | | | | | | |
| | | < = 7.00 % | | | | | | | | | | |
| | | 7.01% to 9.00% | | | | | | | | | | |
| | + 5 years | 9.01% to 11.00% | | | | | | | | | | |
| | | 11.01% to 14.00% | | | | | | | | 1183688180 | | Quarterly |
| | | More than 14% | | | | | | | | | | |
| Foreign Currency Loan | 1-3 years | LIBOR + 10 bps | | | | | | | | | | |
| | | LIBOR + 60 bps | | | | | | | | | | |
| | | LIBOR+ 400 bps | | | | | | | | | | |
| | 3-5 years | 3 M USD LIBOR + 540 bps | | | | | | | | | | |
| | | 2MM: 6.628% | | | | | | | | | | |
| | | 718K: 6.969% | | | | | | | | | | |
| | + 5 years | AED 6% | | | | | | | | | | |
| | | Others (Specify) | | | | | | | | | | |
| | | Eur + 3.25% | | | | | | | | | | |
| 1-3 years | Eurobor + 3.20% | | | | | | | | | | | |
| | LIBOR + 10 bps | | | | | | | | | | | |
| | LIBOR + 60 bps | | | | | | | | | | | |
| 3-5 years | LIBOR+ 400 bps | | | | | | | | | | | |
| | 3 M USD LIBOR + 540 bps | | | | | | | | | | | |
| | 2MM: 6.628% | | | | | | | | | | | |
| + 5 years | 718K: 6.969% | | | | | | | | | | | |
| | AED 6% | | | | | | | | | | | |
| | Others (Specify) | | | | | | | | | | | |
| Others (Specify) | 1-3 years | | | | | | | | | | | |
| | 3-5 years | | | | | | | | | | | |
| | + 5 years | | | | | | | | | | | |
| Total | | | | | | | | | | | | |
| Unsecured : | | | | | | | | | | | | |
| | 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) | | | | | | | | | | |
| | | < = 7.00 % | | | | | | | | | | |



| | | | | | | | | | | | | | | | | | | | | |
|---------------------------|-----------|------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | Minor + 1.7% | | | | | | | | | | | | | | | | | | |
| | | 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 Gianender & Associates
Chartered Accountants
Firm Registration no. 004661N

For Puno Sholapur Road Development Co. Ltd


G. K. Agarwal
Partner
Membership Number : 081603




CFO / Authorized Signatory

Place :
Date :

11. Borrowing Aging
 11.25 year ended 31st March 2017

| Type of Borrowing | Terms of Loans | Range Rate of Interest | ITNL and its subsidiaries | | | IL&FS Group Companies | | | Other than IL&FS Companies | Total | Frequency of Repayment Monthly / Quarterly / Half Yearly / Yearly / On maturity |
|-------------------|---|---|---------------------------|-------------------|--|------------------------|-------------------|--|-------------------------------|-------|---|
| | | | Parent (i.e. ITNL) | Subsidi- aries | Jointly Control- led Entities | Parent (i.e. IL&FS) | Subsidi- aries | Jointly Control- led Entities | | | |
| Secured: | | | | | | | | | | | |
| Debentures | 1-3 years | < = 7.00 % | | | | | | | | | |
| | | 7.01% to 8.00% | | | | | | | | | |
| | | 8.01% 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 8.00% | | | | | | | | | |
| | | 8.01% to 11.00% | | | | | | | | | |
| | | 11.01% to 14.00% | | | | | | | | | |
| | | More than 14% | | | | | | | | | |
| | | Zero Coupon LIBOR + 10 bps Others (Specify) | | | | | | | | | |
| 1-5 years | < = 7.00 % | | | | | | | | | | |
| | 7.01% to 8.00% | | | | | | | | | | |
| | 8.01% to 11.00% | | | | | | | | | | |
| | 11.01% to 14.00% | | | | | | | | | | |
| | More than 14% | | | | | | | | | | |
| | Zero Coupon LIBOR + 10 bps Others (Specify) | | | | | | | | | | |
| Sub Debt / Equity | 1-3 years | < = 7.00 % | | | | | | | | | |
| | | 7.01% to 8.00% | | | | | | | | | |
| | | 8.01% to 11.00% | | | | | | | | | |
| | | 11.01% to 14.00% | | | | | | | | | |
| | | More than 14% | | | | | | | | | |
| | | LIBOR + 10 bps Others (Specify) | | | | | | | | | |
| | 3-5 years | < = 7.00 % | | | | | | | | | |
| | | 7.01% to 8.00% | | | | | | | | | |
| | | 8.01% to 11.00% | | | | | | | | | |
| | | 11.01% to 14.00% | | | | | | | | | |
| | | More than 14% | | | | | | | | | |
| | | LIBOR + 10 bps Others (Specify) | | | | | | | | | |
| 1-5 years | < = 7.00 % | | | | | | | | | | |
| | 7.01% to 8.00% | | | | | | | | | | |
| | 8.01% to 11.00% | | | | | | | | | | |
| | 11.01% to 14.00% | | | | | | | | | | |
| | More than 14% | | | | | | | | | | |
| | LIBOR + 10 bps Others (Specify) | | | | | | | | | | |
| Term Loans | 1-3 years | < = 7.00 % | | | | | | | 279118400 | | Quarterly |
| | | 7.01% to 8.00% | | | | | | | | | |
| | | 8.01% to 11.00% | | | | | | | | | |
| | 1-5 years | 11.01% to 14.00% | | | | | | | | | |
| | | More than 14% | | | | | | | | | |
| | | LIBOR + 10 bps Others (Specify) | | | | | | | | | |
| 1-10 years | < = 7.00 % | | | | | | | | 2994665360 | | Quarterly |
| | 7.01% to 8.00% | | | | | | | | | | |
| | 8.01% to 11.00% | | | | | | | | | | |
| | | 11.01% to 14.00% | | | | | | | | | |
| | | More than 14% | | | | | | | | | |
| | | LIBOR + 10 bps Others (Specify) | | | | | | | | | |



12. Disclosure of Derivative Instruments :
 (i) Following are the details of outstanding Derivative Contracts

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

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

* Currency wise Information needs to be provided

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

(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 in Rs | Exchange Rate | Amount in Foreign Currency | Amount in Rs |
| Receivables (trade and other) | | | | | | | |
| 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) | | | | | | | |
| 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=I+G+I) | | | | | | | |

For Gianender & Associates
 Chartered Accountants
 Firm Registration no. 004661N

For Pune Sholapur Road Development Co. Ltd

G K Agarwal
 Partner
 Membership Number : 081603



[Signature]
 CFO : Authorised Signatory

Annexure 12

SPECIAL PURPOSE FINANCIAL STATEMENTS
 PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Fair Valuation of Service Concession Arrangement Receivables

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

7.32%

Risk free rate 6.53% This needs to be updated for March'18
 NHAI Premium 0.79% This needs to be updated for March'18
 Total 7.32%

For Gianender & Associates
 Chartered Accountants
 Firm Registration no. 004661N

For Pune Sholapur Road Development Co. Ltd


 G. K. Agarwal
 Partner
 Membership Number : 081603




 CFO / Authorised Signatory

SPECIAL PURPOSE FINANCIAL STATEMENTS
 PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (For Consolidation into the Financial Information of IL&FS Transportation Networks 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 | |
| PSRDCL | IFIN | OPE Recoverable | 0 | 2872 | 2872 | Approval Pending |
| PSRDCL | IFIN | Delay Payment Interest | 0 | 5124477 | 5124477 | Approval Pending |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
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| | | | | | | |



SPECIAL PURPOSE FINANCIAL STATEMENTS
 PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Details of ICP Difference on account of Ind AS Adjustments

For ITNL Group Companies

| Name of Entity | GI code as per Hyperion CoA | GI name as per Hyperion CoA | Name of ICP (related party) | Debit (Rs.) | Credit (Rs.) | Nature of Transactions |
|----------------|-----------------------------|-----------------------------|-----------------------------|-------------|--------------|--------------------------|
| PSRDCL | 2050310080 | Retention Money | ITNL | | 4,90,25,419 | Discounting of Retention |
| PSRDCL | 3050401010 | Finance Charges | ITNL | 4,90,25,419 | | Discounting of Retention |
| | | | | | | |
| | | | | | | |
| | | | | | | |

For LLFS Group Companies

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

For Gianender & Associates
 Chartered Accountants
 Firm Registration no. 00465114



G. K. Agarwal
 Partner
 Membership Number : 081603

For Pune Sholapur Road Development Co. Ltd

Handwritten Signature
 CFO/ Authorised Signatory

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (For Consolidation into the Financial Information of L&FS Transportation Networks Limited)

Audit for the year ended March 31, 2018

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) | Addition During the period | Balance as on March 31, 2018 |
|--|---|--------|-------------------------------|------------------------------|---|----------------------------|------------------------------|
| Pune Sholapur Road Development Company Limited | L&FS Transportation Networks Ltd | June15 | Upfront Fees / 3050501011 | 3,12,69,633 | 2,90,67,546 | - | 22,02,087 |
| Pune Sholapur Road Development Company Limited | L&FS Transportation Networks Ltd | Mar16 | Finance Charges / 3050401010 | 3,18,65,735 | 1,96,05,551 | - | 1,22,60,184 |
| Pune Sholapur Road Development Company Limited | L&FS Financial Services Limited | Mar16 | Syndication Fees / 3050501012 | 63,73,147 | 39,21,110 | - | 24,52,037 |
| Pune Sholapur Road Development Company Limited | L&FS Financial Services Limited | Mar-18 | Syndication Fees / 3050501012 | - | - | 58,72,558 | 58,72,558 |
| Total | | | | 6,95,08,515 | 5,25,94,207 | 58,72,558 | 2,27,86,865 |

For Pune Sholapur Road Development Co. Ltd

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



G. K. Agarwal
 Partner



CFO / Authorised Signatory


**SPECIAL PURPOSE FINANCIAL STATEMENTS
 PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)**

Audit for the year ended March 31, 2018

Impact as per Ind AS 115

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

For Gianender & Associates
 Chartered Accountants
 Firm Registration No. 0042961N


G. K. Agarwal
 Partner
 Membership Number : 081603
 Place :
 Date :

For Pune Sholapur Road Development Co. Ltd

CFO / Authorised Signatory
 Place :
 Date :

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Annexure - 17

| Movement in borrowings | | 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 | | | | | | | | | - |
| - from other related parties | | | | | | | | | - |
| - from other parties | | | | | | | | | - |
| (ii) Term loans | | | | | | | | | |
| - from banks | | 8,51,37,71,200 | | (68,95,29,600) | | | | | 7,82,42,41,600 |
| - from financial institutions | | | | | | | | | - |
| - from ITNL and Subsidiaries | | | | | | | | | - |
| - from other related parties | | | | | | | | | - |
| - from other parties | | | | | | | | | - |
| (iii) Deposits | | | | | | | | | |
| (v) Long term maturities of finance lease obligations | | | | | | | | | - |
| (iii) Other loans | | | | | | | | | |
| - Redeemable preference share capital | | | | | | | | | - |
| - Secured Deferred Payment Liabilities | | | | | | | | | - |
| Unsecured – at amortised cost | | | | | | | | | |
| (i) Bonds / debentures | | | | | | | | | |
| - from ITNL and Subsidiaries | | | | | | | | | - |
| - from other related parties | | | | | | | | | - |
| - from other parties | | | | | | | | | - |
| (ii) Term loans | | | | | | | | | |
| - from banks | | 2,32,61,15,444 | | (1,12,50,00,000) | | | 5,03,65,000 | | 1,25,14,80,444 |
| - from financial institutions | | 87,00,00,000 | 1,00,00,00,000 | | | | | | 1,87,00,00,000 |
| - from ITNL and Subsidiaries | | 5,39,16,32,425 | 5,88,41,06,063 | (8,94,05,00,000) | | | | | 2,33,52,38,487 |
| - from other related parties | | 31,00,00,000 | 6,94,05,00,000 | (69,75,00,000) | | | | | 6,55,30,00,000 |
| - from other parties | | | | | | | | | - |
| (iii) Deposits | | | | | | | | | |
| (iii) Finance lease obligations | | | | | | | | | - |
| (iv) Commercial paper | | | | | | | | | - |
| Unexpired discount | | | | | | | | | - |
| (v) Other loans | | | | | | | | | |
| - Redeemable preference share capital | | | | | | | | | - |
| Sub total (A) | | 17,41,15,19,069 | 13,82,46,06,063 | (11,45,25,29,600) | | | 5,03,65,000 | | 19,83,39,60,531 |



SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

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 | | | | | | | | |
| - from other related parties | | | | | | | | |
| (ii) Term loans | | | | | | | | |
| - from banks | 8,51,37,71,200 | | (68,95,29,600) | | | | | 7,82,42,41,600 |
| - from financial institutions | | | | | | | | |
| - from ITNL and Subsidiaries | | | | | | | | |
| - from other related parties | | | | | | | | |
| - from other parties | | | | | | | | |
| (iii) Deposits | | | | | | | | |
| (iv) Long term maturities of finance lease obligations | | | | | | | | |
| (iii) Other loans | | | | | | | | |
| - Redeemable preference share capital | | | | | | | | |
| - Secured Deferred Payment Liabilities | | | | | | | | |
| Unsecured – at amortised cost | | | | | | | | |
| (i) Bonds / debentures | | | | | | | | |
| - from ITNL and Subsidiaries | | | | | | | | |
| - from other related parties | | | | | | | | |
| - from other parties | | | | | | | | |
| (ii) Term loans | | | | | | | | |
| - from banks | 2,32,61,15,444 | | (1,12,50,00,000) | | | | 5,03,65,000 | 1,25,14,80,444 |
| - from financial institutions | 87,00,00,000 | 1,00,00,00,000 | | | | | | 1,87,00,00,000 |
| - from ITNL and Subsidiaries | 5,39,16,32,425 | 5,88,41,06,063 | (8,94,05,00,000) | | | | | 2,33,52,38,487 |
| - from other related parties | 31,00,00,000 | 6,94,05,00,000 | (69,75,00,000) | | | | | 6,55,30,00,000 |
| - from other parties | | | | | | | | |
| (iii) Deposits | | | | | | | | |
| (iii) Finance lease obligations | | | | | | | | |
| (iv) Commercial paper | | | | | | | | |
| Unexpired discount | | | | | | | | |
| (v) Other loans | | | | | | | | |
| - Redeemable preference share capital | | | | | | | | |
| Sub total (A) | 17,41,15,19,069 | 13,82,46,06,063 | (11,45,25,29,600) | | | | 5,03,65,000 | 19,83,39,60,531 |



SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
 (For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

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 | | | | | | | | |
| -Demand loans from banks (do not give movement) | | | | | | | | |
| Unsecured – at amortised cost | | | | | | | | |
| -Demand loans from banks (do not give movement) | | | | | | | | |
| Sub total (B) | 0 | | | | | | | 0 |
| Total Borrowings (A-B) | 17411519069 | | | | | | | 19833960531 |
| Borrowings as per Financials | | | | | | | | |
| Long term Borrowings | 11020357044 | | | | | | | 6904868800 |
| Current maturities of long-term debt | 689529600 | | | | | | | 2170853244 |
| Current maturities of finance lease obligations | | | | | | | | |
| Short term borrowings | 5701632425 | | | | | | | 10758238487 |
| Total | 17411519069 | | | | | | | 19833960531 |
| Check - to be zero | 0 | | | | | | | (0.00) |

For Gianender & Associates
 Chartered Accountants
 Firm Registration No. 0044611N


 G. K. Agarwal
 Partner
 Membership Number : 081603

Place:
Date:

For Pune Sholapur Road Development Co. Ltd


 CFO / Authorised Signatory

Place :
Date :

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

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 | | | | | | |

For Gianender & Associates
Chartered Accountants
Firm Registration no. 004661N


G. K. Agarwal
Partner
Membership Number : 081603



Place
Date

For Pune Sholapur Road Development Co. Ltd


CFO / Authorised Signatory

Place
Date

PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Minority Interest (Non-controlling interests)

| 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 | --NOT APPLICABLE-- | | - |
| 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

For Gianender & Associates
Chartered Accountants
Firm Registration no. 004661N


G. K. Agarwal
Partner
Membership Number : 081603



Place
Date

For Pune Sholapur Road Development Co. Ltd


CFO / Authorised Signatory

Place
Date

PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Investment in Associates

| 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

For Gianender & Associates
Chartered Accountants
Firm Registration no. 004661N



G K. Agarwal
Partner
Membership Number : 081603

Place
Date

In terms of our clearance memorandum attached
For Pune Sholapur Road Development Co. Ltd

CEO / Authorized Signatory

Place
Date

PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

Format for Disclosure of Share of Joint Ventures in notes to accounts

| 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

For Gianender & Associates
Chartered Accountants
Firm Registration no. 004661N


G. K. Agarwal
Partner
Membership Number : 081603



For Pune Sholapur Road Development Co Ltd


CFO / Authorised Signatory

Place
Date

Place
Date

PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
Audit for the year ended March 31, 2018
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

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 maturities 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 | | | |

(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 | | | | |

(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 maturities 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 | | | |

(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 | | NOT APPLICABLE | |
| 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 | | | |

For Gianender & Associates
Chartered Accountants
Firm Registration no. 004661N

G K Agarwal
Partner
Membership Number: 081603

Place
Date



In terms of our clearance memorandum attached
For Pune Sholapur Road Development Co. Ltd

CFO / Authorised Signatory

Place
Date

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

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

Part A :

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

| Sr. No. | Name of Entities | Country of Incorporation | Reporting Period | Reporting Currency | Share Capital | Reserve and Surplus | Total Assets | Total Liabilities (Other than shareholders funds) | Investment | Turnover / Total Revenue | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | Checkpoint - Should be zero |
|---------|---|--------------------------|------------------|--------------------|---------------|---------------------|----------------|---|------------|--------------------------|------------------------|------------------------|-----------------------|-------------------|-----------------------------|
| | | | | | | | | | | | | | | | |
| 1 | Eisamex SA | Spain | 06-03-2018 | Euro | | | | | | | | | | | |
| 1 | Subsidiaries: (Give details of all subsidiaries - Direct or Indirect) | | | | | | NOT APPLICABLE | | | | | | | | |
| 2 | | | | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | |
| 4 | | | | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | | |

Additional information :

- Names of subsidiaries which are yet to commence operations :
 -
 -
 -
- Names of subsidiaries which have been liquidated or sold during the year :
 -
 -
 -

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 | Network 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 |
| 1 | Joint Ventures: (Give details of all Joint Ventures) | | | | | | | | |
| 2 | | | | | | | | | |
| 3 | | | | | | | | | |
| 4 | | | | | | | | | |
| 5 | | | | | | | | | |
| 1 | Associates: (Give details of all Associates) | | | | | | | | |
| 2 | | | | | | | | | |
| 3 | | | | | | | | | |
| 4 | | | | | | | | | |
| 5 | | | | | | | | | |

For Chartered Accountants
Firm Registration no. 004681N



G. K. Anand
Partner
Membership Number - 081603

Date

For Pine Shilpaur Road Development Co. Ltd

(Signature)
CFO / Authorized Signatory
Date

SPECIAL PURPOSE FINANCIAL STATEMENTS
PUNE SHOLAPUR ROAD DEVELOPMENT COMPANY LIMITED
(For Consolidation into the Financial Information of IL&FS Transportation Networks Limited)

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

For Gianender & Associates
Chartered Accountants
Firm Registration no 004661N



G. P. Agarwal
Partner
Membership Number : 081603

Place
Date

For Pune Sholapur Road Development Co. Ltd

[Signature]
CFO / Authorised Signatory

Place
Date