



Chenani-Nashri Tunnel

# MOVING MANY WORLDS



01

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➔ Ranchi Patratu Dam Project



➔ Rapid Metro, Gurgaon

# MOVEMENT IS DYNAMISM



➔ Srinagar Sonmarg Tunnel

# MOVEMENT IS LIFE

# MOVEMENT IS PROGRESS

That's the reason, moving worlds is both our business philosophy and priority

We build national assets that benefit millions of people, create a positive social impact and drive the economy forward; and we see a larger role for ourselves, as the government focuses more on infrastructure resurgence

**30**

BOT Road Projects

**14,016**

BOT Road Portfolio,  
Lane km

Interestingly, our experience and expertise enable us to execute projects of varying complexities and magnitude in the surface transportation sector not just in India, but around the world

2016-17 saw a continuation of this trend

We worked on many iconic projects nationally and internationally

We also strengthened our operations, reinforced our

road safety framework and widened our community interventions during the year

We are moving many worlds of diverse cultures, people and ideas, and at the same time creating value that endures

# FORWARD MOVEMENT

Over the years, we have emerged as a leading surface transportation infrastructure company and one of the largest private sector BoT road operator (in terms of lane kilometre) in India. Our mandate is to help drive India's socio-economic empowerment through the creation of roads, highways, tunnels and bridges



 Patratu Dam Ramgarh Project

IL&FS Transportation Networks Limited ('ITNL') is widely recognized as the pioneer of public private partnership in India's surface transportation sector. ITNL acts as a developer, operator and facilitator of surface transportation infrastructure projects - from conceptualisation through commissioning to operations and maintenance

Today, ITNL has evolved as a market leader in the transportation sector with 14,016 lane km under its BOT road assets portfolio, comprising a mix of toll and annuity based projects. The Company's ability in turning infrastructure capacity creation into a commercially viable proposition has aided the Company to expand into other areas of transportation sub-sectors, such as mass rapid transport system, car parking

The Company's wholly-owned subsidiary in Spain, Elsamex S.A. ('Elsamex'), is involved in providing maintenance services primarily for

highways, roads, gas stations, besides being involved in the manufacture of road and display signages in many continents

The Company is headquartered in Mumbai, with offices in Singapore, Dubai, Madrid, Ethiopia, Botswana and Washington, among others

### Key Strengths

- Strong parentage by virtue of being a part of the IL&FS Group
- Well-diversified portfolio with a mix of toll/user fee and annuity projects
- Experienced management team at the helm and strong project implementation skills
- Strong financial track record and relationship with leading financial institutions
- Integrated and efficient project execution capabilities

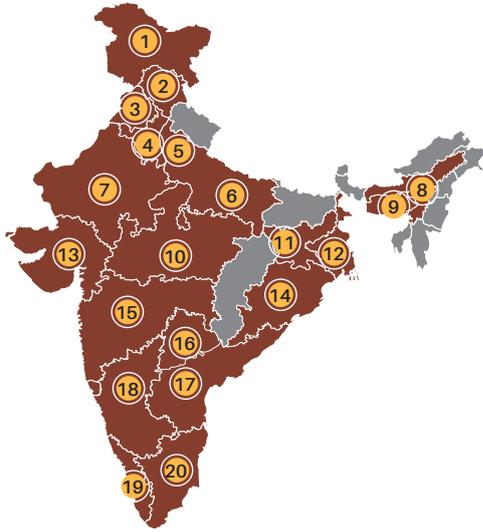
## Key Certifications

**ISO 9001:2015**  
for Quality  
Management Systems

**ISO 14001:2015**  
for Environmental  
Management System

**OHSAS 18001:2007**  
for Occupational  
Health & Safety

## Pan-India Presence



1. Jammu & Kashmir
2. Himachal Pradesh
3. Punjab
4. Haryana
5. Delhi
6. Uttar Pradesh
7. Rajasthan
8. Assam
9. Meghalaya
10. Madhya Pradesh
11. Jharkhand
12. West Bengal
13. Gujarat
14. Odisha
15. Maharashtra
16. Telangana
17. Andhra Pradesh
18. Karnataka
19. Kerala
20. Tamil Nadu

## Advancing Global Footprint



1. USA
2. Mexico
3. Haiti
4. Dominican Republic
5. Columbia
6. Ecuador
7. Bolivia
8. Portugal
9. Spain
10. Nigeria
11. Botswana
12. Ethiopia
13. Kosovo
14. Kazakhstan
15. UAE
16. India
17. China
18. Laos
19. Vietnam

## Relevant Facts

**5**

Non-Road Projects

**4**

EPC Projects

**19**

Countries

**10,848**

BOT Operational,  
Lane km

**444**

EPC Lane km

**34,469**

International Road Portfolio,  
Lane km

# OPERATIONAL CANVAS

**01**

The prestigious Chenani Nashri Tunnel project in Jammu & Kashmir, the longest road tunnel in Southeast Asia received the Provisional Completion Certificate on March 8, 2017 and commenced commercial operations

**02**

Khed Sinnar Road Project in Maharashtra received the Provisional Completion Certificate on January 31, 2017 and commenced commercial operations

**03**

The Company's subsidiary, Elsamex Vietnam JSC was awarded the contract for application of Micro-Surfacing on 2,00,000 square meter of roads in Vietnam, paving the way for penetration of technology into the region



**+** Chenani Nashri Tunnel

**04**

The Company in a Joint Venture with PJSC Kyivemetrobud, Ukraine was awarded an EPC contract for design, validation and construction of underground stations of the Chennai Metro Rail project on January 5, 2017

**05**

The Company in a Joint Venture with IL&FS Engineering and Construction Company Limited was awarded the following EPC contracts by Madhya Pradesh Road Development Corporation:

- widening and reconstruction of several road stretches on January 17, 2017
- widening and reconstruction of several road stretches on March 21, 2017



**+** Khed Sinnar Project

**06**

The Company received Completion Certificate for Chaibasa-Kandra-Chowka Road Project in Jharkhand on March 3, 2017

**07**

The Phase II of the Metro Rail Project namely, Rapid Metro South Extension corridor, a 7 km stretch in Gurgaon was commissioned on March 31, 2017



➔ Rapid Metro South Extension, Gurgaon



➔ Chaibasa Kandra Chowka Project

**08**

Sikar Bikaner Road Project in Rajasthan which had already received Provisional Completion Certificate for 212.566 km, was further issued Provisional Completion for an additional length of 22.091 km on August 16, 2016, thereby taking the total length under commercial operations to 234.657 km, out of the total length of 237.578 km

**09**

The development of the entire length of Thiruvananthapuram City Road Project was completed and the completion certificate has been received from Kerala Road Fund Board effective May 31, 2016

**10**

The Company raised ₹ 1,500 Crore by the issue of NCDs with a tenor exceeding 5 years at a lower interest cost and replaced the high cost debt having a shorter tenure

**11**

The Company refinanced senior debt in 3 of its project SPVs aggregating to ₹ 4,157 Crore by the issue of Non-Convertible Debentures/Term Loans which helped reduce interest cost in the range of 200 – 280 bps

**12**

The Company divested its entire equity stake in Andhra Pradesh Expressway Limited to Cube Highways & Infrastructure Pte. Ltd., Singapore at an aggregate value of ₹ 140.37 Crore

# CHAIRMAN'S MESSAGE



## Dear Shareholders,

After a long period of economic uncertainty, 2016-17 spelled hope and positivity for the world economy, as it witnessed a slowly reviving demand scenario. Of course, political and economic events continued to display volatility, but there are strong prospects of near-term growth

In India, the situation remained supportive of growth and despite the demonetization exercise in the third quarter, the Central Statistics Office estimate is a 7.1% growth rate for 2016-17. The passing of the Goods and Services Tax Bill is expected to overhaul the scenario by increasing tax compliance and transparency, giving the nation the propensity to function as a single market. In addition, a large budgetary allocation for infrastructure is expected to further boost the economy and its growth

For ITNL, we are looking positively at the evolving landscape, both here in India and around the world. We have come a long way since inception and currently own and operate a large number of assets in some of the core



**2016-17 was a year of immense pride for us as we executed and delivered landmark projects in the road sector as well as a key non-road project**

sectors of infrastructure. This growing and rapidly expanding footprint across sectors and geographies coupled with a build-up in concomitant capacity and ability should ensure our further progress along this path quite naturally. We firmly believe we will continue on our course with greater vigour in the years to come

## The Indian Infrastructure Stage

With India still being one of the fastest growing large nations, the country outshines the rest of the world with its resilience. As in the case of every developing nation, infrastructure remains a key driver of India's growth. A sector that spurs several other economic activities such as job creation, physical infrastructure is booming in India and is strongly supported by the government. In fact, there is an expected total investment of ₹25 trillion in the space in the coming three years

The Ministry of Road Transport & Highways invested nearly ₹ 3.17 trillion in the last couple of years to build highways of global standards in India. However, as opposed to the forecasts, less than 50% of the targeted distance has been covered by 2016-17. The Hybrid Annuity Model (HAM) was rolled out last year building more momentum towards road construction in the nation. The Built-Operate-Transfer (BOT) model projects remained subdued in number as opposed to the Engineering Procurement Construction (EPC) Model, which garnered significant focus. In case of Railways too, the Government is seeking investments from the private sector and there is an

increasing push to bring Foreign Direct Investment (FDI) in the Indian Railways. Hence the push by the Government to develop India's transportation space is very strong

## From Landmarks to milestones

2016-17 was a year of immense pride for us as we executed and delivered landmark projects in the road sector as well as a key non-road project

The Honourable Prime Minister of India, Shri Narendra Modi inaugurated and dedicated to the nation, the 'Chenani-Nashri Tunnel'. The 9 km-long tunnel is a landmark project for the state of Jammu & Kashmir, opening up new vistas of connectivity and convergence and for India's capabilities, it is an "intelligent" construction with state-of-the-art technology and safety features embedded. The longest road tunnel in the Southeast Asian region, it reduces the travel time between Jammu and Srinagar by 2 hours and is a much safer route than the existing one. Despite multiple challenges such as a tough geography and complex engineering, we were able to execute the project on schedule

Apart from this, many other projects also got commissioned during the year in the roads segment. We have also made rapid strides in the non-road segment. The Rapid Metro Project in Gurgaon began operations, and development work commenced on the underground portion of the Chennai metro, in addition to an automated car park for the Dubai Supreme Court

Which brings me to another point – our growing international footprint. We are actively pursuing business opportunities in Asia Pacific, Middle East and Africa, European Union, South America and North America, expanding our global footprint and making our expertise count across the world

In the Asia Pacific region, we have a significant presence in China and Vietnam while establishing ourselves in the adjoining nations such as Laos, Thailand, Myanmar etc. Our existing project in China had higher revenues this year. In the Middle East and North Africa, our joint ventures and wholly owned subsidiaries are developing projects in Dubai, Ethiopia and Botswana. We have established ourselves in the US too, by securing operations and maintenance contracts in Texas

### Recalibrating our strategy

During the year, the Company right sized its project portfolio through divestment of investments in certain assets, refinancing of existing debts of the project companies at a lower rate of interest, issue of Debentures at a lower interest rate with longer term maturity, etc. to optimize the balance sheet and strengthen the cash flow. One of the issues in the Public Private Partnership (PPP) sector is the dwindling credit availability extended by financial institutions as they face sectorial exposure limits and regulatory demands. Consequently, the infrastructure sector has witnessed restrained funding from banks and financial institutions. Interest rates continue to decrease, though not at a pace which would make a significant impact on the bottom lines of companies. However, expectations are that on weak growth, benign inflation and the need to recoup forex reserves by attracting FPI equity flows by supporting growth, RBI may consider reducing interest rates. The Government too, has pivoted away from the PPP mode of project development to the EPC mode. As a Company, we have also aligned ourselves to garner EPC projects that are large and complex while simultaneously developing our subsidiary as an EPC contractor for small to medium ticket projects. We continue to look for BOT projects that meet our internal threshold criteria and are also actively looking forward to participating in the proposed monetization of 75 toll highways to be

bid out by NHA under the new toll-operate-transfer (TOT) model on PPP basis

### Our Performance

At a consolidated level, the year in review registered marginal growth on all major financial parameters. Total revenue stood at ₹ 8,401.62 Crore compared to ₹ 8,356.37 Crore in the previous year. The year's Earnings before Interest, Tax, and Depreciation & Amortization (EBITDA) increased from ₹ 2,842.67 Crore in 2015-16 to ₹ 3,576.94 Crore in 2016-17. The increase in the operating profit is on account of higher construction margins. Further to this, the Profit After Tax (PAT) increased by 22% to ₹ 149.31 Crore from ₹ 121.96 Crore in the previous year

With external headwinds such as reduced capital availability from banks, we are transferring this year's profits to reserve, as against a dividend payout to ensure capital for the upcoming projects. However, we have created a better wealth prospect for the investors with our Earnings per Share (EPS) standing at ₹ 7.19 compared with a negative value in the previous financial year (standalone basis)

Of our portfolio of 35 projects, 30 are road projects. Of the total, 27 projects are already operational (23 road projects among them). We are focused on growing our construction income as well as toll revenues, while aligning ourselves with the Government's EPC focus, with four project wins already, comprising a total project outlay of ₹ 920 Crore

Our Order Book, proportional to our stake, stands at ₹ 11,810 Crore for BOT, ₹ 541 Crore for EPC, and \$ 257 million for international projects, which gives us a healthy revenue visibility in the near term

### Going Forward

With the growing population demanding better connectivity, there is a huge room for the transportation sector to grow globally. For infrastructure, at least \$3.3 trillion needs to be spent in order to meet the current demand, according to the McKinsey Global Institute's report. The growth will not be restricted to the number of kilometers of roads built as there will be a marked change in the way roads and highways are constructed by increasing

quality, technology interventions and safety standards. ITNL is employing its wide-ranging resources to capture projects worldwide, in almost every continent

There are tremendous opportunities in the near and long-term for the infrastructure space in India as well. With nearly ₹ 4 trillion announced in the budget for the sector alone in the running year, the importance of the same is well recognized. Nearly half of the amount is dedicated to the transportation sector which is a huge opportunity for ITNL to build on

ITNL will keep deleveraging its balance sheet as has been done in the past, keep a watchful eye on the BOT opportunities and will continue to focus on expanding our EPC footprints across the Country. In 2017-18, our prime focus will rest on action plans that can bolster our financials and these include following up and realising due claims from the authorities, refinancing and restructuring of debt and monetization of mature assets

We are facilitating a leaping India, in its mobility and connectivity by establishing hundreds of kilometers of roadways and links. All this is done with care and concern for the people in our area of operations, and we make sure that we empower them in every way we can. While India is our primary base, our footprint in the international market is also proportionally growing. A corporate level-led innovative safety framework is also being incorporated into each project that we undertake

With that note, I would like to heartily thank you for the support and confidence you have extended to the Management. To continue our growth story in moving many worlds, I humbly request continued co-operation from your end

Best Regards,  
**Deepak Dasgupta**

# FINANCIAL PERFORMANCE

## Revenue (₹ Crore)

2016-17	8,402
2015-16	8,356
2014-15	6,828
2013-14	6,803
2012-13	6,789

(For 2015-16 and 2016-17 is as per IndAS)

## EBITDA (₹ Crore)

2016-17	3,577
2015-16	2,843
2014-15	2,466
2013-14	2,105
2012-13	1,982

(For 2015-16 and 2016-17 is as per IndAS)

## Operating Margins (%)

2016-17	42.6
2015-16	34.0
2014-15	36.1
2013-14	30.9
2012-13	29.2

(For 2015-16 and 2016-17 is as per IndAS)

## Profit After Tax (₹ Crore)

2016-17	146
2015-16	87
2014-15	444
2013-14	463
2012-13	520

(For 2015-16 and 2016-17 is as per IndAS and before transfer to non-controlling interest)

## Earnings per share (₹)

2016-17	4.54
2015-16	4.34
2014-15	14.22
2013-14	21.79
2012-13	26.68

(For FY2015-16 and 2016-17 is as per IndAS)

**Net Fixed Assets** (₹ Crore)

2016-17	30,660
2015-16	27,007
2014-15	25,418
2013-14	21,603
2012-13	16,213

(For 2015-16 and 2016-17 is as per IndAS)

**Net Worth** (₹ Crore)

2016-17	4,185
2015-16	4,302
2014-15	5,719
2013-14	5,004
2012-13	3,640

(For 2015-16 and 2016-17 is as per IndAS)

**Investments** (₹ Crore)

2016-17	5,304
2015-16	4,895
2014-15	4,901
2013-14	4,148
2012-13	3,376

(For 2015-16 and 2016-17 is as per IndAS)

# Investments based on Standalone financials  
(includes advance towards Share Application Money)

**Net Debt** (₹ Crore)

2016-17	29,961
2015-16	25,863
2014-15	22,575
2013-14	18,145
2012-13	13,939

(For 2015-16 and 2016-17 is as per IndAS)

# Moving mountains, enabling ASPIRATIONS

We operate across multiple geographies, which often present unpredictable hurdles. Execution in many cases does not follow a predefined pattern. The action plan needs to be redesigned and innovation for us often happens on the ground, based on the complexity of the terrain and the expertise required for a particular project. However, beyond the challenge, lies the opportunity to elevate the quality of life of millions of people and the pride to help create a national asset

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₹**27** lakh  
per day fuel savings

In 2016-17, we completed a landmark project that will pave the way for economic empowerment and national integration. The Chenani Nashri Tunnel Project (the 'Tunnel') in the state of Jammu and Kashmir, the longest road tunnel in Southeast Asia, was inaugurated by the Honourable Prime Minister of India, Shri Narendra Modi on April 2, 2017

Following the ambitious 293-km long four-laning of the Jammu-Srinagar National Highway, the Tunnel will reduce the distance between the state's summer and winter capitals by 31 km. Built at the foot hills of Himalayas, this bidirectional tunnel is an alternative

to the current NH44 section, which is constantly under safety threats. It avoids hairpins and elevation and operates throughout the year, as opposed to the usual route, which gets shut down for around 40 days every year due to heavy snowfall and landslides

The project was awarded to ITNL by the National Highways Authority of India (NHAI) on a Design Build Finance Operate & Transfer (Annuity) basis and work commenced in May 2011



➔ Main Tunnel

### Design and Construction

The project involved design and construction of a 9 km long main tunnel (2 lanes) with a parallel escape tunnel (9 km). The two tubes (main tunnel and escape tunnel) are internally connected through 29 'cross-passages' provided at an interval of 300 meters

The Tunnel's construction was a highly challenging endeavour. The New Austrian Tunnelling Method was used for tunnel construction during which we had to undertake a probabilistic approach, while working with the immature rock formations of the young Himalayan terrain. We undertook controlled blasting as the flysch formations couldn't be easily determined and the mixed lithology posed another hurdle

### Best-in-class Technology

The Tunnel is a unique construction that has a series of technologies embedded in it. It is the first of its kind in the country with a world-class Integrated Tunnel Control System (ITCS). Such integrated systems are necessary to ensure optimum safety of commuters inside the tunnel and to overcome any eventualities

The following are some of the unique and smart features of the Tunnel:

1. All tunnel operations, namely, the ventilation, fire control, signals, communication and electromechanical systems are automated. In addition, the management and monitoring of all sub-systems involved in traffic control are integrated through a smartly developed algorithm
2. ITCS is a dedicated traffic SCADA (Supervisory Control & Data Acquisition) which includes a traffic security system for the integrated traffic control management of the tunnel and project highway
3. Control centres are installed in both portals of the tunnel, from where all tunnel systems, like, Height control system, Over Smoke and Over Heat Control System, Wireless Communications network including mobile and radio coverage are monitored
4. A highly efficient geotextile membrane water proofing is installed to prevent water percolation and erosion through the seepages from the tunnel crown
5. Through various tunnel sensors which have been installed which monitor the air quality, visibility and wind velocity



➔ Escape Tunnel

The Tunnel has benefited not only the life of the commuters, but also the ecology, community, and the economy of the area. Most importantly, by imparting training and employing local manpower, we have empowered the local community, helping them achieve dignity of labour

### Wide-ranging Benefits

**Deforestation avoided due to the tunnel**

**Safe, all-weather route to commuters**

**₹ 27 lakh per day fuel savings**

**World-class safety and protection set-up**

**Tourism & economy boost for J&K**

**Reduction in travel time by 2 hours between Jammu and Srinagar**

**Addressing the global warming and climate change issues**

Despite the large and unexpected technical, contractual and financial challenges, we completed the Tunnel project on time. And we are honoured to be a part of India's drive towards sustainable infrastructure creation that touches the lives and livelihoods of millions of people. Today, we are far more experienced and confident to undertake future tunnel projects

# Moving critical levers of India's **INFRA STRUCTURE**

Creating and upgrading surface transportation infrastructure remains a priority of the government to drive economic development in a vast and diverse country like India. We at ITNL have global experience, domain expertise and the technological strengths to partner the nation in this endeavour

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**Automatic train operation and protective systems with remote monitoring ensure reliable and safe movement throughout the network**

Distance  
**6.6 km in 11-12 min**

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We have worked on iconic road projects in India. Having a robust portfolio of road projects, we have also extended our footprint into related sectors in the transportation and mobility space including metro, car park, border check posts, among others. One such project is the elevated metro link project in Gurgaon

Gurgaon has expanded significantly in the last few years, resulting in a two-fold rise in population and a five-fold rise in the number of vehicles. The

result is a growing traffic gridlock and pollution, adversely impacting civic life in a big way. To combat these challenges, the Haryana Urban Development Authority (HUDA) decided to develop a metro network



➔ Rapid Metro, Gurgaon



➔ Rapid Metro South Station

Gurgaon Metro, or Rapid Metro as it is called, is India's first privately-financed and operated metro network, developed in the PPP format. The first phase of the Rapid Metro project of 5.1 km has been operational since November 2013. More recently, the Rapid Metro Rail Gurgaon South Limited (RMGSL) system, a network extension of the Phase-1 project, has been put into service in March 2017, which connects Sikanderpur to Sector 56 of Gurgaon, traversing the Golf Course road

Coupled with Phase-I of the Rapid Metro system, it provides seamless connectivity between the commercial centre of Cyber City to residential areas, along the Golf Course road with an interchange at Sikanderpur, which connects to the intra-city Delhi Metro network. Post the commencement of commercial operations of RMGSL, the Rapid Metro network is now 12+ km with 11 stations enroute, along with an elevated depot-cum-workshop

## Key features

**Provides last-mile connectivity and a gateway to New Delhi via the yellow line of the Delhi Metro service via an interchange station at Sikanderpur**

**Provides a safe mode of commute, as not only all the coaches but also the station platforms are equipped with video cameras for real-time surveillance with additional features like passenger emergency communication unit (PECU)**

**The features of the trains include Continuous Automatic Train Control (CATC) & Automatic Train Protection (ATP), powered by a 750 V DC system**

**The stations are designed with spatial modelling with roof structures in tensile membranes, designed to allow natural light and ventilation**

**The ticketing system is integrated with the Delhi Metro network, allowing the user to use one token or card across both the metro systems**

**The capacity of each part of the station has been determined and factored in the station design to recognize control points to prevent overcrowding**

# Moving up the safety LADDER

Here is an interesting paradox. India accounts for 15% of the world's road fatalities with just 1.5% of motor vehicle ownership among the population. Over 80% of all road accidents happen owing to human errors; and hence safety outcomes will improve only when pedestrians and motorists mend their ways

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## Road User Assistance and Incident Management aided by 24 x 7 patrolling of project stretches

We continuously extend every effort to make travel safer, more efficient, sustainable and pleasant. To bring a behaviour-centric approach to road safety, we engaged a specialist to understand and influence human behaviour by drawing upon experiences from hitherto unrelated fields, such as behavioural economics and cognitive neuroscience. The study addresses behavioural challenges in road safety, via interventions that influence behaviour by applying the latest scientific knowledge

### Approach

The study combines extensive ethnographic research with its understanding of behavioural sciences

to design interventions that work at a sub-conscious level; and influence drivers and pedestrians to adopt the right safety behaviour. A methodical approach is adopted that starts with pre-immersion data collection, identification of black spots, location studies & discussions with associated parties, designing & implementing interventions; and concludes with post implementation studies, such as speed-data collection and impact assessment

## Unique Interventions

### Manage Over-Speeding

Over-speeding arises from the driver's perception that highways are meant for high-speed travel. At places where there is high cross traffic (pedestrians or vehicles), over-speeding often leads to accidents

Thick white stripes were painted across the carriageway with progressively decreasing spacing, to provide visual and tactile feedback. As vehicles cross these lines, decreasing spacing gives an illusion of increasing speed, which nudges the drivers to reduce speed



01

### Counter Over-Confidence

People over-estimate their abilities and under-estimate those of others. For instance, up to 80% of drivers



02

rate themselves better than average. This overconfidence leads to risky behaviours, while driving. The co-passengers, on the other hand, get a better perception of the actual risk

Informative signages were designed and installed, aimed at grabbing passenger's attention to keep a tab on a driver's fatigue levels and the speed of the vehicle. This promotes shared responsibility for safety

### Increase Alertness

Drivers perceive all sections of highways as similar and monotonous and hence do not modify their driving pattern, while transitioning from straight stretches of roads to features like median openings, urban transitions, junctions, and curves, among others

Emotionally salient signages were installed at pre-determined intervals to create stronger responses while approaching these locations. The placements in repetition reinforces the elicitation of the emotional response



03

### Safety Framework

#### At Institutional Level

- Safety Committee at Board level
- Safety Committee at all sites with a dedicated Safety Officer
- Occupational Health & Safety standards in line with OHSAS 18001:2007
- Dynamic Accident Analysis

#### On ground

- Road User Assistance and Incident Management aided by 24 x 7 patrolling
- Road Safety Programmes – safety weeks, movie shows, camps, among others
- Continual upgradation of road safety tools
- Traffic regulatory drives

### Enable Lane Discipline

Braced by personal optimism, drivers approach sharp and blind curves at high speed, with a low-risk perception. This leads to poor manoeuvring of vehicles at these sections, resulting in out-of-control accidents

Way bars are painted along the lanes. While the inclination of the bars direct flow of movement, their sharp contours enhances the sense of threat and evoke alertness. This enables drivers to stay in control and manoeuvre their vehicles within the gaps of way-bars



04

### Shape Traffic Movement

Familiarity of the road gives rise to risky behaviour, like jaywalking, merging at speed without caution, among others. These behaviours are unanticipated intrusions for main carriageway drivers, thereby triggering sudden responses that are potential causes of accidents

Traverse markings and zone demarcations are carried out. At a merger, these interventions direct main carriageway drivers away from the merging point, while at crossings, they funnel pedestrians to their 'safe zones'. This provides for higher degree of separation between vehicles and pedestrians, thus reducing the chances of accidents



05

# Moving projects across the WORLD

We at ITNL have a global mindset; and we have progressively enriched our domain expertise to work on challenging projects across geographies. With presence in 19 countries, we have emerged as a geographically diversified global company

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## 34,469

International Road  
Portfolio, Lane km

Expansion into new territories helps us diversify our projects portfolio and reinforce our brand equity. It also helps us strengthen our balance sheet, benchmark our operations vis-à-vis global standards and mitigate market risks. As on date, the Company maintains 34,469 Lane km through its various subsidiaries globally

Our proven track record of 17+ years since inception have made us one of the largest PPP developers in India. Our experience and expertise have enabled us to venture into other implementation formats, such as

Output and Performance based Road Contracts (OPRC), Performance Based Maintenance Contracts, Design, Build and Construction based contracts. This diversification helps us reach a wider customer base, achieve an optimum blend of projects and de-risk transcontinental operations significantly

## Snapshot of ITNL's international projects

### Asia Pacific

In Vietnam, Elsamex, a wholly-owned subsidiary in alliance with the local partner had secured a work order from CIENCO4 (Vietnam state owned enterprise) for 2,00,000 square metre of micro-surfacing application. The Company has commenced and already reached the halfway mark towards execution of this order. This has further paved way for penetration of Company's niche technology into the O&M segment and Asia Pacific region. The entry into this region with this technology has allowed ITNL to focus and embark on new opportunities to penetrate new

markets, namely, Laos, China, Thailand, Myanmar, Papua New Guinea

In Laos, for example, ITNL through its wholly owned subsidiary, has recently entered into a contract for rehabilitation and development works of the National Road No. 1 (165 km long). The project also includes the construction of 33 bridges

In China, the Company in Joint Venture with a State Owned Enterprise operates and maintains 233 km long YuHe Expressway, comprising roads, bridges and tunnels for a concession period of 20 years



➔ Yuhe Expressway, China



➔ Artist impression, Dubai Car Park

### Middle East & Africa

In UAE, a subsidiary, Park Line LLC has signed a concession agreement on May 4, 2016 with Dubai Courts Authority for developing UAE's first PPP Project for development of an integrated multi-use facility to house the offices of the Supreme Court, its supplementary services and a state-of-the-art robotic car park for 1232 spaces. The concession period for the project is 30 years

ITNL has worked closely with Dubai Government authorities in formulating the Dubai PPP Law in November 2015. This is in line with the IL&FS tradition of collaborating with Government authorities to formulate a regulatory framework; and pave the way for implementation of infrastructure projects on a PPP basis. It is the Company's first PPP endeavour in Dubai

Based on this experience, ITNL is also undertaking certain advisory services for various automated car park projects in UAE and Asia Pacific region. Such advisory services include, due diligence of projects, preparation of business proposals, assisting in project structuring, with an option for participating in equity

In Africa, the Company in joint venture with ELSAMEX S.A., Spain is implementing one road project in Botswana and two road projects in Ethiopia on OPRC format. The contract period for these projects is 10 years and 8 years, respectively. The Company is also implementing a construction contract in Ethiopia. ITNL is also pursuing projects in this region in countries such as Senegal, Ivory Coast, Ghana and Conakry

### North America

The Company's wholly owned subsidiary in United States was successful in securing its first operations and maintenance contracts in the Texas Region, with an order book aggregating to US\$ 11.3 million, further bolstering the revenue stream of the Company. It is actively pursuing further opportunities in the region including British Columbia

At ITNL, we will continue to pursue global opportunities to grow sustainably in a largely volatile industry landscape



➔ Dallas City, Texas

# Moving COMMUNITY ASPIRATIONS

At ITNL, we drive need-based community interventions that challenge the status-quo and strive to bring positive change in the lives of people. We formulate our strategies in consultation with relevant stakeholders to touch and transform people's lives. During 2016-17, we worked in catchment areas of 13 road projects, benefiting about 1,00,000 people. Our CSR programmes were focused on income enhancement, education, healthcare, sanitation, road safety and rural infrastructure along these highways

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Supported the training of 60 youths from economically weaker sections of Jammu & Kashmir, in tourism and hospitality services

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Undertaken various farm-based livelihood programmes for 1,300 farmers

## Skills and Livelihoods

We undertook several livelihood programmes across five catchment areas impacting 1,300 farmers and 500 women. These initiatives were aimed at income enhancement of participants. Besides, we supported the training of 60 youths from economically weaker sections of Jammu & Kashmir, in tourism and hospitality services, who were successfully placed in formal jobs following training

### Fisheries as alternate livelihood in waterlogged areas of Balasore district

In 2014-15, we commenced an initiative for inland fishery, using natural resources in the Balasore region with merely 30 farmers along the Baleshwar Kharagpur Expressway project (BKEL). The initiative has now gained scale with 375 farmers participating in this programme. The farmers are expected to achieve a total turnover of ₹ 4.5 Crore by June 2017, with net income of ₹ 65,000 – 70,000 per acre per annum as against an earlier income of ₹ 15,000 – 20,000 per acre. The plan for 2017-18 is to extend this programme in adjoining districts with the support from the Government authorities of Odisha

### Enhancing incomes of poor and marginalised women - Khed Sinnar Catchment

We are helping women from economically challenged households to augment their incomes. A programme for goat rearing in the drought-prone area of Sinnar block in Nasik District has supported these women in their endeavour to add to their family incomes. The programme has now up-scaled to 450 women herders, with a total herd size of 3,200 goats having an approximate value of ₹ 2 Crore. Participants have been federated through a producer company and a whole eco-system is being created, including an emphasis on fodder, veterinary services, construction of goat sheds, insurance and so on. Income realised from this activity



during the year was over ₹ 0.4 Crore, an average of ₹ 20,000 per participant

### Strengthening farm-based livelihoods

Taking up sustainable modern agricultural practices is the need of the hour to improve incomes of small and marginal farmers. With this objective in mind, we have undertaken various farm-based livelihood programmes for 1,300 farmers, along three of our highways – Moradabad-Bareilly Expressway (MBEL) in UP, Kiratpur Ner Chowk Expressway (KNCEL) in Punjab, and the Chenani-Nashri Tunnel (CNTL) in Jammu & Kashmir

Farmers in these locations are trained to adopt cost-efficient modern practices for improving the productivity of cereal crops such as wheat, rice and maize. Initial results have been very encouraging, with 25-30% improvement in yields

A producer company has also been established for farmers in the KNCEL catchment area with support from National Bank for Agriculture and Rural Development (NABARD). This is coupled with an agri-mall, which will facilitate input services; and also provide a retail outlet for their produce. The producer company will help achieve economies on both

purchase of inputs and sale of farm produce. The farmers have also been supported for taking up vegetable cultivation, which has provided them incremental income. Similarly, farmers of the Moradabad Bareilly region have been supported for adopting various techniques like Systemic Rice Intensification (SRI) for cultivation of rice, cultivation of vegetables and mushroom and so on

A spring shed development programme is being implemented for the benefit of farmers in Jammu & Kashmir to provide assured irrigation. These farmers have also been trained in modern practices such as mulching and drip irrigation. The availability of irrigation infrastructure will ensure multiple crops for the farmers, who are otherwise vulnerable to various natural calamities

## Education

We are supporting innovative education programmes for 8,800 rural children in 60 schools across Maharashtra, Uttar Pradesh, Odisha, Himachal Pradesh and Jharkhand. These programmes were focused on improving digital literacy through a mobile computer bus giving the children access to 21st century life skills. This is complemented with efforts to improve academic competencies of the students in English, Mathematics and Science

Besides, a sports training programme has been undertaken for about 1,000 students from Himachal Pradesh to hone talent at an early stage of a child's development. Under the programme, training is provided in archery, taekwondo, jump rope and football, along with techniques of self-defence



**Supporting innovative education programmes for 8,800 rural children in 60 schools across Maharashtra, Uttar Pradesh, Odisha, Himachal Pradesh and Jharkhand**

## Healthcare



We support operations of three Mobile Medical Units (MMU) in catchment areas of CNTL, Hazaribagh-Ranchi Expressway (HREL) and KNCEL. The MMUs provide healthcare access to 80,000 rural residents of these regions

A special programme has been launched in Himachal Pradesh for tuberculosis (TB) patients with the support of the State Government and a reputed international organisation - 'The Union.' The programme is conducted by trained health volunteers from villages, who help detect TB and facilitate its treatment through the government health machinery

### **Creating Safe Villages through Road Safety Initiatives**

We strive consistently to improve safety on our roads through various engineering and enforcement

measures. To support these efforts, a new programme namely, Highway Education with Local People (HELP) is being piloted on three highway stretches. Through HELP, various advocacy and awareness programmes are being implemented in communities living in the vicinity of these roads. School-going children, women and youth are imparted training in these programmes. Additionally, a unique First Responder Training (FRT) programme has been launched with 25-30 volunteers across each road being trained for key first-aid and emergency care skills. Through these volunteers, it is expected that timely and critical emergency care can be provided to the victims of highway accidents. Road safety committees have been set-up in each village to ensure ownership among the volunteer

community. Currently, the programme is being implemented along Baleshwar-Kharagpur, Moradabad-Bareilly and Ahmedabad-Mehsana road projects

Moreover, we have launched a mobile app for road users/commuters plying on some of the Company's road highways. In case of emergencies, it will provide them instant connection with the control centre, ambulance facilities and so on. This app will soon be rolled out across all our project highways



## Sanitation

We strongly support the government's Swachh Bharat Mission through our initiative to make Childaag near Ranchi, an open defecation-free village. Under this initiative, improved toilets and bathrooms are provided, while targeting hygiene levels and health awareness programmes for all. The programme is implemented and managed with active participation of the village community

## Awards

During 2016-17, our CSR efforts were recognized by various institutions for which we were conferred with multiple awards as stated below:

Organization	Award Category	Project	Catchment
Golden Peacock Award, January 2017	CSR	Balasore Fishery Project	BKEL
National CSR Leadership Congress, September 2016	Best Community Development under CSR	Balasore Fishery Project	BKEL
National CSR Leadership Award - ABP News, February 2017	Award for Poverty Alleviation	Sustainable Agriculture Development with Marginal Farmers	CNTL
	Award for Women Empowerment	The Goatery Project	KSEL
	Award for Concern for Health	Mobile Medical Unit	KNCEL

# BOARD OF DIRECTORS



**Deepak Dasgupta**  
Chairman and Independent Director

Mr. Deepak Dasgupta is the Chairman and an Independent Director of our Company. He holds a bachelor's degree and a master's degree in science from the Delhi University. He is a retired Indian Administrative Services officer with over 36 years of experience during which he has headed various departments of Government of Haryana and the Government of India including those related to infrastructure development and policy formulation

He has served as the chairman of National Highways Authority of India for more than five years and has also served as an advisor to the Asian Development Bank on consulting assignments. He was appointed as a member of the senior expert committee of IDFC Private Equity Fund and the Special Task Force on Bihar



**Ravi Parthasarathy**  
Non-Executive Director

Mr. Ravi Parthasarathy is a Non-Executive, Non-Independent Director of our Company and has been associated with our Company since January 6, 2001 and the IL&FS group since 1988. He holds a bachelor's degree in science from the University of Mumbai and a post-graduate diploma in business administration from the Indian Institute of Management, Ahmedabad. He is at present the Chairman of IL&FS Group. Prior to joining the IL&FS Group, he has served 20th Century Finance Corporation Limited, a financial services company as its executive director



**Hari Sankaran**  
Non-Executive Director

Mr. Hari Sankaran is a Non-Executive, Non-Independent Director of our Company. Mr. Hari Sankaran has been associated with the Company since November 29, 2000 and with the IL&FS Group since 1990. Mr. Sankaran holds a master's degree in economics from the London School of Economics and Political Science

As vice chairman and managing director of IL&FS, he has been instrumental in developing and overseeing the business canvas of the group. He is also heading the human resources department of IL&FS Group since February, 2016. Mr. Sankaran has over 27 years of experience in research, project development, structuring, management and financing. He has been closely involved in the implementation of all the IL&FS Group infrastructure projects. Mr. Sankaran has participated in various High Powered Committees set up by Government of India for policy and legal reforms including as the Chairman of the FCCI Infrastructure Committee



**Arun K Saha**  
Non-Executive Director

Mr. Arun K. Saha is a Non-Executive, Non-Independent Director of our Company and has been associated with the IL&FS Group since 1988. He holds a master's degree in commerce from the University of Calcutta and is an associate member of the Institute of Chartered Accountants of India and

the Institute of Company Secretaries of India. Mr. Saha is presently the joint managing director and chief executive officer of IL&FS and oversees activities relating to finance, operations, credit compliance and risk management of the IL&FS Group, including activities in the areas of financial services, infrastructure, asset management, distribution and management of retail assets and liabilities



**Ramesh Chandra Sinha**  
Independent Director

Mr. Ramesh Chandra Sinha is an Independent Director of our Company. He is a retired officer of the Indian Administrative Services. He holds a bachelor's degree in law, master's degree in economics from Lucknow University and a postgraduate degree in 'urban development' from the London University

Prior to joining us, he has served in various departments and worked in ministries of the Government of Maharashtra, including as Collector, District Magistrate, Secretary and Additional Chief Secretary. He has also served as the Joint Secretary, Ministry of Information and Broadcasting, Government of India. During his tenure with the Government of Maharashtra, Mr. Sinha was appointed as the vice-chairman and managing director of Maharashtra State Road Transport Corporation Limited, City Industrial Development Corporation of Maharashtra Limited, Vice-Chairman and Managing Director of Maharashtra State Road Development Corporation Limited, during which the 'Mumbai-Pune Expressway' project was executed and also as vice-chairman and managing director of Maharashtra Airport Development Company Limited



**H P Jamdar**  
Independent Director

Mr. H.P. Jamdar is an Independent Director of our Company. He holds a bachelor's degree in civil engineering from Gujarat University. Mr. Jamdar has headed various departments of the Government of Gujarat including as Secretary and Principal Secretary. During his tenure with the Government of Gujarat, Mr. Jamdar was appointed as chairman of various state owned corporations, especially in the roads and ports sector. He even served as the president of Indian Roads Congress and the Institution of Engineers (India) and also as the vice-president of 'FIESCA'

Mr. Jamdar received a Lifetime Achievement Award from the Indian Roads Congress on December, 17, 2016



**Pradeep Puri**  
Non-Executive Director

Mr. Pradeep Puri is a Non-Executive, Non-Independent Director of our Company. He holds a bachelor's and a master's degree in history from Delhi University. He is a retired officer of the Indian Administrative Service. He previously worked in the Ministry of Commerce and the Department of Economic Affairs, Ministry of Finance, Government of India, dealing with International Trade and Investment. At present, he is an Executive Chairman of IL&FS Water Limited



**Neeru Singh**  
Independent Director

Ms. Neeru Singh is an Independent Director of our Company. She is a member of the 1982 batch of the Indian administrative services. She holds a bachelor's degree in arts from the University of Delhi and a master's degree in international relations from Jawaharlal Nehru University, Delhi



**K Ramchand**  
Managing Director

Mr. K. Ramchand is the Managing Director of our Company and has been associated with the IL&FS group since 1994. He holds a bachelor's degree in civil engineering from Madras University and a post graduate degree in 'development planning' from the School of Planning, Ahmedabad and has over 30 years of experience in urban and transport infrastructure development sector and has been involved in a large number of private infrastructure initiatives including the successful commissioning of various toll road projects in Gujarat and for the National Highways Authority of India

Mr. Ramchand in his role as chief executive officer (infrastructure) of IL&FS Group is associated with various initiatives in infrastructure, including SEZs and maritime assets. Mr. Ramchand is also a member of the management board of Infrastructure

Leasing & Financial Services Limited ("IL&FS"). Prior to joining IL&FS, he was associated with the operations research group, Dalal Consultants, Mumbai Metropolitan Region Development Authority and City and Industrial Development Corporation of Maharashtra Limited



**Mukund Gajanan**  
Executive Director

Mr. Mukund Gajanan Sapre is an Executive Director of our Company and has been associated with the IL&FS group since 1992. He holds a bachelor's degree in civil engineering, a diploma in 'systems management' and a diploma in 'financial management'. He has over 30 years of experience in the industry

Prior to joining the Company, he was involved with international projects in the Philippines, Indonesia, Mexico and Spain and has played a vital role in implementing the 'High Speed Rail Project' and evaluating the 'Cargo Airport Project' in Mexico. He has also been previously associated with Engineers India Limited as its Deputy Manager during the period from 1984 to 1992 and with Gammon India Limited as an Assistant Engineer during the period from 1980 to 1984.

# PROJECT HIGHLIGHTS

## Projects under Operation

### Gujarat Road and Infrastructure Company Limited (GRICL)

#### Scope

Development of approximately 190 lane km on State Highway No. 87, from Vadodara to Halol in the State of Gujarat

#### Concession

Awarded by the Government of Gujarat on a BOOT (Toll) basis from the date of signing of the Concession Agreement. It shall extend till a period of 30 years from the operations date. The project commenced operations on October 24, 2000

### Noida Toll Bridge Company Limited (NTBCL)

#### Scope

Development of a toll bridge and approach roads of approximately 60 lane km, connecting Delhi to Noida in the State of Uttar Pradesh

#### Concession

Awarded by the New Okhla Industrial Development Authority (NOIDA) on a BOT (Toll) basis for a period of 30 years (including a construction period of two and a half years). The project commenced operations on February 7, 2001

### Gujarat Road and Infrastructure Company Limited (GRICL)

#### Scope

Development of approximately 333 lane km section of State Highway No. 41 and 133 from Ahmedabad to Mehsana in the State of Gujarat

#### Concession

Awarded by the Government of Gujarat on a BOOT (Toll) basis for a period of 30 years from the operations date. The project commenced operations on February 20, 2003

### North Karnataka Expressway Limited (NKEL)

#### Scope

Development of four-lane highway with service roads on both sides, aggregating to approximately 472 lane km from Belgaum in the State of Karnataka up to Maharashtra border

#### Concession

Awarded by NHAI on a BOT (Annuity) basis for a period of 17.5 years (including a construction period of two and a half years). The project commenced operations on July 19, 2004

## Projects under Operation

### West Gujarat Expressway Limited (WGEL)

#### Scope

Four-laning of the existing two-lane Jetpur-Gondal Highway, improvement of the existing four-lane highway between Gondal and Rajkot, four-laning of the existing Rajkot bypass on NH8B and construction of service roads, with an aggregate length of approximately 389 lane km, in the State of Gujarat

#### Concession

Awarded by NHA on a BOT (Toll) basis for a period of 20 years (including a construction period of two and a half years). The project commenced operations on March 17, 2008

### Road Infrastructure Development Company of Rajasthan Limited (RIDCOR)

#### Scope

Development of Two/Four-lane roads with paved shoulder in the State of Rajasthan with an aggregate length of 3,312 lane km

#### Concession

Awarded by the Government of Rajasthan on a BOT (Toll) basis for a period of 32 years (including a construction period of two and a half years). The project commenced operations on December 28, 2007 for Phase I, on October 1, 2011 for Phase II and on December 16, 2015 for Phase III

### Ramky Elsamex Hyderabad Ring Road Limited (REHRL)

#### Scope

Development of eight-lane access-controlled expressway and two-lane service roads on both sides with an aggregate length of 152 lane km for the section from Tukuguda to Shamshabad on the Hyderabad Outer Ring Road in the State of Telangana

#### Concession

Awarded by the Hyderabad Urban Development Authority on a BOT (Annuity) basis for a period of 15 years (including construction period of 30 months). The project commenced operations on November 26, 2009

### ITNL Road Infrastructure Development Company Limited (IRIDCL) (Phase I)

#### Scope

Development of two-lane highway with paved shoulder for an aggregate length of approximately 248 lane km, with an option to upgrade to a four-lane highway on the NH-8, connecting Beawar to Gomti in the State of Rajasthan

#### Concession

Awarded by the Department of Road Transport & Highways, Government of India, on a DBFOT (Toll) basis for a period of 11 years (including construction period of 18 months) and extendable to 30 years upon four-laning. The project commenced operations on August 26, 2010

# PROJECT HIGHLIGHTS

## Projects under Operation

### East Hyderabad Expressway Limited (EHEL)

#### Scope

Development of eight-lane access controlled expressway and two-lane service roads on both sides, with an aggregate length of 173 lane km for the section from Pedda Amberpet to Bongalur on the Hyderabad Outer Ring Road in the State of Telangana

#### Concession

Awarded by Hyderabad Urban Development Authority on a BOT (Annuity) basis for a period of 15 years (including construction period of 30 months). The project commenced operations on March 1, 2011

### Hazaribagh Ranchi Expressway Limited (HREL)

#### Scope

Development of four-lane highway with an aggregate length of approximately 319 lane km on NH-33 connecting Hazaribagh to Ranchi in the State of Jharkhand

#### Concession

Awarded by NHA on a BOT (Annuity) basis for a period of 18 years (including a construction period of two and a half years). The project commenced operations on September 15, 2012

### Pune Sholapur Road Development Company Limited (PSRDCL)

#### Scope

Development of four-lane highway with an aggregate length of approximately 571 lane km on Pune - Sholapur stretch of NH-9 in the State of Maharashtra

#### Concession

Awarded by NHA on a DBFOT (Toll) basis for a period of 19.75 years (including an initial construction period of two and a half years). The project commenced operations on August 13, 2013

### N.A.M Expressway Limited (NAMEL)

#### Scope

Widening of an existing two-lane carriageway to a four-lane carriageway, including the strengthening of the existing carriageway for an aggregate length of approximately 888 lane km from Narketpally to Medarametla, via Addanki section of SH-2 in the States of Andhra Pradesh and Telangana

#### Concession

Awarded by the Roads & Building Department, Government of Andhra Pradesh under PPP on a BOT (Toll) basis for a concession period of 24 years (including a construction period of two and a half years). The project commenced operations on March 11, 2014

## Projects under Operation

### Warora Chandrapur Ballarpur Tollway Ltd. (WCBTRL)

#### Scope

Development of four-lane highway for an aggregate length of approximately 275 lane km on Warora -Chandrapur - Ballarpur - Bamni stretch of SH-264 including Chandrapur bypass on SH-266, and a part of SH-267 in the State of Maharashtra

#### Concession

Awarded by Public Works Department (PWD) Government of Maharashtra on DBFOT (Toll) basis for a period of 30 years. The project commenced operations on December 26, 2014

### Jharkhand Road Projects Implementation Company Limited (JRPICL)

#### Scope

Development of 664 lane km of roads in the State of Jharkhand including Six-lane dual carriageway road in Ranchi Ring Road (RRR), Two/four-lane road connecting Ranchi to Patratu Dam (RPR I), Four-lane road connecting Adityapur to Kandra (AK), Two/four-lane road connecting Patratu Dam to Ramgarh (RPR II), Two-lane road connecting Chaibasa to Kandra Chowka (CKC)

#### Concession

Awarded by Government of Jharkhand on a BOT (Annuity) basis for a period of 17.5 years (including a construction period of two and a half years). The project commenced operations on September 21, 2012 for RRR, on October 12, 2012 for RPR I, on January 31, 2013 for AK, on April 30, 2014 for RPR II and on November 30, 2014 for CKC

### Moradabad Bareilly Expressway Ltd. (MBEL)

#### Scope

Development of four-lane highway for an aggregate length of approximately 522 lane km on Moradabad - Bareilly stretch of NH-24 in the State of Uttar Pradesh

#### Concession

Awarded by NHA on a BOT (Toll) basis for a period of 25 years (including a construction period of two and a half years). The project commenced operations on January 6, 2015

### Thiruvananthapuram Road Development Company Limited (TRDCL)

#### Scope

Development of roads for an aggregate length of approximately 144 lane km in Thiruvananthapuram city in the State of Kerala

#### Concession

Awarded by the Kerala Road Fund Board on a BOT (Annuity) basis for a period of 17.5 years (including a construction period of two and a half years). The project commenced operations for Phase I on November 15, 2006, Phase II on February 22, 2012, Phase III on February 20, 2015 and Phase IV on May 31, 2016

# PROJECT HIGHLIGHTS

## Projects under Operation

### Sikar Bikaner Highway Limited (SBHL)

#### Scope

Development and operation of Sikar Bikaner section of NH-11 via Sikar Bypass and Bikaner Bypass, ending on NH-89 (approximately 540 lane km) by two-laning with paved shoulder in the State of Rajasthan

#### Concession

Concession was awarded by Public Works Department (PWD) Government of Rajasthan on a DBFOT (Toll) basis for a period of 25 years (including an initial construction period of two years). The project commenced operations on October 10, 2015

### Baleshwar Kharagpur Expressway Limited (BKEL)

#### Scope

Construction of new bridges/ structures, repair of existing four-lane highway from Baleshwar to Kharagpur section of NH-60 for an aggregate length of approximately 477 lane km in the States of Orissa and West Bengal

#### Concession

Awarded by NHA on a DBFOT (Toll) basis for a period of 24 years (including an initial construction period of two and a half years). The project commenced operations on December 26, 2015

### Jorabat Shillong Expressway Limited (JSEL)

#### Scope

Development of four-lane highway between Jorabat to Shillong (Barapani) section of NH-40 for an aggregate length of approximately 262 lane km in the States of Assam and Meghalaya

#### Concession

Awarded by NHA on DBFOT (Annuity) basis under SARDP-NE for a period of 20 years (including an initial construction period of three years) The project commenced operations on January 28, 2016

### Khed Sinnar Expressway Limited (KSEL)

#### Scope

Development of four-lane highway between Khed and Sinnar section of NH-50 (approximately 557 lane km) in the State of Maharashtra

#### Concession

Awarded by NHA on a DBFOT (Toll) basis for a period of 20 years (including an initial construction period of two and a half years). The project commenced operations on January 31, 2017

## Projects under Operation

### Chenani Nashri Tunnelway Limited (CNTL)

#### Scope

Development of 9 km long two-lane tunnel with parallel intermediate lane escape tunnel from Chenani to Nashri section of NH-1A in the State of Jammu & Kashmir

#### Concession

Awarded by NHA on DBFOT (Annuity) basis for a period of 20 years (including an initial construction period of five years). The project received provision completion on March 8, 2017

### Sociedad Concesionaria A-4 (A-4 Highway)

#### Scope

Four/ six-laning of the existing road between 3.78 km and 67.5 km of A-4 Madrid (approximately 256 lane km), operation and maintenance of the same

#### Concession

Awarded by the Ministry of Public Works, Madrid, Spain on DBFOT (Shadow Toll) basis for a period of 19 years to the JV of Elsamex SA & Isolux. The project commenced operations on November 1, 2010

### Chongqing Yuhe Expressway Company Limited (Yuhe)

#### Scope

Operations, Management and Maintenance of YuHe Expressway consisting of four-lane dual carriageway connecting downtown Chongqing with Hechuan County in Chongqing, China (approximately 235 lane km)

#### Concession

Concession was granted by Chongqing Municipal People's Government, China on a PPP basis for a period of 30 years with revenues from toll collections, annuities and from operations of service areas along the expressways. The project commenced operations on December 09, 2011

## Project under Development

### ITNL Road Infrastructure Development Company Limited (IRIDCL) (Phase II)

#### Scope

Four laning of the existing two lane Beawar Gomti Section of NH-8 of approximately 216 lane km in the State of Rajasthan

#### Concession

Awarded by the Department of Road Transport & Highways, Government of India, on a DBFOT (Toll) basis for two-laning of the project for an initial period of 11 years, which was extended to 30 years as the concessionaire has been notified for undertaking four-laning of the project. The Concession Agreement was signed on April 1, 2009

# PROJECT HIGHLIGHTS

## Projects under Construction

### Kiratpur Ner Chowk Expressway Limited (KNCEL)

#### Scope

Development of four-lane highway between Kiratpur and Ner Chowk section of NH-21 (approximately 327 lane km) in the States of Punjab and Himachal Pradesh

#### Concession

Awarded by NHA1 on a DBFOT (Toll) basis for a period of 28 years (including an initial construction period of three years). The Appointed Date of the project is November 14, 2013

### Barwa Adda Expressway Limited (BAEL)

#### Scope

Six-laning of existing Four-lane highway between Barwa Adda and Panagarh section of NH-2, including Panagarh Bypass (approximately 727 lane km) in the States of Jharkhand and West Bengal

#### Concession

Awarded by NHA1 on a DBFOT (Toll) basis for a period of 20 years (including an initial construction period of two and a half years). The Appointed Date of the project is April 1, 2014

### Srinagar Sonmarg Tunnelway Limited (SSTL)

#### Scope

Development of two-lane tunnel with parallel intermediate lane escape tunnel (Z Morh tunnel) and approach roads on Srinagar Sonmarg Gumri section of NH-1 (approximately 34 lane km) in the State of Jammu & Kashmir

#### Concession

Awarded by BRO on a DBFOT (Annuity) basis for a period of 20 years (including an initial construction period of five years). The Appointed Date of the project is May 1, 2015

### Jharkhand Infrastructure Implementation Co Limited (JIICL)

#### Scope

Six-Laning of Ranchi Ring Road (Section VII) of approximately 162 lane km in the state of Jharkhand

#### Concession

Awarded by Road Construction Department (RCD), GOJ on BOT (Annuity) basis for a period 17.5 years. The Appointed Date of the project is February 3, 2016

## Projects under Construction

### Fagne Songadh Expressway Limited (FSEL)

#### Scope

Development of Four-Lane highway between Fagne to Gujarat/Maharashtra border section of NH-6 of approximately 698 lane km in Maharashtra

#### Concession

Awarded by NHA on DBFOT (Toll) basis for a period of 19 years (including an initial construction period of two and half years). The Appointed Date of the project is November 9, 2016

### Amravati Chikhli Expressway Limited (ACEL)

#### Scope

Development of four-Lane highway between Amravati and Chikhli section of NH-6 of approximately 970 lane-km in the state of Maharashtra

#### Concession

Awarded NHA on DBFOT (Toll) basis for a period of 19 years (including an initial construction period of two and half years). The Appointed Date of the project is November 9, 2016

### GRICL Rail Bridge Development Company Ltd (GRBDCL)

#### Scope

Development of 8 Rail Over Bridges (ROB) in the State of Gujarat

#### Concession

Awarded by the Roads and Buildings Department of Government of Gujarat on BOT (Annuity) basis for a period of 17.5 years (including a construction period of two and half years). The Appointed Date of the project is January 27, 2017

## Non Road Projects

### Rapid Metro Rail Gurgaon Limited (RMGL)

#### Scope

Development of approximately 4.9 km long elevated metro rail link, connecting the Delhi Metro Sikanderpur station on MG Road to NH-8 in Gurgaon in the State of Haryana

#### Concession

Concession was awarded by the Haryana Urban Development Authority for a period of 99 years (including an initial construction period of two and a half years). The project commenced operations on November 14, 2013

# PROJECT HIGHLIGHTS

## Non Road Projects

### Rapid Metro Rail Gurgaon South Extension Limited (RMGSL)

#### Scope

Development of approximately 7 km long elevated metro rail link extension from Sikanderpur Station to Sector 56 in Gurgaon in the State of Haryana

#### Concession

Awarded by the Haryana Urban Development Authority for a period of 98 years (including an initial construction period of two and a half years). The project commenced operations on March 31, 2017

### MP Border Check Post Development Company Limited (MPBCDCL)

#### Scope

Construction, upgradation, modernization, operation and maintenance of 24 border check post across the State of Madhya Pradesh on BOT basis

#### Concession

Awarded by Madhya Pradesh Road Development Corporation on BOT (User fee basis) for a period of 4,556 days (including an initial construction period of 730 days). The project commenced operations on April 26, 2013

### Karyavattom Sports Facility Limited (KSFL)

#### Scope

Development of International Standard Cricket Cum Football Stadium with ancillary facilities on DBOT basis in Trivandrum, Kerala

#### Concession

Awarded by Government of Kerala for a period of 15 years (including two years of construction period). The project commenced operations on February 29, 2016

### Dubai Supreme Courts and Robotic Automated Car Parking Project

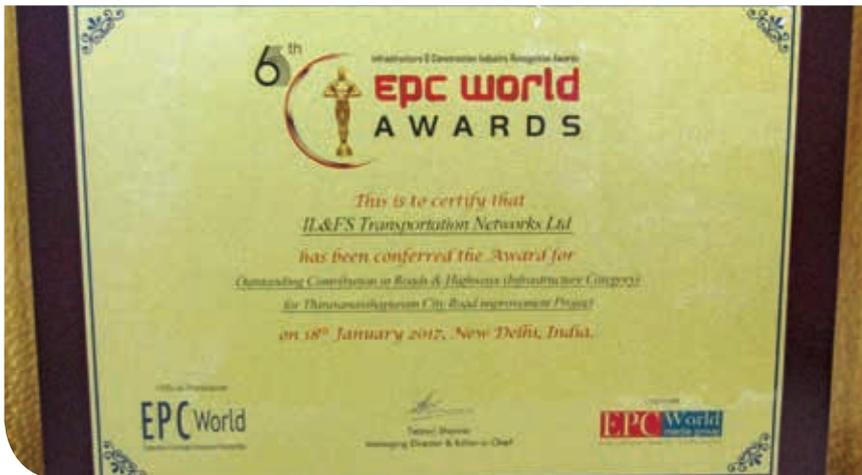
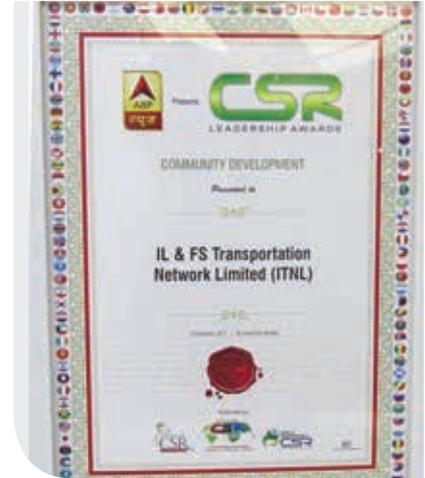
#### Scope

To undertake the design, construction, financing, operation and maintenance of an 'Automated multi-level Robotic car park' to alleviate the existing parking shortage in the Dubai Court premises and to provide a Supreme Court building along with ancillary land use

#### Concession

Concession was awarded by Dubai Courts for a period of 30 years. The Concession Agreement was signed on May 4, 2016

# AWARDS AND RECOGNITIONS



01

Received award for effective Project Financing and Economics by the International Road Federation for the Rajasthan Mega Highway Project (RIDCOR), a joint venture of Government of Rajasthan and the Company

03

Received 'Infrastructure Company of the Year' award from the 6th EPC World Awards for the Rajasthan Mega Highway Project

02

Achieved sustainable development goals and good governance recognition from United Nations Economic Commission for Europe (UNECE) for Thiruvananthapuram City Road Improvement Project

04

Received Corporate Social Responsibility Award for the best Community Development for Baleshwar Fishery Project supported by Baleshwar Kharagpur Road project

05

Conferred with the Golden Peacock Award for Corporate Social Responsibility for the year 2016

06

Dun & Bradstreet has felicitated our company as India's Leading Infrastructure Companies through Dun & Bradstreet Infra Awards

07

Bestowed with a Special Award for Outstanding Project from Traffic Infra Tech for Thiruvananthapuram City Road Improvement Project

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Deepak Dasgupta**  
*Chairman*

**Ravi Parthasarathy**  
**Hari Sankaran**  
**Arun K Saha**  
**R C Sinha**  
**H P Jamdar**  
**Neeru Singh**  
**Pradeep Puri**

**K Ramchand**  
*Managing Director*  
**Mukund Sapre**  
*Executive Director*

## COMPANY SECRETARY

**Krishna Ghag**

## AUDITORS

**Deloitte Haskins & Sells LLP**  
*Chartered Accountants*

**SRBC & Co LLP**  
*Chartered Accountants*

## COMMITTEES OF THE BOARD

### Audit Committee

**R C Sinha**  
*Chairman*

**Deepak Dasgupta**  
**H P Jamdar**  
**Arun K Saha**

### Stakeholders Relationship Committee

**Arun K Saha**  
*Chairman*

**K Ramchand**

### Nomination & Remuneration Committee

**H P Jamdar**  
*Chairman*

**R C Sinha**  
**Ravi Parthasarathy**  
**Hari Sankaran**

### CSR Committee

**H P Jamdar**  
*Chairman*

**K Ramchand**  
**Mukund Sapre**  
**Neeru Singh**

### Environment, Health & Safety Committee

**H P Jamdar**  
*Chairman*

**Deepak Dasgupta**  
**R C Sinha**

### Committee of Directors

**Hari Sankaran**  
*Chairman*

**Arun K Saha**  
**Pradeep Puri**  
**K Ramchand**  
**Mukund Sapre**

## SENIOR MANAGEMENT

**K Ramchand**  
*Managing Director*

**Mukund Sapre**  
*Executive Director*

**Harish Mathur**  
*Technical Director*

**Dilip Bhatia**  
*Chief Financial Officer*

**S C Mittal**  
*Chief Executive*

**Krishna Ghag**  
*Vice President & Company Secretary*

## REGISTERED OFFICE

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Bandra (East), Mumbai 400 051  
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Fax: + 91 22 26523979  
Email: itnlinvestor@iflindia.com  
CIN: L45203MH2000PLC129790

## REGISTRAR & SHARE TRANSFER AGENT

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1800 2208 78  
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# MANAGEMENT DISCUSSION AND ANALYSIS



**Ranchi Ring Road Project**

World Economic Growth

**3.5%**  
in 2017

Euro Area

**1.7%↑**  
Output is expected to grow by 1.7% in 2017

## 1. Global Economy - A Snapshot<sup>1</sup>

The World Bank, the International Monetary Fund and the Reserve Bank of India predict a turnaround in global economy after a lackluster 2016. Economic indicators point to better performances in 2017 and 2018, especially in the emerging markets and developing economies. World growth is expected to rise from 3.1% in 2016 to 3.5% in 2017 and 3.6% in 2018. Economic activity gained some momentum in the second half of 2016, especially in advanced economies

The United States' economy was in growth mode, as firms grew more confident about future demand and inventories started contributing positively to growth. The United Kingdom also witnessed economic

revival where spending was resilient in the aftermath of the June 2016 referendum to leave the European Union (Brexit). Japan surprised the world with an upturn in economy, thanks to strong net exports. The Euro area countries such as Germany and Spain also grew on the back of strong domestic demand

In case of emerging markets and developing economies, the growth rate in China was marginally stronger than forecasted, supported by continued policy stimulus. Economic activity was slower than expected in some recession-hit Latin American countries such as Argentina and Brazil which was also the case with Turkey. Activity in Russia was slightly better than expected, in part reflecting firmer oil prices

Geopolitical turmoil and a range of other non-economic factors continued in various regions - civil war in parts of the Middle East and Africa, the tragic plight of refugees and migrants in its neighboring countries and in Europe, acts of terror worldwide, the protracted effects of a drought in eastern and southern Africa and the spread of the Zika virus

During the last year, there has been a perceptible improvement in the sentiment of the investor community and India is viewed with renewed confidence. The macro-economic framework has strengthened, backed by a clear and comprehensive strategy of the Government

### The US

The US economy is projected to expand at a faster pace in 2017

<sup>1</sup> Source: Compiled from World Bank's Global Economic Prospects, IMF's World Economic Outlook & RBI's Monetary Policy Report, Economic Survey, Ministry of Finance

and 2018 with growth forecasted at 2.3% and 2.5%, respectively. The stronger near-term outlook reflects the momentum driven by a cyclical recovery in inventory accumulation, robust consumption growth and the assumption of a freer fiscal policy stance. Uncertainty restrained business investment in early 2017 but tax cuts and infrastructure spending will push up GDP in 2018 and 2019

Infrastructure spending was a key component of President Trump's campaign with a spending program in that domain worth about \$125 billion earmarked for 2018 and 2019. About half of this is assumed to be traditional infrastructure spending with the rest being private-sector spending

The anticipated shift in the policy mix so far has buoyed financial markets and strengthened business confidence, which could further hasten the current momentum. Over a longer horizon, due to shifts in trade, taxes and regulations, it is almost certain that economic conditions for businesses will change in the coming months

### Europe

The euro area's recovery is expected to continue at a broadly similar pace in 2017 and 2018, as in 2016. The modest recovery is projected to be supported by a mildly expansionary fiscal stance, accommodative financial conditions, a weaker euro and positive spill-over from a likely US fiscal stimulus. Political uncertainty is likely in several countries as they approach elections. This, coupled with uncertainties about the European Union's future relationship with the United Kingdom is also expected to weigh on activity

Output in the euro area is expected to grow by 1.7% in 2017 and 1.6% in 2018. Growth is expected to soften in Spain (2.6% in 2017 and 2.1% in 2018), but is likely to increase modestly in France (1.4% in 2017 and 1.6% in 2018). The medium-term outlook for the euro area as a whole remains dim, as projected potential growth is held back by low productivity and adverse demographics. In addition, some countries, are dealing with unresolved legacy problems of public and private debt overhang with a high level of non-performing loans. Growth in the United Kingdom is projected to be 2.0% in 2017. The increase in growth reflects the stronger-than-expected performance of the U.K. economy since the June Brexit vote. This points to a more gradual materialization than previously anticipated of the negative effects of the United Kingdom's decision to leave the European Union



➔ A4 Autovia, Madrid



The anticipated shift in the policy mix so far has buoyed financial markets and strengthened business confidence, which could further hasten the current momentum

### Latin America

A weaker-than-previously-expected recovery is projected in Latin America and the Caribbean, with growth forecast at 1.1% in 2017 and 2.0% in 2018. Within the region, outlook varies substantially across countries. While activity in most commodity exporting countries is expected to be supported by the recovery in commodity prices, domestic fundamentals continue to play a key role in the outlook of some large countries. At the same time, the outlook for Mexico, one of the largest economies in the region, has weakened

Among commodity exporters, Brazil is expected to emerge from one of its deepest recessions, with growth forecast at 0.2% in 2017 and 1.7% in 2018. The gradual recovery will be supported by reduced political uncertainty, easing of monetary policy and further progress on the reform agenda. Higher commodity prices will also help strengthen growth in 2017 in Chile (1.7%) and Colombia (2.3%)

**Asia**

In Japan, a comprehensive revision of the national accounts led to an upward revision of historical growth rates and placed the 2016 growth estimate at 1.0%. This was significantly higher than projected. The growth momentum, fuelled by stronger-than-expected net exports in 2016 is predicted to continue into 2017 with forecast at 1.2%

Growth in China is projected at 6.6% in 2017 but is expected to slow down to 6.2% in 2018. This is a reflection of the stronger-than-expected momentum in 2016 and the anticipation of continued policy support in the form of strong credit growth and reliance on public investment to achieve growth targets. Elsewhere in emerging and developing Asia, growth is projected to remain robust

Economic activity is forecasted to accelerate slightly in 2017 in four of the ASEAN-5 economies namely, Indonesia, Malaysia, Philippines and Vietnam. These economies are expected to grow at 5.1%, 4.5%, 6.8%, and 6.5%, respectively. The fifth economy Thailand, is projected to recover from a temporary dip in tourism and consumption in late 2016

**Sub-Saharan Africa**

A modest recovery is foreseen in the Sub-Saharan African region in 2017. Growth is projected to rise to 2.6% in 2017 and 3.5% in 2018, largely driven by specific factors in the largest economies, which faced challenging macroeconomic conditions in 2016. However, the outlook for the region remains subdued. Output growth is expected to only moderately exceed population growth over the forecasted horizon, it having fallen short in 2016. Many commodity exporters still need to adjust fully to structurally lower commodity revenues because commodity prices are expected to remain dull

After contracting by 1.5% in 2016 because of disruptions in the oil sector coupled with foreign exchange,



➔ IIPL, USA

power, and fuel shortages, output in Nigeria is projected to grow by 0.8% in 2017. This projection is a result of a recovery in oil production, continued growth in agriculture and higher public investment. In South Africa, a modest recovery is expected with growth forecast at 0.8% in 2017, as commodity prices rebound, drought conditions ease and electricity capacity expands

**Middle East and North Africa**

The near-term outlook for the Middle East and North Africa region has weakened with growth forecast set at 2.6% in 2017. The subdued pace of expansion reflects lower headline growth in the region's oil exporters, driven by the November 2016 OPEC agreement to cut oil production. Continued strife and conflict in many countries in the region also detract from economic activity. Growth rates in most countries in the Cooperation Council of the Arab States of the Gulf are similarly projected to dip in 2017

**2. Indian Economy**

India today is counted amongst the fastest growing major economies of the world. Despite persistent global headwinds, the country has displayed resilience in its macroeconomic performance and the outlook presented for the economy by several multilateral institutions is also very encouraging

The Indian economy is growing strongly and remains a bright spot in the global landscape. The halving of global oil prices that began in late 2014 boosted economic activity in India, further improved the external current account and fiscal positions, and helped in lowering inflation. In addition, continued fiscal consolidation by reducing Government deficits and debt accumulation and anti-inflationary monetary policy stance, has helped strengthen macroeconomic stability. The Government has made significant progress on important economic reforms, which will support strong and sustainable growth going forward



The Indian economy is growing strongly and remains a bright spot in the global landscape

The growth forecast of India for 2017 is expected to trim by 0.4% to 7.2%. This is primarily because of the temporary negative consumption trend induced by cash shortages and payment disruptions resulting from the recent currency reform. Medium-term prospects, however, are favorable with growth projection at about 8%. This is on account of the implementation of key reforms, loosening of supply-side bottlenecks, appropriate fiscal and monetary policies

Against the backdrop of robust macro-economic stability, the year was marked by two major domestic policy developments namely, (i) passing of the Constitutional amendment by the Parliament, paving the way for implementing the transformational Goods and Services Tax (GST) legislation, and, (ii) action to demonetise the two highest denomination currencies. The GST will create a common Indian market, improve tax/governance compliance which will help boost investment and growth. It is also a bold new experiment in the governance of India's cooperative federalism. Demonetisation has had short-term costs but holds the potential for long-term benefits. Follow-up actions to minimize the costs and maximize the benefits include: fast and demand-driven remonetisation, further tax reforms including bringing land and real estate in the ambit of GST, reducing tax rates and stamp duties and acting to allay anxieties about over-zealous tax administration. These actions would allow growth to return to trend in 2017-18, following a temporary decline in 2016-17

### Outlook

The outlook for the current fiscal 2017-18 is buoyant. Various multilateral agencies have pegged India's growth forecast for the year 2017-18 between 7.4% and 7.5%. This is also in line with the Reserve Bank of India's latest projection. On the domestic front, the impact of demonetization is expected

to dissipate fully and discretionary spending is expected to gain further momentum. The thrust given in Union Budget 2017-18 on rural and agricultural sector, infrastructure sector and digitization is directionally correct and would support growth. Also, in India, monsoon remains an important variable in determining prospects in any given year. The Indian meteorological department has predicted a 'normal' monsoon in 2017 which will be another positive for the economy. On the global front, outlook for growth has improved and trade is also expected to pick up in 2017 and 2018. This is likely to have a beneficial impact on our overall exports

India is also witnessing some critical structural shifts which are expected to push growth over the course of next few years. The country is at the edge of a major digital transformation which will bring in massive opportunities. With this we also expect to see large volume of businesses moving into the formal sector. Further, the implementation of the GST from July 2017 as proposed will be a game changer. Also, we are on course of addressing the issue of non-performing assets in the banking sector and corporate balance sheets are also expected to see an improvement as growth trajectory improves further

### 3. India's infrastructure opportunity

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from the Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. The Ministry of Road Transport and Highways has announced the Government's target of ₹ 25 trillion (US\$ 376.53 billion) investment in infrastructure over a period of three years, which will include ₹ 8 trillion (US\$ 120.49 billion) for developing 27 industrial clusters and an additional ₹ 5 trillion (US\$ 75.30 billion) for road, railway and port connectivity projects

The Indian construction equipment industry is reviving after a gap of four years and is expected to grow to US\$ 5 billion by 2019-20 from the current size of US\$ 2.8 billion. India is witnessing significant interest from international investors in the infrastructure space. The Government of India is taking every possible initiative to boost the infrastructure sector



➔ A4 Autovia, Madrid



➔ Srinagar Sonmarg Tunnel Project

### Road sector

The Ministry of Road Transport & Highways has invested around ₹ 3.17 trillion (US\$ 47.7 billion), in the past two and a half years for building world class highways in the country. As against the target of 15,000 km set for development of national highways in 2016-17, only 6,604 km of roads had been constructed by end of February 2017, according to the Minister of State for Road, Transport & Highways, Government of India

National Highways Authority of India's (NHA) activity for award of roads has been highly erratic in 2017. The year started with ambitious targets set by the Ministry of Road Transport & Highways (MoRTH) and NHA. After a strong show during the period April-June 2016, Jul-Dec 2016 saw subdued activity of awards. Factors like demonetization, land acquisition issues, etc were responsible for the slackening of momentum. However, in the last two months, the order award activity has picked up again. This is especially true of projects that were offered on Hybrid Annuity Model (HAM) basis. From the 47 projects targeted for tendering under this model, as many as 10 projects have been awarded in March 2017. While NHA will still end

up significantly short of its target, the Company sees this strong momentum continuing thereafter, leading to robust order award activity in 2018. While NHA has de-risked HAM model to a large extent, developers remain cautious and only few companies are going aggressively over this relatively 'new' model of road development

Opportunities in BOT Projects continued to be few and far in between. Out of around 3,000 km of road projects awarded last year, less than 500 km were awarded on PPP basis, most of which were in the form of re-bidding due to non-receipt of bids through initial bidding or termination. Considering the current market scenario, only the bidders with sound financial position and sufficient strength for undertaking the PPP projects submitted realistic bids

On the EPC front, MoRTH and NHA continued tendering more projects and bidders responded favourably with competitive bid quotes

The Government has recently undertaken initiatives for revitalizing the sector, streamlining systems and processes to fast-track the implementation of National Highway

projects. Major steps taken in this regard include:

- (i) **Mode of delivery of projects:** NHA has shifted the mode of delivery from BOT Toll and Annuity to Hybrid Annuity and EPC
- (ii) **Stressed projects:** 73 National Highway projects with aggregate length of around 8,310 km had been languishing for around two and half years after award. These projects involved estimated capital investment of around ₹ 1,00,000 Crore which remained blocked. MoRTH intervened in the issue on a case to case basis with the concessionaires and lenders. As a result, most of the languishing projects have been effectively put back on track
- (iii) **Toll-Operate-Transfer Model:** In November 2016, NHA had proposed monetization of 75 toll highways operated by it for over two years, to be leased out under the new toll-operate-transfer (TOT) model to private parties including domestic road companies and international funds for a specified duration. This would be in return for a fee. Tenders for projects on this mode may be expected in 2018
- (iv) **Financial front:** NHA plans to raise funds from the Life Insurance Corporation of India and the



NHA has shifted the mode of delivery from BOT Toll and Annuity to Hybrid Annuity and EPC

Employees Provident Fund Organisation, who have subscribed to NHA bonds worth ₹ 100 billion. NHA is hopeful to list masala bonds worth ₹ 70 billion on the London Stock Exchange soon

(v) **Major policy initiative:**

Additionally, the Government has taken a major policy initiative to pay 75% of arbitral claims awarded in favor of the concessionaire/contractor. This will provide the much needed liquidity comfort to construction players and restore order in the cash strapped sector

The pace of development of road projects is likely to increase due to these policy interventions. Lesser number of BOT players and innovative bidding model, along with conventional BOT models will facilitate the Company to secure bids and retain its market share

**Railways**

The Indian Railways is among the world's largest rail networks. It has emerged as one of the fastest growing sectors and has proved as the ideal mode of transportation for freight and goods transportation. The network is also ideal for long-distance travel and movement of bulk commodities, apart from being an energy-efficient and economic mode of conveyance and transport

The revenue generated by the Indian Railways is expected to grow at 10% in the fiscal year 2017-18. The Union Budget 2017-18 estimated that the overall earnings will rise to about ₹ 1,89,498 Crore (US\$ 28.42 billion) in 2017-18, compared to ₹ 1,72,305 Crore (US\$ 25.84 billion) in the fiscal year 2016-17. In the last Union Budget, the Government has allocated ₹ 55,000 Crore (US\$ 8.25 billion) towards capital and development expenditure for Railways

The Government of India has focused on investing in railway infrastructure by

making investor-friendly policies. It has moved quickly to enable Foreign Direct Investment (FDI) in railways to improve infrastructure for freight and high-speed trains. At present, several domestic and foreign companies are also looking to invest in Indian rail projects

Indian Railways has initiated measures to attract private sector investment



**➔ Rapid Metro South Extension, Gurgaon**

**Railways Expenditure**

**₹ 55,000 Crore**

**Government allocation towards capital and development expenditure for Railways**

FDI inflows into Railways and related industries engaged in components manufacturing during the period April 2000 to December 2016 was US\$ 789.03 million. Following are some of the major investments and developments proposed by the Government of India/Indian Railways in the sector:

- Plan to set up a US\$ 5 billion, Railways of India Development Fund (RIDF) for investments in its projects
- Mission 41k, an initiative aimed at saving ₹ 41,000 Crore (US\$ 6.15 billion) on the Indian Railways' expenditure on energy

consumption over the next 10 years, by doubling the annual rate of electrification from 2,000 km to 4,000 km over the next two years

- A Letter of Award (LoA) worth ₹ 14,656 Crore (US\$ 2.19 billion) issued to US-based corporation, General Electric (GE) for setting up a diesel locomotive factory at Marhowra. It has also issued LoA to the French transport major, Alstom, worth ₹ 20,000 Crore (US\$ 3 billion) for setting up an electric locomotive project in Madhepura
- Spending worth ₹ 8,50,000 Crore (US\$ 127.5 billion) over the next five years to modernise Indian Railways for which they have received a 30 year loan from LIC
- Investment worth ₹ 82,000 Crore (US\$ 12.3 billion) for development of a dedicated freight corridor for decongesting existing network
- Cities like Chennai and Mumbai have come up with bids for O&M services for Metro/Mono Rail Projects with a tenure of 10 years

**4. Threats**

Factors, which can threaten the business model and the Company's market standing, emerge from changes in Government policies, safety and security concerns, among others. Some possible threats include:

**Credit availability**

The private sector is dependent on commercial banks to raise debt for the Public Private Participation (PPP) projects. With commercial banks reaching the sectoral exposure limits and large Indian infrastructure companies being highly leveraged, funding the PPP projects is becoming difficult. Over the last few years, credit availability has become one of the most significant threats. The infrastructure sector has witnessed restrained funding from banks and financial institutions. Banks in some cases have reached their lending limit to the Company and in some cases at the Parent Company level. Hence, seeking viable funds is becoming

increasingly difficult. Although Hybrid Annuity Model (HAM) was introduced with an aim to revitalize the sector and bring order to the cash strapped sector, but this looks highly unlikely as most of the awarded HAM projects are struggling for funding and financial closure

**Business environment changes**

At the domestic level, the business environment remained unfavourable for PPP players. Government has shifted the mode of delivery from PPP to EPC projects. Keeping this in mind, the Company has ventured into the EPC sector. The introduction of GST is another move that is being closely watched and followed as it can have both an uphill and downhill repercussion for the sector. Also, tightening on mining activities and ban on use of river sand in many states, which is expected to be followed by many others, has the potential to affect the design of Company’s existing projects

**Market competition**

With the Government keen on



**Ranchi Patratu Dam Project**



The Company has ventured into the EPC sector and will target to bid for large & complex EPC projects

promoting EPC contracts, EPC markets pose a bigger threat to the Company’s business. The Company has ventured into the EPC sector and will target to bid for large & complex EPC projects and will look to develop an in-house company as a construction contractor in mid-size segment

The Company is also on the lookout for BOT Toll and Annuity projects bid out by the Government. However, market players have become more cautious due to financial constraints which have led to more rational bids. Many projects that were put out for bid on HAM/BOT Toll & Annuity had failed to attract bidders as most of them were in the form of re-bidding due to non-receipt of bids tendered in the earlier bidding process or on account of termination of concessions granted

**Dispute resolution and claims settlement**

Although, in the recent past, slight improvement is witnessed in claims settlement, the pace remains slow and tedious. Closure of arbitration and accrual of claims is critical to restore concessionaire trust and ensure timely completion. Ball has been set rolling to set up an independent regulator for the road sector, which is expected to address this issue comprehensively

**5. Operational Performance**

The Company performed well, both in India and globally. The Company

has a large and diversified surface transportation asset portfolio across geographies. The Company possesses engineering, designing, planning and project monitoring skills required for its business

**Domestic operations**

There was hectic activity on the construction front. Despite economic slowdown and hardened lending scenario, the Company managed to stand firm and also ensured that construction was progressing as per schedule and completed five highway projects. The details are as follows:

- (i) Kerala Road Fund Board approved Commercial Operation Date for the balance stretches of Phase II & III of Thiruvananthapuram City Road Project effective May 31, 2016. This has resulted in completion of the entire project length of 158 Lane km
- (ii) Under RIDCOR Phase III, 2 road projects namely, (i) Bhadra to Haryana Border Road and (ii) Mathura-Bharatpur-Gangapur-Bhadoti Road received completion certificate effective June 17, 2016 and June 30, 2016 respectively
- (iii) Sikar Bikaner Road Project in the State of Rajasthan was issued Provisional Completion Certificate for additional length of 22.091 km on August 16, 2016, thereby taking the total length under commercial operations to 234.657 km out of the total length of 237.578 km
- (iv) Appointed Date was declared as November 9, 2016 for four-laning of Amravati-Chikhli section of NH-6 in Maharashtra
- (v) Appointed Date was declared as November 9, 2016 for four-laning of Fagne- Gujarat / Maharashtra border section of NH-6 in Maharashtra

- (vi) The longest road tunnel project developed by the Company namely, Chenani Nashri Tunnel project in Jammu & Kashmir received the Provisional Completion Certificate on March 8, 2017 and commenced commercial operations
- (vii) The Company received Completion Certificate for Chaibasa-Kandra-Chowka Road Project in the state of Jharkhand for the complete length of 68.7 km on March 3, 2017
- (viii) Khed Sinnar Road Project in the State of Maharashtra received the Provisional Completion Certificate on January 31, 2017 and started commercial operations in a length of 104.64 km out of 137.90 km
- (ix) The Company was awarded a project for design, validation and construction of underground station of the Chennai Metro Rail project, a JV between Government of India and Tamil Nadu on EPC basis on January 5, 2017



**Rapid Metro, Gurgaon**

**Rapid Metro South Extension corridor**  
**7 km stretch**  
**Commissioned in Gurgaon on**  
**March 31, 2017**



**Trivandrum City Project**

- (x) The Phase II of the Metro Rail Project namely, Rapid Metro South Extension corridor, a 7 km stretch in Gurgaon was commissioned on March 31, 2017

The following 21 road projects of the Company are under operations and maintenance:

- a) Vadodara - Halol Project, Gujarat
- b) Ahmedabad - Mehsana Project, Gujarat
- c) Belgaum - Maharashtra Border Project, Karnataka
- d) Jetpur- Gondal- Rajkot Project, Gujarat
- e) Pedda Amberpet - Bongulur (Outer Ring Road) Project, Telangana
- f) Mega Highways Road Project, Rajasthan
- g) Thiruvananthapuram City Road Improvement Project, Kerala
- h) Beawar - Gomti Project, Rajasthan
- i) Hazaribagh - Ranchi Project, Jharkhand
- j) Jharkhand Accelerated Road Development Programme, Jharkhand
- k) Pune - Solapur Project, Maharashtra
- l) Narketpally - Medarametla Project, Andhra Pradesh

- m) Moradabad - Bareilly Project, Uttar Pradesh
- n) Warora - Chandrapur Project, Maharashtra
- o) Sikar - Bikaner Project, Rajasthan
- p) Baleswar - Kharagpur Project, Odisha/West Bengal
- q) Jorabat - Shillong Project, Assam/ Meghalaya
- r) Chenani - Nashri Tunnel Project, Jammu & Kashmir
- s) Khed - Sinnar Project, Maharashtra
- t) Noida Toll Bridge, Uttar Pradesh
- u) Hyderabad Outer Ring Road, Telangana

**International operations**

The following sections highlight the key projects being pursued in Asia Pacific, Middle East and Africa, European Union, South America and North America regions, where the Company is actively pursuing business opportunities

**Asia Pacific**

The Company continues to focus on opportunities in Vietnam, while identifying feasible projects in Laos, Thailand, Myanmar and Papua New Guinea. Currently, negotiations are under way to take over a road rehabilitation project in Laos involving paving and

construction of bridges and culverts on a 165 km stretch of national highway

Elsamex Vietnam JSC has reached the halfway mark in completing its work order awarded by CIENCO4 (Vietnam State Owned Enterprise) for 200,000 square meter of Micro-Surfacing application on various roads in Vietnam, paving the way for penetration of technology into the region

**Yuhe Expressway, China**

During the year, Yuhe Expressway recorded revenues of US\$ 72.56 million as against US\$ 71.80 million in the previous year. Profit after Tax for the year ended March 31, 2017 was US\$ 25.48 million compared to US\$ 23.99 million in the previous year. The Company holds 49% equity stake in the project through its wholly owned subsidiary in Singapore

**Middle East & Africa**

**UAE**

ITNL Infrastructure Developer LLC (IIDL), a Joint Venture in Dubai signed a Concession Agreement on May 4, 2016 for development of “Dubai Court Complex and Robotic Car Park Project” on PPP basis.



The Company continues to focus on opportunities in Vietnam, while identifying feasible projects in Laos, Thailand, Myanmar and Papua New Guinea



**Yuhe Expressway, China**

This is the first project awarded on PPP basis in the UAE region. The concession period for the Project is 30 years including construction period of 30 months. The Project Cost is AED 287.66 million

**Africa**

The Company’s wholly owned subsidiary, ELSAMEX S.A., Spain has commenced development works for road projects in Ethiopia and Botswana

**United States**

The Company’s wholly owned subsidiary, IIPL USA, LLC was successful in securing its first operations and maintenance contracts in the Texas Region worth US\$ 11.3 million, further bolstering the revenue stream of the Company. It is actively pursuing further opportunities in the region including British Columbia

**Elsamex SA**

Elsamex SA, a wholly owned subsidiary in Spain reported revenue of € 175.92 million, which is around 4% lower than that of previous year. This is attributed to delays in OPRC contracts in Botswana and Ethiopia.

Furthermore, depreciation costs were higher than the previous year as the camp sites of both the aforesaid OPRC started to depreciate. In view thereof, it also reported lower PAT of € 6.69 million

**6. Risks and Concerns**

India’s infrastructure sector remains the backbone of socio-economic development. However, new risks and concerns have emerged in recent years. Operating in a dynamic environment, the Company has evolved a robust framework for identification, management and mitigation of potential risks. Some of these risks are discussed below

**Land acquisition**

Lack of political consensus on the Land Acquisition Bill has caused uncertainty with no acquisition taking place on ground. This is due to landowners’ insistence on higher compensation under the Act, as opposed to lower compensation under conventional Acts, such as National Highways Act, 1956. A possibility exists in the reduction of pace of projects to be bid out by the concessioning authorities. Now, the possibility has become stronger as the authority has insisted on acquiring 90% of the right of way before tendering any projects

**Timely completion of the project**

Timely completion of projects is critical for their success. Failure to complete projects within given timelines results in higher costs, penalties, invocation of performance guarantees, loss of equity contribution in the project and reduced earnings; besides postponement of commercial operations and annuity payments from projects. It may also impact the Company’s ability to finance debt and interest payments. Moreover, this would also adversely affect the Company’s ability to pre-qualify for new projects. Projects missing completion deadlines, is mostly due to delay in Government clearances/



➔ Belgaum Maharashtra Border Project

approvals and delay in hand-over of encumbrance free land for the projects. The Company is protected against this risk through adequate provisions in the contractual agreements. Besides, the Company also collaborates with authorities to attain the requisite clearances and approvals

Due to delays in handing over the land for 3 projects developed by the Company, there have been significant cost overruns resulting in higher costs, leading to delay in realisation of revenues. The Company had filed claims with the authorities and invoked arbitration proceedings which are pending before the Arbitration Tribunal for resolution

#### **Retention of experienced manpower**

The infrastructure sector is witnessing scarcity of skilled civil engineers. Finding quality human resources and retaining them is a key challenge. The Company's focus is to build an organisation of highly motivated employees, having the ability to execute ambitious business goals with passion and commitment, thereby exceeding customer aspirations. Besides, its scalable

recruitment and retention strategies enable it to attract and retain high calibre employees

#### **Debt financing**

The Company has substantial debt and debt service obligations and is subject to risks associated with debt financing. The level of debt and the limitations imposed on the Company, by present or future loan arrangements could have significant adverse consequences. This is primarily due to cost of borrowings. The Company's experienced and knowledgeable team with support of the holding company ensures that these risks are always covered through adequate cash flow planning and other measures

#### **Exchange rate risks**

The Company avails certain External Commercial Borrowings (ECBs) for financing and refinancing part of its existing debt in certain projects with repayment in rupee terms. This exposes the Company to risks of higher repayment and interest outgo, when measured in rupee terms; where rupee devalues against the foreign currency. In order to overcome this situation, the Company hedges such transactions

to ensure least impact of currency fluctuations

#### **Revenues from toll road projects**

Since a significant portion of the Company's operational assets are toll driven, any change in traffic growth rate will significantly impact earning potential. All toll revenues depend on number of vehicles plying on the road and may be affected with changes in traffic volumes. The traffic volume is directly or indirectly affected by factors beyond the Company's control such as toll rates, fuel prices, affordability of automobiles, the quality, convenience and travel time on alternate routes. In addition, the availability of alternate means of transport such as rail networks and air transport may also affect traffic volumes. Moreover, these cash flows are also affected by seasonal factors, as the traffic tends to decrease during monsoon season but increases during holiday seasons. The Company tries to maintain a balance between the annuity and toll projects and also looks to securitize future cash flows from toll receipts to reduce risk impact

### **7. Outlook**

The Company is optimistic that the infrastructure sector will be revived with renewed efforts from the Government. It aims to achieve a near-term target of 17 km of highway per day and escalate it to 30 km per day. At least 35% of these projects are expected to be awarded through the PPP mode, of which the Company expects to bag a significant portion. The Company is diversifying its geographic spread, by actively foraging into global markets. These initiatives are expected to materialize in the coming years. With global economies gradually returning to an encouraging growth trajectory, the global infrastructure landscape is expected to improve. Such a scenario augurs well for the Company, going forward. It is also improving its operational benchmarks



➔ **Moradabad Bareilly Project**

by closely monitoring systems and procedures. The Company aligns its routine functioning with the certified Quality Management System (QMS - ISO 9001:2015) by establishing cross linkages between QMS and Internal Control Framework (ICF)

During the year under review, the Company renewed its certifications for QMS and Environmental, Occupational Health and Safety Management System (EMS- ISO 14001:2015 and OHSAS 18001:2007), with appreciation for the level of implementation and conviction shown. The Company has adopted the ESPF format of project screening prior to submission of bids. These certifications ensure that the Company has an environmentally and socially sustainable business model

The Company is optimistic about the growth of India's infrastructure industry and its ability to achieve targets on account of:

- Significantly reduced number of competitors in the PPP sector
- Relatively eased out project implementation process, resulting from the revamp exercise undertaken by the Government
- The thrust received from the budgetary allocation to infrastructure development
- Strong, efficient and skilled workforce
- Continued support from bankers

The Company is also focusing on rightsizing its project portfolio through divestment of identified road assets, reducing finance costs through refinancing of existing debts in the project companies to take benefit of the softer interest rates, elongate the maturity of its debt through issue of long tenure Non Convertible Debentures. These initiatives are expected to improve the cash flow of the Company and optimise its balance sheet

The Company is also aligning itself to garner EPC projects that are large and complex while developing its subsidiary to focus on smaller and medium sized EPC projects. The Company is also actively looking forward to participate in the proposed monetisation of toll roadways to be bid out by NHAI under the new TOT model

## **8. Internal Control Systems and its Adequacy**

The Company has implemented a well-established Internal Control Framework (ICF), which covers all aspects of financial and operational risks of the business and its controls. Under ICF detailed Risk Control Matrices and Standard Operating Procedures are prepared stage-wise / process-wise. This requires a self-assessment of the compliances by the maker together with documentary support which is then confirmed by the reviewer. This also facilitates audit at the corporate and project levels

The Company has also established a dedicated Internal Control team which is responsible for co-ordinating ICF assessments and internal audits. The Internal Control function plays a key role in providing the Management and the Audit Committee, with an objective view the reassurance of overall control systems. It also offers them perspectives on the adequacy, effectiveness and efficiency of operating controls at pan-organizational level. The ICF is periodically modified, so as to be consistent with the operating changes for improved controls and effectiveness of internal control and audit. During the year, the ICF was reviewed for testing the Design, Implementation and Operating effectiveness of internal controls on financial reporting. There were a few improvement opportunities identified and implemented subsequently

The Internal Audit is carried out by a Chartered Accountants firm which reports its findings/observations directly to the Audit Committee. The Internal Auditor's scope and authority are derived from the Internal Audit Plan which is approved by the Audit Committee at the beginning of the financial year. The plan is modified periodically to meet requirements arising from changes in law, as well as out of improved controls resulting from the implementation of the ICF, including the Internal Controls on Financial Reporting. Internal audits are conducted every quarter and covers operations, accounting, secretarial and administration functions. It also provides special reference to compliances, based on the audit plan. Internal audit reports are placed before the Audit Committee at regular intervals for review, discussion and suitable action

The Company has implemented SAP in July 2013 strengthening controls in existing processes. Every employee plays a key role to foster a working environment of responsibility, accountability and ethical behaviour.

The Company strives to identify opportunities that enhance organisational values, while managing and mitigating risks that adversely impact its future performance

## 9. Financial and Operational Performance

### Standalone

During 2016-17, the Company reported gross revenues of ₹ 4,400.51 Crore compared to ₹ 5,051.73 Crore which is 22% lower over the previous year primarily on account of lower construction income

However, earnings before interest, tax, depreciation and amortization (EBITDA) increased to ₹ 1,587.51 Crore in 2016-17 compared to ₹ 1,098.57 Crore in 2015-16 which is attributable to higher interest income and profit on sale of investments. Other expenses decreased from ₹ 341.61 Crore in 2015-16 to ₹ 79.12 Crore in 2016-17 mainly on account of reversal of expected credit loss on loans and receivables in 2016-17

Financing cost increased by ₹ 166.01 Crore as a result of higher borrowings for partially funding the increased investments in projects and working capital requirements. The debt-equity ratio as at March 31, 2017 stood at 4.13

Profit before tax for 2016-17 is ₹ 195.71 Crore compared to a loss of ₹ 122.92 Crore in 2015-16. Profit after tax for 2016-17 is ₹ 236.39 Crore as against a loss of ₹ 97.42 Crore in 2015-16

Earnings per share on basic and diluted basis stood at ₹ 7.19 per share for the year ended March 31, 2017 as against negative ₹ 3.46 per share for the year ended March 31, 2016 due to lower profit after tax for FY 2015-16

### Consolidated

During FY 2016-17, the consolidated revenues stood at ₹ 8,401.62 Crore



➔ Trivandrum City Project

### EBITDA

**₹ 1,587.51  
Crore**

**In 2016-17 attributable to higher interest income and profit on sale of investments**

as compared to ₹ 8,356.37 Crore compared to the previous year

The EBITDA increased to ₹ 3,576.94 Crore in 2016-17 compared to ₹ 2,842.67 Crore in 2015-16, which is 26% escalation due to higher construction margins. Financing cost increased by ₹ 512.37 Crore during 2016-17 due to debts availed by project companies to fund construction activities, increase in borrowing for investments in project companies and working capital requirements. The Debt equity ratio as at March 31, 2017 on a consolidated basis stood at 6.75

Profit before tax increased from ₹ 72.31 Crore in 2015-16 to ₹ 124.89 Crore in 2016-17, a 73% increase over the previous year

Profit after tax attributable to owners of the Company increased by 22% from ₹ 121.96 Crore in 2015-16 to ₹ 149.31 Crore in 2016-17

## 10. Human Resources and Industrial Relations

Your Company considers its employees the most valuable resource and ensures strategic alignment of Human Resource practices to business priorities and objectives

Our constant endeavour is to invest in people and people processes to improve quality & skills of human capital. The Company strives to provide a conducive and competitive work environment to help the employees excel and create new benchmarks of productivity and efficiency, thereby facilitating the organization's growth

We continue to evaluate our talent needs and strive to develop the competency and capability of our people across levels. The employee's capability, sense of ownership and teamwork enabled the Company to sustain performance in a challenging market scenario during the year and strengthen its leadership

## 11. Cautionary Statement

**Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions and economic conditions affecting demand and supply, Government regulations and taxation, natural calamities and so on, over which the Company does not have any direct control**

# BUSINESS RESPONSIBILITY REPORT



➔ Khed Sinnar Project

## Section A: General Information about the Company

1. **Corporate Identity Number (CIN) of the Company:**  
L45203MH2000PLC129790
2. **Name of the Company:**  
IL&FS Transportation Networks Limited (ITNL)
3. **Registered address:**  
The IL&FS Financial Centre, Plot C-22, G-Block, Bandra-Kurla Complex, Bandra East, Mumbai – 400 051 Maharashtra
4. **Website:** www.itnlindia.com
5. **E-mail id:** itnlinvestor@iflsindia.com
6. **Financial Year reported:**  
2016-17
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**  
The Company is engaged in the surface transportation

sector which includes projects in roads & highways, tunnels & bridges, rapid transit rail systems etc. Industrial Activity Code 421 as per National Industrial Classification, 2008

8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**  
The Company provides services such as Project Development, Implementation, Construction Management, Operation & Maintenance and Advisory Services related to surface transportation infrastructure projects
9. **Total number of locations where business activity is undertaken by the Company:**
  - i. Number of International Locations (Provide details of major 5)  
Spain, Portugal, Ethiopia, China, Botswana
  - ii. Number of National Locations  
The Company has offices located in Mumbai, Ahmedabad and Delhi. In addition, there are temporary project offices at about 30 locations in India

**10. Markets served by the Company:**

The Company's business caters to various geographic markets across 20 states in India and select few international markets

**Section B: Financial Details of the Company****1. Paid up Capital (INR):**

₹ 328.96 Crore

**2. Total Income (INR):**

₹ 4,400 Crore

**3. Total profit after taxes (INR):**

₹ 236 Crore

**4. Total Spending on Corporate Social Responsibility (CSR)**

- o In terms of Section 135 of Company's Bill, 2011 (INR): ₹ 5.47 Crore
- o As percentage of profit after tax (%): 1.857 % \*  
\* Note: Disclosure is in line with the provisions of Section 135 of the Companies Act, 2013 and the CSR Rules, 2014. The average of the audited net profits for the last 3 years ended March 31, 2017 is ₹ 294.5 Crore

**5. List the activities as per Schedule VII of Company's Bill, 2011 in which expenditure in 3 above has been incurred**

- Refer information provided for Principle 8 under section E

**Section C: Other Details****1. Does the Company have any Subsidiary Company/ Companies?**

Yes. The Company has 68 subsidiaries as listed in Annexure 1

**2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

The BR initiatives are taken by the Company and also by the subsidiary companies with material business operations and they also participate in the initiatives.

**3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

No

**Section D: BR Information****1. Details of Director/Directors responsible for BR****Details of the Directors responsible for implementation of the BR policy/policies**

<b>1</b>	<b>DIN Number</b>	0000051841
	<b>Name</b>	Mukund Sapre
	<b>Designation</b>	Wholetime Director

**Details of the BR head**

Sr. No.	Particulars	Details
1.	DIN Number	00059791
2.	Name	Santosh Shidhaye
3.	Designation	Vice President and Chief Sustainability Officer
4.	Telephone number	022 - 26593611
5.	E-mail id	santosh.shidhaye@iflindia.com

**2. Principle-wise BR policies (Reply in Y/N)**

a. Please refer Notes section below the table for further information

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for....	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	N	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CER/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	N	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	N	Y	Y
6	Indicate the link for the policy to be viewed online?	Policies are available under Investor Relations section of the Company's website: <a href="http://www.itnlindia.com">http://www.itnlindia.com</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders								
8	Does the company have in-house structure to implement the policies	Yes								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	N	Y	Y

If answer to the question at serial number 1 against any principle is 'No', please explain why

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4	Policy on public advocacy will be put in place within the next 6 months							Y		

**3. Governance related to BR**

- 1. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**  
The Company will be publishing its first BR report and going forward will review it periodically
- 2. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**  
The Company will be publishing its first BR report and going forward will publish it annually. The same will be available on the Company's website

**Section E: Principle-wise performance**

**Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

- 1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**  
The Code of Conduct and the Whistle Blower Policy apply to the Company and is applicable to its subsidiaries. The Company encourages its business partners to follow the code
- 2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**  
Nil

**Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

All activities that are undertaken by the Company are screened for environmental and social risks by the Corporate Sustainability Cell

The Company endeavors to build roads, tunnels and bridges which are safe, sustainable and secure for its users. Several initiatives are taken such as black spot identification and innovative road markings to avoid any untoward incidents for road users. First-aid box is provided at all toll plazas, emergency telephones are installed throughout the project site and ambulances are deployed at all the project sites to provide emergency service

The tolling operations are automated at all the project sites which ensures that the vehicles pass-through in the shortest possible time

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

- i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?  
Not applicable
- ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?  
Not applicable

**3. Does the Company have procedures in place for sustainable sourcing (including transportation)?**

The materials used in the construction of our roads are sourced locally which helps in reducing transportation costs. Only products that cannot be sourced locally, which forms 15% - 20% of our project cost is imported. Median plantation and avenue plantation is carried out strictly using native species of shrubs and trees

We have also experimented with the use of solar panels on a toll plaza at one of our projects. If this experiment is successful, solar photovoltaic system will be used as a power source for all our toll plazas

- i. If yes, what percentage of your inputs was sourced sustainably?  
Around 80% - 85% of the material used is sourced locally

- ii. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

As far as possible, the goods and services are sourced from local vendors. In addition, we create employment opportunities for local engineers and small-scale contractors

**4. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, > 10%).**

We have adopted an e-waste Management Policy keeping in mind few of the international practices in order to ensure compliance with the local environment laws. Some of our other initiatives are as under:

- i. Every alternate month, newspapers and magazines are accumulated and donated to the Cancer Aid Association
- ii. All empty printer ink cartridges are sent for recycling. These are returned to the vendor against which new cartridges are purchased. The vendors issue coupons that are utilized / redeemed in exchange for new cartridges. We save approximately 10% on the cost of new cartridges with the help of these coupons
- iii. E-waste like metal scrap, used batteries, printer cartridges, lubricant oils from heavy machinery, etc. are regularly given for recycling either to the original equipment manufacturer or a scrap dealer

**Principle 3 - Businesses should promote the wellbeing of all employees**

- 1. **Please indicate the Total number of employees:** 283
- 2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis:** Contract Employees - 141
- 3. **Please indicate the Number of permanent women employees:** 29
- 4. **Please indicate the Number of permanent employees with disabilities:** None
- 5. **Do you have an employee association that is recognized by management?** No
- 6. **What percentage of your permanent employees is members of this recognized employee association?** Not Applicable
- 7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour,**

**sexual harassment in the last financial year and pending, as on the end of the financial year:** Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?
- **Permanent Employees:** 49%
  - **Permanent Women Employees:** 55%
  - **Casual/Temporary/Contractual Employees:** 16%
  - **Employees with Disabilities:** Not Applicable

**Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

1. **Has the Company mapped its internal and external stakeholders?**  
The Company is ISO certified for quality, health & safety and environmental management systems. Documentation for these three standards has mapped all stakeholders
2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**  
For the Company, all stakeholders are equally significant and no one is considered as disadvantaged, vulnerable and marginalized
3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders.**  
Foot over bridges, passenger underpasses, etc. are provided at our roads, wherever appropriate. In addition, wheelchair access (provided for physically challenged people), brail script enabled key pads are installed in the elevators at the head office building  
  
For project catchments chosen for CSR activities, marginalised and vulnerable sections of the communities are identified and CSR interventions are designed to actively improve the lives of those sections of society

**Principle 5 - Businesses should respect and promote human rights**

1. **Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**  
The Company does not have an explicit policy on human rights, however, each employee is expected

to be humane in conduct of her/ his duty without compromising on quality, productivity and integrity

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**  
The Company has not received any complaints from any stakeholders pertaining to human rights

**Principle 6 - Business should respect, protect, and make efforts to restore the environment**

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others**  
The Environmental and Social Policy Framework (ESPF) extends to all project SPVs of the Company. The Company encourages its business partners to follow the policy
2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**  
No. However, the ESPF recognizes the importance of climate change.
3. **Does the company identify and assess potential environmental risks?**  
Yes
4. **Does the company have any project related to Clean Development Mechanism? If Yes, whether any environmental compliance report is filed?**  
No
5. **Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc.? If yes, please give hyperlink for web page etc.**  
The Company has established a solar photovoltaic system on an experimental basis at one of its toll plazas. This will work on the principle of nett metering. If this endeavour is successful, solar photovoltaic system will be installed at all toll plazas
6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**  
Yes
7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**  
Nil

**Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes

- i. The Confederation of Indian Industry (CII)
- ii. Federation of Indian Chambers of Commerce and Industry (FICCI)
- iii. The Bombay Chamber of Commerce and Industry (BCCI)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company works with the aforesaid industry associations and represents various committees and task forces formed by ministries of the central and state governments

**Principle 8 - Businesses should support inclusive growth and equitable development**

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The CSR work has a focus on creating social inclusion and equitable development in communities close to the Company's infrastructure projects

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The programmes are implemented through Nalanda Foundation, an initiative which works with NGOs and local implementing agencies in each pocket in the country

3. Have you done any impact assessment of your initiative?

Impact Assessment is carried out by the internal Social Inclusion Group and also by third party agencies

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

The direct contribution to community development projects is ₹ 5.47 Crore. The details of projects undertaken are provided in the Corporate Social Responsibility Report as Annexure VII of the Directors' Report

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The endeavour is to extend E&S efforts to the community in general and incorporate Corporate Social Responsibility ("CSR") as a part of the DNA of the organization. In order to empower the community along its road projects, the Company launched its CSR initiative in the year 2010 by the name of "Parivartan". For the Company, CSR expands beyond responsibility within business operations, to include all voluntary actions undertaken to benefit the community and the environment around the project areas. The Company strongly believes that the surface transportation infrastructure it is building and financing today will shape the communities of tomorrow

CSR is, therefore, the organization's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interest of its stakeholders

The CSR Policy and Framework has been adopted by the Company and is available on the website of the Company. The same can be viewed through the link: <http://www.itnlindia.com>

**Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Nil

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

Not Applicable

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.

Nil

4. Did your company carry out any consumer survey/consumer satisfaction trends?

No

**Annexure 1: List of Subsidiaries - as on March 31, 2017**

1.	Amravati Chikli Expressway Limited
2.	Badarpur Tollway Operations Management Limited
3.	Baleshwar Kharagpur Expressway Limited
4.	Barwa Adda Expressway Limited
5.	Charminar RoboPark Limited
6.	Chenani Nashri Tunnelway Limited
7.	Elsamex SA
8.	East Hyderabad Expressway Limited
9.	Fagne Songadh Expressway Limited
10.	Futureage Infrastructure India Limited
11.	Devika Buildestate Private Limited
12.	GRICL Rail Bridge Development Company Ltd.
13.	Hazaribagh Ranchi Expressway Limited
14.	ITNL Road Infrastructure Development Company Limited
15.	IL&FS Rail Limited
16.	ITNL International Pte. Ltd., Singapore
17.	ITNL Offshore Pte. Ltd., Singapore
18.	ITNL Offshore Two Pte. Ltd., Singapore
19.	ITNL Offshore Three Pte. Ltd., Singapore
20.	Jharkhand Road Projects Implementation Company Ltd.
21.	Jharkhand Infrastructure Implementation Company Ltd.
22.	Kiratpur Ner Chowk Expressway Limited
23.	Khed Sinnar Expressway Limited
24.	Karyavattom Sports Facilities Ltd.
25.	MP Border Checkposts Development Company Limited
26.	Moradabad Bareilly Expressway Limited
27.	Pune Sholapur Road Development Company Limited
28.	Rajasthan Land Holdings Limited
29.	Vansh Nimay Infraprojects Limited
30.	Sikar Bikaner Highways Limited
31.	West Gujarat Expressway Limited
32.	Flamingo Landbase Private Limited
33.	Alcantarilla Fotovoltaica SA, Sociedad Unipersonal
34.	Area De Servicio Punta Umbria SL., Sociedad Unipersonal
35.	Area De Servicio Coiros, Sociedad Unipersonal
36.	Atenea Seguridad Y Medico Ambiente SA, Sociedad Unipersonal
37.	Beasolarta S.L., Sociedad Unipersonal
38.	CIESM-INTEVIA S.A. Sociedad Unipersonal
39.	Control 7, S. A
40.	Conservacion De Infraestructuras De Mexico SA DE CV

41	ESM Mantenimiento Integral DE S.A DE C.V
42	Elsamex Portugal-Engenharia E Sistemas DE Gestao, S.A
43	Elsamex India Private Limited
44	Elsamex Internacional, S.L, Sociedad Unipersonal
45	Elsamex Construcao E Manutencao LTDA, Brazil
46	Elsamex Colombia SAS
47	Elsamex Maintenance Services Ltd.
48	Grusamar Ingenieria Y Consulting Colombia SAS
49	Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal
50	Grusamar India Ltd.
51	Grusamar Albania SHPK
52	Grusumar Engenharia & Consultoria Brasil LTDA
53	ITNL International DMCC, Dubai
54	ITNL Infrastructure Developer LLC
55	ITNL Africa Projects Ltd., Nigeria
56	Inteval-Gestao Integral Rodoviaria S.A
57	I IPL USA LLC
58	Mantenimiento Y Conservacion De Vialidades, SA DE C.V
59	Park Line LLC
60	North Karnataka Expressway Limited
61	Rapid Metro Rail Gurgaon Limited
62	Rapid Metro Rail Gurgaon South Limited
63	Senalizacion Viales E Imagen, Sociedad Unipersonal
64	Sharjah General Services Company LLC
65	Yala Construction Company Private Limited
66	Scheme of ITNL Road Investment Trust (IRIT)
67	Chirayu Kath Real Estate Private Limited
68	Elsamex Vietnam Joint Stock Company

# DIRECTORS' REPORT



Opened up EPC portfolio by securing 3 road projects in Madhya Pradesh awarded by Madhya Pradesh Road Development Corporation Limited (MPRDC) and one package of the Chennai Metro Rail project in Tamil Nadu

➔ Patratu Dam Ramgarh Project

The Members  
**IL&FS Transportation Networks Limited**

Your Directors have pleasure in presenting the Seventeenth Annual Report alongwith the Audited Financial Statements for the year ended March 31, 2017

## Financial Results

The Financial performance highlights of the Company are as under:

Particulars	For the year ended 31.03.2017 (₹ in Crore)	For the year ended 31.03.2016 (₹ in Crore)	For the year ended 31.03.2017 (₹ in Crore)	For the year ended 31.03.2016 (₹ in Crore)
	Standalone	Standalone	Consolidated	Consolidated
Total Income	4,400.51	5,051.73	8,401.62	8,356.37
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	1,587.51	1,098.57	3,576.94	2,842.67
Profit / (Loss) Before Tax	195.71	(122.92)	124.89	72.31
Profit / (Loss) After Tax (Attributable to owners of the Company)	236.39	(97.42)	149.31	121.96
Balance Brought Forward	141.14	75.21	94.21	(54.35)
Profit available for appropriation	93.34	(24.12)	243.52	67.61
<b>Appropriation:</b>				
Dividend Proposed/Paid - Equity Shares	(65.79)	(98.69)	(65.79)	(98.69)
Tax on Dividend - Equity Shares	(9.24)	(20.09)	(9.24)	(20.09)
Debenture Redemption Reserve	63.50	(0.15)	80.37	(39.23)
Other comprehensive income arising from re-measurement of defined benefit	-	-	(0.38)	(1.80)
Consolidation Adjustments	-	-	20.02	186.42
Balance carried forward	83.72	141.14	268.50	94.21

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015, with effect from April 1, 2016. The Financial Statement for the year ended and as at March 31, 2016 have been re-stated accordingly. As part of transition to Ind AS, certain exemptions as permitted by the transitional provisions under Ind AS, availed by the Company have been explained in the Notes to Accounts. Further, as mandated by the Ind AS disclosure requirements, impact of Ind AS on each of the components of the Balance Sheet and the Statement of Profit & Loss has also been elaborated in Notes to Accounts (Refer Note 38 & 45 of the Standalone & Consolidated Financial Statements, respectively)

### Dividend

Considering the business exigencies and requirement of funds for investments in ongoing project companies, your Directors have not recommended any dividend on Equity Shares for the year under review (Previous Year: ₹ 2/- per share)

Your Directors had declared an interim dividend on Preference Share of ₹ 94.91 Crore including tax on dividend of ₹ 16.05 Crore (Previous Year: ₹ 94.91 Crore including dividend tax of ₹ 16.05 Crore)

### Share Capital

During the year, there was no change in the Company's issued, subscribed and paid - up equity share capital. On March 31, 2017, it stood at ₹ 328,96,00,270 divided into 32,89,60,027 equity shares of ₹ 10 each

### General Reserve

The Company has not transferred any amount to the General Reserve for the Financial Year ended March 31, 2017

### Issue Of Debentures

During the year under review, the Company raised ₹ 1,500 Crore by issue of Non-Convertible Debentures (NCDs) with a tenor exceeding 5 years. This has enabled the Company to reduce its short term borrowing to 26% of the total borrowings as of March 31, 2017. The Company proposes to continue its efforts to refinance its short term borrowings through issue of long term NCDs. Your Directors are therefore proposing to seek fresh approval of the Members for issue of NCDs on a Private placement basis to the extent of ₹ 3,500 Crore to be issued in FY 2017-18. A proposal to this effect is included in the Notice of the Annual General Meeting for seeking approval of the Members

### Divestment

During the year, the Company divested its entire equity stake in Andhra Pradesh Expressway Limited to Cube Highways & Infrastructure Pte. Ltd., Singapore at an aggregate value of ₹ 140.37 Crore

Further, as part of internal restructuring exercise, the Company transferred its entire equity stake representing 77.39% held in Elsamex S.A, a wholly owned subsidiary in Spain valued at USD 59.66 Mn to ITNL International Pte. Ltd, (IIPL) Singapore, a wholly owned subsidiary against issuance of 6,02,33,856 new ordinary shares of IIPL at an issue price of USD 1.029 per share

### Infrastructure Investment Trust

During the year, IL&FS Transportation Investment Trust (the "Trust") was granted registration certificate on December 7, 2016 by the Securities

and Exchange Board of India (SEBI) as Infrastructure Investment Trust under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 (the "InvIT Regulations"). The equity investment proposed to be transferred to the Trust by the Company shall comprise of 4 road project asset companies viz. North Karnataka Expressway Limited, Hazaribagh Ranchi Expressway Limited, Sikar Bikaner Highways Limited & Jharkhand Road Projects Implementation Company Limited. The Company shall act as the Sponsor of the Trust and has appointed Vistra ITCL (India) Limited as the Trustee and IIML Asset Advisors Limited as the Investment Manager of the Trust

### Material changes & Commitments Affecting the Financial Position between the end of Financial Year and date of report after the Balance Sheet Date

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of this report

### Operational Performance

The year 2016-17 started with ambitious targets set by the Ministry of Road Transport and Highways (MORTH) and National Highways Authority of India (NHAI). On the PPP front, the NHAI persisted with the Hybrid Annuity Model (HAM) model with about 47 projects targeted for tendering on this mode. Out of around 3000 km of road projects awarded last year, less than 500 km were awarded on PPP basis, most of which were in the form of re-bidding due to non-receipt of bids under the previous bidding process or termination of certain concessions granted. The number of

participants for such projects witnessed a drastic reduction, with only the bidders with sound financial position and sufficient strength for undertaking the PPP projects participating in these bids

The Company had evaluated 52 bids tendered by the NHA and other State Authorities on Build, Operate Transfer (BOT) (Toll/Annuity/Hybrid Annuity)/ Output Performance based Road Contract (OPRC)/ Engineering Procurement and Construction (EPC) basis. Of the 52 projects, 7 failed to attract even a single bidder and some were offered for rebid. After careful evaluation of all the bids based on the viability and strong strategic content, the Company had submitted 20 bids. The Company opened up its EPC portfolio by securing 3 road projects in Madhya Pradesh awarded by Madhya Pradesh Road Development Corporation Limited (MPRDC) and one package of the Chennai Metro Rail project in Tamil Nadu involving design, validation and construction of underground metro stations

The Company's portfolio consists of 35 projects, which includes 30 Road projects and 5 Non-Road projects. Presently, 23 Road projects and 4 Non Road projects are Operational, 7 Road projects are under Implementation and 1 Non-Road project is under development. The total portfolio in terms of length stands at 14,016 lane-km, of which 11,549 lane-km are Toll basis and 2,467 lane-km on Annuity. Out of the total portfolio, (i) 10,849 lane-km projects are operational, (ii) 2,951 lane-km are under implementation and (iii) 216 lane-km are under development

The year under review was of immense for all of us as we executed and delivered landmark projects in the road as well as non-road sector. The nine kilometre longest tunnel in the Southeast Asian region developed by the Company is a landmark project for the state of Jammu & Kashmir that was

inaugurated and dedicated to the nation by the Honourable Prime Minister of India. Apart this, Khed Sinnar Road Project in Maharashtra and additional lengths in 3 earlier commissioned projects were also commissioned during the year

During the year under review, the Company also commissioned the Rapid Metro South Project, a 7 km long extension to the already operational Rapid Metro in the city of Gurgaon

On the International front, ITNL Infrastructure Developer LLC, a subsidiary has signed Concession for "Dubai Court Complex and Robotic Car Park Project on PPP basis". This is the first PPP concession awarded for Fully Automated Car Parking Project in UAE region

Elsamex Vietnam JSC, a subsidiary has reached the halfway mark in completing its project from CIENCO4 (Vietnam State Owned Enterprise) for 200,000 square meter of Micro-Surfacing application in Vietnam

I IPL USA LLC, wholly owned subsidiary was also awarded maintenance contracts worth US\$ 11.3 million. Other existing international operations under Elsamex SA and YuHe Expressway continued to contribute positively to the Company's financials

### **Environmental, Health & Safety**

As committed in the last year's report, the Company has successfully upgraded its Quality and Environment, Health & Safety (EHS) Management systems to the newly released standards viz. ISO 9001:2015 and ISO 14001:2015 for which certification audit was conducted by TUV Nord. We further plan to amalgamate them into an Integrated Management System. These systems is further complimented by the Environmental and Social Policy Framework (ESPF) adopted by the Company which helps to identify and mitigate Environmental and Social concerns relating to a project at bidding stage itself. The implementation of this

system is also audited and certified by Ernst & Young LLP

EHS audits are conducted on a regular basis at the project sites to ensure implementation and adherence to the Management System and Safety standards. The EHS Committee of the Board reviews the findings of the audit and advise on improving safety aspects and mitigation measures on a quarterly basis to help achieve the Company's EHS objectives. The Company continued to engage with the experts to study the Behavioral characteristics of road users on other road projects of the Company and suggest remedial measures to avoid accidents. The implementation of interventions suggested by them in the previous year on certain select road stretches have helped in reducing the number of fatalities

### **Subsidiaries, Joint Ventures & Associate Companies**

In terms of Section 129(3) of the Companies Act, 2013 and Regulation 34 (2) (b) of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, (hereinafter referred to as SEBI (LODR) Regulations, 2015) the Consolidated Financial Statements of the Company forms part of this Report. The copies of Audited Financial Statements of the Subsidiaries, Joint Ventures and Associates are available on the website of the Company: [www.itnlindia.com](http://www.itnlindia.com) and a copy of the same will be provided upon written request to the Company Secretary

The performance and financial position of the Subsidiaries, Joint Venture and Associate companies is provided in **Annexure I** of this Report. A Statement containing salient features of the financial statements of the Company's subsidiaries is given in Form AOC-1 forming part of the consolidated financial statements

### **Statutory Auditors**

Deloitte Haskins & Sells LLP (DHS), were appointed as the Statutory Auditors of the Company for a period

of three years to hold office from the conclusion of the Annual General Meeting (AGM) held on August 21, 2014 till the conclusion of the 17th AGM of the Company. The term of DHS as Statutory Auditors will end at the conclusion of the forthcoming AGM

In order to ensure smooth transition of the auditing process and seamless integration of the new Auditor with the system & process of the Company, the Board had recommended appointment of SRBC & Co. LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) as the Joint Statutory Auditors of the Company alongwith Deloitte Haskins & Sells, LLP upto the conclusion of the ensuing Annual General Meeting. The Members had pursuant thereto approved the appointment of SRBC & Co. LLP, as Joint Statutory Auditors effective February 10, 2017

Your Directors have proposed the appointment of SRBC & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company for a term of five years i.e. from the date of the forthcoming AGM till the conclusion of the AGM to be held in FY 2022 subject to ratification at AGM each year. SRBC & Co. LLP, have conveyed their consent for appointment as Statutory Auditors of the Company and confirmed that their appointment, if made, will be in accordance with the provisions of Section 141 (1) of the Companies Act, 2013

The Board recommends the appointment of SRBC & Co. LLP as Statutory Auditors of the Company

### **Cost Auditor and Cost Audit Report**

Pursuant to Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 framed thereunder, the Board of Directors had appointed M/s. Chivilkar Solanki & Associates, Cost Accountants as Cost Auditors for FY 2016-17

The Board has proposed the re-appointment of M/s. Chivilkar Solanki & Associates, Cost Accountants as Cost Auditors for FY 2017-18. M/s. Chivilkar Solanki & Associates have given consent and confirmed their eligibility for appointment as Cost Auditors. The Board has recommended approval of the remuneration payable to the Cost Auditors for FY 2017-18

### **Secretarial Audit & Secretarial Audit Report**

M/s. Jayshree Dagli & Associates, Practising Company Secretaries were appointed by the Board to carry out the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act, 2013 for FY 2016-17. The report of the Secretarial Auditor is set out herewith as **Annexure II** to this report. The report does not contain any qualification, reservation or adverse remarks

### **Extract of Annual Return**

The details forming part of the extract of the Annual Return as on March 31, 2017 in Form MGT - 9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, are set out herewith as **Annexure III** to this report

### **Significant and Material Orders**

There are no significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and Company's operations in future

### **Policy on Director's Appointment and Remuneration**

The Board has adopted a Policy on appointment and remuneration of Directors which includes the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under Sub-section (3) of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations 2015. The Policy is available on the website of the Company. There has

been no change carried out in the Policy adopted by the Board. The remuneration paid to the Directors and the Senior Management is as per the Managerial Remuneration Policy of the Company. Brief details of the Managerial Remuneration Policy are provided in the Corporate Governance Report

### **Policy on Dividend Distribution**

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has formulated a Dividend Distribution Policy setting out the parameters and circumstances for consideration of the Board in determining the distribution of dividend to the Shareholders. The Policy is available on the website of the Company. The same can be viewed through the link: [www.itnlindia.com](http://www.itnlindia.com)

### **Declaration by Independent Directors**

The Company has received declarations from all Independent Directors of the Company confirming that they continue to meet the criteria of independence, as prescribed under Section 149 of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct

### **Performance Evaluation of the Board, Committees and Directors**

In accordance with the provisions of the Companies Act, 2013 and Regulation 4(2)(f) of the SEBI (LODR) Regulations, 2015 the Board of Directors had laid down the criteria for performance evaluation of Independent, Non-Independent & Executive Directors. The process and manner of evaluation of Directors and the Board level Committees are given in detail in the Corporate Governance Report, which forms part of this Report

The performance evaluation of all the Directors, Committees and the Board was carried out by the Nomination & Remuneration Committee, Independent Directors and Board at their respective meetings in accordance with the criteria laid down by the Nomination & Remuneration Committee based on the evaluation sheets circulated to the Directors

### Corporate Governance

The Company believes in adhering to good governance practices and has fully complied with the requirements/disclosures that have to be made in this regard. A Report on Corporate Governance is enclosed and forms part of this Report. A certificate from the Statutory Auditor on compliance with the provisions of Corporate Governance is also annexed to this Report

The details of the meetings of the Board and its Committees including its composition & terms of reference are provided in the Report on Corporate Governance which forms part of this Report

### Directors

Mr. Ravi Parthasarathy (DIN: 00002392), Director is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommend his re-appointment

### Key Managerial Personnel

Pursuant to Section 203 of the Companies Act, 2013, the Board of Directors have appointed Mr. K. Ramchand, Managing Director, Mr. Dilip Bhatia, Chief Financial Officer and Mr. Krishna Ghag, Vice President & Company Secretary as the Key Managerial Personnel of the Company

### Related Party Transactions

The Company has developed a Related Party Transactions Policy & Framework for the purpose of identification and approval of such transactions. All

related party transactions entered into by the Company in terms of the Policy are placed before the Audit Committee every quarter for their approval. The Related Party Transactions Policy as approved by the Board has been uploaded on the Company's website and is available on the link: [http://www.itnlindia.com/invrelation.aspx?page\\_ID=25&Sec\\_ID=5](http://www.itnlindia.com/invrelation.aspx?page_ID=25&Sec_ID=5)

All related party transactions entered during the year were in the ordinary course and on an arms' length basis. During the year, the Company had entered into few transactions which were material in accordance with the Companies Act, 2013 and the SEBI LODR Regulations, 2015. Accordingly, Form AOC-2 prepared pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure IV**

### Policy for Prevention of Sexual Harassment at Workplace

The Company has provided a safe and dignified work environment for its employees which are free of discrimination, intimidation and abuse. The Company has adopted a Policy for Prevention of Sexual Harassment of Women and constituted Internal Complaints Committee as per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of complaints of any such harassment. No complaints with allegations of any sexual harassment were reported during the year under review

### Whistle Blower Policy

In accordance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015 the Company has established a vigil mechanism by adopting a Whistle Blower Policy to report concerns or grievances. The administration of the

vigil mechanism is ensured through the Audit Committee

The Whistle Blower Policy adopted by the Company is available on the website of the Company. The same can be viewed through the link: [http://www.itnlindia.com/application/web\\_directory/Company%20Policies/Whistle%20Blower%20Policy.pdf](http://www.itnlindia.com/application/web_directory/Company%20Policies/Whistle%20Blower%20Policy.pdf)

### Risk Management

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. The Board periodically reviews the Risk Mitigation Framework laying the perceived risks and the mitigation measures to ensure that Management controls risk through means of a properly defined framework

### Particulars of Loans, Guarantees or Investments

Particulars of investments, loans and guarantees form part of note no. 4, 5 and 33 respectively to the financial statements provided in the Annual Report

### Deposits

Your Company has not accepted any Fixed Deposits during the year under review

### Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Since the Company does not own any manufacturing facility, there is nothing to report under the Energy Conservation and Technology Absorption particulars in the Companies (Accounts) Rules, 2014

During the year under review, your Company's foreign exchange expenditure was ₹ 25.81 Crore

### Particulars of Employees

In terms of the provisions of Section 197(12) of the Companies Act, 2013, ("the Act") read with Rules 5(2) and 5(3) of the Companies (Appointment

and Remuneration of Managerial Personnel) Rules, 2014, particulars of the employees drawing remuneration in excess of the limits specified therein forms part of this Report as **Annexure V**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as **Annexure VI**

### Corporate Social Responsibility

In an effort to enhance social inclusiveness, the Company has integrated Corporate Social Responsibility ("CSR") as a part of the project life cycle and beyond the responsibility of business operations

The Company strongly believes that the surface transportation infrastructure building should not only benefit traffic movement but should also bring glory to the villages along these highways through economic and social empowerment of the community. In order to achieve these objectives the Company launched various CSR initiatives, which has so far touched the lives of 100,000 rural population across 260 villages along its 13 road projects

The Company has committed to bring prosperity to the lives of the people through CSR programs, primarily through improved livelihood incomes by harnessing natural resources available in the region; better health and hygiene; improved education environment and creating safe villages, in an economically, socially and environmentally sustainable manner, while recognizing the interest of all its stakeholders, including partners and co-investors

The CSR Policy and Framework has been adopted by the Company and is available on the website of

the Company. The same can be viewed through the link: <http://www.itnlindia.com>

The Company was required to spend 2% of the average net profits of the last three financial years which worked out to ₹ 5.89 Crore. The Company has spent ₹ 5.47 Crore towards various CSR activities as mentioned in the CSR Report during FY 2016-17. Due to delay in execution of certain projects an amount of ₹ 0.42 Crore remained unutilised which will be spent in FY 2017-18. The Report on CSR activities is annexed to this Report as **Annexure VII**

### Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013 ("the Act"), your Directors confirm that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the Profit of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed

by the Company and that such internal financial controls are adequate and were operating effectively; and

- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

### Acknowledgments

The Board of Directors place on record their appreciation for the continued support and co-operation received from various Government Authorities including National Highways Authority of India, Banks, Financial Institutions and Members of the Company

The Board of Directors expresses their sincere appreciation for the contribution and commitment of the employees

By the Order of the Board

**Deepak Dasgupta**  
Chairman

Mumbai, May 29, 2017

# ANNEXURE I TO DIRECTORS' REPORT

## Performance and Financial position of the Subsidiaries, Joint Venture and Associate Companies

### Subsidiaries

- (1) **Andhra Pradesh Expressway Limited** had developed Kottakata - Kurnool stretch in Andhra Pradesh and has currently undertaken the Operation & Maintenance of the same. The annuity received for FY 2016-17 was ₹ 56.52 Crore. The Company has ceased to be a subsidiary effective March 10, 2017
- (2) **Amravati Chikhli Expressway Limited** has undertaken the development of the four laning of Amravati Chikhli section in Maharashtra. The financial progress achieved for FY 2016-17 was ₹ 18.13 Crore. The gross revenue and loss for FY 2016-17 was ₹ 7.73 Crore and ₹ (0.14) Crore, respectively
- (3) **Barwa Adda Expressway Limited** has undertaken the development of Six-Laning of Barwa-Adda-Panagarh Section of NH-2 including Panagarh Bypass in Jharkhand and West Bengal. The physical and financial progress achieved for FY 2016-17 was ₹ 597.9 Crore and ₹ 644.9 Crore, respectively. The toll collection for FY 2016-17 was ₹ 67.31 Crore. The gross revenue and profit after tax for FY 2016-17 was ₹ 986.76 Crore and ₹ 120.17 Crore, respectively
- (4) **Baleshwar Kharagpur Expressway Limited** has developed the existing four lane road on the Baleshwar-Kharagpur section in Orissa and West Bengal. The toll collection for FY 2016-17 was ₹ 62.60 Crore. The gross revenue and loss for FY 2016-17 was ₹ 84.30 Crore and ₹ (78.12) Crore, respectively
- (5) **Chenani Nashri Tunnelway Limited** has developed the tunnel between Chenani and Nashri in Jammu & Kashmir. The physical and financial progress achieved for FY 2016-17 was ₹ 625.8 Crore and ₹ 709.1 Crore, respectively. The gross revenue and loss for FY 2016-17 was ₹ 1060.99 Crore and ₹ (137.16) Crore, respectively
- (6) **East Hyderabad Expressway Limited** has developed the Eight Lane access controlled expressway from Pedda Amberpet to Bongalur in Telangana and is currently operating and maintaining the same. The annuity received for FY 2016-17 was ₹ 66.6 Crore. The gross revenue and loss for FY 2016-17 was ₹ 21.44 Crore and ₹ (14.73) Crore, respectively
- (7) **Fagne -Songadh Expressway Limited** has undertaken the development of the four laning of Fagne -Songadh section in Gujarat/Maharashtra. The financial progress achieved for FY 2016-17 was ₹ 191.6 Crore & ₹ 327.9 Crore, respectively. The gross revenue and profit after tax for FY 2016-17 was ₹ 234.31 Crore and ₹ 29.56 Crore, respectively
- (8) **GRICL Rail Bridge Development Company Limited** has undertaken the development of 8 Railway Over Bridges in Gujarat. The financial progress achieved for FY 2016-17 was ₹ 5.55 Crore. The gross revenue and loss for FY 2016-17 was ₹ 0.66 Crore and ₹ (0.10) Crore, respectively
- (9) **Hazaribagh Ranchi Expressway Limited** has developed Hazaribagh - Ranchi Road Section in Jharkhand and is currently operating and maintaining the same. The annuity received for FY 2016-17 was ₹ 128.2 Crore. The gross revenue and loss for FY 2016-17 was ₹ 91.76 Crore and ₹ (40.31) Crore, respectively
- (10) **ITNL Road Infrastructure Development Company Limited** has commissioned the two lanning of Beawer - Gomti road stretch in Rajasthan and the development of four laning stretch is under implementation. The toll collection on two lane stretch for FY 2016-17 was ₹ 28.32 Crore. The physical and financial progress achieved for FY 2016-17 was ₹ 1.16 Crore and ₹ 1.2 Crore, respectively. The gross revenue and the loss for FY 2016-17 was ₹ 28.84 Crore and ₹ (65.78) Crore, respectively
- (11) **ITNL International Pte. Ltd.,** is a wholly owned subsidiary incorporated in Singapore which holds investments in all the overseas subsidiaries of the Company. The gross revenue and the profit for FY 2016-17 was ₹ 1.86 Crore and ₹ 21.17 Crore, respectively
- (12) **ITNL Offshore Pte. Ltd.,** is a wholly owned subsidiary incorporated in Singapore had issued 630 Mn RMB denominated bonds equivalent to USD 100 Mn, which were redeemed during last financial year. The gross revenue and the profit after tax for

FY 2016-17 was ₹ 47.65 Crore and ₹ 0.55 Crore, respectively

(13) **ITNL Offshore Two Pte. Ltd.**

is a wholly owned subsidiary incorporated in Singapore had issued RMB 690 million Senior Unsecured Notes, which are due in 2018. The gross revenue and the profit after tax for FY 2016-17 was ₹ 47.13 Crore and ₹ (0.74) Crore, respectively

(14) **ITNL Offshore Three Pte. Ltd.**

is a wholly owned subsidiary incorporated in Singapore had raised Euro denominated term loan facility a sum aggregating €37,000,000 from banks for funding overseas company. The gross revenue and the loss for FY 2016-17 was ₹ 11.96 Crore and ₹ (0.08) Crore, respectively

(15) **ITNL Africa Projects Ltd.,** is

a wholly owned subsidiary in Nigeria incorporated to source infrastructure business in the African countries. The loss for FY 2016-17 was ₹ (0.94) Crore

(16) **Jharkhand Road Project Implementation Company Limited**

has undertaken the development of 5 road stretches across Jharkhand. The physical and financial progress achieved for FY 2016-17 was ₹ 2.9 Crore and ₹ 105.74 Crore, respectively. The annuity received for FY 2016-17 was ₹ 349.04 Crore. The gross revenue and loss for FY 2016-17 was ₹ 241.01 Crore and ₹ (80.73) Crore, respectively

(17) **Jharkhand Infrastructure Implementation Company Limited** has undertaken the development of the six laning

of Ranchi Ring Road section in Jharkhand. The physical and financial progress achieved for FY 2016-17 was ₹ 111.89 Crore and ₹ 170.86 Crore, respectively. The gross revenue and profit after tax for FY 2016-17 was ₹ 163.41 Crore and ₹ 18.54 Crore, respectively

(18) **Kiratpur Ner Chowk Expressway Limited**

has undertaken the development of the four laning of Kiratpur Ner Chowk section in Himachal Pradesh. The physical and financial progress achieved for FY 2016-17 was ₹ 452.81 Crore & ₹ 493.61 Crore, respectively. The gross revenue and profit after tax for FY 2016-17 was ₹ 719.39 Crore and ₹ 58.01 Crore, respectively

(19) **Khed Sinnar Expressway Limited**

has developed the four Laning of Khed-Sinnar Section in Maharashtra and is currently in operation. The physical and financial progress achieved for FY 2016-17 was ₹ 534.39 Crore and ₹ 600.17 Crore, respectively. The toll collection for the period February 14, 2017 to March 31, 2017 was ₹ 6.81 Crore. The gross revenue and profit after tax for FY 2016-17 was ₹ 777.44 Crore and ₹ 44.51 Crore, respectively

(20) **Karyavattom Sports Facility Limited**

has developed the multipurpose Greenfield International Stadium at Karyavattom in Kerala. The gross revenue and loss for FY 2016-17 was ₹ 33 Crore and ₹ (12.84) Crore, respectively

(21) **Moradabad Bareilly Expressway Limited**

has developed the four laning of

Moradabad - Bareilly Road Section in Uttar Pradesh and is currently operating and maintaining the same. The toll collection for FY 2016-17 was ₹ 168.81 Crore. The gross revenue and profit after tax for FY 2016-17 was ₹ 304.31 Crore and ₹ 14.96 Crore, respectively

(22) **MP Border Checkpost Development Company Limited**

has undertaken the development and maintenance of 24 Border Check-posts and 2 Central Control Facilities (CCF) in Madhya Pradesh. Out of the 24 checkposts, 19 have been developed as of date. The fee collection for FY 2016-17 was ₹ 73.04 Crore. The gross revenue and profit for FY 2016-17 was ₹ 552.64 Crore and ₹ 256.87 Crore, respectively

(23) **North Karnataka Expressway Limited**

had developed Belgaum - Maharashtra Border Road Section in Karnataka and is currently operating and maintaining the same. The annuity received for FY 2016-17 was ₹ 101 Crore. The gross revenue and profit after tax for FY 2016-17 was ₹ 37.13 Crore and ₹ 12.02 Crore, respectively

(24) **Pune Sholapur Road Development Company Limited**

has developed the four laning of Pune-Solapur Road Section in Maharashtra and is currently operating and maintaining the same. The toll collection for FY 2016-17 was ₹ 106.96 Crore. The gross revenue and profit after tax for FY 2016-17 was ₹ 119.79 Crore and ₹ 45.07 Crore, respectively

- (25) **Sikar Bikaner Highway Limited** has developed the two laning of Sikar – Bikaner Section in Rajasthan and is currently operating and maintaining the same. The toll collection for FY 2016-17 was ₹ 22.59 Crore. The gross revenue and loss for FY 2016-17 was ₹ 52.38 Crore and ₹ (22.18) Crore, respectively
- (26) **Rapid Metro Rail Gurgaon Limited** has developed the metro link for providing last mile connectivity from Delhi Metro Sikanderpur Station on MG Road to NH 8 in Gurgaon. The fare revenue for FY 2016-17 was ₹ 19.81 Crore and Non fare revenue for the same period was ₹ 26.60 Crore. The total revenue and loss for the FY 2016-17 was ₹ 46.41 Crore and ₹ (111.15) Crore, respectively
- (27) **Rapid Metro Rail Gurgaon South Limited** has developed 6.5 km rail Metro Link Extension from Sikanderpur Station to Sector 56, Gurgaon. The project commenced commercial operations with effect from March 31, 2017. The total revenue and loss for the FY 2016-17 was ₹ 806.69 Crore and ₹ (34.16) Crore, respectively
- (28) **West Gujarat Expressway Limited** has developed four Laning of Jetpur - Gondal Road Section including Rajkot bypass and improvement of Gondal Rajkot section in Gujarat and is currently operating and maintaining the same. The toll collection for FY 2016-17 was ₹ 55.18 Crore. The gross revenue and loss for FY 2016-17 was ₹ 55.18 Crore and ₹ (19.80) Crore, respectively
- (29) **IL&FS Rail Limited** in consortium with the Company has developed metro Connectivity in Gurgaon, and has the following two projects at present: (i) The Metro Link from Delhi Metro Sikanderpur Station on MG Road to NH-8 covering Cyber city area of Gurgaon in the state of Haryana. (ii) The Metro Link from Delhi Metro Sikanderpur Station on MG Road to Sector 55-56 in area of Gurgaon in the state of Haryana. The Company has a total revenue and profit for the FY 2016-17 was ₹ 3,329.3 Crore and ₹ 24.53 Crore, respectively
- (30) **Vansh Nimay Infraprojects Limited** is engaged in the operations of Nagpur City Bus Services. The fare collection for FY 2016-17 was ₹ 54.78 Crore. The gross revenue and profit for FY 2016-17 was ₹ 118.34 Crore and ₹ 52.53 Crore, respectively
- (31) **Scheme of ITNL Road Investment Trust** is a sole beneficiary Trust of the Company. The gross revenue and profit after tax for the year ended March 31, 2017 was ₹ 52.50 Crore and ₹ 52.47 Crore, respectively
- (32) **ITNL International DMCC**, is a wholly owned subsidiary incorporated in Dubai to source infrastructure business in UAE and the Middle-east region. The gross revenue and loss for FY 2016-17 was ₹ 18.15 Crore and ₹ (16.06) Crore, respectively
- (33) **Sharjah General Services Company LLC (UAE)**, has been incorporated to source infrastructure business in Sharjah. The loss for FY 2016-17 was ₹ (1.37) Crore
- (34) **I IPL USA LLC.**, has been incorporated to source infrastructure business in the United States. The gross revenue and the loss for FY 2016-17 was ₹ 10.47 Crore and ₹ (15.08) Crore, respectively
- (35) **ITNL Infrastructure Developer LLC (UAE)** has been awarded the concession for developing Dubai Court & Car Parking Project. The gross revenue and loss for FY 2016-17 was ₹ 2.97 Crore and ₹ (5.46) Crore, respectively
- (36) **PARK LINE LLC (UAE)** has been incorporated to undertake the development of Dubai Court and Car Parking Project in Dubai. The gross revenue and loss for FY 2016-17 was ₹ 40.37 Crore and ₹ (0.16) Crore, respectively
- (37) **Elsamex S.A.**, a wholly owned subsidiary incorporated in Spain is engaged in the business of maintenance of roads, buildings and petrol/gas stations. The gross revenue and profit after tax for the year ended December 31, 2016 was ₹ 717.98 Crore and ₹ 42.79 Crore, respectively
- (38) **Elsamex India Private Limited** is in the business of operation and maintenance of roads. The gross revenue and loss for FY 2016-17 was ₹ 0.66 Crore and ₹ (0.36) Crore, respectively
- (39) **Elsamex Maintenance Services Limited** is engaged in the business of construction, operation and maintenance of roads including toll collection services. It also undertakes the activities of micro surfacing and cold in place recycling. The gross revenue and profit after tax of the Company for the year ended March 31, 2017 was ₹ 235.75 Crore and ₹ 2.89 Crore, respectively
- (40) **Grusamar India Limited** is engaged in conducting feasibility studies, detailed engineering, pre-bid engineering, construction supervision, quality control and technical audits for infrastructure projects. The gross revenue and loss for the year ended March 31, 2017 was ₹ 0.04 Crore and ₹ (0.006) Crore, respectively
- (41) **Yala Construction Co. Private Limited**, is in the business of microsurfacing and cold in place recycling. The gross revenue and

profit after tax for the year ended March 31, 2017 was ₹ 1.55 Crore and ₹ 0.565 Crore, respectively

- (42) **Alcantarilla Fotovoltaica S. L., Spain** is in the business of maintenance and operation of systems of power production of photovoltaic technology. The gross revenue and loss for the year ended December 31, 2016 was ₹ 3.44 Crore and ₹ (0.09) Crore, respectively
- (43) **Area De Servicio Coiros S. L. U., Spain** is in the business of operating gas service stations and supply of ancillary services. The gross revenue and profit after tax for the year ended December 31, 2016 was ₹ 3.85 Crore and ₹ 0.20 Crore, respectively
- (44) **Area De Servicio Punta Umbria S. L. U., Spain** is in the business of operating service stations and supply of ancillary services. The gross revenue and profit after tax for the year ended December 31, 2016 was ₹ 2.53 Crore and ₹ 0.50 Crore, respectively
- (45) **Beasolarta S. L., Spain** is in the business of management and operation of alternative / renewable energies, rendering administrative management, maintenance and surveillance services. The gross revenue and loss for the year ended December 31, 2016 was ₹ 1.61 Crore and ₹ (3.04) Crore, respectively
- (46) **CIESM INTEVIA, S.A. Spain** is in the business of analysis, testing and technical control of projects, materials, works and facilities, as well as construction quality control, drafting of studies, reports and other technical works concerning cartography, geotechnology, ecology, hydrology and environment. The gross revenue and profit after tax for the year ended December 31,

2016 was ₹ 16.59 Crore and ₹ 0.64 Crore, respectively

- (47) **Control 7 S. A., Spain** is in the business of management and operation of research, development and consulting works in the areas of engineering, construction, environment, industry in general and related products. The gross revenue and loss for the year ended December 31, 2016 was ₹ 14.80 Crore and ₹ (3.19) Crore, respectively
- (48) **Elsamex International S. L., Spain** is in the business of quality control and technical management of all types of public or private works, including industrial, agricultural, civil engineering, railway and road projects. The gross revenue and loss for the year ended December 31, 2016 was ₹ 19.72 Crore and ₹ (12.98) Crore, respectively
- (49) **Elsamex Portugal Engenharia e Sistemas**, is in the business of providing consultancy services in Civil Engineering. The gross revenue and profit after tax for the year ended December 31, 2016 was ₹ 12.52 Crore and ₹ 0.80 Crore, respectively
- (50) **ESM Mantenimiento Integral de SA de CV, Mexico** is in the business of purchase, sale, import, export manufacture, maintenance, etc. The gross revenue and profit after tax for the year ended December 31, 2016 was ₹ 8.54 Crore and ₹ 0.02 Crore, respectively
- (51) **Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal, Spain** is in the business of preparation and follow-up of studies and projects, quality control, and technical management of all types of public or private works, including industrial,

agricultural, civil engineering, hydraulic, railway, airports, road and environmental projects. The gross revenue and profit after tax for the year ended December 31, 2016 was ₹ 65.75 Crore and ₹ 0.64 Crore, respectively

- (52) **Inteval Gestao Integral Rodoviaria, S.A., Portugal** is in the business of maintenance of roads. The gross revenue and profit after tax for the year ended December 31, 2016 was ₹ 148.99 Crore and ₹ 6.52 Crore, respectively
- (53) **Mantenimiento y Conservacion de Vialidades S.A. de C.V., Mexico** undertakes routine maintenance, reconstruction, rehabilitation of bridges and roads, quality control and management of the work on road construction /development. The gross revenue and loss for the year ended December 31, 2016 was ₹ 18.35 Crore and ₹ (0.64) Crore, respectively
- (54) **Senalizacion Viales e Imagen S.U., Spain** undertakes manufacturing, study, installation, conservation and repair works. The gross revenue and loss for the year ended December 31, 2016 was ₹ 19.91 Crore and ₹ (1.33) Crore, respectively
- (55) **Atenea Seguridad y Medio ambiente S.A.,** provides all kind of services related to systems audit for labour risk prevention. The gross revenue and profit after tax for the year ended December 31, 2016 was ₹ 16.61 Crore and ₹ (1.13) Crore, respectively
- (56) **Rajasthan Land Holdings Limited** currently holds land parcels in Rajasthan and will engage in land development and real estate activities. The Company is yet to commence its activities

(57) **Chirayu Kath Real Estate Private Limited** currently holds land parcels in Rajasthan and will engage in land development and real estate activities. The Company is yet to commence its activities

(58) **Devika Buildestate Private Limited** currently holds land parcels in Rajasthan and will engage in land development and real estate activities. The Company is yet to commence its activities

(59) **Flamingo Landbase Private Limited** currently holds land parcels in Rajasthan and will engage in land development and real estate activities. The Company is yet to commence its activities

(60) **Elsamex vietnam Joint Stock Company** is in the business of repair, maintenance and upgradation of roads. The gross revenue and profit after tax for the year ended March 31, 2017 was ₹ 2.45 Crore and ₹ (4.50) Crore, respectively

(61) **Srinagar Sonamarg Tunnelway Limited** has undertaken the development of Srinagar Sonmarg Gumri Tunnel in Jammu & Kashmir. The physical and financial progress achieved for FY 2016-17 was ₹ 40.28 Crore and ₹ 487.2 Crore respectively. The gross revenue and profit for FY 2016-17 was ₹ 89.39 Crore and ₹ 16.00 Crore, respectively

### Joint Ventures

(1) **Jorabat Shillong Expressway Limited** has developed four laning of the Jorabat to Shillong Road stretch in Meghalaya. The physical and financial progress achieved for FY 2016-17 was ₹ 25.43 Crore and ₹ 45.38 Crore, respectively. The annuity received for FY 2016-17

was ₹ 145.02 Crore. The gross revenue and loss for FY 2016-17 was ₹ 98.89 Crore and ₹ (19.60) Crore, respectively

(2) **N. A. M. Expressway Limited** has developed the Narketpally-Addanki-Medarametla Road in Andhra Pradesh and is currently operating and maintaining the same. The toll collection for FY 2016-17 was ₹ 142.64 Crore. The gross revenue and loss for FY 2016-17 was ₹ 331.59 Crore and ₹ (12.65) Crore, respectively

(3) **Chongqing Yuhe Expressway Co. Ltd** has developed the YuHe Expressway in China and is currently operating and maintaining the same. The gross revenue and Profit after tax for the FY 2016-17 was ₹ 48.58 Crore and ₹ 17.59 Crore, respectively

(4) **ITNL Elsamex JVCA, Botswana** has undertaken the work of maintenance & rehabilitation of roads in Botswana. The gross revenue for the year ended December 31, 2016 was ₹ 0.37 Crore

(5) **\*Road Infrastructure Development Company of Rajasthan Limited (RIDCOR)** is a 50:50 Joint Venture between Government of Rajasthan and Infrastructure Leasing & Financial Services Limited. It had developed ~ 1267 km of roads in Rajasthan and is at present carrying out the operation and maintenance of the same. The toll collection for FY 2016-17 was ₹ 357.88 Crore. The gross revenue and profit after tax for FY 2016-17 was ₹ 387.12 Crore and ₹ 52.36 Crore, respectively

(6) **\*RIDCOR Infra Projects Limited** is a wholly owned subsidiary of RIDCOR. It has undertaken the development of 180 km of roads in Rajasthan and is carrying out

the operation and maintenance of the same. The toll collection for FY 2016-17 was ₹ 23.11 Crore. The gross revenue and loss after tax for FY 2016-17 was ₹ 109.92 Crore and ₹ (0.60) Crore, respectively

(7) **Thiruvananthapuram Road Development Company Limited** have developed the 158.50 lane km of roads in Thiruvananthapuram City and is currently maintaining and operating the same. The annuity received for FY 2016-17 was ₹ 28.31 Crore. The gross revenue and loss for FY 2016-17 was ₹ 26.21 Crore and ₹ (27.08) Crore, respectively

(8) **\*Jharkhand Accelerated Road Development Company Limited** is a joint venture Company of Infrastructure Leasing & Financial Services Limited and Govt. of Jharkhand (GoJ) with shareholding in the ratio of 74:26, respectively, which acts as a nodal agency between the GoJ and the Concessionaire. The total revenue and the net profit for FY 2016-17 respectively was ₹ 0.87 Crore and ₹ 0.39 Crore

### Associates

(1) **Geotecnia y Control de Calidad S.A.** is in the business of providing technical and geological services. The gross revenue and the loss for the year ended December 31, 2016 was ₹ 3.54 Crore and ₹ (0.15) Crore, respectively

(2) **Noida Toll Bridge Company Limited** has developed the Delhi Noida Bridge Project and carrying out the Operation and Maintenance of the same. The toll collection for FY 2016-17 was ₹ 65.33 Crore. The gross revenue and profit after tax for FY 2016-17 was ₹ 87.05 Crore and ₹ 2.28 Crore, respectively. Pursuant to the Judgment of the Hon'ble High Court of Allahabad and the interim

order of the Hon'ble Supreme Court, the collection of user fee from the users of the DND Flyway has been suspended effective October 26, 2016

- (3) **Warora Chandrapur Ballarpur Toll Road Limited** has developed the Warora-Chandrapur-Ballarpur-Bamni Road in Maharashtra and is currently operating and maintaining the same. The gross revenue and loss for FY 2016-17 was ₹ 40.83 Crore and ₹ (14.05) Crore, respectively
- (4) **Gujarat Road and Infrastructure Company Limited** has developed two projects namely, Vadodara Halol Road Project ("VHRP") and Ahmedabad Mehsana Road Project ("AMRP"), having total project length of 185.6 Lane km and 332.6 Lane km, respectively in Gujarat. The toll collection for VHRP project for FY 2016-17 was ₹ 51.93 Crore and for AMRP Project for FY 2016-17 was ₹ 93.97 Crore. The gross revenue and

profit after tax of the Company for FY 2016-17 was ₹ 145.90 Crore and ₹ 28.51 Crore, respectively

- (5) **ITNL Toll Management Service Limited** continues to handle Operations and Maintenance of the Delhi Noida Direct Flyway on a fixed monthly fee basis. The Fees for FY 2016-17 was ₹ 8.52 Crore. The gross revenue and profit of the Company for FY 2016-17 was ₹ 13.50 Crore and ₹ 0.65 Crore, respectively
- (6) **CGI8 S.A.** is in the business of analysis of samples. The gross revenue and profit after tax for the year ended December 31, 2016 was ₹ 1.36 Crore and ₹ 0.24 Crore, respectively
- (7) **Sociedad concesionaria Autovía A-4 Madrid S.A.** is maintaining and operating A-4 highway. The gross revenue and the profit after tax for the year ended December 31, 2016 was ₹ 118.37 Crore and ₹ 16.28 Crore, respectively

- (8) **Ramky Elsamex Hyderabad Ring Road Limited** undertakes maintenance and operations of Hyderabad outer ring road in Andhra Pradesh. The gross revenue of the company and loss after the tax for FY 2016-17 was ₹ 34.79 Crore and ₹ (4.08) Crore, respectively

The following subsidiaries / associates are presently not carrying on any activities: (i) Conservacion De Infraestructuras De Mexico S.A. De C.V., (ii) Elsamex Road Technology Company Limited, (iii) Grusamar Engenharia & Consultoria Brasil LTDA, (iv) Grusamar Albania SHPK (v) Badarpur Tollway Operations Management Limited (viii) Elsamex Construcao E Manutencao LTDA, (ix) Consorcio de Obras Civiles, Conciviles S.R.L, (x) Vias y Contruccion Viacon S.R.L, (xi) Futureage Infrastructure India Limited and (xii) Charminar RoboPark Limited (xiii) Elsamex Colombia SAS (xiv) Grusamar Ingenieria Consulting Colombia SAS (xv) Elsamex Infrastructure Company WLL (xvi) \*Chhattisgarh Highway Development Company Limited

\*Entities as per Ind AS

# ANNEXURE II

May 29, 2017

To,  
The Members,  
**IL&FS Transportation Networks Limited**  
Mumbai

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **JAYSHREE DAGLI & ASSOCIATES**  
Company Secretaries  
Unique Code: S1995MH013400

**Jayshree S. Joshi**  
F.C.S.1451; C.P.487

PS: Attached hereto is our Secretarial Audit Report (Form No. MR-3) of Even Date.

# FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**IL&FS Transportation Networks Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IL&FS Transportation Networks Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- (A) We have examined the books, papers, minutes books, forms and returns filed and other records maintained by **IL&FS Transportation Networks Limited** ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:
1. The Companies Act, 2013 (the Act) & the Rules made

there under and The Companies Act, 1956 and the Rules and Regulations made there under to the extent applicable; and circulars, notifications, clarifications, Removal of Difficulties Orders or such other relevant statutory material issued by Ministry of Corporate Affairs from time to time;

2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Overseas Direct Investment, RBI Master Circulars No. RBI/2014-15/100 dated July 1, 2014, RBI/2015-16/56 dated July 1, 2015, RBI/2015-16/387 dated April 28, 2016, RBI/FMRD/2016-17/32 dated July 7, 2016, respectively; and Operational Guidelines issued by FIMMDA (Fixed Income Money Market and Derivatives Association of India) effective from June 30, 2001 (as amended from time to time) w.r.t. Issue of Commercial Papers;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client and
  - (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
6. Based on the nature of business activities of the Company, the following

specific Acts / Laws / Rules / Regulations are applicable to the Company:

- (a) Industrial Disputes Act, 1947
- (b) Payment Of Wages Act, 1936
- (c) Employees' State Insurance Act, 1948
- (d) The Employees' Provident Fund And Miscellaneous Provisions Act, 1952
- (e) The Payment Of Bonus Act, 1965
- (f) The Payment Of Gratuity Act, 1972
- (g) The Employees' Compensation Act, 1923 (Earlier Known As Workmen's Compensation Act, 1923)
- (h) Equal Remuneration Act, 1976
- (i) The Employment Exchange (Company Notification Of Vacancies) Act, 1956
- (j) The Child Labour (Prohibition And Regulation) Act, 1986
- (k) The Industrial Employment (Standing Orders) Act, 1946
- (l) The Maternity Benefit Act, 1961
- (m) Shops And Establishments Act, 1948.
- (n) The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

- (B) We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings (SS - 1) and for General Meetings (SS - 2) issued by the Institute of Company Secretaries of India (ICSI).

The compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

During the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned herein above. During the year under review, the provisions of the following Regulations (as enumerated in the prescribed format of Form MR - 3) were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and The Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the relevant Act.

Adequate notice had been given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and in cases where shorter notice was given for Board

Meeting(s), at least one Independent Director was present at such meeting(s) and that the system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

Unanimous decisions were carried through as there were no cases of dissent of any Director in respect of any decision and was accordingly captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in place in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines referred to herein above.

**We further report that** during the audit period the Company has specific events / actions as detailed in Appendix - I to this Report having impact on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **JAYSHREE DAGLI & ASSOCIATES**  
Company Secretaries  
Unique Code: S1995MH013400

**Jayshree S. Joshi**  
F.C.S.1451; C.P.487

Place: Mumbai  
Date: May 29, 2017

**ANNEXURE -1**

TABLE SHOWING SPECIFIC EVENTS AND ACTIONS OF IL&amp;FS TRANSPORTATION NETWORKS LIMITED FOR THE F.Y 2016-17

Sr. No	Particulars of the Events and Actions	Date of Board /Committee Resolution	Date of General Meeting/ Postal Ballot Resolution
1.	Resignation of Mr. Deepak Satwalekar w. e. f. 9 <sup>th</sup> August, 2016	09/08/2016	N. A.
2.	Resignation of Mr. Vibhav Kapoor w. e. f. 12 <sup>th</sup> September, 2016	Noted at Board Meeting held on 13/09/2016	N. A.
3.	Allotment of 2000 Listed Unsecured Non-Convertible Debentures of ₹ 10,00,000 each	Circular Resolution of COD passed on 30/06/2016	27/06/2016 (Postal Ballot)
4.	Allotment of 2000 Listed Unsecured Non-Convertible Debentures of ₹ 10,00,000 each	Circular Resolution of COD passed on 10/08/2016	27/06/2016 (Postal Ballot)
5.	Allotment of 1000 Listed Unsecured Non-Convertible Debentures of ₹ 10,00,000 each	Circular Resolution of COD passed on 18/08/2016	27/06/2016 (Postal Ballot)
6.	Allotment of 2500 Listed Unsecured Non-Convertible Debentures of ₹ 10,00,000 each	Circular Resolution of COD passed on 27/10/2016	27/06/2016 (Postal Ballot)
7.	Approval for issue of Non-Convertible Debentures upto amount of ₹ 2500 Crore	13/05/2016	27/06/2016 (Postal Ballot)
8.	1. Increase in Borrowing powers of the Company 2. Remuneration payable to Cost Auditors for the financial year ended March 31, 2016	31/08/2016 (Circular Resolution)	04/10/2016 (Postal Ballot)
9.	Appointment of Cost Auditors due to casual vacancy arising out of death	31/08/2016 (Circular Resolution)	N. A.
10.	In-principle approval from SEBI for registration of the "IL&FS Transportation Investment Trust" received on 27/09/2016	06/10/2015 (COD Meeting)	23/12/2015 (postal ballot)
11.	Registration of the "IL&FS Transportation Investment Trust" with SEBI on 07/12/2016	06/10/2015 (COD Meeting)	23/12/2015 (postal ballot)
12.	RBI approval dated 22/08/2016 to restructure the international holding in Elsamex S. A., Spain by allowing ITNL International Pte. Ltd., Singapore to discharge its dues to the Company, for acquiring Elsamex S. A., by way of issuance of fresh shares	13/05/2014 (Board Approval) 26/09/2016 (COD Meeting)	N. A.
13.	Appointment of SRBC & Co. LLP, Chartered Accountants, (Firm Registration No. 324982E/E300003) as the Joint Statutory Auditors	02/12/2016	10/02/2017 (Postal Ballot)

# ANNEXURE III

## FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. Registration and other details:

Sr. No.	Particulars	
1.	CIN	L45203MH2000PLC129790
2.	Registration Date	November 29, 2000
3.	Name of the Company	IL&FS Transportation Networks Limited
4.	Category / Sub-Category of the Company	Public Company
5.	Address of the Registered office and contact details	The IL&FS Financial Centre, Plot no. C -22, G - Block, Bandra - Kurla Complex, Bandra (East), Mumbai 400 051
6.	Whether listed company Yes / No	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Ltd C 101, 247 Park, L B S Marg, Vikhroli (West), MUMBAI - 400 083 Phone: +91 22 49186000 Fax: +91 22 49186060

#### II. Principal business activities of the company

Business activities contributing 10 % or more of the total turnover of the Company are:-

Sr. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Development, Implementation, Construction Management, Operation & Management of Toll Roads and Advisory Services Relating to Road Sector Projects in India	42101	77.28

#### III. Particulars of holding, subsidiary and associate companies including Jointly Controlled Entities

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section of the Companies Act, 2013
<b>Holding Company</b>					
1.	Infrastructure Leasing & Financial Services Limited The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	U65990MH1987PLC044571	Holding	71.92	2(46)
<b>Subsidiary Companies</b>					
1.	Amravati Chikhli Expressway Limited	U45201MH2015PLC267727	Subsidiary	100.00	2(87)
2.	Baleshwar Kharagpur Expressway Limited	U45400MH2012PLC228590	Subsidiary	100.00	2(87)
3.	Barwa Adda Expressway Limited	U45400MH2013PLC242336	Subsidiary	100.00	2(87)
4.	Chenani Nashri Tunnelway Limited	U45400MH2010PLC203614	Subsidiary	100.00	2(87)
5.	East Hyderabad Expressway Limited	U45203MH2007PLC172133	Subsidiary	74.00	2(87)
6.	Fagne Songadh Expressway Limited	U45201MH2015PLC267730	Subsidiary	100.00	2(87)
7.	Hazaribagh Ranchi Expressway Limited	U45203MH2009PLC191070	Subsidiary	99.99	2(87)
8.	Karyavattom Sports Facilities Limited	U70102MH2011PLC223656	Subsidiary	100.00	2(87)

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section of the Companies Act, 2013
9.	Kiratpur Ner Chowk Expressway Limited	U45203MH2012PLC226792	Subsidiary	100.00	2(87)
10.	Khed Sinnar Expressway Limited	U45209MH2013PLC242133	Subsidiary	100.00	2(87)
11.	Moradabad Bareilly Expressway Limited	U45208MH2010PLC198737	Subsidiary	100.00	2(87)
12.	MP Border Checkpost Development Company Limited	U45203MH2010PLC209046	Subsidiary	74.00	2(87)
13.	Pune Sholapur Road Development Company Limited	U45203MH2009PLC195154	Subsidiary	90.91	2(87)
14.	Scheme of ITNL Road Investment Trust	NA	Subsidiary	100.00	2(87)
15.	Sikar Bikaner Highway Limited	U45203MH2012PLC229612	Subsidiary	100.00	2(87)
16.	West Gujarat Expressway Limited	U60200MH2005PLC151958	Subsidiary	74.00	2(87)
17.	Grusamar India Limited	U45400MH2012FLC236837	Subsidiary	100.00	2(87)
18.	North Karnataka Expressway Limited	U45203MH2001PLC163992	Subsidiary	87.00	2(87)
19.	Vansh Nimay Infraprojects Limited	U45201MH2006PLC166149	Subsidiary	90.00	2(87)
20.	ITNL Road Infrastructure Development Company Limited	U45400MH2007PLC175415	Subsidiary	100.00	2(87)
21.	Charminar RoboPark Limited	U45400MH2011PLC220224	Subsidiary	100.00	2(87)
22.	Badarpur Tollway Operations Management Limited Toll Plaza, Mayur Vihar Link Road, Delhi - 110092	U45203DL2010PLC210680	Subsidiary	100.00	2(87)
23.	Futureage Infrastructure India Limited 3rd Floor, A-1, Crescent Krishna Metropolis, Rukminipuri, A S Rao Nagar, Hyderabad - 500062 Telangana	U45200TG2006PLC049721	Subsidiary	58.48	2(87)
24.	IL&FS Rail Limited 2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway # 8 Gurgaon - 122001	U63040HR2008PLC039089	Subsidiary	83.25	2(87)
25.	Jharkhand Road Projects Implementation Company Limited 443 A, Road No. 5, Ashok Nagar, Ranchi - 834002	U45200JH2009PLC013693	Subsidiary	93.43	2(87)
26.	Jharkhand Infrastructure Implementation Co Limited 2nd Floor, 443/A, Road No. 5, Ashok Nagar Ranchi Ranchi JH 834001 IN	U45201JH2015PLC003025	Subsidiary	100.00	2(87)
27.	Rajasthan Land Holdings Limited 1st Floor, LIC Jeevan Nidhi Building, Ambedkar Circle, Bhawani Singh Road, Jaipur RJ 302005 IN	U45201RJ2008PLC026520	Subsidiary	100.00	2(87)
28.	Flamingo Landbase Private Limited 1st Floor, LIC Jeevan Nidhi Building, Ambedkar Circle, Bhawani Singh Road, Jaipur - 302005	U45201RJ2008PTC027419	Subsidiary	100.00	2(87)
29.	Devika Buildestate Private Limited 1st Floor, LIC Jeevan Nidhi Building, Ambedkar Circle, Bhawani Singh Road, Jaipur - 302005	U45201RJ2008PTC027293	Subsidiary	100.00	2(87)
30.	Chirayu Kath Real Estate Private Limited 1st Floor, LIC Jeevan Nidhi Building, Ambedkar Circle, Bhawani Singh Road, Jaipur - 302005	U45201RJ2008PTC027285	Subsidiary	100.00	2(87)
31.	Elsamex India Private Limited 306, Aggarwal Mall, Sector-5, Dwarka, New Delhi - 110075	U74140DL1999PTC097789	Subsidiary	99.15	2(87)
32.	Elsamex Maintenance Services Limited 306, Aggarwal Mall, Sector-5, Dwarka, New Delhi - 110075	U45201DL2013FLC257680	Subsidiary	99.88	2(87)
33.	GRICL Rail Bridge Development Company Limited 301, Shapath-1 Complex, Opp: Rajpath Club, Nr. Madhur Hotel, Sarkhej Highway, Bodakdev, Ahmedabad GJ 380015 In	U45203GJ2014PLC078880	Subsidiary	100.00	2(87)
34.	Rapid MetroRail Gurgaon Limited 2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway#8, Gurgaon - 122001	U60200HR2009PLC039116	Subsidiary	44.12	2(87)
35.	Rapid MetroRail Gurgaon South Limited 2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway#8, Gurgaon - 122001	U35990HR2012PLC046882	Subsidiary	89.11	2(87)

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section of the Companies Act, 2013
36.	Yala Construction Co Private Limited 306, Aggarwal Mall, Sector-5, Dwarka, New Delhi - 110075	U45201DL2000PTC103620	Subsidiary	96.03	2(87)
37.	ATENEA SEGURIDAD Y MEDIO AMBIENTE, S.A.U. Calle San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
38.	Elsamex, S.A. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
39.	ITNL International Pte. Ltd. 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
40.	ITNL Offshore Pte. Ltd. 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
41.	ITNL Offshore Two Pte. Ltd 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
42.	ITNL Offshore Three Pte. Ltd 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
43.	Alcantarilla Fotovoltaica, S.L. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
44.	Area De Servicio Coiros S.L.U. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
45.	Area De Servicio Punta Umbria, S.L.U San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
46.	Beasolarta S. L., Spain San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
47.	CISEM-INTEVIA, S.A San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
48.	Conservacion De Infraestructuras De Mexico S.A. De C.V Avda. Prolongación Tecnológico nº950B CO. San Pablo, Queretaro, Mexico- 76130	NA	Subsidiary	96.40	2(87)
49.	Control 7, S.A. Poligono Malpica Santa Isabel, calle E parcela 59-61, nave 9. Zaragoza, Spain-50057	NA	Subsidiary	100.00	2(87)
50.	Elsamex Construção E Manutenção LTDA Rua Gonçalves Maia nº207, Soledade Recife PE.	NA	Subsidiary	99.99	2(87)
51.	Elsamex Internacional, S.L, Sociedad Unipersonal San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
52.	Elsamex Portugal S.A. Rua Quinta das Romeiras, edificio Eduardo Viana nº104 6 Esqu. 1495-236 Alges	NA	Subsidiary	70.00	2(87)
53.	ELSAMEX COLOMBIA SAS Bogota DC, Colombia	NA	Subsidiary	100.00	2(87)
54.	ESM Mantenimiento Integral de SA de CV Avda. Prolongación Tecnológico nº950B CO. San Pablo, Queretaro, Mexico- 76130	NA	Subsidiary	100.00	2(87)
55.	Grusamar Albania SHPK Rr.Hik Kolli nº26/2 Tirana, Albania	NA	Subsidiary	51.00	2(87)
56.	GRUSAMAR INGENIERIA CONSULTING COLOMBIA SAS Bogota DC, Colombia	NA	Subsidiary	100.00	2(87)
57.	Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
58.	Inteval Gestao Integral Rodoviaria, S.A. Avenida do Brasil nº43, 5 direito, Lisboa, Portugal-1700-062	NA	Subsidiary	100.00	2(87)

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section of the Companies Act, 2013
59.	ITNL International DMCC - Dubai (erstwhile ITNL International JLT) 608-609, Jumeraih Business Centre, Cluster G, Jumeraih Lake Towers, P O Box no. 309018, Dubai, UAE	NA	Subsidiary	100.00	2(87)
60.	ITNL Africa Projects Limited 4th floor, Bank of Industry Bldg, Central Business District, Abuja	NA	Subsidiary	100.00	2(87)
61.	I IPL USA LLC Duke Street, Suite 200, Alexandria, Virginia, 22314, USA	NA	Subsidiary	100.00	2(87)
62.	Mantenimiento y Conservacion de Vialidades S.A. de C.V, Avda. Prolongación Tecnológico nº950B CO. San Pablo, Queretaro, Mexico- 76130	NA	Subsidiary	64.00	2(87)
63.	Senalización Viales e Imagen S.U. Poligono Industrial la variante. La Grajera nº2, Ladero, la Rioja-26140	NA	Subsidiary	100.00	2(87)
64.	Grusumar Engenharia & Consultoria Brasil LTDA Rua Gonçalves Maia nº 207, Soledade Recife P.E	NA	Subsidiary	99.99	2(87)
65.	Sharjah General Services Company LLC 906- Al Batha Tower, Sharjah, United Arab Emirates	NA	Subsidiary (through Board control)	49.00	2(87)
66.	Elsamex Vietnam Joint Stock Company (since May 18, 2016) 8001, 8th Floor, No. 2, Ngo Quyen, Ly Thai To word, Hoan Kim, District Hanoi, Vietnam	NA	Subsidiary	65.00	2(87)
67.	ITNL Infrastructure Developer LLC## The Company is subsidiary of ITNL International Pte. Ltd through Board Control Unit No. 1001, Boulevard Plaza, Tower No. 2, P O Box 413818, Dubai, UAE	NA	Subsidiary (through Board control)	49	2(87)
68.	Park Line LLC Unit No. 1001, Boulevard Plaza, Tower No. 2, P O Box 413818, Dubai, UAE	NA	Subsidiary	24.99	2(87)
69.	*Chhattisgarh Highway Development Company Limited House No. 705, Sector 2, Avanti Vihar, Telibandha Raipur CT 492006	U45203CT2007PLC020220	Subsidiary	-	2(87)
70.	Srinagar Sonamarg Tunnelway Limited	U45400MH2013PLC241828	Associate	49.00	2(6)

Note: The Registered Office Address of Companies Listed as Sr. No. 1 to 21 is, The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051

#### Jointly Controlled Entities

1.	N.A.M. Expressway Limited Ramky Grandiose, 15th Floor SY No 136/2 & 4, Gachibowli, Hyderabad TG 500 032	U45209TG2010PLC068968	Joint Venture	50.00	2(6)
2.	Jorabat Shillong Expressway Limited	U45203MH2010PLC204456	Joint Venture	50.00	2(6)
3.	Thiruvananthapuram Road Development Company Limited	U45203MH2004PLC144789	Associate	50.00	2(6)
4.	Chongqing YuHe Expressway Company Limited No. 66, Yinshan Road, Yubei District, Chongqing, China- 401120	NA	Joint Venture	49.00	2(6)

Sr. No.	Name and address of The company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section of the Companies Act, 2013
5.	*Road Infrastructure Development Company of Rajasthan Limited (RIDCOR) LIC New Investment Building, 1st Floor, Hall No-2, Near Ambedkar Circle, Bhawani Singh Road, Jaipur RJ 302005 IN	U45203RJ2004PLC019850	Joint Venture	-	2(6)
6.	*Jharkhand Accelerated Road Development Company Limited 443/A, Road No. 5, Ashok Nagar, Ranchi, JH 834002 IN	U45203JH2008PLC013085	Joint Venture	-	2(6)
7.	*RIDCOR Infra Projects Limited (Subsidiary of RIDCOR) LIC New Investment Building, 1st Floor, Hall No-2, Near Ambedkar Circle, Bhawani Singh Road, Jaipur RJ 302005 IN	U45201RJ2013PLC042008	Joint Venture	-	2(6)

Note: The Registered Office Address of Companies Listed as Sr. No. 2 and 3 under Jointly Controlled Entities is, The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051

**Associates**

1.	Noida Toll Bridge Company Limited (NTBCL) 2nd Floor, Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi DL 110057 IN	L45101UP1996PLC019759	Joint Venture	26.37	2(6)
2.	Geotecnia y Control de Qualitat SA c/Berguedá nº 15, bloque B, nave 11, Poligono Industrial Can Bernadés-Subirá, 08130 Santa Perpetua de la Mogoda (Barcelona)	NA	Joint Venture  (Associates)	50.00	2(6)
3.	Vias Y Construcciones Viacon S.R.L Avenida 27 de Febrero nº272 Edificio J.P., la Julia. Santo Domingo, Distrito Nacional Republica Dominicana	NA	Joint Venture  (Associates)	50.00	2(6)
4.	Consorcio de Obras Civiles, Conciviles SRL Avenida 27 de Febrero nº272 Edificio J.P., la Julia. Santo Domingo, Distrito Nacional Republica Dominicana	NA	Joint Venture  (Associates)	34.00	2(6)
5.	Gujarat Road And Infrastructure Company Limited Office of The Secretary, To The Govt of Gujarat, Roads And Building Department, Gandhinagar	U65990GJ1999PLC036086	Associate	41.81	2(6)
6.	ITNL Toll Management Services Limited (subsidiary of NTBCL) The Toll Plaza, DND Flyway, Noida, Gautam Buddha Nagar, UP- 201301 IN	U45203UP2007PLC033529	Associate	49.00	2(6)
7.	Warora Chandrapur Ballarpur Toll Road Limited 4th Floor Madhu Madhav Tower, Laxmi Bhuvan Square, Dharampeth, Nagpur - 440010	U45203MH2009PLC196776	Associate	35.00	2(6)
8.	CGI 8 SA Polígono de San Cipria de Viñas de Orense Calle número 6, parcela 33 - 32901 Orense	NA	Associate	49.00	2(6)
9.	Sociedad concessionaria Autovia A-4 Madrid S.A Caballero Andante, número 8 - 28021 (Madrid)	NA	Associate	48.75	2(6)
10.	Ramky Elsamex Hyderabad Ring Road Limited Ramky Grandiose, 15th Floor, Sy No 136/2 & 4, Gachibowli, Hyderabad TG 500032	NA	Associate	26.00	2(6)
11.	ELSAMEX INFRASTRUCTURE COMPANY WLL Doha, Qatar	NA	Associate	44.00	2(6)
12.	Elsamex Road Technology Co. Ltd Block C, 1/F Eldex Industrial Building, 21 Ma Tau Wai Road, Hung Hom, Kowloon, Hong Kong	NA	Associate	23.44	2(6)

\* Entities as per Ind AS

Note: Effective holding as given in financial statements

#### IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
<b>A. Promoters</b>										
<b>(1) Indian</b>										
a) Individual/HUF	-	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	240849000	-	240849000	73.2153	240849000	-	240849000	73.2153	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-	-
e) Any other (PAC)	-	-	-	-	-	-	-	-	-	-
<b>Sub Total:(A) (1)</b>	<b>240849000</b>	<b>-</b>	<b>240849000</b>	<b>73.2153</b>	<b>240849000</b>	<b>-</b>	<b>240849000</b>	<b>73.2153</b>	<b>-</b>	<b>-</b>
<b>(2) Foreign</b>										
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>240849000</b>	<b>-</b>	<b>240849000</b>	<b>73.2153</b>	<b>240849000</b>	<b>-</b>	<b>240849000</b>	<b>73.2153</b>	<b>-</b>	<b>-</b>
<b>B. PUBLIC SHAREHOLDING</b>										
<b>(1) Institutions</b>										
a) Mutual Funds	3698319	-	3698319	1.1242	-	-	-	-	(112.42)	decrease
b) Banks/FI	1957880	-	1957880	0.5952	2340367	-	2340367	0.7114	0.1162	increase
c) Central govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FI	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
j) Foreign Portfolio Investor (Corporate)	24142684	-	24142684	7.3391	21345870	-	21345870	6.4889	(0.8502)	decrease
<b>Sub Total (B) (1):</b>	<b>29798883</b>	<b>-</b>	<b>29798883</b>	<b>9.0585</b>	<b>23686237</b>	<b>-</b>	<b>23686237</b>	<b>7.2003</b>	<b>(1.8582)</b>	<b>decrease</b>
<b>(2) Non Institutions</b>										
a) Bodies corporates	12048478	-	12048478	3.6626	8214145	-	8214145	2.4970	(1.1656)	decrease
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	14146674	4869	14151543	4.3019	16112335	6732	16119067	4.9000	0.5981	increase
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	13948566	-	13948566	4.2402	19983820	-	19983820	6.0748	1.8346	increase
c) Others (specify)										
Clearing Member	745399	-	745399	0.2266	1924669	-	1924669	0.5851	0.3585	increase
Foreign Company	10711561	-	10711561	3.2562	10711561	-	10711561	3.2562	0.0000	-
Non Resident Indians (REPAT)	1491400	-	1491400	0.4534	1810684	-	1810684	0.5504	0.0970	increase
Non Resident Indians (NON Repat)	311438	-	311438	0.0947	466229	-	466229	0.1417	0.0470	increase
Hindu Undivided Family	1496975	-	1496975	0.4551	1787798	-	1787798	0.5435	(0.0884)	decrease
Trusts	3406784	-	3406784	1.0356	3406817	-	3406817	1.0356	0.0000	decrease
Any Other										
<b>Sub Total:(B) (2)</b>	<b>58307275</b>	<b>4869</b>	<b>58312144</b>	<b>17.7262</b>	<b>64418058</b>	<b>6732</b>	<b>64424790</b>	<b>19.5844</b>	<b>1.8582</b>	<b>increase</b>
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>88106158</b>	<b>4869</b>	<b>88111027</b>	<b>26.7847</b>	<b>88104295</b>	<b>6732</b>	<b>88111027</b>	<b>26.7847</b>	<b>0.0000</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>										
	-	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Grand Total (A+B+C)</b>	<b>328955158</b>	<b>4869</b>	<b>328960027</b>	<b>100.0000</b>	<b>328953295</b>	<b>6732</b>	<b>328960027</b>	<b>100.0000</b>	

**ii) Shareholding of Promoters**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Infrastructure Leasing & Financial Services Limited	236582632	-	236582632	71.92	236582632	-	236582632	71.92	-
IL&FS Financial Services Limited	4266368	-	4266368	1.30	4266368	-	4266368	1.30	-
<b>Total</b>	<b>240849000</b>	<b>-</b>	<b>240849000</b>	<b>73.22</b>	<b>240849000</b>	<b>-</b>	<b>240849000</b>	<b>73.22</b>	<b>-</b>

**iii) Change in Promoters' Shareholding ( please specify, if there is no change) - There was no change in Promoters' Shareholding**

Sl. No.	Name of Shareholders	Shareholding		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of shares at the beginning of the year/ end of the year (31-03-16)	% of total shares of the company				No. of shares	% of total shares of the company
1.	Infrastructure Leasing & Financial Services Limited	236582632	71.92	-	-	-	236582632	71.92
2.	IL&FS Financial Services Limited	4266368	1.30	-	-	-	4266368	1.30

**iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
1.	Standard Chartered IL And FS Asia Infrastructure Growth Fund Company Pte. Limited	10711561	3.2562			10711561	3.2562
	At the end of the year					10711561	3.2562
2.	Government Pension Fund Global	11571415	3.5176			11571415	3.5176
	Transfer			13 May 2016	(76638)	11494777	3.4943
	Transfer			20 May 2016	(25892)	11468885	3.4864
	Transfer			27 May 2016	(52867)	11416018	3.4703
	Transfer			03 Jun 2016	(64861)	11351157	3.4506
	Transfer			10 Jun 2016	(117942)	11233215	3.4148
	Transfer			17 Jun 2016	(168043)	11065172	3.3637
	Transfer			24 Jun 2016	(114991)	10950181	3.3287
	Transfer			30 Jun 2016	(41965)	10908216	3.3160
	Transfer			01 Jul 2016	(35060)	10873156	3.3053
	Transfer			08 Jul 2016	(460487)	10412669	3.1653
	Transfer			15 Jul 2016	(516545)	9896124	3.0083
	Transfer			22 Jul 2016	(99920)	9796204	2.9779
	Transfer			29 Jul 2016	(183542)	9612662	2.9221
	Transfer			05 Aug 2016	(85482)	9527180	2.8962
	Transfer			12 Aug 2016	(10541)	9516639	2.8929
	Transfer			19 Aug 2016	(121851)	9394788	2.8559
	Transfer			26 Aug 2016	(201819)	9192969	2.7946
	Transfer			02 Sep 2016	(184573)	9008396	2.7384
	Transfer			09 Sep 2016	(208396)	8800000	2.6751

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
	At the end of the Year					8800000	2.6751
3.	Vibhav Ramprakash Kapoor	3406784	1.0356			3406784	1.0356
	At the end of the Year					3406784	1.0356
4.	National Westminster Bank Plc as Trustee of The Jupiter India Fund	2424853	0.7371			2424853	0.7371
	Transfer			27 Jan 2017	81182	2506035	0.7618
	At the end of the Year					2506035	0.7618
5.	Ashish Rameshkumar Goenka	686418	0.2087			686418	0.2087
	Transfer			22 Apr 2016	497390	1183808	0.3599
	Transfer			16 Sep 2016	825000	2008808	0.6107
	Transfer			11 Nov 2016	179992	2188800	0.6654
	At the end of the Year					2188800	0.6654
6.	Danske Invest Sicav-SIF- Emerging and Frontier Markets Smid	2199810	0.6687			2199810	0.6687
	Transfer			08 Apr 2016	50000	2249810	0.6839
	Transfer			20 May 2016	163472	2413282	0.7336
	Transfer			05 Aug 2016	70000	2483282	0.7549
	Transfer			31 Mar 2017	(437000)	2046282	0.6220
	At the end of the Year					2046282	0.6220
7.	Morgan Stanley Mauritius Company Limited	0	0.0000			0	0.0000
	Transfer			05 Aug 2016	8542	8542	0.0026
	Transfer			26 Aug 2016	8947	17489	0.0053
	Transfer			16 Sep 2016	735622	753111	0.2289
	Transfer			23 Sep 2016	1342000	2095111	0.6369
	Transfer			30 Sep 2016	70680	2165791	0.6584
	Transfer			07 Oct 2016	130000	2295791	0.6979
	Transfer			21 Oct 2016	7469	2303260	0.7002
	Transfer			28 Oct 2016	46116	2349376	0.7142
	Transfer			04 Nov 2016	3964	2353340	0.7154
	Transfer			11 Nov 2016	58371	2411711	0.7331
	Transfer			18 Nov 2016	275966	2687677	0.8170
	Transfer			25 Nov 2016	95618	2783295	0.8461
	Transfer			16 Dec 2016	36126	2819421	0.8571
	Transfer			23 Dec 2016	909	2820330	0.8573
	Transfer			13 Jan 2017	(97045)	2723285	0.8278
	Transfer			20 Jan 2017	(450950)	2272335	0.6908
	Transfer			27 Jan 2017	(413882)	1858453	0.5649
	Transfer			03 Feb 2017	(45107)	1813346	0.5512
	Transfer			10 Mar 2017	(2937)	1810409	0.5503
	Transfer			17 Mar 2017	(67065)	1743344	0.5300
	Transfer			24 Mar 2017	(12909)	1730435	0.5260
	At the end of the Year					1730435	0.5260
8.	Jupiter South Asia Investment Company Limited - South Asia Access Fund	1033333	0.3141			1033333	0.3141
	Transfer			20 Jan 2017	(188356)	844977	0.2569
	At the end of the Year					844977	0.2569
9.	Life Insurance Corporation Of India	842884	0.2562			842884	0.2562
	At the end of the Year					842884	0.2562
10.	Danske Invest SICAV - Emerging and Frontier Markets	457200	0.1390			457200	0.1390
	Transfer			08 Apr 2016	60000	517200	0.1572

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
	Transfer			22 Apr 2016	100000	617200	0.1876
	Transfer			29 Apr 2016	100000	717200	0.2180
	Transfer			06 May 2016	90232	807432	0.2454
	Transfer			13 May 2016	100000	907432	0.2758
	Transfer			05 Aug 2016	(70000)	837432	0.2546
	Transfer			21 Oct 2016	(25000)	812432	0.2470
	At the end of the Year					812432	0.2470
11.	Tata Balanced Fund	3226666	0.9809			3226666	0.9809
	Transfer			15 Apr 2016	(55000)	3171666	0.9641
	Transfer			22 Apr 2016	(1128279)	2043387	0.6212
	Transfer			29 Apr 2016	(466721)	1576666	0.4793
	Transfer			06 May 2016	(220000)	1356666	0.4124
	Transfer			13 May 2016	(430000)	926666	0.2817
	Transfer			20 May 2016	(410000)	516666	0.1571
	Transfer			03 Jun 2016	(75000)	441666	0.1343
	Transfer			10 Jun 2016	(220000)	221666	0.0674
	Transfer			29 Jul 2016	(221666)	0	0.0000
	At the end of the Year					0	0.0000
12.	Bajaj Allianz Life Insurance Company Ltd.	2168488	0.6592			2168488	0.6592
	Transfer			24 Jun 2016	(122101)	2046387	0.6221
	Transfer			12 Aug 2016	(125000)	1921387	0.5841
	Transfer			19 Aug 2016	(90000)	1831387	0.5567
	Transfer			26 Aug 2016	(600000)	1231387	0.3743
	Transfer			16 Sep 2016	(100000)	1131387	0.3439
	Transfer			17 Feb 2017	(200000)	931387	0.2831
	Transfer			24 Feb 2017	(651387)	280000	0.0851
	Transfer			03 Mar 2017	(280000)	0	0.0000
	At the end of the Year					0	0.0000
13.	ICICI Lombard General Insurance Company Ltd	2000000	0.6080			2000000	0.6080
	Transfer			22 Jul 2016	(296000)	1704000	0.5180
	Transfer			29 Jul 2016	(579000)	1125000	0.3420
	Transfer			05 Aug 2016	(438000)	687000	0.2088
	Transfer			12 Aug 2016	(305000)	382000	0.1161
	Transfer			19 Aug 2016	(382000)	0	0.0000
	At the end of the Year					0	0.0000
14.	Bajaj Holdings and Investment Ltd	1777643	0.5404			1777643	0.5404
	Transfer			22 Apr 2016	(80000)	1697643	0.5161
	Transfer			29 Apr 2016	(27500)	1670143	0.5077
	Transfer			13 May 2016	(6547)	1663596	0.5057
	Transfer			20 May 2016	(90000)	1573596	0.4784
	Transfer			27 May 2016	(43689)	1529907	0.4651
	Transfer			03 Jun 2016	(30000)	1499907	0.4560
	Transfer			17 Jun 2016	(64101)	1435806	0.4365
	Transfer			24 Jun 2016	(46688)	1389118	0.4223
	Transfer			30 Jun 2016	(70000)	1319118	0.4010
	Transfer			08 Jul 2016	(85000)	1234118	0.3752
	Transfer			15 Jul 2016	(170000)	1064118	0.3235
	Transfer			22 Jul 2016	(48511)	1015607	0.3087
	Transfer			29 Jul 2016	(91423)	924184	0.2809
	Transfer			12 Aug 2016	(6350)	917834	0.2790

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
	Transfer			19 Aug 2016	(1883)	915951	0.2784
	Transfer			26 Aug 2016	(42000)	873951	0.2657
	Transfer			02 Sep 2016	(200000)	673951	0.2049
	Transfer			09 Sep 2016	(180000)	493951	0.1502
	Transfer			16 Sep 2016	(293000)	200951	0.0611
	Transfer			23 Sep 2016	(200951)	0	0.0000
	At The end of the Year					0	0.0000

### V. Shareholding of Directors:

Sl. No.	Name of Shareholders	Shareholding		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of shares at the beginning of the year / end of the year (31-03-16)	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Deepak Dasgupta Non-Executive Director	79	Negligible	1/4/2016	0	Nil movement during the year	79	Negligible
2.	R C Sinha Non-Executive Director	70	Negligible	1/4/2016	0	Nil movement during the year	70	Negligible
3.	H P Jamdar Non-Executive Director	0	0	1/4/2016	0	Nil Holding	0	0
4.	\$Deepak Satwalekar Non-Executive Director	0	0	1/4/2016	0	Nil Holding	0	0
5.	Neeru Singh Non-Executive Director	0	0	1/4/2016	0	Nil Holding	0	0
6.	Ravi Parthasarathy	533061	0.16	1/4/2016	0	Nil movement during the year	533061	0.16
7.	Hari Sankaran Non-Executive Director	637916	0.19	1/4/2016	0	Nil movement during the year	637916	0.19
8.	Arun K Saha Non-Executive Director	401801	0.12	1/4/2016	0	Nil movement during the year	401801	0.12
9.	Pradeep Puri Non-Executive Director	53597	0.02	1/4/2016	0	Nil movement during the year	53597	0.02
10.	#Vibhav Kapoor Non-Executive Director	399796	0.12	1/4/2016	0	Nil movement during the year	399796	0.12
11.	K Ramchand Managing Director	585901	0.18	1/4/2016	0	Nil movement during the year	585901	0.18
12.	Mukund Sapre Executive Director	169420	0.05	1/4/2016	0	Nil movement during the year	169420	0.05
13.	Dilip Bhatia Chief Financial Officer	666	Negligible	1/4/2016	0	Nil movement during the year	666	Negligible
14.	Krishna Ghag Company Secretary	59144	0.02	1/4/2016	0	Nil movement during the year	59144	0.02

# Resigned w.e.f. September 12, 2016

\$ Resigned w.e.f. August 9, 2016

## V. Indebtedness

### Indebtedness of the Company including interest outstanding/accrued but not due for payments

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2,679.95	6,970.96	-	9,650.91
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	134.35	-	134.35
<b>Total (i+ii+iii)</b>	<b>2,679.95</b>	<b>7,105.31</b>	<b>-</b>	<b>9,785.26</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	2,526.58	8,642.81	-	11,169.39
• Reduction	524.19	8,786.91	-	9,311.10
<b>Net Change</b>	<b>2,002.39</b>	<b>-144.10</b>	<b>-</b>	<b>1,858.29</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	4,682.34	6,826.86	-	11,509.14
ii) Interest due but not paid	-	161.00	-	161.00
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>4,682.34</b>	<b>6,987.86</b>	<b>-</b>	<b>11,670.14</b>

## VI. Remuneration of Directors and Key Managerial Personnel

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total amount
		K Ramchand Managing Director	Mukund Sapre Executive Director	
1.	Gross salary			
	(a) Salary as per provisions contained in the Section 17(1) of the Income-tax Act, 1961	3,14,83,998	1,66,51,710	4,81,35,708
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	37,18,380	33,13,400	70,31,780
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Retirement Benefits	81,61,570	49,84,056	1,31,45,626
	Performance Linked Incentive	1,20,00,000	1,00,00,000	2,20,00,000
	<b>Total (A)</b>	<b>5,53,63,948</b>	<b>3,49,49,166</b>	<b>9,03,53,114</b>
	Ceiling as per the Act	Overall Ceiling limit of ₹ 16.34 Crore (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)		

**B. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of Directors										Total Amount
		Ravi Parthasarathy	Hari Sankaran	Deepak Dasgupta	Deepak Satwalekar*	R C Sinha	Neeru Singh	H P Jamdar	Arun K Saha	Pradeep Puri	Vibhav Kapoor#	
1.	Independent Directors											
	- Fee for attending Board / Committee meetings	-	-	8,50,000	2,00,000	8,50,000	3,50,000	8,00,000	-	-	-	30,50,000
	- Commission	-	-	12,07,000	8,62,500	12,07,000	8,62,500	8,62,500	-	-	-	50,01,500
	- Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	-	-	<b>20,57,500</b>	<b>10,62,500</b>	<b>20,57,500</b>	<b>12,12,500</b>	<b>16,62,500</b>	-	-	-	<b>80,51,500</b>
2.	Other Non-Executive Directors											
	- Fee for attending Board / Committee meetings	3,50,000	9,00,000	-	-	-	-	-	13,00,000	3,00,000	1,00,000	29,50,000
	- Commission	6,47,500	6,47,500	-	-	-	-	-	6,47,500	5,18,000	5,18,000	29,78,500
	- Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	<b>9,97,500</b>	<b>15,47,500</b>	-	-	-	-	-	<b>19,47,500</b>	<b>8,18,000</b>	<b>6,18,000</b>	<b>59,28,000</b>
	<b>Total (B)=(1+2)</b>	<b>9,97,500</b>	<b>15,47,500</b>	<b>20,57,500</b>	<b>10,62,500</b>	<b>20,57,500</b>	<b>12,12,500</b>	<b>16,62,500</b>	<b>19,47,500</b>	<b>8,18,000</b>	<b>6,18,000</b>	<b>1,39,80,000</b>
	<b>Total Managerial Remuneration</b>	<b>9,97,500</b>	<b>15,47,500</b>	<b>20,57,500</b>	<b>10,62,500</b>	<b>20,57,500</b>	<b>12,12,500</b>	<b>16,62,500</b>	<b>19,47,500</b>	<b>8,18,000</b>	<b>6,18,000</b>	<b>1,39,80,000</b>
	Overall Ceiling as per the Act	₹ 17.97 Crore (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)										

\* Mr. Deepak Satwalekar resigned from the Board effective August 9, 2016

# Mr. Vibhav Kapoor resigned from the Board effective September 12, 2016

**C. Remuneration To Key Managerial Personnel other than MD/Manager/WTD**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total
		Krishna Ghag Company Secretary	Dilip Bhatia CFO	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	44,11,246	92,79,374	1,36,90,620
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	7,77,465	2,54,164	10,31,629
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, (Contribution to Provident Fund, Superannuation Fund & Gratuity)	3,31,367	21,81,782	25,13,149
5.	Others, (Performance Related Pay)	11,00,000	35,00,000	46,00,000
	<b>Total</b>	<b>66,20,078</b>	<b>1,52,15,320</b>	<b>2,18,35,398</b>

**VII. Penalties / punishment/ compounding of offences**

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. Company</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. Directors</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. Other officers in default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

# ANNEXURE IV

## FORM NO. AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

### Details of contracts or arrangements or transactions not at arm's length basis

Sr. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any Rs in Crore	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
1	GRICL Rail Bridge Development Company Limited (GRBDCL) is a wholly owned subsidiary of the Company	Detailed Design, Programme Management and Other Engineering Services Agreement	Contract shall be valid until the Commercial Operation Date	Total Fee of Rs 6 Crore inclusive of taxes will be charged for the multiple services described in scope of services	Since, GRBDCL is a wholly owned subsidiary of the Company	December 2, 2016	4.00	Since GRBDCL is a wholly owned subsidiary of the Company, approval of the Shareholders is not required

### Details of material contracts or arrangements or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any: (Rs in Crore)	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1	Fagne Songadh Expressway Limited is a wholly owned subsidiary of the Company	Construction Contract	910 days from appointed date	1,907.95	N.A.	N.A.
2	Amravati Chikli Expressway Limited is a wholly owned subsidiary of the Company	Construction Contract	910 days from appointed date	2,289.34	N.A.	N.A.
3	Jorabat Shillong Expressway Limited is a joint venture of the Company	Amendment in Construction Contract	Until Completion	1,023.43	N.A.	N.A.
4	Khed Sinnar Expressway Limited is a wholly owned subsidiary of the Company	Amendment in Construction Contract	Until Completion	1,955.41	N.A.	N.A.
5	Kiratpur Ner Chowk Expressway Limited is a wholly owned subsidiary of the Company	Amendment in Construction Contract	Until Completion	2,844.27	N.A.	N.A.

# ANNEXURE V

## Statement of particulars of employees pursuant to the provisions of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report for the year ended March 31, 2017

### Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Name	Designation	Qualification & Experience (In Yr)	Age (Years)	Date of Joining	Remuneration (Rs.)	Previous Employment
1.	Bhatia Dilip	Chief Financial Officer	B.Com, ACA (23)	49	24-08-2015	152,15,320	Ace Derivatives and Commodity Exchange Limited
2.	Chandwar Ashutosh	Vice President	B.E (Civil) ; M.E (Transp) (29)	49	02-07-2007	56,96,670	National Highways Authority of India
3.	George Cherian	Chief Executive	B.Sc, ACA (42)	68	15-03-2007	136,06,167	Bell Granito Ceramica Limited
4.	Ghag Krishna	Vice President & Company Secretary	B.Com; LLB; DFM; FCS (36)	58	14-02-2008	66,20,078	NELCO Limited
5.	Malhotra Harsh*	Senior Vice President	B. Com, Grad CWA, E-MBA (32)	50	01-10-2016	55,47,534	Infrastructure Leasing & Financial Services Limited
6.	Mathur Harish	Technical Director	B.E. (Civil); M.Sc. (Highway Eng.) (41)	63	01-01-2006	157,28,000	Road Infrastructure Development Company of Rajasthan Limited
7.	Mittal S.C.	Chief Executive	B.E. (Civil), (31)	58	18-10-2010	200,73,520	ITNL Enso Rail Systems Limited
8.	Ramchand Karunakaran	Managing Director	B.E.(Civil), PGD Planning, DCM (38)	62	19-03-2001	553,63,948	Infrastructure Leasing & Financial Services Limited
9.	Sapre Mukund	Executive Director	B. Tech (Civil) DSM (NIIT) (36)	57	01-03-2002	349,49,166	Infrastructure Leasing & Financial Services Limited
10.	S. Subramaniam	Senior Vice President	B E (Mechanical Engg.), PGDM - IIM (33)	57	11-03-2013	78,43,210	Delhi Cargo Service Private Limited.

\* Indicates earning for part of the year.

#### Notes:

- None of the employee mentioned above are related to any of the Directors of the Company within the meaning of Companies (Appointment and Remuneration of Managerial personnel) Rule, 2014
- None of the employee mentioned above hold more than 2% of the shares of the Company, along with their spouse and dependent children
- All appointments are contractual and terminable by notice on either side
- Remuneration includes salary, bonus, commission, various allowances, performance incentive, leave encashment, contribution to provident fund, superannuation fund, gratuity fund and taxable value of perquisites

On behalf of the Board

Mumbai  
May 29, 2017

**Deepak Dasgupta**  
Chairman

## ANNEXURE VI TO THE DIRECTORS' REPORT

**The ratio of the remuneration of each directors to the median employee's remuneration and other details in terms of Sub-section (12) of the Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr. No.	Requirements	Disclosure
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2016-17	(i) Managing Director - 29X (ii) Executive Director - 20X
2.	The percentage increase/(decrease) in remuneration of MD, ED, CFO & CS during financial year 2016-17	(i) MD: (14.12%) (ii) ED: (12.18%) (iii) CFO: Not Comparable since employed for part of the previous FY (iv) CS: (11.27%)
3.	The percentage increase in the median remuneration of employees in the financial year	There was 0.18% increase in the median remuneration of employees during FY 2016-17
4.	The number of permanent employees on the rolls of the Company	There were 286 employees on the rolls of the Company as on March 31, 2017
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	(i) Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year was 5% over the previous year (ii) There was no increase in the salaries of the managerial personnel in the last financial year
6.	Affirmation that the remuneration is as per the managerial remuneration policy of the Company	Yes, it is confirmed

# ANNEXURE VII

## CORPORATE SOCIAL RESPONSIBILITY REPORT

**Pursuant to Clause (o) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014**

Sr. No	Particulars	Details
1.	A brief outline of the Company's Corporate Social Responsibility (CSR) Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	<p>In an effort to proactively add value, reduce risk and enhance sustainability in its projects, the Board of Directors of Infrastructure Leasing &amp; Financial Services Limited ("<b>IL&amp;FS</b>"), the parent company had approved an Environmental and Social Report ("<b>ESR</b>") as early as 1995. The objectives of the ESR were (a) to mainstream Environmental and Social ("<b>E&amp;S</b>") considerations in the overall project cycle, (b) to set examples of environmentally sound and socially acceptable practices and (c) to inspire and encourage all stakeholders, including partners and co-investors</p> <p>Subsequent thereto, in 2008, the Environmental and Social Policy Framework ("<b>ESPF</b>") was formulated to establish an outcome-oriented framework that guides integration of E&amp;S considerations within all businesses of IL&amp;FS which guidelines were then formulated and adopted by the Company</p> <p>The endeavor is to extend E&amp;S efforts to the community in general and incorporate Corporate Social Responsibility ("<b>CSR</b>") as a part of the DNA of the organization. In order to empower the community along its road projects, the Company launched its CSR initiative in the year 2010 by the name "<b>Parivartan</b>". For the Company, CSR expands beyond responsibility within business operations, to include all voluntary actions undertaken to benefit the community and the environment around the project areas. The Company strongly believes that the surface transportation infrastructure it is building and financing today will shape the communities of tomorrow</p> <p>CSR is, therefore, the organization's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interest of its stakeholders</p> <p>The CSR Policy and Framework has been adopted by the Company and is available for viewing on the website of the Company through the link: <a href="http://www.itnlindia.com">http://www.itnlindia.com</a></p>
2.	Composition of the CSR Committee	<p>1) Mr. H P Jamdar - Chairman</p> <p>2) Ms. Neeru Singh - Member</p> <p>3) Mr. K Ramchand - Member</p> <p>4) Mr. Mukund Sapre - Member</p>
3.	Average net profit of the company for last three financial years	₹ 294.5 Crore
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	₹ 5.89 Crore
5.	Details of CSR spent during the financial year: a) Total amount to be spent for the financial year; b) Amount unspent, if any; c) Manner in which the amount spent during the financial year	<p>a) ₹ 5.89 Crore</p> <p>b) ₹ 0.42 Crore</p> <p>The details of amount spent on various activities are provided in Annexure A to the Report</p>

**Annexure A**

S. No	CSR project or activity identified	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Sectors in which the project is covered	Amount outlay (budget) project or programme wise (Amount in Crore) (₹)	Amount spent on the projects or programmes (1) Direct Expenditure on projects or programs (2) Overhead (Amount in Crore) (₹)	Cumulative Expenditure upto the reporting period (Amount in Crore) (₹)	Amount spent: Direct or through implementing agency
1.	Integrated Rural Development Projects in villages around ten infrastructure projects of ITNL	Selected Infrastructure projects of ITNL 1. Barwa-Adda-Expressway (BAEL): I. Dhanbad; Jharkand II. Burdwan; West Bengal 2. Baleshwar Kharagpur Expressway (BKEL): I. Balasore; Odisha II. Paschim Midnapore; West Bengal 3. Chenani Nashri Tunnel Project (CNTL): I. Udhampur, J & K 4. Hazaribagh Ranchi Expressway (HREL): I. Ranchi, Jharkand II. Hazaribag; Jharkand	1. Livelihood Development: marginalized women and small farmers supported to establish farm and off farm income generating initiatives	0.70	Direct expenditure 0.73		Directly by ITNL ₹ 0.24 Cr.  Through Implementation Agency Nalanda Foundation ₹ 0.49 Cr.
1.	Integrated Rural Development Projects in villages around ten infrastructure projects of ITNL	5. Kiratpur - Ner Chowk Expressway (KNCEL): I. Ropar, Punjab II. Bilaspur, HP III. Mandi; HP					
2.		6. Khed Sinnar Expressway (KSEL): I. Pune, Maharashtra II. Nashik, Maharashtra III. Ahmednagar; Maharashtra	2. Enhancing Education Outcomes: innovatively improving teaching learning through Computer Buses, Kits, trainings for teachers, etc. in Govt. Schools	2.77	Direct expenditure 2.42		Directly by ITNL - ₹ 0.08 Cr.  Through Implementation Agency Nalanda Foundation - ₹ 2.34 Cr.
3.		7. Moradabad-Bareilly Expressway (MBEL): I. Moradabad, Uttar Pradesh II. Rampur, Uttar Pradesh III. Bareilly; Uttar Pradesh	3. Local Area Projects: a) Disaster Relief b) Community Driven Programme and Technical Measures for Road Safety c) Supporting Community Healthcare through 3 Medical Mobile Units and other innovative interventions d) Improving Sanitation Along the Highway and in Schools in support of Swacch Bharat Abhiyan e) Preservation & promotion and propagate the rich intangible heritage of the Indian Classical Music	2.42	Direct expenditure 2.32		Directly by ITNL ₹ 1.08 Cr.  Through Implementation Agency Nalanda Foundation ₹ 1.24 Cr.
		8. Amedabad- Mehsana Road (AMRP): I. Ahemdabad; Gujarat					
		9. Pune Sholapur Expressway (PSRDCL): I. Pune, Maharashtra II. Sholapur; Maharashtra					
		10. Andhra Pradesh Expressway (APEL) Hyderabad, Andhra Pradesh					
		11. Amravati Chikhli Expressway (ACEL) Amravati, Maharashtra					
		<b>Total</b>		5.89	5.47		

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company

**H P Jamdar**  
Chairman, CSR Committee

**K Ramchand**  
Managing Director

# REPORT ON CORPORATE GOVERNANCE



➔ Belgaum Maharashtra Border Project

## 1. Company's Philosophy on Corporate Governance

IL&FS Transportation Networks Limited ("The Company") has a strong legacy of fair, transparent and ethical governance practices. The Company believes that adhering to corporate governance norms is essential to enhance shareholder value and achieve long term corporate goals. The Company undertakes periodic review of business plans, performance and compliance to regulatory requirements

The Corporate Governance framework in the Company has been strengthened with the adoption of the Code of Conduct for the business and associated activities. The Company has therefore adopted various codes and policies as required under Companies Act, 2013 (hereinafter referred to as "the Act") and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 hereinafter referred to as "SEBI (LODR) Regulations, 2015"} to carry out its duties in a transparent and an ethical manner

## 2. Board of Directors

The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. The Board acts on its own and through its duly constituted Committees

### (i) Composition

The Company maintains an optimum combination of Executive & Non-Executive Directors. The Board presently comprises of 10 Directors, including 2 Executive and 8 Non-Executive Directors, of which 4 are Independent Directors. The Directors have expertise in their respective functional areas and bring a wide range of skills and experience to the Board

During the year under review, 5 meetings were held on the following dates:

(i) May 13, 2016, (ii) August 09, 2016, (iii) September 13, 2016 (iv) December 02, 2016, and (v) January 13, 2017

The Company provides information as set out in Regulation 17 to 27 of SEBI (LODR) Regulations, 2015 to the Board and its Committees from time to time and to the extent applicable and relevant along with the Agenda accompanied with explanatory notes thereto to all the Directors. Presentations are made at the Meetings of the Board of Directors providing status on operations of the projects along with risk matrix, financials, etc. by the Management

**(ii) Category & Attendance of Directors**

The names and categories of the Directors on the Board, their attendance at the Board Meetings

held during FY 2016-17, alongwith the number of directorships and committee memberships held by them in other companies as on March 31, 2017 are given below. The directorships in other companies exclude those held in private limited companies, associations, companies incorporated outside India and alternate directorships. The Chairmanship / Membership of the Committees include memberships of Audit and Stakeholders' Relationship Committees. The details of attendance of the Directors at the Annual General Meeting (AGM) held on August 9, 2016 are also provided in the table below:

Name	Category	Attendance at the Board meetings and Annual General Meeting		Number of Directorships in other public companies		Number of Committee positions held in other public companies	
		Board	AGM	Chairman	Director	Chairman	Member
Mr. Deepak Dasgupta (Chairman)	Independent	5	Yes	3	2	1	4
Mr. R. C. Sinha	Independent	4	Yes	-	3	-	-
Mr. H P Jamdar	Independent	4	Yes	-	1	-	-
Mr. Deepak Satwalekar*	Independent	2	NA	-	-	-	-
Ms. Neeru Singh	Independent	3	Yes	-	-	-	-
Mr. Ravi Parthasarathy	Non-Executive, Non-Independent	5	Yes	6	3	-	1
Mr. Hari Sankaran	Non-Executive, Non-Independent	5	Yes	1	8	-	1
Mr. Arun K Saha	Non-Executive, Non-Independent	5	Yes	3	6	1	5
Mr. Vibhav Kapoor**	Non-Executive, Non-Independent	2	Yes	-	-	-	-
Mr. Pradeep Puri	Non-Executive, Non-Independent	5	Yes	2	7	1	2
Mr. K Ramchand (Managing Director)	Executive	5	Yes	1	6	1	1
Mr. Mukund Sapre (Wholetime Director)	Executive	5	Yes	0	9	-	3

\* Mr. Deepak Satwalekar resigned effective August 09, 2016

\*\* Mr. Vibhav Kapoor resigned effective September 12, 2016

**(iii) Directors seeking re-appointment**

Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting as required under Regulation 36(3) of SEBI (LODR) Regulation, 2015 are annexed to the Notice convening the Annual General Meeting and forms part of this Annual Report

**(iv) Independent Directors**

The Company has received disclosures from the Independent Directors confirming their independence in terms of the Regulation 16(1) (b) of the SEBI (LODR) Regulation, 2015 and Section 149(6) of the Companies Act, 2013 read along with Rules framed there under. The Letter of

Appointment issued to the Independent Directors containing the terms and conditions are available on the Company's website: [www.itnlindia.com](http://www.itnlindia.com)

**(a) Separate Meeting**

As stipulated by the Code of Conduct of Independent Directors formulated in accordance with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors was held on May 12, 2016 to review the performance of the Non-Independent Directors including the Chairman and the Board as a whole. The Independent Directors also reviewed the quality, content

and timeliness of the flow of the information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties

**(b) Familiarization Programme**

Majority of the Independent Directors have been on the Board of the Company for a considerable period of time and are familiar with the business of the Company as also with the regulations, policies and the environment in which it operates. The Independent Directors are briefed on the developments in the Industry and the Company's operation in detail at the Board Meetings. The Independent Directors are also briefed on the regulatory and legal developments impacting the Company and also their role as independent directors as and when the need arises including briefing by outside consultants. The details are available on the weblink: [http://www.itnlindia.com/invrelation.aspx?page\\_ID=25&Sec\\_ID=5](http://www.itnlindia.com/invrelation.aspx?page_ID=25&Sec_ID=5)

**(v) Performance Evaluation of Directors, Board / Committees**

The Board of Directors had carried out an annual evaluation of its performance, committees of board and of all the directors pursuant to the provisions of the Act and SEBI (LODR) Regulation, 2015 in terms of criteria adopted by the Board in accordance with the Managerial Remuneration Policy

The criteria adopted for performance evaluation of Directors is as follows:

**Non-Executive Directors**

- contribution in achievement of business goals
- behavioural competency in companies strategic orientation and effective decision making ability to enhance quality of financial controls and reporting
- contribution / guidance on business strategy
- validating Management performance

- upholding the statutory compliance/ corporate governance
- exercising independent judgments
- ensuring integrity of financial controls / risk

**Executive Directors**

- achievement of business goals
- rating on behavioural competencies viz. champion change, strategic orientation & effective decision making, quality of financial controls and reporting
- key talent management
- contribution in furthering business across the Group

**Board and Committees**

- composition and diversity
- strategy and growth
- discussions at the Board Meetings
- quality of decision making
- frequency and duration of meetings
- overall contribution

In a separate meeting of the Independent Directors, performance of non-independent directors, Board as a whole and that of the Chairman was evaluated taking into account the views of executive and non-executive directors

**3. Committees of the Board**

**(I) Audit Committee**

- (i) The Audit Committee has been constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 read along with Rules framed thereunder and Regulation 18 of SEBI (LODR) Regulation, 2015. During the year under review, 7 meetings were held on the following dates: (i) May 12, 2016, (ii) August 09, 2016, (iii) September 13, 2016, (iv) October 10, 2016, (v) December 01, 2016; (vi) January 13, 2017 and (vii) March 28, 2017
- (ii) The composition of the Audit Committee, category of Members and attendance at the meetings held during the year are given below:

Name of Director	Designation	Category	No. of Meetings	
			Held	Attended
Mr. R C Sinha	Chairman	Independent	7	6
Mr. Deepak Dasgupta	Member	Independent	7	7
Mr. H P Jamdar	Member	Independent	7	6
Mr. Arun K Saha	Member	Non- Executive	7	7

The Managing Director, Executive Director and Chief Financial Officer of the Company attended the meetings. The representatives of the Statutory and Internal Auditors were also present at the meetings. Mr. Krishna Ghag, Company Secretary is the Secretary of the Audit Committee

(iii) The role of the Committee, inter alia includes, the following:

- (1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors;
- (3) approval of payment to statutory auditors for any other services rendered by them;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of Clause (c) of Sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about

the nature and scope of audit as well as post-audit discussion to ascertain any area of concern; to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors; to review the functioning of the whistle blower mechanism;

- (17) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (18) Carrying out any other function as is mentioned in the terms of reference of the audit committee by SEBI from time to time
- (19) The audit committee shall mandatorily review the following information:
- (i) management discussion and analysis of financial condition and results of operations;
  - (ii) statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - (iii) management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (iv) internal audit reports relating to internal control weaknesses; and the appointment, removal and terms of remuneration of the chief

internal auditor shall be subject to review by the audit committee

- (20) Statement of deviations:
- (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulation 2015
  - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015

### (II) Stakeholders' Relationship Committee

The Company has constituted 'Stakeholders' Relationship Committee' effective May 13, 2014 to comply with the provisions of Section 178 of the Companies Act, 2013 and the rules framed thereunder. The Committee has been constituted to resolve the grievances of the security holders including those related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends. The Committee also reviews the overall working of the secretarial department and functioning of the registrar and share transfer agents

During the year under review, 4 meetings were held on the following dates:

- (i) April 15, 2016, (ii) June 22, 2016, (iii) October 12, 2016, and (iv) January 13, 2017
- (i) The Composition of the Committee, category of its Members and their attendance at the meetings held during the year are given below:

Name of Director	Designation	Category	No. of Meetings	
			Held	Attended
Mr. Arun K Saha	Chairman	Non- Executive	4	4
Mr. K Ramchand, Managing Director	Member	Executive	4	4

- (ii) There were no Investor complaints pending at the beginning of the financial year 2016-17. During the year under review, 7 complaints were received and resolved

### (III) Committee of Directors

- (i) The Board has constituted Committee of Directors to consider and approve proposals pertaining to routine operations for the smooth conduct of the business. The Committee comprises of Mr. Hari Sankaran, Mr. Arun K Saha, Mr. Pradeep Puri,

- Non-Executive Directors, Mr. K. Ramchand, Managing Director and Mr. Mukund Sapre, Executive Director.
- (ii) 11 Committee meetings were held during the year under review on the following dates: (i) April 26, 2016, (ii) May 24, 2016, (iii) June 22, 2016, (iv) July 26, 2016, (v) August 23, 2016, (vi) September 26, 2016, (vii) October 10, 2016, (viii) December 07, 2016, (ix) January 06, 2017, (x) February 22, 2017 and (xi) March 23, 2017

- (iii) The composition of the Committee, category of its Members and their attendance at the meetings held during the year are given below:

Name of Director	Designation	Category	No. of Meetings	
			Held	Attended
Mr. Hari Sankaran	Chairman	Non-Executive Director	11	10
Mr. Arun K Saha	Member	Non-Executive Director	11	10
Mr. Pradeep Puri	Member	Non-Executive Director	11	Nil
Mr. K. Ramchand	Member	Managing Director	11	9
Mr. Mukund Sapre	Member	Executive Director	11	10

#### (IV) Nomination and Remuneration Committee

The Board has constituted "Nomination and Remuneration Committee" effective May 13, 2014 in compliance with the provisions of Section 178 of the Companies Act, 2013 and Rules framed thereunder. Consequent to resignation of Mr. Deepak Satwalekar as member of the Board effective August 09, 2016, the Board of Directors reconstituted the

Nomination and Remuneration Committee by appointing Mr. H P Jamdar, as the Chairman of the Nomination and Remuneration Committee in his place effective September 13, 2016. 2 meetings of the Committee were held during the year on May 13, 2016 and December 02, 2016

(i) The composition of the Committee, category of Members and attendance at the meetings held during the year are given below:

Name of Director	Designation	Category	No. of Meetings	
			Held	Attended
Mr. Deepak Satwalekar*	Chairman	Independent	1	1
Mr. H P Jamdar**	Chairman	Independent	1	1
Mr. R. C. Sinha	Member	Independent	2	2
Mr. Ravi Parthasarathy	Member	Non- Executive	2	2
Mr. Hari Sankaran	Member	Non-Executive	2	2

\* Resigned as Chairman of the Committee effective August 09, 2016

\*\* Appointed as Chairman of the Committee effective September 13, 2016

The Managing Director and Executive Director of the Company attended the meetings

- (ii) The terms of reference of the Committee inter alia include:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal

- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

- (iii) Managerial Remuneration Policy

The Company's remuneration policy is driven by the success and performance of the Company and the individual employee. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance related pay. The performance related pay is determined by business performance and the performance of individual employee measured through the annual appraisal process

#### (a) Executive Directors

The Company pays remuneration to its Managing Director and Executive Director by way of salary, perquisites

and allowances (fixed component) & performance related pay (variable component). The performance related pay is determined based on individual employee performance and the Company's overall performance determined by the Nomination & Remuneration Committee at the end of

each financial year, subject to the overall ceiling stipulated in Section 197 of the Companies Act, 2013 and Rules framed thereunder

The details of remuneration and perquisites paid to managerial personnel for the Financial Year 2016-17 are given below:

Terms of Agreement	Mr K Ramchand, Managing Director	Mr Mukund Sapre, Executive Director
Period of appointment	5 years	5 years
Date of appointment	April 1, 2013	April 1, 2013
Salary (in ₹)	3,14,83,998	1,66,51,710
Perquisites (in ₹)	37,18,380	33,13,400
Retirement Benefits (in ₹)	81,61,570	49,84,056
Performance Linked Incentive (in ₹)	1,20,00,000	1,00,00,000
Notice Period	Three months	
Severance Fees	There is no separate provision for payment of severance fees	
Stock Option	The Company does not have any Stock Option Plan for its employees	

**(b) Non-Executive Directors:**

- (i) The Non-Executive Directors are paid remuneration by way of Commission and Sitting fees. The Commission is paid to the Non-Executive Directors within the ceiling approved by the Shareholders at the Annual General Meeting held on August 26, 2015. The Commission is distributed on an uniform basis to reinforce the principle of collective responsibility of Directors. However, an additional amount is also paid to the Chairman of the Board and Committees and Members of the Committees for the responsibility and

time spent by them. The payment of commission is decided each year by the Board of Directors on the recommendation of the Nomination and Remuneration Committee

- (ii) A sitting fee of ₹ 50,000 per meeting is paid (subject to deduction of tax at source) to Non-Executive Directors for attending meetings of the Board and Committees thereof

- (iii) The details of sitting fees and commission paid during the year under review are given below:

Sr. No.	Name of Director	Sitting fees (₹)	Commission (₹)	Total (₹)
(a)	Mr. Deepak Dasgupta	8,50,000	12,07,500	20,57,500
(b)	Mr. R. C. Sinha	8,50,000	12,07,500	20,57,500
(c)	Mr. H P Jamdar	8,00,000	8,62,500	16,62,500
(d)	Mr. Deepak Satwalekar	2,00,000	8,62,500	10,62,500
(e)	Mr. Ravi Parthasarathy	3,50,000	6,47,500	9,97,500
(f)	Mr. Hari Sankaran	9,00,000	6,47,500	15,47,500
(g)	Mr. Arun K Saha	13,00,000	6,47,500	19,47,500
(h)	Mr. Vibhav Kapoor	1,00,000	5,18,000	6,18,000
(i)	Mr. Pradeep Puri	3,00,000	5,18,000	8,18,000
(j)	Ms. Neeru Singh	3,50,000	8,62,500	12,12,500
<b>Total</b>		<b>60,00,000</b>	<b>79,81,000</b>	<b>1,39,81,000</b>

- (iv) Details of shares held by the Non-Executive Directors as on March 31, 2017 are given below:

Sr. No.	Name of Director	No of shares held
(a)	Mr. Deepak Dasgupta	79
(b)	Mr. Ravi Parthasarathy	533,061
(c)	Mr. Hari Sankaran	637,916
(d)	Mr. Vibhav Kapoor	399,796
(e)	Mr. Arun K Saha	401,801
(f)	Mr. R C Sinha	70
(g)	Mr. Pradeep Puri	53,597

- (v) None of the Non-Executive Directors had any material pecuniary relationship or transactions with the Company

**(V) Environment, Health and Safety Committee**

- (i) The Board has constituted "Environment, Health and Safety Committee" (EHS) effective August 13, 2014 with the following objective:
1. Review and recommend measures for improving the safety aspects at the Projects to reduce accidents

2. Advise on mitigation measures related to EHS;
3. Aid in furtherance of the EHS initiatives

- (ii) 4 Meetings of the Committee were held during the year under review on:

- (i) May 12, 2016, (ii) August 08, 2016, (iii) December 01, 2016 and (iv) March 17, 2017

- (ii) The composition of the Committee, category of Members and attendance at the meetings held during the year are given below

Name of Director	Designation	Category	No. of Meetings	
			Held	Attended
Mr. H P Jamdar	Chairman	Independent	4	3
Mr. Deepak Dasgupta	Member	Independent	4	4
Mr. R C Sinha	Member	Independent	4	4

Mr. K Ramchand, Managing Director and Mr. Mukund Sapre, Executive Director also attend the Meetings along with the Technical team of the Company

**(VI) Corporate Social Responsibility Committee**

- (i) The Board has constituted a Corporate Social Responsibility (CSR) Committee effective May 13, 2014 in compliance with the provisions of Section 135 of the Companies Act, 2013 and Rules framed thereunder, to oversee and advise on the activities to be carried out under the CSR Policy adopted by the Company
- (ii) 4 Meetings of the Committee were held during the year under review on (i) May 12, 2016, (ii) August 08, 2016 and (iii) December 01, 2016 and (iv) March 17, 2017
- (iii) The composition of the Committee, category of Members and attendance at the meetings held during the year are given below:

Name of Director	Designation	Category	No. of Meetings	
			Held	Attended
Mr. H P Jamdar	Chairman	Independent	4	3
Ms. Neeru Singh	Member	Independent	4	3
Mr. K. Ramchand	Member	Executive	4	4
Mr. Mukund Sapre	Member	Executive	4	4

**4. General Meetings**

- (i) **Details of the immediately preceding three Annual General Meetings (AGM) held at the Y. B. Chavan Auditorium, Gen. J. Bhosale, Marg, Mumbai 400021 are given below:**

Financial Year	Date / time	Special Resolutions
2013-14	August 21, 2014, 10.30 a.m.	Issue of further securities
2014-15	August 26, 2015, 11.00 a.m.	Adoption of new Articles of Association Issue of Further Securities Approval of existing material related party transactions Approval of transactions with Related Parties
2015-16	August 09, 2016, 03:00 p.m.	-

**(ii) Postal Ballot -**

During the financial year 2016-17, following special resolutions were approved by the members through postal ballot:

- (a) The proposal for issue of secured/unsecured Non-Convertible Debentures on a private placement basis in one or more tranches for an aggregate amount not exceeding Rs.2,500 Crore was approved by the members vide Special Resolution dated June 27, 2016

Mr. S. Anantha Rama Subramanian, Practising Company Secretary was appointed as the Scrutinizer to conduct the Postal Ballot process. The Scrutinizer reported that the members representing 99.99% of the total voting strength voted in favour of the resolution. The result of the postal ballot was declared on June 27, 2016

- (b) The proposal for raising the borrowing limit of the Company from ₹ 11,000 Crore up to ₹ 16,000 Crore in excess of paid up capital and free reserves was approved by the members vide Special Resolution dated October 04, 2016

Mr. S. Anantha Rama Subramanian, Practising Company Secretary was appointed as the Scrutinizer to conduct the Postal Ballot process. The Scrutinizer reported that the members representing 99.99% of the total voting strength voted in favour of the resolution. The result of the postal ballot was declared on October 04, 2016

**5. Disclosures**

- (i) The standalone and consolidated 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 standalone and

consolidated financial statements in accordance with the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013. During the year ended March 31, 2017, the Company has prepared its first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. The significant accounting policies under Ind AS applied consistently are set out in the Notes to the standalone and consolidated financial statements

**(ii) Related Party Disclosures**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 read along with rules framed thereunder and Regulation 23 of the SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length basis. There were no significant material related party transactions during the year under review. All the transactions are in ordinary course and have no potential conflict with the interests of the Company at large other than those disclosed in the financial statements for the year ended March 31, 2017

Based on the disclosures made by the Senior Management personnel of the Company, there were no material, financial and commercial transactions undertaken by them with the Company, which could have a potential conflict with the interest of the Company at large

**(iii) Code of Business Conduct**

The Board of Directors had adopted a Code of Conduct which lays down various principles of ethics and compliance. The Code has been circulated to all the Directors and employees of the Company and has also been uploaded on the Company's website. All the members of the Board and Senior Management personnel have affirmed compliance with the Company's Code of Conduct. A declaration to this effect by the Managing Director forms part of this report

Further, the Company had also adopted the following Policies and can be viewed on the link provided below

Name of the Policy	Weblink
Code of Conduct for Board of Directors & Senior Management	<a href="http://www.itnlindia.com/application/web_directory/Company%20Policies/code_conduct.pdf">http://www.itnlindia.com/application/web_directory/Company%20Policies/code_conduct.pdf</a>
Code of Conduct to Regulate, Monitor and Report Trading by Insiders	<a href="http://www.itnlindia.com/application/web_directory/Company%20Policies/insider_trading_code_compl.pdf">http://www.itnlindia.com/application/web_directory/Company%20Policies/insider_trading_code_compl.pdf</a>
Code of Conduct for Independent Directors	<a href="http://www.itnlindia.com/application/web_directory/Company%20Policies/Code_of_Independent_Directors.pdf">http://www.itnlindia.com/application/web_directory/Company%20Policies/Code_of_Independent_Directors.pdf</a>
Corporate Social Responsibility Policy	<a href="http://www.itnlindia.com/application/web_directory/Company%20Policies/Corporate%20Social%20Responsibility%20Policy.pdf">http://www.itnlindia.com/application/web_directory/Company%20Policies/Corporate%20Social%20Responsibility%20Policy.pdf</a>
Management Remuneration Policy	<a href="http://www.itnlindia.com/application/web_directory/Company%20Policies/Managerial%20Remuneration%20Policy.pdf">http://www.itnlindia.com/application/web_directory/Company%20Policies/Managerial%20Remuneration%20Policy.pdf</a>

Name of the Policy	Weblink
Policy for Related Party Transactions	<a href="http://www.itnlindia.com/application/web_directory/Company%20Policies/ITNL%20RPT%20Policy.pdf">http://www.itnlindia.com/application/web_directory/Company%20Policies/ITNL%20RPT%20Policy.pdf</a>
Policy for determining Material Subsidiaries	<a href="http://www.itnlindia.com/application/web_directory/Company%20Policies/Material%20Subsidiaries%20Policy.pdf">http://www.itnlindia.com/application/web_directory/Company%20Policies/Material%20Subsidiaries%20Policy.pdf</a>
Policy on Preservation and Archival of documents	<a href="http://www.itnlindia.com/application/web_directory/Company%20Policies/2015/Policy%20for%20Preservation%20and%20Archival%20of%20Documents.pdf">http://www.itnlindia.com/application/web_directory/Company%20Policies/2015/Policy%20for%20Preservation%20and%20Archival%20of%20Documents.pdf</a>
Policy for Determination of Materiality and Dissemination of Information	<a href="http://www.itnlindia.com/application/web_directory/Company%20Policies/2015/Dec2015/Policy%20for%20Determination%20of%20Materiality%20and%20Dissemination%20of%20Information.pdf">http://www.itnlindia.com/application/web_directory/Company%20Policies/2015/Dec2015/Policy%20for%20Determination%20of%20Materiality%20and%20Dissemination%20of%20Information.pdf</a>
Whistle Blower Policy	<a href="http://www.itnlindia.com/application/web_directory/Company%20Policies/Whistle%20Blower%20Policy.pdf">http://www.itnlindia.com/application/web_directory/Company%20Policies/Whistle%20Blower%20Policy.pdf</a>
Dividend Distribution Policy	<a href="http://www.itnlindia.com/application/web_directory/Company%20Policies/2017/Dividend%20Distribution%20Policy.pdf">http://www.itnlindia.com/application/web_directory/Company%20Policies/2017/Dividend%20Distribution%20Policy.pdf</a>

**(iv) Risk Management Framework**

The Company has adopted a Risk Management Framework, for timely identification of risks, analysis of the reasons for such risk, assessment of its materiality and impact for risk mitigation processes. The Risk Management Framework is annually reviewed by the Board of Directors

- (v)** During the year under review, the Company had not raised any capital
- (vi)** The Company does not have a material non-listed Indian subsidiary as at March 31, 2017 in terms of the provisions of Regulation 24 of SEBI (LODR) Regulations, 2015
- (vii)** Presentations made to the Institutional Investors and Analysts are sent to the Stock Exchanges and posted on the Company's website from time to time
- (viii)** There were no instances of non-compliance by the Company, no penalties/strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matters related to the capital markets during the period April 1, 2016 to March 31, 2017
- (ix)** In terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015, the Managing Director and Chief Financial Officer have periodically furnished the requisite certificates to the Board of Directors
- (x)** The Company has complied with all the mandatory requirements under the provisions of Regulation 17 to Regulation 27 of SEBI (LODR) Regulations, 2015 relating to Corporate Governance for the period April 1, 2016 to March 31, 2017

- (xi)** An audit of the Share Capital is conducted every quarter by a qualified Practising Company Secretary to reconcile the total admitted capital with both the depositories namely, National Securities Depository Limited and Central Depository Services (India) Limited and the total issued and listed capital. The reports confirmed that the total issued/paid up capital were in agreement with the total number of shares held by the members both in physical form and dematerialised form

- (xii)** Compliance with Non Mandatory requirements:
- (a) The Company continues to adopt best practices to ensure the regime of unqualified financial statements. No audit qualification has been reported on the Company's Financial Statements for the year ended March 31, 2017
- (b) The Internal Auditor directly reports to the Audit Committee

**6. Means of Communication**

The Quarterly and Annual Standalone & Consolidated Financial Results are published in leading newspapers in India. The Financial Results are also filed with the Stock Exchanges and displayed on the Company's website

All the official news releases are intimated to the Stock Exchanges and displayed on the Company's website

The Company's website: [www.itnlindia.co](http://www.itnlindia.co) provides comprehensive information about its business. In the "Investors Relations" Section, important events and information relating to the Company is uploaded. Presentations made to Institutional Investors / Analysts is also displayed on the website

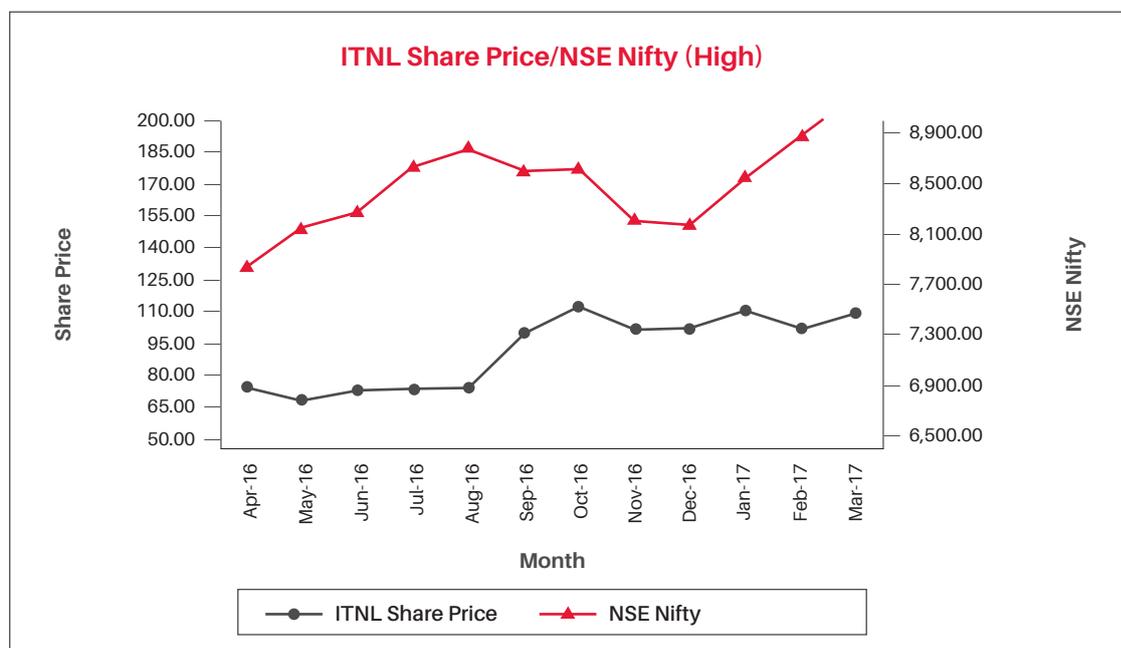
A Management Discussion & Analysis Statement forms a part of this Annual Report

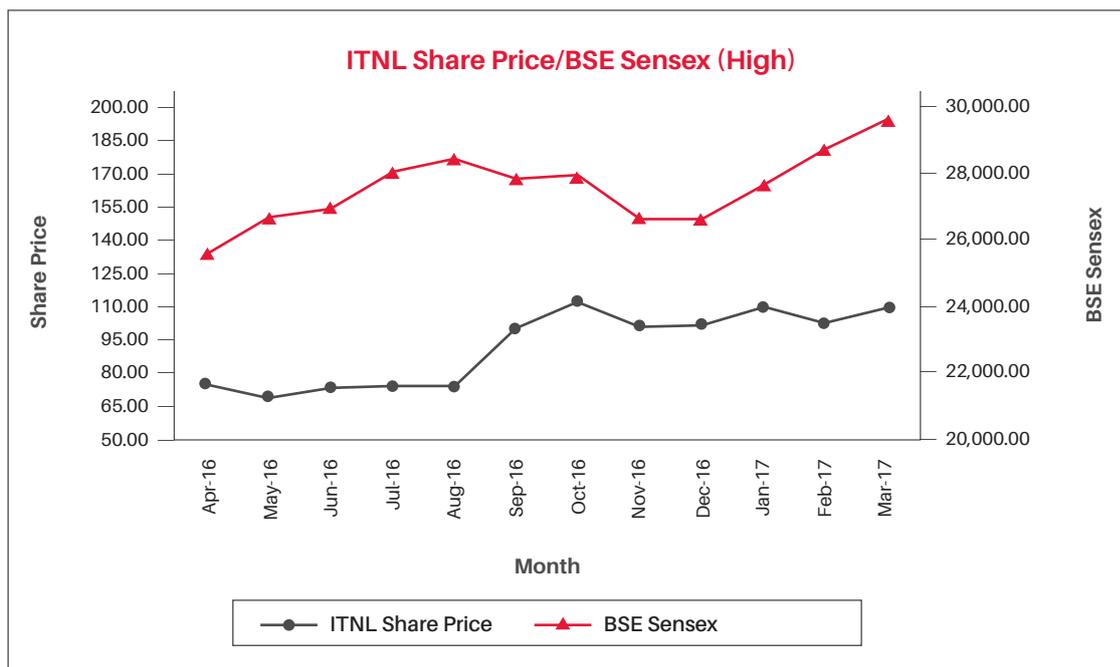
**7. General Shareholder Information:**

<b>I. Annual General Meeting (AGM)</b>	:	
<b>Day/Date</b>	:	Tuesday, August 29, 2017
<b>Time</b>	:	11.00 a.m.
<b>Venue</b>	:	Y B Chavan Auditorium Gen. J. Bhosale Marg, Mumbai 400 021
<b>II. Financial year</b>	:	1st April to 31st March
<b>III. Date of Book Closure</b>	:	August 22, 2017 to August 29, 2017 (both days inclusive)
<b>IV. Dividend Payment Date</b>	:	No dividend recommended by the Board
<b>V. Listing on Stock Exchanges</b>	:	(i) National Stock Exchange of India Limited (NSE) (ii) BSE Limited (BSE) Listing fees have been paid to both the Stock Exchanges before April 30, 2017
<b>VI. Scrip Code</b>	:	NSE - IL&FSTRANS EQ BSE - 533177
<b>VII. Market Price Data (High/Low during each month) on NSE &amp; BSE:</b>		

Month	NSE		BSE	
	High	Low	High	Low
Apr-16	84.80	70.95	84.75	71
May-16	77.90	67.40	77.85	67.50
Jun-16	79.20	68.05	79.20	67.90
Jul-16	87.25	72.55	87.55	73.00
Aug-16	75.70	65.80	75.95	65.85
Sep-16	109.30	70.75	109.05	70.60
Oct-16	117.45	88.40	117.15	99.00
Nov-16	112.95	82.50	112.90	85.20
Dec-16	109.35	92.55	109.30	94.00
Jan-17	124.80	97.00	124.80	99.50
Feb-17	113.85	97.50	113.70	98.00
Mar-17	110.75	99.10	110.80	99.50

**VIII. Performance of Company's share price in comparison with NSE NIFTY and BSE SENSEX during the FY 2016-17**





#### IX. Registrar and Share Transfer Agents:

Name & Address : Link Intime India Private Limited  
C-101, 247 Park, LBS Marg,  
Vikhroli (West), Mumbai 400 083

Telephone No : +91 22 4918 6200/ 1800 2208 78

Fax : +91 22 4918 6060

Email : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

#### X. Share Transfer System

The share transfer requests received for physical shares at the Registrar and Share Transfer Agents are processed and delivered within a month from the date of lodgement, if the documents are complete in all respects. Requests for dematerialisation / rematerialisation of shares are processed and confirmation given to the depositories within 15 days from the date of receipt

In order to expedite the process of share transfers, the Board has delegated the powers to Stakeholders Relationship Committee comprising of the Managing Director and Non-Executive Director, who shall attend to the share transfer formalities on a periodical basis to ensure that the transfer requests are processed in time. The Committee also considers requests received for transmission of shares, issue of duplicate certificates and split / consolidation of certificates

#### XI. Distribution of shareholding as on March 31, 2017

Number of Equity Share holdings	Number of Shareholders	Percentage of total Shareholders	No. of Shares	Percentage of total Shares
1-5000	54,802	97.9814	1,57,20,370	4.7788
5001-10000	505	0.9029	38,18,853	1.1609
10001-20000	280	0.5006	41,84,703	1.2721
20001-30000	102	0.1824	25,43,282	0.7731
30001- 40000	60	0.1073	20,80,487	0.6324
40001- 50000	38	0.0679	17,49,574	0.5319
50001-100000	67	0.1198	46,53,671	1.4147
100001 & above	77	0.1377	29,42,09,087	89.4361
<b>Total</b>	<b>55,931</b>	<b>100.00</b>	<b>32,89,60,027</b>	<b>100.00</b>

**XII. Shareholding Pattern as on March 31, 2017**

Sr. No	Category	No. of Shares	Percentage
1	Promoter Holding	23,65,82,632	71.92
2	Promoter Group Holding	42,66,368	1.30
3	Financial Institutions / Banks	23,40,367	0.71
4	Foreign Portfolio Investors	213,45,870	6.49
5	Bodies Corporate	82,14,145	2.50
6	Foreign Bodies Corporate	107,11,561	3.26
7	NRI	22,76,913	0.69
8	Individuals	3,61,02,887	10.98
9	Clearing Members	19,24,669	0.59
10	HUF	17,87,798	0.54
11	Trusts	34,06,817	1.04
	<b>Total</b>	<b>32,89,60,027</b>	<b>100.00</b>

**XIII. Dematerialisation of Shares as on March 31, 2017**

The shares of the Company are compulsorily traded in electronic mode and are available for trading with both the depositories in India namely, National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2017, 32,89,53,295 shares representing 99.99% of the Company's total paid-up share capital (including 73.22% held by the Promoter & Promoter Group) were held in dematerialised mode

**XIV. Unclaimed Shares under IPO**

The details of the Shares remaining unclaimed and lying in the Escrow Account of the Company are given below:

Particulars	Details
(i) Number of shareholders at the beginning of the year	7
(ii) Number of outstanding shares in the suspense account at the beginning of the year	248
Number of shareholders who approached the Company and to whom shares were transferred from suspense account during the year	-
Number of shares transferred from the suspense account during the year	-
(i) Number of shareholders at the end of the year	7
(ii) Number of outstanding shares in the suspense account at the end of the year	248

The voting rights on these shares shall remain frozen till the rightful owner claims the shares

**XV.** The Company has not issued any GDR/ADR Warrants or any other convertible instruments

**XVI.** The Company does not have any manufacturing plant

**XVII. Address for correspondence:  
IL&FS Transportation Networks Limited**

**Registered office:**

The IL&FS Financial Centre,  
Plot C-22, G-Block, Bandra - Kurla Complex,  
Bandra (East), Mumbai 400 051  
Telephone: + 91 22 26533333  
Fax: + 91 22 26523979  
Email: itnlinvestor@ilfsindia.com

**Debenture Trustees:**

**IDBI Trusteeship Services Limited**

Mr Ajit Guruj, Vice President  
Asian Building, Ground Floor, 17, R. Kamani Marg,  
Ballard Estate, Mumbai - 400 001  
Tel: +91 22 4080 7001 Fax: +91 22 6631 1776

**Vistra ITCL (India) Limited**

Senior Vice President  
The IL&FS Financial Centre, 3rd Floor,  
Plot C- 22, G- Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai - 400 051  
Tel: +91 (22) 2659 3535, Fax: +91 (22) 2653 3297

**Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct**

The Company has adopted a Code of Conduct for the Board of Directors and the employees of the Company. The Code has been circulated to all the members of the Board of Directors and the employees of the Company, which is also put on the Company's website, www.itnlindia.com

I hereby confirm that the Company has in respect of the financial year ended March 31, 2017 received from all the members of the Board of Directors and the Senior Management Personnel a declaration of compliance with the Code of Conduct of the Company as applicable to them

For **IL&FS Transportation Networks Limited**

**K Ramchand**

Managing Director  
May 23, 2017

# INDEPENDENT AUDITOR'S CERTIFICATE

To the Members of  
**IL&FS TRANSPORTATION NETWORKS LIMITED**

This certificate is issued in accordance with the terms of our engagement letter dated September 14, 2016.

We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of **IL&FS TRANSPORTATION NETWORKS LIMITED** ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

## Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. This responsibility includes the design, implementation and maintenance of internal control and procedure to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

## Auditors' Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C and D of Schedule V of the Listing Regulations, during the year ended March 31, 2017.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

## Shrenik P. Baid

Partner  
Membership No. 103884

MUMBAI, May 29, 2017

# INDEPENDENT AUDITOR'S REPORT

To the Members of  
**IL&FS Transportation Networks Limited**

## Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of IL&FS Transportation Networks Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements 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 these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements 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, of the state of affairs of the Company as at March 31, 2017, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

### Emphasis of Matter

In respect of the matter explained in Note 4(ii)(f) of the Standalone IndAS Financial Statements, in respect of suspension of toll collection of an associate company pursuant to the order of Hon'ble High Court of Allahabad and the matter is pending with Hon'ble Supreme Court of India.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a Statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act;
- (f) 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 2" to this report;
- (g) 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 has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 33 to the standalone Ind AS financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 15 and 30.6.2 to the standalone Ind AS financial statements;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv. The Company has provided requisite disclosures in Note 12(d) to these standalone Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and

nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

### Other Matter

The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 01, 2015 included in

these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by one of us whose report for the year ended March 31, 2016 and March 31, 2015 dated May 13, 2016 and May 15, 2015 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been jointly audited by us.

#### For DELOITTE HASKINS & SELLS LLP

Chartered Accountants  
ICAI Firm Registration Number: 117366W/W100018

#### per Shrenik Baid

Partner

Membership Number: 103884

Place of Signature: Mumbai  
Date: May 29, 2017

#### For S R B C & CO LLP

Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

#### per Ravi Bansal

Partner

Membership Number: 49365

Place of Signature: Mumbai  
Date: May 29, 2017

# ANNEXURE 1

referred to in paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) All fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered Conveyance deed provided to us, we report that, the title deed of immovable property of building is freehold and is held in the name of the Company as at the balance sheet date. The Company does not have immovable properties of leasehold land and buildings and disclosed as fixed assets in the financial statements.
- (ii) As explained to us, the inventories were physically verified by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
  - (iii) According to the information and explanations given to us, the Company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013, in respect of which : (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest. (b) The Schedule of repayment of principal and payment of interest has been stipulated, wherever applicable, and the repayments or receipts of principal amounts and contractual interest have been generally regular as per stipulations (c) There is no amount overdue for more than 90 days as at March 31, 2017
- (iv) The Company has not granted any loans covered under Section 185 of the Companies Act, 2013. The Company is in the business of providing infrastructural facilities and hence provisions of Section 186 of the Companies Act, 2013 do not apply to the Company, however, the Company is in compliance of Section 186(1).
  - (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable. There are no unclaimed deposits with the Company any time during the year.
  - (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
  - (vii) According to the information and explanations given to us, in respect of statutory dues:
    - (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a delays in a few cases.
    - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, sales-tax, value added tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (c) According to the records of the Company, the dues outstanding of income-tax, service tax, value added tax, entry tax, CST on account of any dispute, are as follows:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (₹ in crore)	Unpaid Amount (₹ in crore)
Finance Act, 1994	Service Tax	CESTAT	2012-13	1.20	0.60
Madhya Pradesh VAT Act	Value Added Tax	MP Commercial Tax Appellate Board	2012-13	0.68	0.09
Madhya Pradesh VAT Act	Value Added Tax	MP Commercial Tax Appellate Board	2013-14	1.43	0.03
Madhya Pradesh VAT Act	Value Added Tax, Entry Tax and CST	Dy. Commissioner of Commercial Tax	2014-15	0.09	0.07
Punjab VAT Act	Value Added Tax	Deputy Commissioner Appeal	2013-14	0.37	0.18
Punjab VAT Act	Value Added Tax	Deputy Commissioner Appeal	2014-15	0.43	-
Rajasthan VAT Act	Value Added Tax	Deputy Commissioner Appeals, Commercial Tax Department, Jaipur	2011-12	0.08	0.08
Uttar Pradesh VAT Act	Value Added Tax	Additional Commissioner (Appeal), Commercial Tax	2012-13	7.37	3.69
Uttar Pradesh VAT Act	Value Added Tax, CST & Entry Tax	Additional Commissioner (Appeal), Commercial Tax	2013-14	38.76	38.76
West Bengal VAT Act	Value Added Tax	Senior Joint Commissioner of Sales Tax Appeal	2013-14	0.59	-
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal- Mumbai	2008-2009	4.39	-
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)- Mumbai	2009-2010	6.97	-
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)- Mumbai	2010-2011	12.56	-
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)- Mumbai	2011-2012	3.70	-
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)- Mumbai	2012-2013	12.10	-

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by term loans for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised any money by way of initial public offer/further public offer (including debt instruments) during the year.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
ICAI Firm Registration Number: 117366W/W100018

**per Shrenik Baid**

Partner

Membership Number: 103884

Place of Signature: Mumbai

Date: May 29, 2017

**For S R B C & CO LLP**

Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Ravi Bansal**

Partner

Membership Number: 49365

Place of Signature: Mumbai

Date: May 29, 2017

## ANNEXURE 2

To the Independent Auditor's Report of even date on the Standalone Financial Statements of IL&FS Transportation Networks Limited

### **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 IL&FS Transportation Networks Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company 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 Company'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 Company'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 judgement, 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 company'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 company'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 company; (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 company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company'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.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
ICAI Firm Registration Number: 117366W/W100018

**per Shrenik Baid**

Partner

Membership Number: 103884

Place of Signature: Mumbai  
Date: May 29, 2017

**Opinion**

In our opinion, the Company 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, 2017, based on the internal control over financial reporting criteria established by the Company 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 S R B C & CO LLP**

Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Ravi Bansal**

Partner

Membership Number: 49365

Place of Signature: Mumbai  
Date: May 29, 2017

# STANDALONE BALANCE SHEET

₹ in Crore

Particulars	Notes	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Property, Plant and Equipment	2	138.76	35.58	32.71
(b) Capital Work-In-Progress	2	12.03	7.23	-
(c) Investment Property Under Development	3	115.31	115.31	115.31
(d) Intangible Assets	2	1.60	7.11	9.84
(e) Financial Assets				
(i) Investments	4	5,303.95	4,894.57	4,481.20
(ii) Loans	5	2,238.03	1,441.76	918.74
(iii) Other Financial Assets	6	409.51	264.68	391.73
(f) Deferred Tax Assets (net)	7	475.21	432.22	328.27
(g) Non-Current Tax Assets (net)	8	457.90	324.97	233.68
(h) Other Non-Current Assets	9	326.39	264.02	485.35
<b>Total Non-Current Assets</b>		<b>9,478.69</b>	<b>7,787.45</b>	<b>6,996.83</b>
<b>(2) Current Assets</b>				
(a) Inventories	10	22.59	4.79	-
(b) Financial Assets				
(i) Investments	4	-	32.00	-
(ii) Trade Receivables	11	2,587.20	3,753.52	2,474.07
(iii) Cash and Cash Equivalents	12	156.96	5.94	20.23
(iv) Bank Balances other than (iii) above	12	172.74	173.00	161.88
(v) Loans	5	2,955.68	1,630.26	1,909.69
(vi) Other Financial Assets	6	641.28	647.40	334.68
(c) Other Current Assets	9	271.71	370.87	336.93
<b>Total Current Assets</b>		<b>6,808.16</b>	<b>6,617.78</b>	<b>5,237.48</b>
<b>Total Assets</b>		<b>16,286.85</b>	<b>14,405.23</b>	<b>12,234.31</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	13	328.96	328.96	246.72
(b) Other Equity	14	2,500.16	2,377.27	1,941.84
<b>Total Equity</b>		<b>2,829.12</b>	<b>2,706.23</b>	<b>2,188.56</b>
<b>LIABILITIES</b>				
<b>(1) Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	15	8,565.71	6,452.16	4,743.32
(ii) Other Financial Liabilities (other than those specified in item (b) below)	16	339.77	338.05	255.52
(b) Provisions	17	2.70	3.33	1.86
(c) Other Non-Current Liabilities	18	161.21	177.07	266.30
<b>Total Non-Current Liabilities</b>		<b>9,069.39</b>	<b>6,970.61</b>	<b>5,267.00</b>
<b>(2) Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	15	1,989.73	2,173.15	1,951.17
(ii) Trade Payables other than MSME	19	762.16	905.30	746.15
(iii) Other Financial Liabilities (other than those specified in item (c) below)	16	1,182.70	1,161.56	1,531.48
(b) Other Current Liabilities	18	419.50	453.26	510.57
(c) Provisions	17	34.25	35.12	39.38
<b>Total Current Liabilities</b>		<b>4,388.34</b>	<b>4,728.39</b>	<b>4,778.75</b>
<b>Total Equity and Liabilities</b>		<b>16,286.85</b>	<b>14,405.23</b>	<b>12,234.31</b>

Notes 1 to 42 form part of the standalone financial statements.

In terms of our report attached,  
 For **DELOITTE HASKINS & SELLS LLP**  
 Chartered Accountants  
 (Firm's Registration No. 117366W/W-100018)

per **Shrenik P. Baid**  
 Partner  
 Membership No. 103884

For **SRBC & CO. LLP**  
 Chartered Accountants  
 (Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**  
 Partner  
 Membership No. 49365  
 Mumbai, May 29, 2017

For and on behalf of the Board

**K. Ramchand**  
 Managing Director  
 DIN-00051769

**Arun K. Saha**  
 Director  
 DIN-00002377

**Dilip Bhatia**  
 Chief Financial Officer

**Krishna Ghag**  
 Company Secretary

Mumbai, May 29, 2017

# STANDALONE STATEMENT OF PROFIT AND LOSS

₹ in Crore

Particulars	Notes	Year ended March 31, 2017	Year ended March 31, 2016
<b>I Revenue from Operations</b>	20	3,400.65	4,382.27
<b>II Other Income</b>	21	999.86	669.46
<b>III Total Income (I+II)</b>		<b>4,400.51</b>	<b>5,051.73</b>
<b>IV Expenses</b>			
Cost of Material Consumed	22	19.16	57.58
Construction Costs	22	2,447.84	3,253.90
Operating Expenses	23	192.47	227.82
Employee Benefits Expense	24	74.41	72.25
Finance Costs	25	1,377.95	1,211.95
Depreciation and Amortisation Expense	26	13.85	9.54
Other Expenses	27	79.12	341.61
<b>Total Expenses (IV)</b>		<b>4,204.80</b>	<b>5,174.65</b>
<b>V Profit / (Loss) Before Tax (III-IV)</b>		195.71	(122.92)
<b>VI Tax Expense</b>	28		
(1) Current Tax		2.29	105.20
(2) Deferred Tax Credit		(42.97)	(130.70)
<b>Total Tax Expense / (Credit)</b>		<b>(40.68)</b>	<b>(25.50)</b>
<b>VII Profit / (Loss) for the Year (V-VI)</b>		<b>236.39</b>	<b>(97.42)</b>
<b>VIII Other Comprehensive Loss</b>			
Items that may be reclassified to profit or loss			
Actuarial loss on defined benefit plan		(0.03)	(1.91)
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(35.62)	1.78
<b>Total Other Comprehensive Loss</b>		<b>(35.65)</b>	<b>(0.13)</b>
<b>IX Total Comprehensive Income / (Loss) for the Year (VII+VIII)</b>		<b>200.74</b>	<b>(97.55)</b>
<b>X Earnings / (Loss) per Equity Share (Face Value ₹ 10 per Share):</b>	36		
(1) Basic (in ₹)		7.19	(3.46)
(2) Diluted (in ₹)		7.19	(3.46)

Notes 1 to 42 form part of the standalone financial statements.

In terms of our report attached.

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

per **Shrenik P. Baid**  
Partner  
Membership No. 103884

For **SRBC & CO. LLP**  
Chartered Accountants  
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**  
Partner  
Membership No. 49365  
Mumbai, May 29, 2017

For and on behalf of the Board

**K. Ramchand**  
Managing Director  
DIN-00051769

**Arun K. Saha**  
Director  
DIN-00002377

**Dilip Bhatia**  
Chief Financial Officer

**Krishna Ghag**  
Company Secretary

Mumbai, May 29, 2017

# STANDALONE CASH FLOW STATEMENT

₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit / (Loss) for the Year</b>	236.39	(97.42)
<b>Adjustments for</b>		
Tax Expenses / (Credit)	(40.68)	(25.50)
Interest Income	(619.17)	(454.33)
Employee benefits (net)	2.29	3.46
Loss / (Gain) on disposal of property, plant and equipment	0.11	(0.02)
Profit on sale of investments	(275.69)	(141.82)
Profit on sale of Mutual funds	(0.18)	(0.05)
Depreciation and amortisation expense	13.85	9.54
Provision for doubtful loans	-	47.90
Provision for doubtful receivables	26.50	67.16
(Reversal of Expected Credit Losses) / Expected Credit Losses on financial assets (net)	(119.18)	58.35
Gain arising on financial assets designated as at FVTPL	-	(5.58)
Finance Costs	1,377.95	1,211.95
Dividend Income on non-current investments	(70.98)	(27.35)
<b>Operating profit before Working Capital Changes</b>	<b>531.21</b>	<b>646.29</b>
(Increase) / Decrease in trade receivables	1,022.60	(1,176.12)
Increase in Inventories	(17.80)	(4.79)
Increase in other financial assets & other assets (current and non current)	(126.09)	(257.38)
Increase / (Decrease) in financial liabilities & other liabilities (current and non current)	(245.30)	95.88
<b>Cash generated from / (used in) from Operations</b>	<b>1,164.62</b>	<b>(696.12)</b>
Direct Taxes paid (Net)	(135.22)	(169.73)
<b>Net Cash generated from / (used in) Operating Activities (A)</b>	<b>1,029.40</b>	<b>(865.85)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for acquiring property, plant and equipment	(20.33)	(11.52)
Payments for acquiring intangible assets	(0.27)	(0.11)
Proceeds from disposal of property, plant and equipment	0.28	0.13
Proceeds from disposal of subsidiary and associate	235.46	65.50
Proceeds from redemption of debentures	32.00	-
Investment in / Purchase of equity shares of subsidiaries	(369.20)	(433.76)
Investment in associates	(4.46)	-
Investment in Mutual funds	(360.00)	(300.00)
Redemption of Mutual funds	360.18	300.05
Long term loans given	(1,246.57)	(886.52)
Long term loans recovered	700.57	59.45
Short term loans recovered / (given) (net)	(2,436.79)	333.01
Interest received	419.37	255.74
Dividend received	65.96	27.35
<b>Net Cash used in Investing Activities (B)</b>	<b>(2,623.80)</b>	<b>(590.68)</b>

# STANDALONE CASH FLOW STATEMENT

₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Rights Equity Shares (including securities premium)	-	740.16
Rights issue expenses adjusted in securities premium	-	(6.16)
Proceeds from long term borrowings	4,874.13	4,325.93
Repayment of long term borrowings	(2,963.13)	(3,012.42)
Proceeds from short term borrowings	6,448.96	10,319.37
Repayment of short term borrowings	(5,027.25)	(9,898.26)
Finance Costs paid	(1,382.00)	(1,072.72)
Equity Dividend paid	(65.79)	(98.69)
Tax on Equity Dividend paid	(9.29)	(20.09)
Preference Dividend paid	(78.86)	(78.86)
Tax on Preference Dividend paid	(12.89)	(16.05)
Fixed deposits matured / (placed) as security against borrowings	(28.24)	131.96
<b>Net Cash generated from Financing Activities (C)</b>	<b>1,755.64</b>	<b>1,314.17</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>161.24</b>	<b>(142.36)</b>
Cash and Cash Equivalents at the beginning of the year	(146.02)	(3.66)
Cash and Cash Equivalents at the end of the year	15.22	(146.02)
<b>Net increase / (decrease) in Cash and Cash Equivalents</b>	<b>161.24</b>	<b>(142.36)</b>
<b>Components of Cash and Cash Equivalents</b>		
Balances with Banks		
On current accounts	156.86	5.71
On deposit accounts	0.09	0.23
Cash on hand	0.01	0.00
	<b>156.96</b>	<b>5.94</b>
Less - Secured Demand loans from banks (Cash credit) (shown under current borrowings in note 15)	(132.35)	(136.70)
Less - Unsecured Demand loans from banks (Bank overdraft) (shown under current borrowings in note 15)	(9.39)	(15.26)
<b>Cash and cash equivalents for statement of cash flows</b>	<b>15.22</b>	<b>(146.02)</b>

**Footnote:**

The impact of non-cash transactions have not been given in the above cash flow statement details of which are given in note 12 c.

Notes 1 to 42 form part of the standalone financial statements.

In terms of our report attached.

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

per **Shrenik P. Baid**  
Partner  
Membership No. 103884

For **SRBC & CO. LLP**  
Chartered Accountants  
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**  
Partner  
Membership No. 49365  
Mumbai, May 29, 2017

For and on behalf of the Board

**K. Ramchand**  
Managing Director  
DIN-00051769

**Arun K. Saha**  
Director  
DIN-00002377

**Dilip Bhatia**  
Chief Financial Officer

**Krishna Ghag**  
Company Secretary

Mumbai, May 29, 2017

# STANDALONE STATEMENT OF CHANGES IN EQUITY

		Year Ended	
		March 31, 2017	March 31, 2016
a.	Equity share capital	328.96	246.72
	Changes in equity share capital during the year - Share capital issued	-	82.24
	<b>Balance as at end of the year</b>	<b>328.96</b>	<b>328.96</b>
₹ in Crore			
b.	Other equity		
	Reserves and surplus		
	Debt Redemption Reserve	193.87	193.87
	Securities premium account	2,147.79	1,496.03
	General reserve	182.37	182.37
	Retained earnings	(141.14)	75.21
	<b>Total</b>	<b>2,382.89</b>	<b>1,947.33</b>
	Profit for the year	236.39	(97.42)
	Other comprehensive loss	-	(5.49)
	Transfer to balance in Retained earnings	(63.50)	1.78
	Dividend and Dividend Tax paid	-	-
	Debt issue costs	(2.82)	-
	<b>Balance as at March 31, 2017</b>	<b>130.37</b>	<b>2,541.43</b>
₹ in Crore			
b.	Other equity		
	Reserves and surplus		
	Debt Redemption Reserve	193.72	193.72
	Securities Premium Reserve	1,496.03	657.92
	General reserve	182.37	182.37
	Retained earnings	75.21	(118.78)
	<b>Total</b>	<b>1,947.33</b>	<b>(97.42)</b>
	Loss for the year	(97.42)	-
	Other comprehensive income	-	(1.91)
	Transfer to balance in Retained earnings	0.15	-
	Payment of dividends	-	-
	Securities Premium Received	657.92	-
	Share issue costs	(6.16)	-
	<b>Balance as at March 31, 2016</b>	<b>193.87</b>	<b>2,382.89</b>
₹ in Crore			

Notes 1 to 42 form part of the standalone financial statements.

In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

per **Shrenik P. Baid**

Partner

Membership No. 103884

For **SRBC & CO. LLP**

Chartered Accountants

(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**

Partner

Membership No. 49365

Mumbai, May 29, 2017

For and on behalf of the Board

**K. Ramchand**

Managing Director

DIIN-00051769

**Arun K. Saha**

Director

DIN-00002377

**Dilip Bhatia**

Chief Financial Officer

Mumbai, May 29, 2017

**Krishna Ghag**

Company Secretary

Mumbai, May 29, 2017

# NOTES

forming part of the Standalone financial statements

## 1. General Information & Significant Accounting Policies

### A. General information

**IL&FS Transportation Networks Limited**, the Company is a public limited company incorporated in India. Its parent and ultimate holding company is Infrastructure Leasing & Financial Services Limited ("IL&FS")

The addresses of its registered office and principal place of business are The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. ITNL is a developer, operator and facilitator of surface transportation infrastructure projects, taking projects from conceptualization through commissioning to operations and maintenance under public to private partnership on build-operate transfer ("BOT") basis in India

### B. Significant accounting policies

#### B.1 Statement of compliance

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

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) as amended. These are Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note D for the details of first-time adoption exemptions availed by the Company. (refer note 38)

#### B.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.

#### B.3 Investments in subsidiaries, associates and joint ventures

Investment in subsidiaries, associates and joint ventures are measured at cost as per Ind AS 27.

If there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in a subsidiary, associate or a joint venture (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated, then it is necessary to recognize impairment loss with respect to the Company's investment in a subsidiary, associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs

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of disposal) with its carrying amount. Any impairment loss recognized is reduced from the carrying amount of the investment and recognized in the profit or loss. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases but the increase is restricted to the amounts that would arise had no impairment loss been recognized in previous years.

## B.4 Fair value measurement

The Company 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 Company.

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 Company 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 Company 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.

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 Company 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 (note 1.C and 30)
- Quantitative disclosures of fair value measurement hierarchy (note 30)
- Investment property under development (note 3)
- Financial instruments (including those carried at amortised cost) (note 4,5,6,11,12,15,16,19,30)

## B.5 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will

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be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset 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.

Non-current asset or disposal group classified as held for sale are measured at the lower of their carrying amount and fair value and no depreciation is charged after such classification.

## B.6 Revenue recognition

### *B.6.1 Revenue from Advisory, design, engineering and management services*

The Company's service offerings include advisory and management services, supervisory services, operation and maintenance services, toll collection services for toll road projects and rendering assistance to applicant for toll road concessions with the bidding process.

Revenue is recognized when it is realized or realizable and earned. Revenue is considered as realized or realizable and earned when it has persuasive evidence of an arrangement, delivery has occurred, the sales price is fixed or determinable and collectability is reasonably assured

Advisory, Design and Engineering fees are billed as services are rendered, however they are due for payment one year from the date of billing. Disclosure with respect to such Trade Receivables has been made considering above policy.

Revenue in respect of arrangements made for rendering services is recognized over the contractual term of the arrangement. In respect of arrangements, which provide for an upfront payment followed by additional payments as certain conditions are met (milestone payments), the amount of revenue recognized is based on the services delivered in the period as stated in the contract. In respect of arrangements where fees for services rendered are success based (contingent

fees), revenue is recognized only when the factor(s) on which the contingent fees is based, actually occur and the collectability is reasonably assured. Revenue from development projects under fixed - price contracts, where there is no uncertainty as to measurement or collectability of consideration is recognized based on the milestones reached under the contracts.

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend, other than attributable to the period prior to acquisition of investment, is recognized as income when the unconditional right to receive the payment is established.

### *B.6.2 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 recognized 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 up to the reporting date bear to the estimated total contract costs.

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For the purposes of recognizing 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 recognized 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 recognized only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognized 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 recognized as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

Any excess / short revenue recognized in accordance with the stage of completion of the project, in comparison to the amounts billed to the clients in accordance with the milestones completed as per the respective development agreements, is carried forward as "Unearned Revenue" or "Unbilled Revenue" as the case may be

## B.7 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

For arrangements entered into prior to April 1, 2015 the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

### *Company as lessee*

1. Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.
2. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs (see note B.9). Contingent rentals are recognized as expenses in the periods in which they are incurred.
3. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.
4. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### *Company as lessor*

1. Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from

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operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

2. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables from the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

## B.8 Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

In preparing the financial statements of Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

The Company had exercised the option of amortizing / capitalizing the exchange differences arising on long-term foreign currency monetary items as given under Ministry of Corporate Affairs (MCA) Notification No. G.S.R 914(E) dated December 29, 2011.

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

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see note B.21 below for hedging accounting policies); these are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

## B.9 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 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.

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All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

## B.10 Employee benefits

### B.10.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. The Company has no obligation, other than the contribution payable to the provident fund, superannuation fund

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service costs are recognised in profit or loss on the earlier of:

The date of the plan amendment or curtailment, and

The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item

'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

### B.10.2 Short-term and other long-term employee benefits

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

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

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

## B.11 Taxation

### B.11.1 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

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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.

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.

## **B.11.2 Deferred tax**

Deferred tax is recognized 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 recognized 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 recognized 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 recognized 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.

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 realized,

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.

## **B.12 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 capitalized 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 which are estimated by the management and are in line with Schedule II of the Companies Act, 2013 other than assets specified in para below

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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
Specialized 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 derecognized 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 recognized in profit or loss.

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

### B.13 Investment property under development:

Investment property under development is measured at cost, including transaction costs and

are stated at cost less accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the Royal Institute of Chartered Surveyors.

Investment property is derecognised either when it is being disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

### B.14 Intangible assets

Intangible assets 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
General software	4 years

Intangible assets are reported at acquisition cost with deductions for accumulated amortisation and impairment losses, if any. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

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.

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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 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.

## **B.15 Impairment of Property, plant and equipment and intangible assets**

At the end of each reporting period, the Company reviews the carrying amounts of its Property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, or whenever there is an indication that the asset may be impaired.

In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount rate.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

## **B.16 Inventories**

### ***B.16.A. Raw material***

Raw materials are valued at cost. Cost of raw material includes purchase price, non-refundable taxes and other costs incurred in bringing the inventories to their present location and condition. Costs of raw material are determined on a first-in-first-out basis.

### ***B.16B. Stores and spares***

Inventories are stated at the cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs of stores and spares are determined on a first-in-first-out basis.

## **B.17 Provisions**

Provisions are recognized 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, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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The amount recognized 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).

### **B.17.1 Onerous contracts**

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

## **B.18 Financial instruments**

Financial assets and financial liabilities are recognized 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 recognized immediately in the statement of profit and loss.

### **B.18.1 Financial assets**

All regular way purchases or sales of financial assets are recognized and derecognized 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 recognized financial assets are subsequently measured in their entirety at either amortized cost

or fair value, depending on the classification of the financial assets.

### **B.18.2 Classifications of financial assets – debt instruments**

Debt instruments that meet the following conditions are subsequently measured at amortized 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.

### **B.18.3 Amortized cost and Effective interest method**

The effective interest method is a method of calculating the amortized 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 recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

### **B.18.4 Financial assets at FVTPL**

Investments in equity instruments (other than group) are classified as at FVTPL, unless the

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Company irrevocably elects on initial recognition to present subsequent changes in FVOCI for equity instruments which are not held for trading.

Debt instruments that do not meet the amortized cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortized cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL.

A debt instrument that meets the amortized cost or FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss.

### ***B. 18.5 Impairment of financial assets***

In accordance with Ind AS 109, the Company 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
- 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
- d) Loan commitments which are not measured as at FVTPL
- e) Financial guarantee contracts which are not measured as at FVTPL

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

The Company has followed simplified approach for recognition of ECL. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The Company measures the loss allowance on the basis of estimated realization date for receivables and loans 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. When estimating the cash flows, the Company is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

### ***B. 18.6 Reclassification of financial assets***

The Company 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 Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the

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immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains / losses (including impairment gains or losses) or interest.

### ***B. 18.7 Offsetting of financial instruments***

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### ***B. 18.8 De-recognition of financial assets***

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of

the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

### ***B. 18.9 Foreign Exchange Gain and Losses***

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

### ***B. 18.10 Modification of Cash Flows of financial assets and revision in estimates of Cash flows***

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the de-recognition of that financial asset in accordance within AS 109, the Company recalculates the gross carrying amount of the financial asset and recognizes 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

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financial asset and are amortized over the remaining term of the modified financial asset.

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

## **B.19 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 Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### ***B.19.1 Classifications 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.

### ***B.19.2 Compound instruments***

The components of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by issue of fixed number of the Company's own equity instruments in exchange of a fixed amount of cash or another financial asset is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market

interest rate for similar non-convertible instruments. This amount is recognized as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to retained earnings. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method.

### ***B.19.3 Financial liabilities***

All financial liabilities are subsequently measured at amortized 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.

#### ***B.19.3.1 Financial liabilities subsequently measured at amortized cost***

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Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized 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.

### ***B.19.3.2 Financial guarantee contracts***

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18.

### ***B.19.3.3 Foreign exchange gains and losses***

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

### ***B.19.3.4 Derecognition of financial liabilities***

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

### ***B.19.3.5 Commitments to provide a loan at a below-market interest rate***

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

## **B.20 Derivative financial instruments**

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 30.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the

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nature of the hedging relationship and the nature of the hedged item.

## ***B.20.1 Embedded derivatives***

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

## ***B.21 Hedge accounting***

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Note 30 sets out details of the fair values of the derivative instruments used for hedging purposes.

### ***B.21.1 Cash flow hedges***

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the 'Other gains and losses' line item.

Amounts previously recognized in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when

the hedged item affects profit or loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

## **B.22 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 Company's cash management.

## **C. Critical accounting judgments and key sources of estimation uncertainty**

### **C.1 Critical accounting judgments**

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

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ

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from these estimates. In case the actual results are different those from estimates, the effect thereof is given in the financial statements of the period in which the events materialize. Any change in such estimates is accounted prospectively.

The matters to be disclosed will be dictated by the circumstances of the individual entity, and by the significance of judgments and estimates made to the performance and financial position of the entity. Instead of disclosing this information in a separate note, it may be more appropriate to include such disclosures in the relevant asset.

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

## C.2 Key sources of estimation uncertainty

Key source of estimation of uncertainty at the date of Financial Statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of fair value measurement of financial instruments, receivables, loans and advances, valuation of deferred tax assets, useful life of assets, cash flow models for impairment and ECL.

### *Key estimations in relation to fair value measurement of financial instruments*

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models and the discount rates are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 30 for further disclosures.

### *Key estimations in relation to fair value measurement of receivables, loans and interest*

### *accrued thereon*

The Company has performed valuation for its receivables, loans and interest accrued thereon as to whether there is any ECL. When the fair value of receivables, loans and interest accrued thereon cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models and the discount rates are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these receivables, loans and interest accrued thereon.

### *Key estimations in relation to fair value measurement investments*

The Company has performed valuation for its investment as to whether there is any impairment in their fair values. When the fair value of investments cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models and the discount rates are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of these investments.

### *Key estimations in relation to Construction revenue and cost*

The Company, being a part of construction industry major components of contract estimate are budgeted costs and revenue to complete the contract. While estimating these components various assumptions are considered by the management such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Assets will operate at the same level of productivity as determined (iv) Wastage

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will not exceed the normal % as determined etc. (v) Estimates for contingencies (vi) There will be no change in design and the geological factors will be same as communicated and (vii) price escalations etc. Due to such complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### *Key estimations in relation to Useful lives of Property, plant and equipment & Intangible assets*

Useful lives of Property, plant and equipment & Intangible Assets (other than the life prescribed under Schedule II of the Companies Act, 2013) are estimated 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. All these evaluations and assessments involve judgements on part of the management.

### *Key estimations in relation to deferred tax assets and MAT credit entitlement*

In assessing the realisability of deferred tax assets and MAT credit entitlement the management of the Company estimates whether the Company will earn sufficient taxable profit in future periods. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred tax assets and MAT credit entitlement considered realizable could be reduced in the near term, if estimates of future taxable income during the carry forward period are reduced.

## **D. First-time adoption exemptions**

### **D.1 Overall principles**

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous

GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

### **D.2 Classification of debt instruments**

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

### **D.3 Impairment of financial assets**

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

### **D.4 Deemed cost for property, plant and equipment, investment properties, and intangible assets**

The Company has elected to continue with the carrying value of all of its plant and equipment, investment properties, and intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

### **D.5 Investments in Subsidiaries, Joint Ventures and associates**

In its separate financial statements, the Company has measured these investments at deemed cost i.e. the previous GAAP carrying amount at the date of transition. However, for the following investments in Subsidiaries, Joint Ventures and Associates, the

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Company has taken one time fair value option at the transition date:

- 1) Jharkhand Road Projects Implementation Company Limited
- 2) Hazaribagh Ranchi Expressway Limited
- 3) MP Border Check posts Development Company Limited
- 4) Pune Sholapur Road Development Company Limited
- 5) Barwa Adda Expressway Limited
- 6) Charminar Robopark Limited
- 7) Futureage Infrastructure India Limited
- 8) Thiruvananthapuram Road Development Company Limited
- 9) ITNL Road Investment Trust
- 10) Noida Toll Bridge Company Limited

## D.6 Foreign Currency Monetary items

The Company had exercised the option of amortizing / capitalizing the exchange differences arising on long-term foreign currency monetary items as given under Ministry of Corporate Affairs (MCA) Notification No. G.S.R 914(E) dated December 29, 2011.

## E. Recent accounting pronouncements

### i. Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'.

These amendments are applicable to the Company from April 1, 2017.

### ii. Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

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## 2. Property, Plant and Equipment; Intangible assets and Capital Work-In-Progress

Current year:

Particulars	Cost or Deemed cost				Accumulated Depreciation and Amortisation		Carrying Amount
	As at April 1, 2016	Additions	Deletions	As at March 31, 2017	As at April 1, 2016	Deletions March 31, 2017	
<b>Property, Plant and Equipment</b>							
Buildings	1.31	-	-	1.31	0.02	-	1.26
Plant and Machinery (refer footnote 1 below)	27.46	105.22	0.07	132.61	1.81	0.01	127.25
Furniture and Fixtures	1.24	3.86	0.06	5.04	0.25	0.44	4.40
Vehicles	6.43	0.84	0.23	7.04	2.09	0.13	3.67
Office Equipments	2.62	1.20	0.45	3.37	1.10	0.34	1.82
Data Processing Equipments	2.98	0.52	0.55	2.95	1.26	0.43	2.07
Leasehold Improvements	0.24	-	0.13	0.11	0.17	0.13	0.06
<b>Total</b>	<b>42.28</b>	<b>111.64</b>	<b>1.49</b>	<b>152.43</b>	<b>6.70</b>	<b>1.10</b>	<b>138.76</b>
<b>Intangible Assets</b>							
Computer Software (Acquired)	6.24	0.27	0.02	6.49	2.57	0.02	4.89
Commercial Rights (Acquired) (refer footnote 2 below)	3.71	-	-	3.71	0.27	3.44	3.71
<b>Total</b>	<b>9.95</b>	<b>0.27</b>	<b>0.02</b>	<b>10.20</b>	<b>2.84</b>	<b>0.02</b>	<b>8.60</b>
<b>Capital Work-In-Progress</b>	<b>7.23</b>	<b>4.80</b>	<b>-</b>	<b>12.03</b>	<b>-</b>	<b>-</b>	<b>12.03</b>
<b>Grand Total</b>	<b>59.46</b>	<b>116.71</b>	<b>1.51</b>	<b>174.66</b>	<b>9.54</b>	<b>1.12</b>	<b>152.39</b>

Footnotes: 1. Additions to Plant and Machinery for the current year, includes Plant and Machinery of ₹ 58 crore given on operating lease for period of 2.5 years at fixed monthly rental which is included in Miscellaneous income under Other Income. (refer note 21)

2. During the current year, the useful life of Commercial Rights has been restricted to March 31, 2017 as the rights have been extinguished pursuant to amendment to the agreement and hence amortisation of ₹ 3.44 crore is taken in the current year.

Previous year:

Particulars	Cost or Deemed cost				Accumulated Depreciation and Amortisation		Carrying Amount
	As at April 1, 2015	Additions	Deletions	As at March 31, 2016	As at April 1, 2015	Deletions March 31, 2016	
<b>Property, Plant and Equipment</b>							
Buildings	1.31	-	-	1.31	-	-	1.29
Plant and Machinery	20.54	6.92	-	27.46	-	1.81	25.65
Furniture and Fixtures	1.02	0.22	-	1.24	-	0.25	0.99
Vehicles	5.11	1.44	0.12	6.43	-	2.09	4.34
Office Equipments	2.07	0.56	0.01	2.62	-	1.10	1.52
Data Processing Equipments	2.42	0.56	-	2.98	-	1.26	1.72
Leasehold Improvements	0.24	-	0.24	0.24	-	0.17	0.07
<b>Total</b>	<b>32.71</b>	<b>9.70</b>	<b>0.13</b>	<b>42.28</b>	<b>-</b>	<b>6.70</b>	<b>35.58</b>
<b>Intangible Assets</b>							
Computer Software (Acquired)	6.13	0.11	-	6.24	-	2.57	3.67
Commercial Rights (Acquired)	3.71	-	-	3.71	-	0.27	3.44
<b>Total</b>	<b>9.84</b>	<b>0.11</b>	<b>-</b>	<b>9.95</b>	<b>-</b>	<b>2.84</b>	<b>7.11</b>
<b>Capital Work-In-Progress</b>	<b>-</b>	<b>7.23</b>	<b>-</b>	<b>7.23</b>	<b>-</b>	<b>-</b>	<b>7.23</b>
<b>Grand Total</b>	<b>42.55</b>	<b>17.04</b>	<b>0.13</b>	<b>59.46</b>	<b>-</b>	<b>9.54</b>	<b>49.92</b>

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## 3. Investment property under development

₹ in Crore

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Investment property under development	115.31	115.31	115.31
<b>Total</b>	<b>115.31</b>	<b>115.31</b>	<b>115.31</b>

### Footnotes :

- a. Investment property consists of 49,555 sq.ft. commercial property in Mumbai. The said property has been offered as a security given to one of the lenders of the Company.

For investment property existing as at April 1, 2015, i.e., its date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed costs.

The investment property is held under freehold interests.

- b. Fair value measurement of the Company's investment properties

Fair value of 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. As at March 31, 2017, As at March 31, 2016 and April 1, 2015, 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.

Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2017, as at March 31, 2016, and April 1, 2015, are as follows:

Fair value as per Level 2

₹ in Crore

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Investment property under development	118.93	118.93	118.93
<b>Total</b>	<b>118.93</b>	<b>118.93</b>	<b>118.93</b>

## 4. Investments

₹ in Crore

Particulars	Face value ₹	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount
<b>i. Investments in Subsidiaries</b>							
<b>Unquoted Investments (all fully paid)</b>							
<b>Investments in Equity Instruments (at deemed cost):</b>							
North Karnataka Expressway Limited	10	7,720,823	7.72	7,720,823	7.72	7,720,823	7.72
East Hyderabad Expressway Limited	10	21,689,400	21.69	21,689,400	21.69	21,689,400	21.69
ITNL International Pte. Ltd., Singapore (Face value US\$ 1 each)	Not Applicable	126,632,481	779.92	66,398,625	366.76	60,894,038	329.27
ITNL Road Infrastructure Development Company Limited	10	140,000,000	140.00	140,000,000	140.00	140,000,000	140.00
Elsamex S.A. (Face value Euro 60.10121 each) (refer footnote g.)	Not Applicable	-	-	260,949	272.23	260,949	272.23
Vansh Nimay Infraprojects Limited (refer footnote b.)	10	14,300,000	14.50	14,300,000	14.50	14,300,000	14.50
IL&FS Rail Limited	10	688,174,376	688.17	550,139,182	550.14	385,285,112	385.29

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₹ in Crore

Particulars	Face value ₹	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount
Hazaribagh Ranchi Expressway Limited	10	130,986,900	-	130,986,900	-	130,986,900	-
Pune Sholapur Road Development Company Limited	10	160,000,000	362.86	160,000,000	362.86	160,000,000	362.86
West Gujarat Expressway Limited (refer footnote d.)	10	14,799,985	10.05	14,799,985	10.05	14,799,985	10.05
Moradabad Bareilly Expressway Limited	10	221,660,000	221.66	221,660,000	221.66	221,660,000	221.66
Jharkhand Road Projects Implementation Company Limited	10	242,448,000	-	242,448,000	-	242,448,000	-
Jharkhand Infrastructure Implementation Company Limited	10	44,999,940	45.00	12,450,000	12.45	-	-
Chenani Nashri Tunnelway Limited	10	372,000,000	372.00	372,000,000	372.00	372,000,000	372.00
MP Border Checkpost Development Company Limited	10	110,278,130	-	110,278,130	-	110,278,130	-
Badarpur Tollway Operations Management Limited	10	49,994	0.05	49,994	0.05	49,994	0.05
Rapid MetroRail Gurgaon Limited (refer footnote e.)	10	18,239,128	18.24	18,239,128	18.24	193,332,083	193.33
Futureage Infrastructure India Limited	10	3,000,000	-	3,000,000	-	3,000,000	-
Charminar Robopark Limited	10	4,680,000	-	4,680,000	-	4,680,000	-
Karyavattom Sports Facilities Limited	10	43,119,940	43.12	43,119,940	43.12	43,119,940	43.12
Kiratpur Ner Chowk Expressway Limited	10	500,810,000	500.81	415,950,000	415.95	320,750,000	320.75
ITNL Offshore Pte. Ltd., Singapore (Face value US\$ 1 each)	Not Applicable	3,370,500	20.84	3,370,500	20.84	3,370,500	20.84
Baleshwar Kharagpur Expressway Limited	10	178,590,000	178.59	178,590,000	178.59	172,780,000	172.78
Sikar Bikaner Highway Limited	10	124,050,000	124.05	124,050,000	124.05	124,050,000	124.05
Rapid MetroRail Gurgaon South Limited	10	230,300,000	230.30	155,977,500	155.98	87,867,500	87.87
ITNL Africa Projects Ltd., Nigeria (Face value Nigerian Naira 1 each)	Not Applicable	2,500,000	0.09	2,500,000	0.09	2,500,000	0.09
Barwa Adda Expressway Limited	10	104,999,940	326.00	84,999,940	306.00	84,999,940	306.00
Khed Sinnar Expressway Limited	10	294,189,994	294.19	294,189,994	294.19	149,999,994	150.00
Andhra Pradesh Expressway Limited (refer footnote h.)	10	-	-	4,293,440	4.29	4,293,440	4.29
GIFT Parking Facilities Limited	10	-	-	49,994	0.05	49,994	0.05
Amravati Chikhli Expressway Limited	10	18,049,994	18.05	11,549,994	11.55	-	-
Fagne Songadh Expressway Limited	10	14,149,994	14.15	8,549,994	8.55	-	-

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₹ in Crore

Particulars	Face value ₹	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount
ITNL Offshore Two Pte. Ltd. (Face value US\$ 1 each)	Not Applicable	50,000	0.31	50,000	0.31	1	0.00
ITNL Offshore Three Pte. Ltd. (Face value US\$ 1 each)	Not Applicable	1	0.00	1	0.00	1	0.00
Srinagar Sonamarg Tunnelway Limited	10	5,676,068	195.90	5,676,068	190.25	5,676,068	136.19
GRICL Rail Bridge Development Company Limited	10	4,200,000	4.20	50,000	0.05	-	-
Rajasthan Land Holdings Limited	10	2,000,000	2.50	2,000,000	2.50	-	-
Covered Warrant - IL&FS (refer footnote c.)							
- In favour of Chhattisgarh Highways Road Development Company Limited	10	7,400,000	7.40	7,400,000	7.40	7,400,000	7.40
- In favour of Jharkhand Road Projects Implementation Company Limited	10	17,000,000	-	17,000,000	-	17,000,000	-
<b>Investments in Preference Shares (at amortised cost) :</b>							
West Gujarat Expressway Limited	10	20,000,000	10.15	20,000,000	9.15	20,000,000	8.15
Andhra Pradesh Expressway Limited (refer footnote i.)	10	-	-	220,000,000	93.69	220,000,000	84.95
<b>Investments in units (at deemed cost) :</b>							
ITNL Road Investment Trust ("IRIT")	1,000	1,068,955	76.90	1,096,062	79.61	1,096,062	79.61
<b>Total Aggregate Unquoted Investments (A)</b>			<b>4,729.41</b>		<b>4,316.56</b>		<b>3,876.79</b>
<b>Less : Provision for diminution in the value of Investments (B)</b>							
<b>Investments in Equity Instruments</b>							
Vansh Nimay Infraprojects Limited		14,300,000	14.50	14,300,000	14.50	14,300,000	14.50
			<b>14.50</b>		<b>14.50</b>		<b>14.50</b>
<b>Total Investments in Subsidiaries (A) - (B)</b>			<b>4,714.91</b>		<b>4,302.06</b>		<b>3,862.29</b>
<b>ii. Investments in Associates</b>							
<b>Quoted Investments (all fully paid)</b>							
<b>Investments in Equity Instruments (at deemed cost)</b>							
Noida Toll Bridge Company Limited (refer footnote f.)	10	49,095,007	162.33	47,195,007	157.87	47,195,007	157.87
<b>Total Aggregate Quoted Investments (A)</b>			<b>162.33</b>		<b>157.87</b>		<b>157.87</b>

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₹ in Crore							
Particulars	Face value ₹	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount
<b>Unquoted Investments (all fully paid)</b>							
<b>Investments in Equity Instruments (at deemed cost)</b>							
Gujarat Road and Infrastructure Company Limited (refer footnote j.)	10	14,873,366	14.19	23,187,166	22.13	23,187,166	22.13
ITNL Toll Management Services Limited	10	24,500	0.02	24,500	0.02	24,500	0.02
<b>Total Aggregate Unquoted Investments (B)</b>			<b>14.21</b>		<b>22.15</b>		<b>22.15</b>
<b>Total Investments (A) + (B)</b>			<b>176.54</b>		<b>180.02</b>		<b>180.02</b>
<b>iii. Investments in Joint Ventures</b>							
<b>Unquoted Investments (all fully paid)</b>							
<b>Investments in Equity Instruments (at deemed cost)</b>							
Covered Warrant - IL&FS (refer footnote c.)							
- In favour of Road Infrastructure Development Company of Rajasthan Limited	10	162,500,000	162.50	162,500,000	162.50	162,500,000	162.50
- In favour of Jharkhand Accelerated Road Development Company Limited	10	7,400,000	7.40	7,400,000	7.40	7,400,000	7.40
Jorabat Shillong Expressway Limited	10	42,000,000	42.00	42,000,000	42.00	42,000,000	42.00
NAM Expressway Limited	10	116,754,970	116.75	116,754,970	116.75	116,754,970	116.75
Thiruvananthapuram Road Development Company Limited	10	17,030,000	-	17,030,000	-	17,030,000	-
Warora Chandrapur Ballarpur Toll Road Limited	10	61,708,500	61.71	61,708,500	61.71	61,708,500	61.71
<b>Investments in debentures or bonds (at amortised cost)</b>							
Road Infrastructure Development Company of Rajasthan Limited	10	-	-	-	-	32,000,000	32.00
<b>Total Aggregate Unquoted Investments</b>			<b>390.36</b>		<b>390.36</b>		<b>422.36</b>
<b>iv. Other Non Current Investments</b>							
<b>Unquoted Investments (all fully paid) (at FVTPL)</b>							
<b>Investments in Equity Instruments</b>							
Indian Highways Management Company Limited	10	5,000	0.01	-	-	-	-
<b>Investments in Equity Instruments</b>							
Pipavav Railway Corporation Limited	10	12,000,000	17.90	12,000,000	17.90	12,000,000	17.90

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₹ in Crore

Particulars	Face value ₹	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
		Quantity	Amount	Quantity	Amount	Quantity	Amount
<b>Total Aggregate Unquoted Investments (A)</b>			<b>17.91</b>		<b>17.90</b>		<b>17.90</b>
<b>Add / (Less) : Fair valuation of investment</b>							
Pipavav Railway Corporation Limited (B)			4.23		4.23		(1.37)
<b>Sub-total (B)</b>			<b>4.23</b>		<b>4.23</b>		<b>(1.37)</b>
<b>Total Investments Carrying Value (A) + (B)</b>			<b>22.14</b>		<b>22.13</b>		<b>16.53</b>
<b>v. Current portion of non-current investments</b>							
<b>Investments in joint ventures</b>							
<b>Unquoted Investments (all fully paid)</b>							
<i>Investments in debentures (at amortised cost)</i>							
Road Infrastructure Development Company of Rajasthan Limited	10	-	-	32,000,000	32.00	-	-
<b>Total</b>			<b>-</b>		<b>32.00</b>		<b>-</b>

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Cost/Deemed cost	Market value	Cost/Deemed cost	Market value	Cost/Deemed cost	Market value
<b>vi. Breakup of investments into quoted and unquoted</b>						
Quoted investments	162.33	55.23	157.87	105.72	157.87	157.87
Unquoted investments	5,141.62	NA	4,736.70	NA	4,323.33	NA
<b>Total</b>	<b>5,303.95</b>	<b>55.23</b>	<b>4,894.57</b>	<b>105.72</b>	<b>4,481.20</b>	<b>157.87</b>

**vii. Other investments - as per Ind AS 109 classification**

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Financial assets carried at fair value through profit or loss (FVTPL)</b>			
Held for trading non-derivative financial assets	22.14	22.13	16.53
<b>Total</b>	<b>22.14</b>	<b>22.13</b>	<b>16.53</b>

**Footnotes**

- The Company has given non-disposal undertakings to the lenders and the grantors of the Concession for its investment in infrastructure companies promoted by it with regard to its investments in the equity share capital of these companies as a part of promoter's undertaking to such lenders, equity investors and the grantors of the Concession, the carrying value of which is ₹ 1,752.15 Crore as at March 31, 2017. (₹ 1,590.01 Crore as at March 31, 2016, ₹ 1,522.62 Crore as at April 1, 2015)
- The Company has pledged 14,300,000 equity shares aggregating ₹ 14.50 Crore (As at March 31, 2016 - 14,300,000 equity shares aggregating ₹ 14.50 Crore, As at April 1, 2015 - 14,300,000 equity shares aggregating ₹ 14.50 Crore) of Vansh Nimay Infraprojects Limited ("Borrower") with Vistra ITCL (India) Limited (formerly known as IL&FS Trust Company Limited) ("Security Trustee") to secure the dues of the Borrower including without limitation all principal amounts, interest expenses, penalties, costs, fees, etc payable by the Borrower in relation to the facility extended by the Consortium of Financial Institutions and Banks under the Pooled Municipal

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- Debt Obligation Facility ("PMDO").
- c. The Company's investment in "Covered Warrants" aggregating to ₹ 177.30 Crore (As at March 31, 2016 ₹ 177.30 Crore; As at April 1, 2015 ₹ 177.30 Crore) issued by Infrastructure Leasing & Financial Services Limited ("IL&FS") are instruments under which the holder is entitled to a proportionate share of the dividend and the residual interest / economic benefit on the shares of the underlying investments. However, the rights available as equity shareholder are with IL&FS.
  - d. The Company's investment in redeemable / optionally convertible cumulative preference shares of West Gujarat Expressway Limited ("WGEL") are convertible, at the option of the Company, into 1 equity share and carry a coupon of 2% per annum upto the conversion, accrued annually in arrears ("Coupon"). An additional coupon consisting of 95% of the balance distributable profits, that may be available with WGEL after it has met all other obligations, would also accrue on the said preference shares ("Additional Coupon").
  - e. During the year ended March 31, 2016, the Company has sold its investment of 202,602,955 equity shares held in Rapid MetroRail Gurgaon Limited to Infrastructure Leasing & Financial Services Limited, its holding company. The profit on sale of ₹ 141.82 crore from this transaction is included under Other income.
  - f. Pursuant to the order of Hon'ble High Court of Allahabad, the collection of toll at Noida Toll Bridge Company Limited has been suspended since October 26, 2016 and the matter is pending with the Hon'ble Supreme Court. Based on the provisions of the Concession agreement (relating to the Compensation and other recourses) supported by legal opinion, the Company is confident that the underlying value of the Intangible and other assets are fully recoverable. Consequently the Company is of the view that it would be appropriate to carry the investment at deemed cost of ₹ 162.33 crore.
  - g. During the year ended March 31, 2017, the Company sold 260,949 equity shares (representing the Company's entire shareholding of 77.39%) of Elsamex S.A., Spain, a subsidiary Company to its wholly owned subsidiary in Singapore, against issue of fresh equity shares. The said transaction is done pursuant to the disclosure made by the wholly owned subsidiary company in their International Bond offering document. The profit on sale of ₹ 140.93 crore from this transaction is included under Other income.
  - h. During the year ended March 31, 2017, the Company sold 33,700,060 equity shares of Andhra Pradesh Expressway Limited, a subsidiary Company. The loss on sale of ₹ 1.18 crore from this transaction is included under Other income.
  - i. During the year ended March 31, 2017, by order of High Court of Bombay out of total 220,000,000 preference shares of Andhra Pradesh Expressway Limited held by the Company; 83,000,000 preference shares were cancelled and balance 137,000,000 preference shares were converted into 0.0001% interest bearing unsecured loan of ₹ 137 crore.
  - j. During the year ended March 31, 2017, the Company sold 8,313,800 equity shares (representing 15% shareholding) of Gujarat Road and Infrastructure Company Limited. The profit on sale of ₹ 101.85 crore from this transaction is included under Other income.
  - k. The Company has formed IL&FS Transportation Investment Trust ("InvIT") and identified 4 SPVs i.e. North Karnataka Expressway Limited, Hazaribagh Ranchi Expressway Limited, Jharkhand Road Projects Implementation Company Limited and Sikar Bikaner Highway Limited which will be transferred to InvIT once the funds are raised by InvIT.

## **I. Information as required under paragraph 17 (b) of Ind AS 27 for investments in subsidiaries, joint ventures and associates :**

The name of the investees	Proportion of the ownership interest			The principal place of business	Country of incorporation
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015		
<b>Investments in subsidiaries</b>					
East Hyderabad Expressway Limited	74.00%	74.00%	74.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
ITNL International Pte. Ltd.	100.00%	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018981	Singapore
ITNL Road Infrastructure Development Company Limited	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Elsamex S.A.	0.00%	100.00%	100.00%	San Severo n°18 Madrid, Spain-28042	Spain
Vansh Nimay Infraprojects Limited	90.00%	90.00%	90.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
IL&FS Rail Limited	83.25%	79.89%	73.56%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon - 122001	India

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The name of the investees	Proportion of the ownership interest			The principal place of business	Country of incorporation
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015		
Pune Sholapur Road Development Company Limited	90.91%	90.91%	90.91%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
West Gujarat Expressway Limited	74.00%	74.00%	74.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Moradabad Bareilly Expressway Limited	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Jharkhand Infrastructure Implementation Company Limited	100.00%	100.00%	100.00%	443 A, Road No. 5, Ashok Nagar, Ranchi - 834002	India
Chenani Nashri Tunnelway Limited	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
MP Border Checkpost Development Company Limited	74.00%	74.00%	74.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Badarpur Tollway Operations Management Limited	100.00%	100.00%	100.00%	Toll Plaza, Mayur Vihar Link Road, Delhi - 110092	India
Rapid MetroRail Gurgaon Limited	44.12%	42.46%	82.81%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon - 122001	India
Futureage Infrastructure India Limited	58.48%	58.48%	58.48%	3rd Floor, A-1, Crescent Krishna Metropolis, Rukminipuri, A S Rao Nagar, Hyderabad - 500062 Telangana	India
Charminar Robopark Limited	89.20%	89.20%	89.20%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Karyavattom Sports Facilities Limited	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Kiratpur Ner Chowk Expressway Limited	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
ITNL Offshore Pte. Ltd.	100.00%	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018981	Singapore
Baleshwar Kharagpur Expressway Limited	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Rapid MetroRail Gurgaon South Limited	89.11%	86.93%	82.81%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon - 122001	India
ITNL Africa Projects Ltd.	100.00%	100.00%	100.00%	4th floor, Bank of Industry Bldg, Central Business District, Abuja	Nigeria

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The name of the investees	Proportion of the ownership interest			The principal place of business	Country of incorporation
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015		
Barwa Adda Expressway Limited	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Khed Sinnar Expressway Limited	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Andhra Pradesh Expressway Limited	0.00%	86.74%	86.74%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
GIFT Parking Facilities Limited	0.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Amravati Chikhli Expressway Limited	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Fagne Songadh Expressway Limited	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
ITNL Offshore Two Pte. Ltd.	100.00%	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018981	Singapore
ITNL Offshore Three Pte. Ltd.	100.00%	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018981	Singapore
Srinagar Sonamarg Tunnelway Limited	49.00%	49.00%	49.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
GRICL Rail Bridge Development Company Limited	100.00%	100.00%	-	301, Shapath-1 Complex, Opp: Rajpath Club, Nr. Madhur Hotel, Sarkhej Highway, Bodakdev, Ahmedabad - 380015	India
Rajasthan Land Holdings Limited	100.00%	100.00%	-	1st Floor, LIC Jeevan Nidhi Building, Ambedkar Circle, Bhawani Singh Road Jaipur 302005	India
North Karnataka Expressway Limited	93.50%	93.50%	93.50%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Sikar Bikaner Highway Limited	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Jharkhand Road Projects Implementation Company Limited	100.00%	100.00%	100.00%	443 A, Road No. 5, Ashok Nagar, Ranchi - 834002	India

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The name of the investees	Proportion of the ownership interest			The principal place of business	Country of incorporation
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015		
Hazaribagh Ranchi Expressway Limited	99.99%	99.99%	99.99%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
ITNL Road Investment Trust	100.00%	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Chhattisgarh Highways Road Development Company Limited	74.00%	74.00%	74.00%	House No. 705, Sector 2, Avanti Vihar, Telibandha Raipur CT 492006	India
<b>Investments in associates</b>					
Noida Toll Bridge Company Limited (at deemed cost)	26.37%	25.35%	25.35%	DND Flyway Toll Plaza, Noida	India
Gujarat Road and Infrastructure Company Limited	26.81%	41.81%	41.81%	Office of The Secretary, To The Govt of Gujarat, Roads And Building Department, Gandhinagar	India
ITNL Toll Management Services Limited	49.00%	49.00%	49.00%	The Toll Plaza, DND Flyway, Noida - 201301	India
<b>Investments in joint ventures</b>					
Jorabat Shillong Expressway Limited	50.00%	50.00%	50.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
NAM Expressway Limited	50.00%	50.00%	50.00%	6-3-1089/G/10&11, Gumohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500082	India
Thiruvananthapuram Road Development Company Limited	50.00%	50.00%	50.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Road Infrastructure Development Company of Rajasthan Limited	50.00%	50.00%	50.00%	1st Floor, LIC Jeevan Nidhi Building, Ambedkar Circle, Bhawani Singh Road Jaipur 302005	India
Jharkhand Accelerated Road Development Company Limited	74.00%	74.00%	74.00%	443 A, Road No. 5, Ashok Nagar, Ranchi - 834002	India
Warora Chandrapur Ballarpur Toll Road Limited	35.00%	35.00%	35.00%	4th Floor Madhu Madhav Tower, Laxmi Bhuvan Square, Dharampeth, Nagpur - 440010	India

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## 5. Loans

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
<b>Loans to related parties</b>						
Unsecured, considered good	2,829.00	2,847.47	1,925.70	1,538.88	1,272.42	1,815.86
Unsecured, considered doubtful	-	83.80	-	83.80	-	36.50
Allowance for doubtful loans	-	(83.80)	-	(83.80)	-	(36.50)
Allowance for expected credit loss	(667.99)	-	(531.05)	(94.92)	(318.71)	(108.16)
<b>Sub-total (A)</b>	<b>2,161.01</b>	<b>2,847.47</b>	<b>1,394.65</b>	<b>1,443.96</b>	<b>953.71</b>	<b>1,707.70</b>
<b>Loans to other parties</b>						
Unsecured, considered good	144.09	108.21	99.24	186.30	22.07	201.99
Unsecured, considered doubtful	-	9.21	-	9.21	-	-
Allowance for doubtful loans	-	(9.21)	-	(9.21)	-	-
Allowance for expected credit loss	(67.07)	-	(52.13)	-	(57.04)	-
<b>Sub-total (B)</b>	<b>77.02</b>	<b>108.21</b>	<b>47.11</b>	<b>186.30</b>	<b>(34.97)</b>	<b>201.99</b>
<b>Total (A+B)</b>	<b>2,238.03</b>	<b>2,955.68</b>	<b>1,441.76</b>	<b>1,630.26</b>	<b>918.74</b>	<b>1,909.69</b>

### Footnotes

- 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 Effective Interest Rate ("EIR").
- The estimated realization date of the loans given (including accrued interest), 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 loans given (including accrued interest), 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.

Movement in the expected credit loss :

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016
	Balance at beginning of the year	678.11
Expected credit loss allowance on loans given	242.42	205.19
Reversal of Expected credit losses on loans given	(185.46)	(10.99)
<b>Balance at end of the year</b>	<b>735.07</b>	<b>678.11</b>

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

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Derivative asset	-	-	5.77	-	-	-
Security Deposits to related parties	0.25	-	2.25	-	2.25	-
Security Deposits to others	3.05	8.00	3.32	11.00	3.63	41.43
Retention Money Receivable from related parties (refer note 29)	300.17	-	181.31	-	140.29	-
Balances with Banks in deposit accounts (under lien)	52.64	-	24.41	-	167.47	-
Advance towards Share Application Money receivable from related parties	0.01	-	0.02	-	15.65	-
Advance towards Share Application Money receivable from others	-	-	-	-	20.00	-
Interest on trade receivables from related parties	-	48.55	-	-	-	-
Advances recoverable :						
From related parties	75.00	131.48	75.00	121.05	75.00	83.94
Allowance for expected credit loss	(21.61)	(1.86)	(27.40)	(3.87)	(32.56)	(5.26)
From related parties considered doubtful	-	23.46	-	22.06	-	-
Allowance for doubtful advances	-	(23.46)	-	(22.06)	-	-
From others	-	50.80	-	37.02	-	29.26
From others considered doubtful	20.00	-	20.00	-	-	-
Allowance for doubtful advances	(20.00)	-	(20.00)	-	-	-
Dividend receivable from related parties	-	5.02	-	-	-	-
Receivable for sale of investment	-	-	-	-	-	65.50
Unbilled Revenue from related parties	-	399.29	-	482.20	-	119.81
<b>Total</b>	<b>409.51</b>	<b>641.28</b>	<b>264.68</b>	<b>647.40</b>	<b>391.73</b>	<b>334.68</b>

## 7. Deferred Tax Assets (Net)

The following is the analysis of Deferred Tax Asset / (Liabilities) presented in the balance sheet:

₹ in Crore

	As at March 31, 2017	Movement Recognised in statement profit or loss	As at March 31, 2016	Movement Recognised in statement profit or loss	As at April 1, 2015
Property, plant and equipment	5.42	7.52	(2.10)	0.25	(2.35)
Unamortised borrowing costs	(79.39)	(25.07)	(54.32)	(10.31)	(44.01)
Allowance for doubtful loans / Expected credit loss on loans	287.79	(9.17)	296.96	89.34	207.62
Allowance for doubtful debts / Expected credit loss on receivables	133.05	(16.80)	149.85	57.76	92.09
Allowance for expected credit loss in other financial assets	7.48	(2.00)	9.48	(1.59)	11.07
Defined benefit obligation	1.60	(0.16)	1.76	0.14	1.62
Business loss (refer footnote)	39.06	39.06	-	-	-
Capital loss (refer footnote)	47.32	47.32	-	-	-
Fair valuation and Expected credit loss in investments (net)	30.59	-	30.59	(4.89)	35.48
<b>Sub-total</b>	<b>472.92</b>	<b>40.70</b>	<b>432.22</b>	<b>130.70</b>	<b>301.52</b>
MAT Credit Entitlement (refer footnote)	2.29	2.29	-	(26.75)	26.75
<b>Deferred Tax Asset / (Liabilities) (Net)</b>	<b>475.21</b>	<b>42.99</b>	<b>432.22</b>	<b>103.95</b>	<b>328.27</b>

**Footnote:** The management of the Company expects that it is probable that the Company will earn sufficient taxable profit (both business gains and capital gains) in future periods and hence deferred tax assets is recognised for business loss and capital loss and similarly MAT credit entitlement is also recognised

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## 8. Non-Current Tax Assets (net)

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance Payment of taxes	1,290.19	982.44	785.20
Provision for tax	(832.29)	(657.47)	(551.52)
<b>Total</b>	<b>457.90</b>	<b>324.97</b>	<b>233.68</b>

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

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non-Current	Current	Non-Current	Current	Non-Current	Current
Capital Advances	-	-	31.56	-	31.56	-
Preconstruction and Mobilisation advances paid to contractors and other advances	319.77	137.39	225.86	272.64	433.04	259.56
Mobilisation advances considered doubtful	-	25.10	-	-	-	-
Allowance for doubtful advances	-	(25.10)	-	-	-	-
Prepaid expenses	6.62	26.97	6.60	32.55	20.75	35.90
Indirect tax balances / Receivable credit	-	107.35	-	65.68	-	41.47
<b>Total</b>	<b>326.39</b>	<b>271.71</b>	<b>264.02</b>	<b>370.87</b>	<b>485.35</b>	<b>336.93</b>

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

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Raw materials	-	4.79	-
Stores and spares	22.59	-	-
<b>Total</b>	<b>22.59</b>	<b>4.79</b>	<b>-</b>

Footnote: As certified by the Management, the inventories are lying at the construction site at the year end.

## 11. Trade receivables

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good			
Trade receivables from related parties	2,738.18	3,858.27	2,739.46
Trade receivables from others	50.80	41.08	-
Unsecured, considered doubtful			
Trade receivables from others	16.54	16.54	0.30
Allowance for doubtful debts	(16.54)	(16.54)	(0.30)
Allowance for expected credit loss	(201.78)	(145.83)	(265.39)
<b>Total</b>	<b>2,587.20</b>	<b>3,753.52</b>	<b>2,474.07</b>

### 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 30 to 90 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.

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Movement in the expected credit loss :

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016
Balance at beginning of the year	<b>361.94</b>	<b>265.39</b>
Adjustment for recognising revenue at fair value	86.88	216.11
Expected credit loss allowance on trade receivables	8.42	7.98
Reversal of Expected credit losses on trade receivables	(168.58)	(127.54)
<b>Balance at end of the year</b>	<b>288.66</b>	<b>361.94</b>
Pertaining to the ECL Adjustments	201.78	145.83
Pertaining to the adjustment for revenue at fair value	86.88	216.11
<b>Total</b>	<b>288.66</b>	<b>361.94</b>

## 12. 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:

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balances with Banks			
On current accounts	156.86	5.71	19.99
On deposit accounts	0.09	0.23	0.23
Cash on hand	0.01	0.00	0.01
<b>Cash and cash equivalents</b>	<b>156.96</b>	<b>5.94</b>	<b>20.23</b>
Unpaid dividend accounts	0.11	0.11	0.09
Balances held as margin money or as security against borrowings	172.63	172.89	161.79
<b>Other bank balances</b>	<b>172.74</b>	<b>173.00</b>	<b>161.88</b>

### Footnotes

- a. Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

The Company has pledged a part of its short-term deposits to fulfil collateral requirements. Refer to Note 15 for further details.

- b. For the purpose of the statement of cash flows, cash and cash equivalents comprise the following :

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash and cash equivalents	156.96	5.94	20.23
Less - Secured Demand loans from banks (Cash credit) (shown under current borrowings in note 15)	132.35	136.70	-
Less - Unsecured Demand loans from banks (Bank overdraft) (shown under current borrowings in note 15)	9.39	15.26	23.89
<b>Cash and cash equivalents for statement of cash flows</b>	<b>15.22</b>	<b>(146.02)</b>	<b>(3.66)</b>

# NOTES

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- c. Non-cash transactions excluded from cash flow statement
- During the current year, there is a sale of 260,949 equity shares (representing the Company's entire shareholding of 77.39%) of Elsamex S.A., Spain, a subsidiary Company to ITNL International Pte. Ltd., Singapore ("IIPL") against issue of fresh equity shares of ₹ 413.30 crore by IIPL.
  - During the current year, there has been conversion of receivables into loans of ₹ 303.88 crore.
  - During the current year, the short term loans given to certain Group Companies have been assigned to certain existing lenders of the Company aggregating ₹ 1,320.00 crore.
  - During the current year, by order of High Court of Bombay out of total 220,000,000 preference shares of Andhra Pradesh Expressway Limited held by the Company; 83,000,000 preference shares were cancelled and balance 137,000,000 preference shares were converted into 0.0001% interest bearing unsecured loan of ₹ 137 crore.
  - The Company had given sub-debt to its subsidiary, Khed Sinner Expressway Limited of ₹ 144.10 crore. During the previous year, the same has been converted into 144,100,000 equity shares of ₹ 10 each.
  - During the previous year, the sale consideration of ₹ 344.43 crore for sale of equity shares of Rapid MetroRail Gurgaon Limited to Infrastructure Leasing & Financial Services Limited ("IL&FS") has been adjusted against the outstanding borrowing from IL&FS.
- d. Disclosure as required as per G.S.R. 308(E) dt March 30, 2017 of Ministry of Corporate Affairs:  
Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016 as provided in the table below:-

Particulars	Amounts in ₹		
	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	980,500	521,451	1,501,951
(+) Permitted receipts	-	59,562	59,562
(-) Permitted payments	-	2,938,079	2,938,079
(+) Withdrawals from Bank	-	2,711,000	2,711,000
(-) Amount deposited in Banks	980,500	35,259	1,015,759
(+) Non-permitted receipts	-	-	-
(-) Non-permitted payments	-	-	-
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>	<b>318,675</b>	<b>318,675</b>

## 13. Equity Share Capital

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares	₹ in Crore	Number of Shares	₹ in Crore	Number of Shares	₹ in Crore
Authorised : Equity Shares of ₹ 10/- each (refer Note 15 (e))	500,000,000	500.00	500,000,000	500.00	500,000,000	500.00
Issued, Subscribed and Paid up : Equity Shares of ₹ 10/- each fully paid	328,960,027	328.96	328,960,027	328.96	246,720,020	246.72

### Footnotes:

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

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Equity shares	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Holding Company - Infrastructure Leasing & Financial Services Limited ("IL&FS")	236,582,632	236,582,632	171,450,000
Fellow subsidiary - IL&FS Financial Services Limited ("IFIN")	4,266,368	4,266,368	3,199,776

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

Equity Shares	Year ended March 31, 2017		Year ended March 31, 2016	
	Number of Shares	₹ in Crore	Number of Shares	₹ in Crore
Shares outstanding at the beginning of the year	328,960,027	328.96	246,720,020	246.72
Shares issued during the year	-	-	82,240,007	82.24
<b>Shares outstanding at the end of the year</b>	<b>328,960,027</b>	<b>328.96</b>	<b>328,960,027</b>	<b>328.96</b>

iii. Shareholders holding more than 5% of issued, subscribed and paid up equity share capital :

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares	% of total holding	Number of Shares	% of total holding	Number of Shares	% of total holding
IL&FS	236,582,632	71.92%	236,582,632	71.92%	171,450,000	69.49%

iv. 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.

During the FY 2015-16, the Company issued 82,240,007 equity shares on rights basis in the ratio of 1:3 at a price of ₹ 90 per share having a face value of ₹ 10 each aggregating ₹ 82.24 Crore and premium of ₹ 80 each aggregating to ₹ 657.92 Crore. The loss per share has been accordingly adjusted for the effects of Rights Issue for the year ended March 31, 2016.

The details of utilisation of proceeds of above issue are given below :

₹ in Crore

Particulars	
<b>Amount received from the issue</b>	<b>740.16</b>
<b>Utilisation :</b>	
For repayment of loans	733.21
For working capital payments (including issue expenses)	6.95
Total utilisation	740.16
<b>Balance amount unutilised as at year end</b>	<b>Nil</b>

## 14 Other equity

₹ in Crore

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Reserves and surplus	As at March 31, 2017	As at March 31, 2016
<b>Debenture Redemption Reserve (Footnote 1)</b>		
Balance at beginning of the year	193.87	193.72
Transfer (to) / from balance in Statement of Profit and Loss	(63.50)	0.15
<b>Balance at end of the year</b>	<b>130.37</b>	<b>193.87</b>
<b>Securities premium account</b>		
Balance at beginning of the year	2,147.79	1,496.03
Addition during the year from issue of equity shares on a rights basis	-	657.92
Premium utilised towards discount on issue of Non-Convertible Debentures	(2.82)	-
Premium utilised towards rights issue expenses	-	(6.16)
<b>Balance at end of the year</b>	<b>2,144.97</b>	<b>2,147.79</b>
<b>General reserve (Footnote 2)</b>		
Balance at beginning of the year	182.37	182.37
<b>Balance at end of the year</b>	<b>182.37</b>	<b>182.37</b>
<b>Retained earnings (Footnote 3)</b>		
Balance at beginning of the year	(141.14)	75.21
Profit / (loss) attributable to owners of the Company	236.39	(97.42)
Payment of final dividends on equity shares (including dividend distribution tax)	(75.03)	(118.78)
Transfer from / (to) debenture redemption redemption reserve	63.50	(0.15)
<b>Balance at end of the year</b>	<b>83.72</b>	<b>(141.14)</b>
<b>Sub-Total</b>	<b>2,541.43</b>	<b>2,382.89</b>
<b>Items of other comprehensive income</b>		
Cash Flow Hedge Reserve		
Balance at beginning of the year	(3.71)	(5.49)
Gain/(loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges	(35.62)	1.78
<b>Balance at end of the year</b>	<b>(39.33)</b>	<b>(3.71)</b>
Defined benefit plan adjustment		
Balance at beginning of the year	(1.91)	-
Actuarial loss on defined benefit plan	(0.03)	(1.91)
<b>Balance at end of the year</b>	<b>(1.94)</b>	<b>(1.91)</b>
<b>Total Other Comprehensive Income</b>	<b>(41.27)</b>	<b>(5.62)</b>
<b>Total</b>	<b>2,500.16</b>	<b>2,377.27</b>

Note 1: The Company has issued several series of Non Convertible Debentures (NCDs). In terms of Section 71(4) of the Companies Act, 2013 read with rule 18(7)(b)(iii) of the Companies (Share capital and Debentures) Rules 2014, the Company being an Infrastructure Company is required to create Debenture Redemption Reserve to the extent of 25% of the value of privately placed NCDs until such NCDs are redeemed. The method of creation of Debenture Redemption Reserve (DRR) has been modified during the year from equally proportionate basis to accelerating over the years basis using "Sum of Digits" method. Consequently, there is no additional requirement during the current year and an excess amount of ₹ 63.50 Crore has been transferred from Debenture Redemption Reserve to Retained earnings.

Note 2: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Note 3: During the year ended March 31, 2017, the dividend of ₹ 2 per share (₹ 75.03 crore including dividend distribution tax of ₹ 9.29 crore) was paid to holders of fully paid equity shares. During the year ended March 31, 2016, the dividend paid was ₹ 4 per share (₹ 118.78 crore including dividend distribution tax of ₹ 20.09 crore).

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## 15 Borrowings

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Long-term	Current portion	Long-term	Short-term	Long-term	Short-term
<b>Secured (Refer footnote a)</b>						
Term Loans from banks	3,173.29	782.41	1,954.25	12.00	1,362.77	27.00
Term Loans from financial institutions	386.10	22.50	75.00	-	-	-
Demand loans from banks (Cash credit)	-	-	132.35	136.70	-	-
<b>Sub-total (A)</b>	<b>3,559.39</b>	<b>804.91</b>	<b>2,029.25</b>	<b>148.70</b>	<b>1,362.77</b>	<b>27.00</b>
<b>Unsecured</b>						
Debentures (Refer footnote b)						
Unsecured Redeemable Non-Convertible Debentures [NCDs]	3,375.95	-	2,029.18	-	1,799.57	-
Unsecured Redeemable NCDs (issued at discount)	286.65	-	285.35	-	283.46	-
Term Loans from banks	505.50	70.00	570.16	759.40	544.30	448.00
Term Loans from financial institutions	-	300.00	-	300.00	-	300.00
Term Loans from related parties	75.00	-	780.00	733.50	-	225.00
Demand loans from banks (Bank Overdraft)	-	-	9.39	15.26	-	23.89
Commercial Paper	-	-	170.32	216.29	-	927.28
Redeemable preference share capital (Refer footnote d)	763.22	78.86	758.22	78.86	753.22	78.86
<b>Sub-total (B)</b>	<b>5,006.32</b>	<b>1,48.86</b>	<b>4,422.91</b>	<b>2,024.45</b>	<b>3,380.55</b>	<b>1,188.98</b>
Less: Current maturities of long term debt clubbed under "other financial liabilities" (C)	953.77	-	1,025.60	-	-	1,451.35
<b>Total (A+B-C)</b>	<b>8,565.71</b>	<b>-</b>	<b>6,452.16</b>	<b>2,173.15</b>	<b>4,743.32</b>	<b>1,951.17</b>
<b>Footnote</b>						
<b>a. Security details</b>						
			As at March 31, 2017		As at March 31, 2016	As at April 1, 2015
			Long-term	Short-term	Long-term	Short-term
<b>Secured against:</b>						
Investment property under development (refer note 3 a.)			115.31	-	115.31	-
Current assets and receivables			3,840.66	118.04	2,337.25	136.70
Fixed deposits			408.33	200.00	78.69	12.00
<b>Total</b>			<b>4,364.30</b>	<b>318.04</b>	<b>2,531.25</b>	<b>148.70</b>
						<b>1,625.14</b>
						<b>27.00</b>

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**b. The details of Unsecured 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, 2017	No. of NCDs outstanding As at March 31, 2016	No. of NCDs outstanding As at April 1, 2015
ITNL 11.80% 2024	1,000,000	11.80%	Bullet repayment	3-Jan-25	2,500	2,500	2,500	2,500
ITNL 11.80% 2024	1,000,000	11.80%	Bullet repayment	21-Dec-24	2,500	2,500	2,500	2,500
ITNL 9.44% 2026	1,000,000	9.44%	Various Dates	25-Oct-24 to 27-Oct-26	2,500	2,500	-	-
ITNL 9.51% 2026	1,000,000	9.51%	Various Dates	16-Aug-24 to 18-Aug-26	1,000	1,000	-	-
ITNL 9.51% 2026	1,000,000	9.51%	Various Dates	9-Aug-24 to 10-Aug-26	2,000	2,000	-	-
ITNL 9.33% 2027 - Series B	1,000,000	9.20%	Various Dates	28-June-24 to 31-Mar-27	4,500	4,500	-	-
ITNL, 11.50% 2024	1,000,000	11.50%	Bullet repayment	21-Jun-24	2,000	2,000	2,000	2,000
ITNL, 11.50% 2024	1,000,000	11.50%	Bullet repayment	4-Feb-24	1,000	1,000	1,000	1,000
ITNL 9.20% 2022 - A	1,000,000	9.20%	Bullet repayment	15-Apr-22	3,000	3,000	-	-
ITNL 10.50% 2021	1,000,000	10.50%	Bullet repayment	8-May-21	1,250	1,250	1,250	-
ITNL 9.28% 2021	1,000,000	9.28%	Various Dates	30-Jul-20 to 30-Jun-21	2,000	2,000	-	-
ITNL 11.70% 2020	1,000,000	11.70%	Bullet repayment	27-Jul-20	2,250	2,250	2,250	-
ITNL 11.50% 2019	1,000,000	11.50%	Bullet repayment	20-Nov-19	1,250	1,250	1,250	1,250
NCD Tranche XIII Series B #	500,000	0.00%	Bullet repayment	23-Jun-19	500	500	-	-
ITNL 9.40% 2019	1,000,000	9.40%	Bullet repayment	5-Apr-19	4,250	4,250	4,250	-
NCD Tranche XIII Series A #	500,000	0.00%	Bullet repayment	23-Mar-19	7,300	7,300	-	-
ITNL, 12.00%, 2019 Series II *	1,000,000	12.00%	Bullet repayment	18-Mar-19	5,300	363	405	5,300
ITNL, 12.00%, 2019*	1,000,000	12.00%	Bullet repayment	23-Jan-19	4,000	50	50	4,000
ITNL 11.10%	1,000,000	11.10%	Bullet repayment	10-Oct-18	1,000	-	1,000	-
ITNL 11.70% 2018	1,000,000	11.70%	Bullet repayment	12-Apr-18	1,500	1,500	1,500	1,500
ITNL 11.25%	1,000,000	11.25%	Bullet repayment	21-Apr-16	1,250	-	-	1,250
<b>Total</b>					<b>52,850</b>	<b>41,713</b>	<b>27,755</b>	<b>21,300</b>

# These are 0% coupon NCDs having intrinsic rate of interest of 9.85% p.a.

\* Debenture terms gives put option to debenture holder.

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**c. Age-wise analysis and Repayment terms of the Company's Long term Borrowings (other than NCDs and Preference shares) are as below:**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	Interest rate range
	₹ in Crore	₹ in Crore	₹ in Crore	Frequency of Repayment*	Frequency of Repayment*	Frequency of Repayment*	As at March 31, 2016
1-3 Years	2,742.96	2,826.37	1,211.27	Q,T,Y,B	Q,T,Y,B	Q,T,Y,B	9.1% to 11.15% to 16.25% to 12.35%
3-5 Years	1,021.39	550.13	685.71	Q,T,Y	Q,T,Y	Q,T,B	11.00% to 10.80% to 11.80% to 12.25%
> 5 Years	375.54	2.91	10.09	Y	Q,T	Q,T	11.00% to 11.25%
<b>Total</b>	<b>4,139.89</b>	<b>3,379.41</b>	<b>1,907.07</b>				

\* Q,T = Quarterly, HY = Half yearly, Y = Yearly and B = Bullet repayment

**d. The Company has issued following series of Cumulative Redeemable Preference Shares ("CRPS") and Cumulative Non-Convertible Compulsorily Redeemable Preference Shares ("CNCRPS") aggregating to ₹ 752.90 crore:**

Series Name	Number of shares	Face value per share	Premium received per share	Maturity date	Dividend payout	Redemption terms
20.50% CRPS	200,000,000	10	10	Refer footnote d.(i) below	20.50% per annum	Refer footnote d.(i) below
10.40% ITNL CNCRPS 2017	107,250,000	10	10	June 23, 2017	21.06% per annum	Redemption at face value plus premium of ₹ 10 per share
10.50% ITNL CNCRPS 2018	19,200,000	10	10	December 23, 2018	21.44% per annum	
1.1% ITNL CNCRPS 2021	50,000,000	10	10	January 17, 2021	22.32% per annum	

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- d (i) **The 20.50% CRPS will be redeemed starting from May 31, 2017 to May 31, 2025 at a premium of ₹ 10 per share and an additional redemption premium of 2.50% p.a. on the face value from the date of issue. See below table for details:**

₹ in Crore		
Date of redemption	No of shares to be redeemed (in Crore)	Redemption Amount ₹ in Crore
31-May-17	2.00	41.84
31-May-18	2.00	42.34
31-May-19	3.00	64.26
31-May-20	3.00	65.01
31-May-21	3.00	65.76
31-May-22	3.00	66.51
31-May-23	3.00	67.26
31-May-24	0.50	11.34
31-May-25	0.50	11.48
<b>Total</b>	<b>20.00</b>	<b>435.80</b>

- e. **Authorised preference share capital of the Company is 1,000,000,000 shares of ₹ 10 each aggregating ₹ 1,000 crore (as at March 31, 2016 : 1,000,000,000 shares of ₹ 10 each aggregating ₹ 1,000 crore; as at April 1, 2015 : 1,000,000,000 shares of ₹ 10 each aggregating ₹ 1,000 crore)**

- f. **Rights of CRPS and CNCRPS holders are as follows:**

The holder(s) of CRPS and CNCRPS shall have no voting rights other than in respect of matters directly affecting the rights attached to the CRPS and CNCRPS. In the event of any due and payable dividends on the CRPS and CNCRPS remaining unpaid for a period of two years prior to the start of any General Meeting of the Equity Shareholders, the holder(s) of CRPS and CNCRPS shall gain voting rights in respect of all matters placed by the Company at a General Meeting of its Equity Shareholders in accordance with the provisions of the Companies Act and the Articles of Association of the Company. In the event of winding up or repayment of capital, the holder(s) of the CRPS and CNCRPS shall carry a preferential right vis-à-vis equity shareholders to be repaid the amount of paid up capital, unpaid dividends and fixed premium, in accordance with the provisions of the Companies Act and the Articles of Association of the Company. The claims of holder(s) of CRPS and CNCRPS shall be subordinated to the claims of all secured and unsecured creditors of the Company but senior to equity shareholders and pari passu amongst other preference shareholders.

During the current year, preference dividend of ₹ 78.86 Crore (previous year ended March 31, 2016 : ₹ 78.86 Crore) was paid to holders of CRPS and CNCRPS.

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## 16 Other financial liabilities

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Derivative liability	55.40	-	-	-	7.83	-
Payable on account of Capital Expenditure	1.97	67.80	3.91	1.50	-	-
Retention money payable	282.40	-	334.14	-	247.69	-
Interest accrued	-	161.00	-	134.35	-	65.04
Unpaid dividends	-	0.13	-	0.11	-	0.09
Payable to related party - Holding company	-	-	-	-	-	15.00
Current maturities of long-term debt (refer note 15)	-	953.77	-	1,025.60	-	1,451.35
<b>Total</b>	<b>339.77</b>	<b>1,182.70</b>	<b>338.05</b>	<b>1,161.56</b>	<b>255.52</b>	<b>1,531.48</b>

## 17 Provisions

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Employee benefits	2.70	18.20	3.33	19.07	1.86	23.33
Provision for tax on Proposed Dividend on preference shares	-	16.05	-	16.05	-	16.05
<b>Total</b>	<b>2.70</b>	<b>34.25</b>	<b>3.33</b>	<b>35.12</b>	<b>1.86</b>	<b>39.38</b>

## 18 Other liabilities

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Mobilisation Advances Received	161.21	100.86	177.07	200.52	266.30	233.19
Unearned revenue	-	229.64	-	208.15	-	263.16
Statutory dues	-	89.00	-	44.59	-	14.22
<b>Total</b>	<b>161.21</b>	<b>419.50</b>	<b>177.07</b>	<b>453.26</b>	<b>266.30</b>	<b>510.57</b>

## 19 Trade payables other than MSME

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Trade payables other than MSME	-	455.69	-	905.30	-	746.15
Bills payable	-	306.47	-	-	-	-
<b>Total</b>	<b>-</b>	<b>762.16</b>	<b>-</b>	<b>905.30</b>	<b>-</b>	<b>746.15</b>

Footnote : Based on information received by the Company from its vendors, the amount of principal outstanding in respect of MSME as at Balance Sheet date covered under the Micro, Small and Medium Enterprises Development Act, 2006 is ₹ Nil. There were no delays in the payment of dues to Micro and Small Enterprises.

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## 20 Revenue from operations

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Construction income (net) (refer note 29)	2,991.00	3,648.21
Operation and maintenance income	225.37	214.92
Advisory, Design and Engineering fees	157.53	486.86
Supervision fees	26.75	32.28
<b>Total</b>	<b>3,400.65</b>	<b>4,382.27</b>

Footnote : Construction income is net off ₹ 86.88 crore (previous year ₹ 216.11 crore) being adjustment for time value for recognising revenue at fair value.

## 21 Other Income

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Interest income earned on financial assets that are not designated as at fair value through profit or loss	604.13	429.83
Interest on Bank deposits (at amortised cost)	15.04	24.50
Dividend Income	70.98	27.35
Guarantee Fees Income	13.24	15.82
Foreign Exchange fluctuation gain (net)	-	0.65
Miscellaneous income	3.41	2.04
Profit on sale of investments	275.69	141.82
Insurance claim	17.37	21.83
Gain on disposal of property, plant and equipment	-	0.02
Gain arising on financial assets designated as at FVTPL	-	5.60
<b>Total</b>	<b>999.86</b>	<b>669.46</b>

## 22 Cost of material consumed & Construction Cost

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>Cost of material Consumed</b>		
Purchase of raw material & stores and spares	36.96	62.37
Changes in inventories of raw material & stores and spares	(17.80)	(4.79)
<b>Total</b>	<b>19.16</b>	<b>57.58</b>
<b>Construction Contract cost</b>	<b>2,447.84</b>	<b>3,253.90</b>
<b>Total</b>	<b>2,467.00</b>	<b>3,311.48</b>

## 23 Other Operating Expenses

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Fees for technical services / design and drawings	47.39	71.56
Operation and maintenance expenses	145.08	156.26
<b>Total</b>	<b>192.47</b>	<b>227.82</b>

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## 24 Employee benefits expense

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Salaries and Wages	53.09	53.06
Contribution to provident and other funds (refer note 32)	6.02	7.29
Staff Welfare Expenses	5.77	5.21
Deputation Cost	9.53	6.69
<b>Total</b>	<b>74.41</b>	<b>72.25</b>

## 25 Finance costs

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Interest on bank overdrafts, loans and debentures	1,085.87	910.57
Discount on Commercial paper	21.51	109.22
Dividend on redeemable preference shares	96.75	99.92
Other borrowing costs	173.82	92.24
Loss / (gain) arising on derivatives designated as hedging instruments in cash flow hedges	40.32	(9.46)
(Gain) / Loss arising on adjustment for hedged item attributable to the hedged risk in a designated cash flow hedge accounting relationship	(40.32)	9.46
<b>Total</b>	<b>1,377.95</b>	<b>1,211.95</b>

Footnote :

- Interest on bank overdrafts, loans and debentures is net off ₹ 14.80 Crore (previous year ₹ nil) on account of Credit Value Adjustment / Debit Value Adjustments (CVA / DVA) on derivative contracts on borrowings.
- The weighted average rate on funds borrowed generally is 12.22% per annum (Previous year : 12.29% per annum).

## 26 Depreciation and amortisation expense

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation of property, plant and equipment	8.06	6.70
Amortisation of intangible assets	5.79	2.84
<b>Total depreciation and amortisation</b>	<b>13.85</b>	<b>9.54</b>

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## 27 Other expenses

Particulars	₹ in Crore	
	Year ended March 31, 2017	Year ended March 31, 2016
Provision for doubtful loans	-	47.90
Provision for doubtful receivables	26.50	67.16
(Reversal of Expected Credit Losses) / Expected Credit Losses on financial assets (net) (Refer footnote 3 below)	(119.18)	58.35
Electricity	1.15	1.71
Travelling and conveyance	21.07	25.66
Printing and stationery	0.49	1.67
Rent	18.33	17.58
Rates and taxes	1.05	1.92
Repairs and maintenance (other than building and machinery)	7.81	7.84
Communication expenses	2.44	2.54
Insurance	20.12	20.98
Legal and consultation fees	18.17	15.12
Directors' fees	0.60	0.79
Bank commission	9.81	8.52
Loss on disposal of property, plant and equipment (net)	0.11	-
Foreign exchange fluctuation loss (net)	1.63	-
Bid documents expenses	0.65	0.71
Brand Subscription Fees	15.74	27.43
Corporate Social Responsibility expenses (Refer footnote 1 below)	5.47	7.31
Miscellaneous expenses (Refer footnote 2 below)	47.16	28.42
<b>Total</b>	<b>79.12</b>	<b>341.61</b>

### Footnote

- 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:

- Gross amount required to be spent by the company during the year: ₹ 5.89 crore (previous year ₹ 7.31 Crore)
- Amount spent during the year on:

Particulars	₹ in Crore	
	Year ended March 31, 2017	Year ended March 31, 2016
(i) Skilling for employment	-	1.08
(ii) Livelihood Development	0.73	0.47
(iii) Education enhancement	2.48	2.81
(iv) Local Area projects	2.26	2.95
<b>Total</b>	<b>5.47</b>	<b>7.31</b>

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2. Miscellaneous expenses includes payment to auditors for the following:

₹ in Crore		
Payments to auditors	Year ended March 31, 2017	Year ended March 31, 2016
For audit	1.92	1.42
For tax audit	0.17	-
For other services	1.55	1.71
Service tax on Above	0.53	0.45
<b>Total</b>	<b>4.17</b>	<b>3.58</b>

3. Movement in Expected credit losses

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Expected credit loss allowance on trade receivables	8.42	7.98
Reversal of Expected credit losses on trade receivables	168.58	127.54
a. Reversal of Expected credit losses on trade receivables (net)	(160.16)	(119.56)
Expected credit loss allowance on loans given	242.42	205.19
Reversal of Expected credit losses on loans given	185.46	10.99
b. Expected credit losses on loans given (net)	56.96	194.20
c. Reversal of Expected credit losses on other financial assets (net)	(15.98)	(16.29)
(Reversal of Expected Credit Losses) / Expected Credit Losses on financial assets (net) (a+b+c)	(119.18)	58.35

## 28 Tax expenses

### Income tax recognised in profit or loss

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>Current tax</b>		
In respect of the current year	2.29	108.89
In respect of prior year	-	(3.69)
	<b>2.29</b>	<b>105.20</b>
<b>Deferred tax</b>		
In respect of the current year	(42.97)	(130.70)
	<b>(42.97)</b>	<b>(130.70)</b>
<b>Total</b>	<b>(40.68)</b>	<b>(25.50)</b>

## 29 Disclosure in respect of Construction Contracts

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Contract revenue recognised as revenue during the year	2,991.00	3,648.21

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Particulars	₹ in Crore		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cumulative revenue recognised	17,709.43	14,718.43	11,070.22
Advances received	262.07	377.58	499.49
Retention Money receivable	300.17	181.31	140.29
Gross amount due from customers for contract work, disclosed as asset (i.e. Unbilled Revenue)	399.29	482.20	119.81
Gross amount due to customers for contract work, disclosed as liability (i.e. Unearned Revenue)	229.64	208.15	263.16

## 30 Financial instruments

### 30.1 Capital management

The Company 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 Company consists of net debt (borrowings as detailed in note 15 offset by cash and bank balances) and equity of the Company (comprising issued capital, reserves and retained earnings as detailed in note 13 and 14). The capital structure of the Company is reviewed by the management on a periodic basis.

#### 30.1.1 Gearing ratio

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

Particulars	₹ in Crore		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Debt	11,670.20	9,785.26	8,210.88
Less: Cash & cash equivalents; and bank balances	329.70	178.94	182.11
Net debt	11,340.50	9,606.32	8,028.77
Total Equity	2,829.12	2,706.23	2,188.56
Net debt to total equity ratio (in times)	4.01	3.55	3.67

Debt is defined as long-term borrowings, current maturities of long-term borrowings, short-term borrowings and interest accrued thereon (excluding derivative, financial guarantee contracts), as described in note 15.

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

In order to achieve its overall objective, the Company's management 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.

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## 30.2 Categories of financial instruments

Particulars	₹ in Crore		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Financial assets</b>			
<i>Fair value through profit and loss (FVTPL)</i>			
Investments	22.13	22.13	16.53
Derivative instruments designated as cash flow hedge	-	5.77	-
<i>At amortised cost</i>			
Trade Receivables	2,587.20	3,753.52	2,474.07
Cash & cash equivalents; and bank balances	329.70	178.94	182.11
Loans	5,193.71	3,072.01	2,828.43
Other financial assets	1,050.79	906.30	726.41
<b>Financial liabilities</b>			
<i>Derivative instruments designated as cash flow hedge</i>	55.40	-	7.83
<i>At amortised cost</i>			
Borrowings	10,555.43	8,625.31	6,694.49
Trade payables other than MSME	762.16	905.30	746.15
Other financial liabilities	1,467.08	1,499.61	1,779.17

As at March 31, 2017 there are no significant concentrations of credit risk for financial assets designated as FVTPL. The carrying amount reflected above represents Company's maximum exposure to credit risk for such financial assets.

## 30.3 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. Compliance with policies and exposure limits is reviewed 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 management, which monitors risks and policies implemented to mitigate risk exposures.

## 30.4 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.

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

## 30.5 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 cross currency interest rate swaps.

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

₹ in Crore

Particulars	Liabilities as at			Assets as at		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
USD	3.27	2.76	3.10	41.24	15.03	15.03
Euro	2.91	1.97	-	1.26	0.59	10.62
AED	-	-	-	0.06	-	-
GBP	-	3.53	1.99	-	-	-
SGD	4.53	3.50	-	-	-	-

### 30.6.1 Foreign currency sensitivity analysis

The Company is mainly exposed to the currency of United States and the currency of Eurozone.

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.

₹ in Crore

Particulars	USD			Euro		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Impact on Profit and loss	3.80	1.23	1.19	(0.17)	(0.14)	1.06
Impact on Total Equity	3.80	1.23	1.19	(0.17)	(0.14)	1.06

₹ in Crore

Particulars	AED			GBP			SGD		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Impact on Profit and loss	0.01	-	-	-	(0.35)	(0.20)	(0.45)	(0.35)	-
Impact on Total Equity	0.01	-	-	-	(0.35)	(0.20)	(0.45)	(0.35)	-

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

### 30.6.2 Cross currency interest rate swap contracts

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, 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

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at the end of the reporting period.

## Cash flow hedges

₹ in Crore

Outstanding receive floating pay fixed contracts	USD in crore			Average contracted exchange rate			Average contracted fixed interest rate		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Upto 1 year	3.16	-	-	63.33	-	-	10.80%	-	-
1 to 3 years	-	3.16	-	-	63.33	-	-	10.80%	-
3 to 5 years	8.70	-	3.16	67.30	-	63.33	10.66%	-	10.80%
More than 5 years	5.80	-	-	67.30	-	-	10.66%	-	-
<b>Total</b>	<b>17.66</b>	<b>3.16</b>	<b>3.16</b>						

₹ in Crore

Outstanding receive floating pay fixed contracts	Notional principal value			Fair value assets (liabilities)		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Upto 1 year	200.00	-	-	2.66	-	-
1 to 3 years	-	200.00	-	-	5.77	-
3 to 5 years	585.47	-	200.00	(25.45)	-	(7.83)
More than 5 years	390.31	-	-	(32.61)	-	-
<b>Total</b>	<b>1,175.78</b>	<b>200.00</b>	<b>200.00</b>	<b>(55.40)</b>	<b>5.77</b>	<b>(7.83)</b>

The cross currency interest rate swap contracts are generally settled on a quarterly basis. The floating rate on the interest rate swaps is the 3 months LIBOR. The Company settles the difference between the fixed and floating interest rate on a net basis.

All cross currency 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 cross currency 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.

### 30.7 Interest rate risk management

The Company is exposed to interest rate risk as 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.

#### 30.7.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to the interest rates for all non-derivative variable interest rate 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.

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If interest rates had been 50 basis points higher/lower and all other variables were held constant, the impact of the same is given in below table which is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Impact on Profit and loss	23.45	19.07
Impact on Total Equity	23.45	19.07

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.

### 30.8 Commodity Price Risk

The Company requires construction materials for implementation (construction, operation and maintenance) of the projects, such as cement, bitumen, steel and others. For which, they have fixed price contract with the EPC contractor and Operation & Maintenance Contractor so as to manage the exposure to price increases in raw materials. Hence, the sensitivity analysis is not required.

### 30.9 Other price risks

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

### 30.10 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and its financing activities (primarily loans given).

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

#### 30.10.1 Trade receivables and loans given :

Customer credit risk is managed by Company's accounts and treasury function. Outstanding receivables and loans are regularly monitored and provision is made for expected credit loss, if any. The trade receivables and loans given are unsecured. As at March 31, 2017, the Company had 9 customers (as at March 31, 2016: 12 customers, as at March 31, 2015: 8 customers) that owed the Company more than ₹ 100 crore each and accounted for approximately 82% (as at March 31, 2016: 91%, as at March 31, 2015: 86%) of all the receivables outstanding. As at March 31, 2017, the Company had 15 loanees (as at March 31, 2016: 11 loanees, as at March 31, 2015: 12 loanees) that owed the Company more than crore each and accounted for approximately 89% (as at March 31, 2016: 79%, as at March 31, 2015: 83%) of all the loans outstanding.

### 30.11 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.

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## 30.11.1 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.

₹ in Crore

Particulars	March 31, 2017			March 31, 2016		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Weighted average effective interest rate (%)		12.08%	12.34%		12.26%	12.31%
Upto 1 year	1,118.24	2,702.44	1,315.41	1,041.33	2,170.09	1,021.89
1-3 years	182.52	2,203.19	3,071.11	237.06	1,550.85	2,215.47
3-5 years	30.10	563.36	1,378.13	100.93	559.45	1,142.02
More than 5 years	-	-	2,991.40	-	3.00	1,219.98
<b>Total</b>	<b>1,330.86</b>	<b>5,468.99</b>	<b>8,756.05</b>	<b>1,379.32</b>	<b>4,283.39</b>	<b>5,599.36</b>

₹ in Crore

Particulars	April 1, 2015		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Weighted average effective interest rate (%)		12.51%	11.78%
Upto 1 year	826.28	2,606.41	1,494.61
1-3 years	184.42	1,534.75	1,331.22
3-5 years	71.10	432.60	2,020.93
More than 5 years	-	49.56	1,691.21
<b>Total</b>	<b>1,081.80</b>	<b>4,623.32</b>	<b>6,537.96</b>

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 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.

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₹ in Crore

Particulars	March 31, 2017			March 31, 2016			April 1, 2015		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
			13.02%			13.03%			13.34%
Upto 1 year	4,257.26	-	2,971.04	4,890.35	-	1,590.43	3,261.51	-	2,101.30
1-3 years	306.93	-	492.34	153.31	-	173.16	234.55	-	1.93
3-5 years	33.20	-	426.24	57.07	-	31.37	89.27	-	292.82
More than 5 years	5,542.94	-	4,149.69	4,950.09	-	4,522.26	4,556.10	-	2,580.07
<b>Total</b>	<b>10,140.33</b>	<b>-</b>	<b>8,039.31</b>	<b>10,050.82</b>	<b>-</b>	<b>6,317.22</b>	<b>8,141.43</b>	<b>-</b>	<b>4,976.12</b>

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. 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.

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	Cross currency interest rate swaps	Cross currency interest rate swaps	Cross currency interest rate swaps
Upto 1 year	215.43	21.60	21.60
1-3 years	619.99	232.43	43.20
3-5 years	793.89	-	221.60
More than 5 years	432.09	-	-

### 30.12 Fair value measurements

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

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

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

Financial assets/ financial liabilities	Fair value			Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	As at	As at	As at				
	March 31, 2017	March 31, 2016	April 1, 2015				
Cross currency interest rate swap (refer note 6 and 16)	55.40	(5.77)	7.83	Level 2	Future cash flows are estimated based on forward exchange rates & observable yield curves at the end of the reporting period and contract forward rates, contract interest rates discounted at a rate that reflects the credit risk of various counterparties.	None	None
Investment in equity shares of Pipavav Railway Corporation Limited	22.13	22.13	16.53	Level 3	Net assets value of the investee company based on its audited financial statements	Net assets of the investee company	Direct

₹ in Crore

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

Particulars	₹ in Crore					
	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>						
At amortised cost						
Trade Receivables	2,587.20	2,587.20	3,753.52	3,753.52	2,474.07	2,474.07
Cash & cash equivalents; and bank balances	329.70	329.70	178.94	178.94	182.11	182.11
Loans	5,193.71	5,331.54	3,072.01	3,079.07	2,828.43	2,836.87
Other financial assets	1,050.79	1,050.79	906.30	906.30	726.41	726.41
<b>Financial liabilities</b>						
At amortised cost						
Borrowings	10,555.43	10,723.39	8,625.31	8,678.51	6,694.49	6,694.49
Trade payables other than MSME	762.16	762.16	905.30	905.30	746.15	746.15
Other financial liabilities	1,467.08	1,467.08	1,499.61	1,499.61	1,779.17	1,779.17

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₹ in Crore

Fair value hierarchy	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets									
At amortised cost									
Trade Receivables	-	-	2,587.20	-	-	3,753.52	-	-	2,474.07
Cash & cash equivalents; and bank balances	-	-	329.70	-	-	178.94	-	-	182.11
Loans	-	-	5,331.54	-	-	3,079.07	-	-	2,836.87
Other financial assets	-	-	1,050.79	-	-	906.30	-	-	726.41
Financial liabilities									
At amortised cost									
Borrowings	-	-	10,723.39	-	-	8,678.51	-	-	6,694.49
Trade payables other than MSME	-	-	762.16	-	-	905.30	-	-	746.15
Other financial liabilities	-	-	1,467.08	-	-	1,499.61	-	-	1,779.17

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

## 31. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2017 and March 31, 2016

₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Profit / (loss) before tax	195.71	(122.92)
At income tax rate of 34.608%	67.73	(42.54)
Income tax expense reported in the statement of profit and loss	(40.68)	(25.50)
Movement to be explained	(108.41)	17.04
Dividend Income exempt from tax	(21.65)	(8.60)
Increase in Tax rate as compared to previous year	-	(11.58)
Preference dividend accounted as finance cost	33.48	34.58
Profit on sale of Investment Nil tax since capital loss as per Tax	(31.80)	-
CSR expenses	1.89	2.53
Deferred tax on Capital Loss	(47.32)	-
Deferred tax on Business Loss	(39.05)	-
Others	(3.96)	0.11
<b>Total movement explained</b>	<b>(108.41)</b>	<b>17.04</b>

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## 32. Employee benefit plans

### 35.1 Defined contribution plans

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

The total expense recognised in profit or loss of ₹ 6.02 crores (for the year ended March 31, 2016: ₹ 7.29 crore) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

### 35.2 Defined benefit plans

The Company offers its employees defined-benefit plans in the form of gratuity (a lump sum amount). Benefits 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. Commitments are actuarially determined at year end. Actuarial valuation is based on "Projected Unit Credit" method. The Company recognizes Actuarial Gain & Loss in the Other Comprehensive Income Account in the year in which they occur.

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

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, 2017	As at March 31, 2016	As at April 1, 2015
Discount rate(s)	6.69%	7.77%	7.84%
Rate of increase in compensation#	5%	6.50%	6.50%
Mortality rates*	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee Attrition rate (Past service)	PS: 0 to 40 : 6.1%	PS: 0 to 40 : 2%	PS: 0 to 40 : 2%

# 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/ others.

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

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>Service cost:</b>		
Current service cost	1.62	1.66
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	(0.05)	(0.19)
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>1.57</b>	<b>1.47</b>
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(0.02)	0.23
Actuarial (gains) / losses arising from changes in demographic assumptions*	0.25	-
Actuarial (gains) / losses arising from changes in financial assumptions	(0.34)	0.06
Actuarial (gains) / losses arising from experience adjustments	0.15	1.61
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>0.03</b>	<b>1.91</b>
<b>Total</b>	<b>1.60</b>	<b>3.38</b>

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

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Present value of funded defined benefit obligation	11.81	9.70	6.39
Fair value of plan assets	12.62	8.68	8.45
Funded status	0.82	(1.02)	2.06
<b>Net asset / (liability) arising from defined benefit obligation</b>	<b>0.82</b>	<b>(1.02)</b>	<b>2.06</b>

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening defined benefit obligation	9.70	6.39	4.53
Current service cost	1.62	1.66	1.21
Interest cost	0.74	0.48	0.40
Remeasurement (gains)/losses:	-	-	-
Actuarial gains and losses arising from changes in demographic assumptions	0.25	-	-
Actuarial gains and losses arising from changes in financial assumptions	(0.34)	0.06	0.71
Actuarial gains and losses arising from experience adjustments	0.15	1.61	(0.15)
Benefits paid	(0.30)	(0.51)	(0.31)
<b>Closing defined benefit obligation</b>	<b>11.81</b>	<b>9.70</b>	<b>6.39</b>

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

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening fair value of plan assets	8.68	8.45	6.64
Interest income	0.79	0.67	0.69
Remeasurement gain (loss):	-	-	-
Return on plan assets (excluding amounts included in net interest expense)	0.02	(0.23)	0.22
Adjustment to Opening Fair Value of Plan Asset	(0.12)	-	-
Contributions from the employer	3.55	0.29	1.22
Benefits paid	(0.30)	(0.51)	(0.31)
<b>Closing fair value of plan assets</b>	<b>12.62</b>	<b>8.68</b>	<b>8.45</b>

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

Particulars	Fair Value of plan asset as at		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash and cash equivalents	-	-	-
Gratuity Fund (LIC)	12.62	8.68	8.45
Others [describe]	-	-	-
<b>Total</b>	<b>12.62</b>	<b>8.68</b>	<b>8.45</b>

All of the Plan Asset is entrusted to LIC of India under their Company Gratuity Scheme. 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 managers.

The actual return on plan assets was ₹ 0.81 crore (2016: ₹ 0.48 crore).

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

- If the discount rate is 100 basis points higher/(lower), the defined benefit obligation would decrease by ₹ 0.82 crore (decrease by ₹ 0.95 crore as at March 31, 2016) (decrease by ₹ 0.65 crore as at April 1, 2015) and increase by ₹ 0.93 crore (increase by ₹ 1.11 crore as at March 31, 2016) (increase by ₹ 0.76 crore as at April 1, 2015).

- If the salary escalation rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 0.90 crore (increase by ₹ 1.10 crore as at March 31, 2016) (increase by ₹ 0.75 crore as at April 1, 2015) and decrease by ₹ 0.81 crore (decrease by ₹ 0.96 crore as at March 31, 2016) (decrease by ₹ 0.65 crore as at April 1, 2015).

- If the Attrition rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 0.07 crore (increase by ₹ 0.09 crore as at March 31, 2016) (increase by ₹ 0.04 crore as at April 1, 2015) and decrease by ₹ 0.08 crore (decrease by ₹ 0.07 crore as at March 31, 2016) (decrease by ₹ 0.04 crore as at April 1, 2015).

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 years.

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## Asset Liability Comparisons

Year	₹ in Crore		
	As at April 1, 2015	As at March 31, 2016	As at March 31, 2017
PVO at end of the year	6.39	9.70	11.81
Plan Assets	8.45	8.68	12.62
Surplus/(Deficit)	2.06	(1.02)	0.82
Experience adjustments on plan assets	-	(0.23)	0.02

### 1. Analysis of Defined Benefit Obligation

The number of members under the scheme have increased by 7.07%. Similarly the total salary increased by 10.85% during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased by 21.75%

### 2. Expected rate of return basis

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 managers.

### 3. Description of Plan Assets and Reimbursement Conditions

100% of the Plan Asset is entrusted to LIC of India under their Company Gratuity Scheme. The reimbursement is subject to LIC's Surrender Policy

The average duration of the benefit obligation at March 31, 2017 is 9.87 years (as at March 31, 2016: 16 years, as at April 1, 2015: 16 years)

The expected contributions to the defined benefit plan for the next annual reporting period as at March 31 2017 is ₹ 1.64 crore (as at March 31 2016 is ₹ 1.41 Crore; as at April 1, 2015 is ₹ 0.74 Crore)

## 33. Contingent Liabilities and Commitments

Particulars	₹ in Crore		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>(i) Contingent Liabilities (Refer footnote 1)</b>			
a) Claims against the Company not acknowledged as debts			
- Income tax demands contested by the Company	10.15	10.15	8.12
- Indirect tax demands contested by the Company	4.87	4.05	-
- Claims made by contractors	-	22.97	-
b) Guarantees (Refer footnote 2)			
- Guarantees/counter guarantees issued to outsider in respect of group companies	1,389.05	1,444.82	1,688.07
- Guarantees/counter guarantees issued to outsider in respect of other than group companies	31.72	7.72	9.27
c) Put option on sale of investment	Unascertainable	Unascertainable	Unascertainable
<b>(ii) Commitments</b>			
Capital Commitments	8.63	-	-
Sub-debt Commitments	1,134.10	1,432.06	1,477.68
Investment Commitments	1,959.33	1,956.55	918.97

### Footnotes

- The Company does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.
- Certain bankers have issued guarantees which have been shown under "Guarantees/counter guarantees issued in respect of group companies" aggregating ₹ 12.96 Crore (as at March 31, 2016 : ₹ 13.26 Crore, as at April 1, 2015 : ₹ 201.11 Crore) against a first charge on the receivables (including loans and advances) of the Company.

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## 34. Letter of comfort, letter of awareness and letter of financial support

- a. The Company has issued letter of comfort / letter of awareness to banks and a related party in respect of loans availed by a few of its subsidiaries aggregating to ₹ 2,535 Crore as at March 31, 2017 (as at March 31, 2016 ₹ 1,920.79 Crore, as at April 1, 2015 ₹ 685.50 Crore)
- b. Letter of financial support has been issued to ITNL Road Infrastructure Development Company Limited, West Gujarat Expressway Limited, Vansh Nimay Infraprojects Limited, ITNL International Pte. Ltd., Singapore, ITNL Offshore Pte. Ltd., Singapore, ITNL Africa Projects Ltd., Nigeria, ITNL International DMCC, Dubai, Sharjah General Services Company LLC, Dubai IIP USA LLC, MP Border Checkposts Development Company Limited and Thiruvananthapuram Road Development Company Limited to enable them to continue their operations and meet their financial obligations as and when they fall due.

## 35. Lease

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:

	As at March 31, 2017	As at March 31, 2016
<b>Future lease rentals :</b>		
Within one year	4.96	2.27
Over one year but less than 5 years	4.53	1.57
More than 5 years	-	-

	Year ended March 31, 2017	Year ended March 31, 2016
Amount charged to the Statement of Profit and Loss for rent in respect of these properties	6.77	7.24

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 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:

	As at March 31, 2017	As at March 31, 2016
<b>Future lease rentals :</b>		
Within one year	22.50	-
Over one year but less than 5 years	33.80	-
More than 5 years	-	-

	Year ended March 31, 2017	Year ended March 31, 2016
Amount credited to the Statement of Profit and Loss for rent in respect of these machineries	0.31	-

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.

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## 36. Earnings / (loss) per Equity Share

Particulars	Unit	Year ended March 31, 2017	Year ended March 31, 2016
Profit after tax	₹ in Crore	236.39	(97.42)
Weighted average number of equity shares outstanding	Number	328,960,027	281,195,339
Nominal value per equity share	₹	10.00	10.00
Basic / Diluted earnings / (loss) per share	₹	7.19	(3.46)

## 37. Related Party Disclosures

### (i) Current Year

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

Nature of Relationship	Name of Entity	Abbreviation used
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS
Subsidiaries - Direct	Amravati Chikhli Expressway Ltd (incorporated on August 25, 2015)	ACEL
	Badarpur Tollway Operations Management Limited	BTOML
	Baleshwar Kharagpur Expressway Limited	BKEL
	Barwa Adda Expressway Limited	BAEL
	Charminar RoboPark Limited	CRL
	Chenani Nashri Tunnelway Limited	CNTL
	East Hyderabad Expressway Limited	EHEL
	Fagne Songadh Expressway Limited	FSEL
	Futureage Infrastructure India Limited	FIIL
	GRICL Rail Bridge Development Company Limited	GRBDCL
	Gift Parking Facilities Limited (Up to September 15, 2016)	
	Hazaribagh Ranchi Expressway Limited	HREL
	IL&FS Rail Limited	IRL
	ITNL International Pte Ltd	IIPL
	ITNL Offshore Pte Ltd	IOPL
	ITNL Offshore Three Pte Ltd	IO3PL
	ITNL Offshore Two Pte Ltd	IO2PL
	ITNL Road Infrastructure Development Company Limited	IRIDCL
	Jharkhand Infrastructure Implementation Company Limited	JIICL
	Jharkhand Road Projects Implementation Company Limited	JRPICL
	Karyavattom Sports Facilities Limited	KSFL
	Khed Sinnar Expressway Limited	KSEL
	Kiratpur Ner Chowk Expressway Limited	KNCEL
	Moradabad Bareilly Expressway Limited	MBEL
	MP Border Checkposts Development Company Limited	MPBCDCL
	Pune Sholapur Road Development Company Limited	PSRDCL
	Rajasthan Land Holdings Limited	RLHL
	Scheme of ITNL Road Investment Trust	IRIT
	Sikar Bikaner Highways Limited	SBHL
	Vansh Nimay Infraprojects Limited	VNIL
	Srinagar Sonmarg Tunnelway Limited	SSTL
	West Gujarat Expressway Limited	WGEL
Subsidiaries - Indirect	Alcantarilla Fotovoltaica SA, Sociedad Unipersonal	
	Andhra Pradesh Expressway Limited	APEL
	Area De Servicio Coiros S.L.U.	
	Area De Servicio Punta Umbria S.L.U.	
	Atenea Seguridad Y Medico Ambiente S.A.	

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Nature of Relationship	Name of Entity	Abbreviation used
	Beasolarta S.L.	
	Chattisgarh Highways Development Company Limited	CHDCL
	Chirayu Kath Real Estate Private Limited	
	CIESM-INTEVIA S.A. Sociedad Unipersonal	
	Conservacion de Infraestructuras De Mexico SA DE CV	
	Control 7, S. A	
	Devika Buildestate Private Limited	
	Elsamex Colombia SAS	
	Elsamex Construcao E Manutencao LTDA, Brazil	
	Elsamex India Private Limited	ELSAIND
	Elsamex Internacional, S.L, Sociedad Unipersonal	
	Elsamex Maintenance Services Limited	EMSL
	Elsamex Portugal-Engenharia E Sistemas De Gestao, S.A	EPE
	Elsamex S.A. LLC	
	Elsamex S.A., Spain	ELSA
	ESM Mantenimiento Integral DE S.A DE C.V	
	Flamingo Landbase Private Limited	
	Grusamar Albania SHPK	
	Grusamar Engenharia & Consultoria Brasil LTDA	
	Grusamar India Limited	GIL
	Grusamar Ingenieria Y Consulting Colombia SAS	
	Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal	
	I IPL USA LLC	
	Inteval Gestao Integral Rodoviaria, S.A	
	ITNL Africa Projects Limited	IAPL
	ITNL International Developer LLC	
	ITNL International DMCC, Dubai (Formerly known as ITNL International JLT, Dubai)	IJLT
Subsidiaries - Indirect	Mantenimiento Y Conservacion De Vialidades, S.A. de C.V.	
	North Karnataka Expressway Limited	NKEL
	Rapid MetroRail Gurgaon Limited	RMGL
	Rapid MetroRail Gurgaon South Limited	RMGSL
	Senalizacion Viales E Imagen, S.V.	
	Sharjah General Services Company LLC	
	Yala Construction Company Private Limited	YCCPL
Fellow Subsidiaries (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Aptex Marketing Services & Solutions Limited	APMSSL
	Bhopal E-Governance Limited	B EGL
	Gujarat Integrated Maritime Complex Private Limited	GIMCL
	IL&FS Airport Limited	IAL
	IL&FS Cluster Development Initiative Limited	ICDI
	IL&FS Energy Development Company Limited	IEDCL
	IL&FS Environment Infrastructure & Services Limited	IEISL
	IL&FS Financial Services Limited	IFIN
	IL&FS Global Financial Services (UK) Ltd.	IGFSLUK
	IL&FS Global Financial Services Pte. Ltd.	IGFSL
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Renewable Energy Limited	IREL
	IL&FS Securities Services Limited	ISSL
	IL&FS Skills Development Corporation Limited	ISDC
	IL&FS Technologies Ltd.	ITL
	IL&FS Township & Urban Assets Limited	ITUAL

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Nature of Relationship	Name of Entity	Abbreviation used
	IL&FS Tamil Nadu Power Company Limited	ITPCL
	IL&FS Water Limited	IWL
	IL&FS Wind Power Limited	IWPL
	Kanak Resources Management Limited	KRML
	Livia India Limited	LIL
	Mota Layja Gas Power Company Limited	MLGPCL
	Nana Layja Power Company Limited	NLGPCL
	PT Mantimin Coal Mining	PTMCM
	Rohtas Bio Energy Limited	RBEL
	Sabarmati Capital One Limited	SCOL
	Tierra Enviro Limited	TEL
	Unique Waste Processing Company Limited	UWPCL
Associates	ITNL Toll Management Services Limited	ITMSL
	Gujarat Road and Infrastructure Company Limited	GRICL
	Noida Toll Bridge Company Limited	NTBCL
	Geotecnia y Control De Qualitat, S.A.	
	Consortio De Obras Civiles, Conciviles, S.R.L	
	Vias Y Construcciones, Viacon, S. R. L.	
	CGI 8 S.A.	CGI-8
	Elsamex Infrastructure Company WLL	EICWLL
	Elsamex Road Technology Company Limited	ERT(China)
	Ramky Elsamex Ring Road Limited, Hyderabad	REHRR
	Sociedad Concesionaria Autovía A-4 Madrid S.A	A4 CONCESSION
Joint Ventures	Jorabat Shillong Expressway Limited	JSEL
	Road Infrastructure Development Company of Rajasthan Limited	RIDCOR
	Jharkhand Accelerated Road Development Company Limited	JARDCL
	Thiruvananthapuram Road Development Company Limited	TRDCL
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL
	N.A.M. Expressway Limited	NAMEL
	Chongqing Yuhe Expressway Co. Ltd.	
	RIDCOR Infra Projects Limited (Subsidiary of RIDCOR)	RIPL
Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director	
	Mr. Krishna Ghag, Company Secretary	
	Mr. Dilip Bhatia, Chief Financial Officer	
Relatives of KMP	Mrs. Rita Ramchand (wife of Mr K Ramchand)	

# NOTES

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(b) Transactions/ balances with above mentioned related parties (mentioned in note 37 (i) (a) above)

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Balances</b>							
<b>Equity share Capital</b>							
ILFS	236.58	-	-	-	-	-	236.58
IFIN	-	-	4.27	-	-	-	4.27
	<b>236.58</b>	<b>-</b>	<b>4.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>240.85</b>
<b>Interest accrued but not due on borrowings</b>							
NKEL	-	9.98	-	-	-	-	9.98
OTHERS	-	-	-	-	-	-	-
	<b>-</b>	<b>9.98</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.98</b>
<b>Long-Term Borrowings</b>							
IFIN	-	-	200.00	-	-	-	200.00
IMICL	-	-	200.00	-	-	-	200.00
RIPL	-	-	-	-	75.00	-	75.00
OTHERS	-	-	58.56	-	-	-	58.56
	<b>-</b>	<b>-</b>	<b>458.56</b>	<b>-</b>	<b>75.00</b>	<b>-</b>	<b>533.56</b>
<b>Short-term Borrowings</b>							
NKEL	-	25.15	-	-	-	-	25.15
OTHERS	0.83	3.00	3.00	-	-	-	6.83
	<b>0.83</b>	<b>28.15</b>	<b>3.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31.98</b>
<b>Mobilisation Advance paid</b>							
EMSL	-	1.75	-	-	-	-	1.75
ITL	-	-	4.00	-	-	-	4.00
	<b>-</b>	<b>1.75</b>	<b>4.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.75</b>
<b>Mobilisation Advances Received (Long-term)</b>							
IRIDCL	-	57.90	-	-	-	-	57.90
KNCEL	-	18.98	-	-	-	-	18.98
SSTL	-	77.58	-	-	-	-	77.58
OTHERS	-	6.76	-	-	-	-	6.76
	<b>-</b>	<b>161.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161.22</b>
<b>Mobilisation Advances Received (Short-term)</b>							
BAEL	-	59.52	-	-	-	-	59.52
KNCEL	-	28.62	-	-	-	-	28.62
OTHERS	-	4.69	-	-	8.03	-	12.72
	<b>-</b>	<b>92.83</b>	<b>-</b>	<b>-</b>	<b>8.03</b>	<b>-</b>	<b>100.86</b>
<b>Provision for Doubtful Assets</b>							
VNIL	-	83.80	-	-	-	-	83.80
	<b>-</b>	<b>83.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83.80</b>
<b>Rent Deposit</b>							
Mr K Ramchand-Managing Director	-	-	-	-	-	0.10	0.10
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	-	0.05	0.05
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.15</b>	<b>0.15</b>

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₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Retention Money Payable</b>							
ELSAIND	-	1.03	-	-	-	-	1.03
EMSL	-	4.24	-	-	-	-	4.24
ITL	-	-	1.55	-	-	-	1.55
OTHERS	-	0.78	0.03	-	-	-	0.81
	-	<b>6.05</b>	<b>1.58</b>	-	-	-	<b>7.63</b>
<b>Retention Money Receivable</b>							
CNTL	-	96.19	-	-	-	-	96.19
JSEL	-	-	-	-	40.68	-	40.68
KSEL	-	71.75	-	-	-	-	71.75
PSRDCL	-	48.68	-	-	-	-	48.68
SBHL	-	36.20	-	-	-	-	36.20
OTHERS	-	6.67	-	-	-	-	6.67
	-	<b>259.49</b>	-	-	<b>40.68</b>	-	<b>300.17</b>
<b>Trade Receivables</b>							
CNTL	-	475.49	-	-	-	-	475.49
KSEL	-	364.51	-	-	-	-	364.51
MPBCDCL	-	275.56	-	-	-	-	275.56
SSTL	-	296.57	-	-	-	-	296.57
FSEL	-	307.52	-	-	-	-	307.52
OTHERS	-	900.97	19.74	0.12	97.73	-	1,018.56
	-	<b>2,620.62</b>	<b>19.74</b>	<b>0.12</b>	<b>97.73</b>	-	<b>2,738.21</b>
<b>Allowance for Expected Credit Loss on Receivables</b>							
CNTL	-	66.39	-	-	-	-	66.39
MPBCDCL	-	38.23	-	-	-	-	38.23
WGEL	-	28.33	-	-	-	-	28.33
OTHERS	-	45.38	-	-	10.50	-	55.88
	-	<b>178.33</b>	-	-	<b>10.50</b>	-	<b>188.83</b>
<b>Unbilled Revenue</b>							
JSEL	-	-	-	-	167.29	-	167.29
KNCEL	-	120.41	-	-	-	-	120.41
RMGSL	-	49.32	-	-	-	-	49.32
OTHERS	-	61.74	-	-	0.53	-	62.27
	-	<b>231.47</b>	-	-	<b>167.82</b>	-	<b>399.29</b>
<b>Unearned Revenue</b>							
BAEL	-	48.38	-	-	-	-	48.38
MBEL	-	78.95	-	-	-	-	78.95
MPBCDCL	-	68.77	-	-	-	-	68.77
OTHERS	-	33.56	-	-	-	-	33.56
	-	<b>229.66</b>	-	-	-	-	<b>229.66</b>

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₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Allowance for Expected Credit Loss on Loans</b>							
JRPICL	-	156.43	-	-	-	-	156.43
MPBCDCL	-	176.72	-	-	-	-	176.72
SBHL	-	139.45	-	-	-	-	139.45
TRDCL	-	-	-	-	77.87	-	77.87
OTHERS	-	117.22	-	-	0.30	-	117.52
	-	<b>589.82</b>	-	-	<b>78.17</b>	-	<b>667.99</b>
<b>Provision for diminution in the value of Investments</b>							
VNIL	-	14.50	-	-	-	-	14.50
	-	<b>14.50</b>	-	-	-	-	<b>14.50</b>
<b>Dividend receivable</b>							
IRIT	-	5.02	-	-	-	-	5.02
	-	<b>5.02</b>	-	-	-	-	<b>5.02</b>
<b>Trade payables other than MSME</b>							
ILFS	26.92	-	-	-	-	-	26.92
EMSL	-	16.24	-	-	-	-	16.24
IFIN	-	-	24.07	-	-	-	24.07
IRL	-	68.86	-	-	-	-	68.86
OTHERS	-	3.88	0.95	-	2.39	-	7.22
	<b>26.92</b>	<b>88.98</b>	<b>25.02</b>	-	<b>2.39</b>	-	<b>143.31</b>
<b>Other advances to related party</b>							
GRICL	-	-	-	75.00	-	-	75.00
	-	-	-	<b>75.00</b>	-	-	<b>75.00</b>
<b>Advances Recoverable</b>							
BAEL	-	17.91	-	-	-	-	17.91
KSEL	-	64.98	-	-	-	-	64.98
ELSA	-	18.52	-	-	-	-	18.52
OTHERS	0.01	50.26	6.46	0.50	4.45	-	61.68
	<b>0.01</b>	<b>151.67</b>	<b>6.46</b>	<b>0.50</b>	<b>4.45</b>	-	<b>163.09</b>
<b>Advances recoverable considered doubtful</b>							
IAL	-	-	22.06	-	-	-	22.06
OTHERS	-	1.40	-	-	-	-	1.40
	-	<b>1.40</b>	<b>22.06</b>	-	-	-	<b>23.46</b>
<b>Allowance for Expected Credit Loss on Advances Recoverables</b>							
PTMCM	-	-	1.86	-	-	-	1.86
	-	-	<b>1.86</b>	-	-	-	<b>1.86</b>
<b>Investments</b>							
IRL	-	688.17	-	-	-	-	688.17
I IPL	-	779.92	-	-	-	-	779.92
OTHERS	-	3,400.66	-	205.83	407.39	-	4,013.88
	-	<b>4,868.75</b>	-	<b>205.83</b>	<b>407.39</b>	-	<b>5,481.97</b>

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₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Loans given - Non current</b>							
BAEL	-	764.71	-	-	-	-	764.71
JRPICL	-	419.53	-	-	-	-	419.53
KSEL	-	321.52	-	-	-	-	321.52
MPBCDCL	-	393.00	-	-	-	-	393.00
OTHERS	-	830.88	-	-	99.38	-	930.26
	-	<b>2,729.64</b>	-	-	<b>99.38</b>	-	<b>2,829.02</b>
<b>Loans given - Current</b>							
IRIDCL	-	336.32	-	-	-	-	336.32
MBEL	-	562.36	-	-	-	-	562.36
PSRDCL	-	542.58	-	-	-	-	542.58
OTHERS	-	1,036.50	55.55	0.83	313.34	-	1,406.22
	-	<b>2,477.76</b>	<b>55.55</b>	<b>0.83</b>	<b>313.34</b>	-	<b>2,847.48</b>
<b>Fair Value Adjustment of Other advances to related party</b>							
GRICL	-	-	-	21.61	-	-	21.61
	-	-	-	<b>21.61</b>	-	-	<b>21.61</b>
<b>Fair Valuation of Investments - Decrease</b>							
JRPICL	-	242.45	-	-	-	-	242.45
MPBCDCL	-	110.28	-	-	-	-	110.28
HREL	-	136.26	-	-	-	-	136.26
OTHERS	-	74.22	-	29.29	17.03	-	120.54
	-	<b>563.21</b>	-	<b>29.29</b>	<b>17.03</b>	-	<b>609.53</b>
<b>Fair Valuation of Investments - Increase</b>							
BAEL	-	221.00	-	-	-	-	221.00
PSRDCL	-	202.86	-	-	-	-	202.86
	-	<b>423.86</b>	-	-	-	-	<b>423.86</b>
<b>Transactions</b>							
<b>Revenue from Operations</b>							
BAEL	-	586.32	-	-	-	-	586.32
CNTL	-	343.54	-	-	-	-	343.54
KNCEL	-	576.13	-	-	-	-	576.13
KSEL	-	555.80	-	-	-	-	555.80
RMGSL	-	510.02	-	-	-	-	510.02
OTHERS	-	672.17	-	11.34	161.78	-	845.29
	-	<b>3,243.98</b>	-	<b>11.34</b>	<b>161.78</b>	-	<b>3,417.10</b>
<b>Miscellaneous Income</b>							
WGEL	-	0.96	-	-	-	-	0.96
NTBCL	-	-	-	0.66	-	-	0.66
OTHERS	-	-	0.60	-	-	-	0.60
	-	<b>0.96</b>	<b>0.60</b>	<b>0.66</b>	-	-	<b>2.22</b>

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₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Dividend</b>							
IRIT	-	46.09	-	-	-	-	46.09
NKEL	-	12.47	-	-	-	-	12.47
NTBCL	-	-	-	7.36	-	-	7.36
OTHERS	-	-	-	4.46	-	-	4.46
	-	<b>58.56</b>	-	<b>11.82</b>	-	-	<b>70.38</b>
<b>Administrative and general expenses</b>							
ILFS	26.81	-	-	-	-	-	26.81
IGFSLUK	-	-	4.15	-	-	-	4.15
IGFSL	-	-	4.03	-	-	-	4.03
OTHERS	0.31	0.15	0.82	-	-	-	1.28
	<b>27.12</b>	<b>0.15</b>	<b>9.00</b>	-	-	-	<b>36.27</b>
<b>Brand subscription fees (Expense)</b>							
ILFS	15.74	-	-	-	-	-	15.74
	<b>15.74</b>	-	-	-	-	-	<b>15.74</b>
<b>Commission Charges &amp; monitoring fees</b>							
ILFS	21.51	-	-	-	-	-	21.51
OTHERS	-	-	0.15	-	-	-	0.15
	<b>21.51</b>	-	<b>0.15</b>	-	-	-	<b>21.66</b>
<b>Construction Cost</b>							
EMSL	-	51.46	-	-	-	-	51.46
IRL	-	320.50	-	-	-	-	320.50
	-	<b>371.96</b>	-	-	-	-	<b>371.96</b>
<b>Finance Charges</b>							
IFIN	-	-	30.12	-	-	-	30.12
IGFSLUK	-	-	4.54	-	-	-	4.54
OTHERS	-	-	3.14	-	-	-	3.14
	-	-	<b>37.80</b>	-	-	-	<b>37.80</b>
<b>Interest on Loans (Expense)</b>							
UWPCL	-	-	17.56	-	-	-	17.56
LIL	-	-	30.03	-	-	-	30.03
MLGPCL	-	-	20.11	-	-	-	20.11
OTHERS	6.37	17.29	81.19	-	2.41	-	107.26
	<b>6.37</b>	<b>17.29</b>	<b>148.89</b>	-	<b>2.41</b>	-	<b>174.96</b>
<b>Borrowings</b>							
ILFS	1,180.83	-	-	-	-	-	1,180.83
IAL	-	-	361.00	-	-	-	361.00
ICDI	-	-	575.10	-	-	-	575.10
OTHERS	-	106.00	960.50	-	200.00	-	1,266.50
	<b>1,180.83</b>	<b>106.00</b>	<b>1,896.60</b>	-	<b>200.00</b>	-	<b>3,383.43</b>
<b>Profit on Sale of Investment</b>							
I IPL	-	140.93	-	-	-	-	140.93
	-	<b>140.93</b>	-	-	-	-	<b>140.93</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Investment made / purchased</b>							
IRL	-	138.04	-	-	-	-	138.04
KNCEL	-	84.86	-	-	-	-	84.86
I IPL	-	413.16	-	-	-	-	413.16
OTHERS	-	143.12	-	-	-	-	143.12
	-	<b>779.18</b>	-	-	-	-	<b>779.18</b>
<b>Purchase of Investment</b>							
ILFS	4.52	-	-	-	-	-	4.52
	<b>4.52</b>	-	-	-	-	-	<b>4.52</b>
<b>Sale of Investment</b>							
I IPL	-	272.23	-	-	-	-	272.23
	-	<b>272.23</b>	-	-	-	-	<b>272.23</b>
<b>Purchase of Units</b>							
IRIT	-	0.23	-	-	-	-	0.23
	-	<b>0.23</b>	-	-	-	-	<b>0.23</b>
<b>Redemption of Units</b>							
IRIT	-	2.94	-	-	-	-	2.94
	-	<b>2.94</b>	-	-	-	-	<b>2.94</b>
<b>Operating Expenses (Other than Construction Cost)</b>							
EMSL	-	94.52	-	-	-	-	94.52
OTHERS	-	2.32	-	-	-	-	2.32
	-	<b>96.84</b>	-	-	-	-	<b>96.84</b>
<b>Provision for Doubtful Assets</b>							
VNIL	-	47.30	-	-	-	-	47.30
	-	<b>47.30</b>	-	-	-	-	<b>47.30</b>
<b>Remuneration to director / KMP*</b>							
Mr K Ramchand-Managing Director	-	-	-	-	-	5.20	5.20
Mr Krishna Ghag-Company Secretary	-	-	-	-	-	0.58	0.58
Mr Dilip Bhatia-Chief Financial Officer	-	-	-	-	-	1.50	1.50
	-	-	-	-	-	<b>7.28</b>	<b>7.28</b>
<b>Rent Expense</b>							
Mr K Ramchand-Managing Director	-	-	-	-	-	0.34	0.34
Mr Krishna Ghag-Company Secretary	-	-	-	-	-	0.08	0.08
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	-	0.45	0.45
Mr Dilip Bhatia-Chief Financial Officer	-	-	-	-	-	0.02	0.02
	-	-	-	-	-	<b>0.89</b>	<b>0.89</b>
<b>Repayment of Borrowings</b>							
ILFS	1,180.00	-	-	-	-	-	1,180.00
ICDI	-	-	575.10	-	-	-	575.10
OTHERS	-	430.35	2,479.50	-	125.00	-	3,034.85
	<b>1,180.00</b>	<b>430.35</b>	<b>3,054.60</b>	-	<b>125.00</b>	-	<b>4,789.95</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Loans given</b>							
CNTL	-	762.80	-	-	-	-	762.80
IRIDCL	-	643.85	-	-	-	-	643.85
JRPICL	-	780.62	-	-	-	-	780.62
JSEL	-	-	-	-	643.37	-	643.37
MBEL	-	956.04	-	-	-	-	956.04
PSRDCL	-	1,064.71	-	-	-	-	1,064.71
OTHERS	-	1,334.57	53.63	0.83	180.77	-	1,569.80
	-	<b>5,542.59</b>	<b>53.63</b>	<b>0.83</b>	<b>824.14</b>	-	<b>6,421.19</b>
<b>Repayment of loans given</b>							
CNTL	-	674.12	-	-	-	-	674.12
IRIDCL	-	488.90	-	-	-	-	488.90
JRPICL	-	624.65	-	-	-	-	624.65
JSEL	-	-	-	-	486.82	-	486.82
MBEL	-	502.25	-	-	-	-	502.25
PSRDCL	-	551.00	-	-	-	-	551.00
OTHERS	-	1,015.86	15.57	-	187.28	-	1,218.71
	-	<b>3,856.78</b>	<b>15.57</b>	-	<b>674.10</b>	-	<b>4,546.45</b>
<b>Other Interest</b>							
IFIN	-	-	2.32	-	-	-	2.32
	-	-	<b>2.32</b>	-	-	-	<b>2.32</b>
<b>Expected Credit Loss on Other Financial Assets</b>							
PTMCM	-	-	2.02	-	-	-	2.02
	-	-	<b>2.02</b>	-	-	-	<b>2.02</b>
<b>Expected Credit loss on Loans</b>							
JRPICL	-	78.09	-	-	-	-	78.09
SBHL	-	82.74	-	-	-	-	82.74
TRDCL	-	-	-	-	44.66	-	44.66
OTHERS	-	18.91	-	-	0.26	-	19.17
	-	<b>179.74</b>	-	-	<b>44.92</b>	-	<b>224.66</b>
<b>Reversal of Expected Credit loss on Loans</b>							
SSTL	-	63.70	-	-	-	-	63.70
HREL	-	91.36	-	-	-	-	91.36
OTHERS	-	27.51	0.02	-	0.06	-	27.59
	-	<b>182.57</b>	<b>0.02</b>	-	<b>0.06</b>	-	<b>182.65</b>
<b>Expected Credit Loss on Receivables.</b>							
WGEL	-	2.29	-	-	-	-	2.29
NAMEL	-	-	-	-	1.51	-	1.51
CRL	-	3.02	-	-	-	-	3.02
BKEL	-	1.60	-	-	-	-	1.60
	-	<b>6.91</b>	-	-	<b>1.51</b>	-	<b>8.42</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Reversal of Expected Credit Loss on Receivables.</b>							
BAEL	-	35.22	-	-	-	-	35.22
SSTL	-	29.23	-	-	-	-	29.23
OTHERS	-	92.72	-	0.09	9.83	-	102.64
	-	<b>157.17</b>	-	<b>0.09</b>	<b>9.83</b>	-	<b>167.09</b>
<b>Interest income on Financial Assets</b>							
BAEL	-	159.88	-	-	-	-	159.88
OTHERS	-	397.54	2.24	-	27.55	-	427.33
	-	<b>557.42</b>	<b>2.24</b>	-	<b>27.55</b>	-	<b>587.21</b>
<b>Guarantee Fees Income</b>							
IO2PL	-	7.45	-	-	-	-	7.45
IO3PL	-	2.22	-	-	-	-	2.22
ELSA	-	3.93	-	-	-	-	3.93
OTHERS	-	0.11	-	-	-	-	0.11
	-	<b>13.71</b>	-	-	-	-	<b>13.71</b>
<b>Capital Advance received</b>							
IFIN	-	-	115.00	-	-	-	115.00
	-	-	<b>115.00</b>	-	-	-	<b>115.00</b>
<b>Capital Advance repaid</b>							
IFIN	-	-	115.00	-	-	-	115.00
	-	-	<b>115.00</b>	-	-	-	<b>115.00</b>
<b>Finance Cost</b>							
IFIN	-	-	20.50	-	-	-	20.50
IMICL	-	-	20.50	-	-	-	20.50
OTHERS	-	-	2.50	-	-	-	2.50
	-	-	<b>43.50</b>	-	-	-	<b>43.50</b>
<b>Redemption of Debenture</b>							
RIDCOR	-	-	-	-	32.00	-	32.00
	-	-	-	-	<b>32.00</b>	-	<b>32.00</b>
<b>Reversal of Expected credit losses on other financial assets</b>							
GRICL	-	-	-	5.79	-	-	5.79
PTMCM	-	-	2.02	-	-	-	2.02
APEL	-	7.18	-	-	-	-	7.18
OTHERS	-	1.00	-	-	-	-	1.00
	-	<b>8.18</b>	<b>2.02</b>	<b>5.79</b>	-	-	<b>15.99</b>
<b>Reduction of Investments as per Court's Scheme</b>							
APEL	-	83.00	-	-	-	-	83.00
	-	<b>83.00</b>	-	-	-	-	<b>83.00</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Conversion of Investments into Loans as per Court's Scheme</b>							
APEL	-	137.00	-	-	-	-	137.00
	-	<b>137.00</b>	-	-	-	-	<b>137.00</b>
<b>Dividend Paid</b>							
ILFS	47.32	-	-	-	-	-	47.32
IFIN	-	-	0.85	-	-	-	0.85
	<b>47.32</b>	-	<b>0.85</b>	-	-	-	<b>48.17</b>

Footnote : - \* Includes Deputation cost of ₹ 6.10 Crores charged by Holding Company "IL&FS"

Mr K Ramchand-Managing Director	3.68
Mr Mukund Sapre-Executive Director	2.42
	<u>6.10</u>

(ii) **Previous Year - March 2016**

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

Nature of Relationship	Name of Entity	Abbreviation used
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS
Subsidiaries - Direct	Amravati Chikhli Expressway Ltd (incorporated on August 25, 2015)	ACEL
	Badarpur Tollway Operations Management Limited	BTOML
	Baleshwar Kharagpur Expressway Limited	BKEL
	Barwa Adda Expressway Limited	BAEL
	Charminar RoboPark Limited	CRL
	Chenani Nashri Tunnelway Limited	CNTL
	East Hyderabad Expressway Limited	EHEL
	Fagne Songadh Expressway Ltd (incorporated on August 25, 2015)	FSEL
	Futureage Infrastructure India Limited	FIIL
	GIFT Parking Facilities Limited	GPFL
	GRICL Rail Bridge Development Company Limited. (from March 31, 2016)	GRBDCL
	Hazaribagh Ranchi Expressway Limited	HREL
	IL&FS Rail Limited	IRL
	ITNL International Pte Ltd.	I IPL
	ITNL Offshore Pte Ltd.	IOPL
	ITNL Offshore Three Pte Ltd	IO3PL
	ITNL Offshore Two Pte Ltd	IO2PL
	ITNL Road Infrastructure Development Company Limited	IRIDCL
	Jharkhand Infrastructure Implementation Company Limited	JIICL
	Jharkhand Road Projects Implementation Company Limited	JRPICL
	Karyavattom Sports Facilities Limited	KSFL
	Khed Sinnar Expressway Limited	KSEL
	Kiratpur Ner Chowk Expressway Limited	KNCEL
	Moradabad Bareilly Expressway Limited	MBEL
	MP Border Checkposts Development Company Limited	MPBCDCL
	Pune Sholapur Road Development Company Limited	PSRDCL

# NOTES

forming part of the Standalone financial statements

Nature of Relationship	Name of Entity	Abbreviation used
	Rajasthan Land Holdings Limited (from March 31, 2016)	RLHL
	Scheme of ITNL Road Investment Trust	IRIT
	Sikar Bikaner Highways Limited	SBHL
	Vansh Nimay Infraprojects Limited	VNIL
	West Gujarat Expressway Limited	WGEL
Subsidiaries - Indirect	Alcantarilla Fotovoltaica SA, Sociedad Unipersonal	
	Andhra Pradesh Expressway Limited	APEL
	Area De Servicio Coiros S.L.U.	
	Area De Servicio Punta Umbria S.L.U.	
	Atenea Seguridad Y Medico Ambiente S.A.	
	Beasolarta S.L.	
	Chattisgarh Highways Development Company Limited	CHDCL
	Chirayu Kath Real Estate Private Limited (from March 31, 2016)	
	CIESM-INTEVIA S.A. Sociedad Unipersonal	
	Conservacion de Infraestructuras De Mexico SA DE CV	
	Control 7, S. A	
	Devika Buildestate Private Limited (from March 31, 2016)	
	Elsamex Colombia SAS	
	Elsamex Construcao E Manutencao LTDA, Brazil	
	Elsamex India Private Limited	ELSAIND
	Elsamex Internacional, S.L, Sociedad Unipersonal	
	Elsamex Maintenance Services Limited	EMSL
	Elsamex Portugal-Engenharia E Sistemas De Gestao, S.A	EPE
	Elsamex S.A. LLC USA	
	Elsamex S.A..	ELSA
	ESM Mantenimiento Integral DE S.A DE C.V	
	Flamingo Landbase Private Limited (from March 31, 2016)	
	Grusamar Albania SHPK	
	Grusamar Engenharia & Consultoria Brasil LTDA	
	Grusamar India Limited	GIL
	Grusamar Ingenieria Y Consulting Colombia SAS	
	Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal	.
	I IPL USA LLC	
	Inteval Gestao Integral Rodoviaria, S.A	
	ITNL Africa Projects Limited	IAPL
	ITNL International Developer LLC (Company is subsidiary of ITNL International Pte Limited through Board Control)	
	ITNL International DMCC, Dubai (Formerly known as ITNL International JLT, Dubai)	IJLT
Subsidiaries - Indirect	Mantenimiento Y Conservacion De Vialidades, S.A. de C.V.	
	North Karnataka Expressway Limited	NKEL
	Park Line LLC	
	Rapid MetroRail Gurgaon Limited	RMGL
	Rapid MetroRail Gurgaon South Limited	RMGSL
	Senalizacion Viales E Imagen, S.V.	
	Sharjah General Services Company LLC	
	Srinagar Sonmarg Tunnelway Limited	SSTL
	Yala Construction Company Private Limited	YCCPL

# NOTES

forming part of the Standalone financial statements

Nature of Relationship	Name of Entity	Abbreviation used
Fellow Subsidiaries (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Apptex Marketing Services & Solutions Limited	APMSSL
	Bhopal E-Governance Limited	B EGL
	Gujarat Integrated Maritime Complex Private Limited	GIMCL
	IL&FS Airport Limited	IAL
	IL&FS Capital Advisors Ltd.	ICAL
	IL&FS Cluster Development Initiative Limited	ICDI
	IL&FS Education & Technology Services Limited	IETS
	IL&FS Energy Development Company Limited	IEDCL
	IL&FS Environment Infrastructure & Services Limited	IEISL
	IL&FS Financial Services Limited	IFIN
	IL&FS Global Financial Services (UK) Ltd.	IGFSLUK
	IL&FS Global Financial Services Pte. Ltd.	IGFSL
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Renewable Energy Limited	IREL
	IL&FS Securities Services Limited	ISSL
	IL&FS Skills Development Corporation Limited	ISDC
	IL&FS Technologies Ltd.	ITL
	IL&FS Township & Urban Assets Limited	ITUAL
	IL&FS Trust Company Limited	ITCL
	IL&FS Water Limited	IWL
	IL&FS Wind Power Limited	IWPL
	Kanak Resources Management Limited	KRML
	Livia India Limited	LIL
	Mota Layja Gas Power Company Limited	MLGPCL
	PT Mantimin Coal Mining	PTMCM
	Rohtas Bio Energy Limited	RBEL
	Sabarmati Capital One Limited	SCOL
	Skill Training Assessment Management Partners Limited	STAMP
	Tierra Enviro Limited	TEL
	Unique Waste Processing Company Limited	UWPCL
Associates	ITNL Toll Management Services Limited	ITMSL
	Gujarat Road and Infrastructure Company Limited	GRICL
	CGI 8 S.A.	CGI-8
	Elsamex Infrastructure Company WLL	EICWLL
	Elsamex Road Technology Company Limited	ERT(China)
	Noida Toll Bridge Company Limited	NTBCL
	Geotecnia y Control De Qualitat, S.A.	
	Consortio De Obras Civiles, Conciviles, S.R.L	
	Vias Y Construcciones, Viacon, S. R. L.	
	Ramky Elsamex Ring Road Limited, Hyderabad	REHRR
	Sociedad Concesionaria Autovia A-4 Madrid S.A	A4 CONCESSION
	VCS-Enterprises Limited (upto February 18, 2016)	VCS
Joint Ventures	Jorabat Shillong Expressway Limited	JSEL
	N.A.M. Expressway Limited	NAMSL
	Chongqing Yuhe Expressway Co. Ltd. (held through subsidiary)	
	Road Infrastructure Development Company of Rajasthan Limited	RIDCOR
	Thiruvananthapuram Road Development Company Limited	TRDCL
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL

# NOTES

forming part of the Standalone financial statements

Nature of Relationship	Name of Entity	Abbreviation used
	Elsamex - ITNL JVCA	EIJVCA
Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director	
	Mr Mukund Sapre-Executive Director	
	Mr George Cherian-Chief Financial Officer (upto December 31 2015)	
	Mr Dilip Bhatia - Chief Financial Officer (from January 01, 2016)	
	Mr Krishna Ghag-Company Secretary	
Relatives of KMP	Mrs Rita Ramchand (wife of Mr K Ramchand)	
	Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	
	Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	

(b) Transactions/ balances with above mentioned related parties (mentioned in note 37 (ii) (a) above)

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Balances</b>							
<b>Equity share Capital</b>							
ILFS	236.58	-	-	-	-	-	236.58
IFIN	-	-	4.27	-	-	-	4.27
	<b>236.58</b>	-	<b>4.27</b>	-	-	-	<b>240.85</b>
<b>Interest accrued but not due on borrowings</b>							
ILFS	13.58	-	-	-	-	-	13.58
NKEL	-	11.44	-	-	-	-	11.44
TEL	-	-	5.48	-	-	-	5.48
UWPCL	-	-	6.13	-	-	-	6.13
LIL	-	-	7.01	-	-	-	7.01
OTHERS	-	0.25	8.01	-	-	-	8.26
	<b>13.58</b>	<b>11.69</b>	<b>26.63</b>	-	-	-	<b>51.90</b>
<b>Long-term Borrowings</b>							
RMGSL	-	270.00	-	-	-	-	270.00
TEL	-	-	150.00	-	-	-	150.00
SCOL	-	-	157.00	-	-	-	157.00
MLGPCL	-	-	200.00	-	-	-	200.00
OTHERS	-	3.00	453.56	-	-	-	456.56
	-	<b>273.00</b>	<b>960.56</b>	-	-	-	<b>1,233.56</b>
<b>Short-term Borrowings</b>							
NKEL	-	79.50	-	-	-	-	79.50
UWPCL	-	-	200.00	-	-	-	200.00
LIL	-	-	276.00	-	-	-	276.00
BEGL	-	-	75.00	-	-	-	75.00
KRML	-	-	77.00	-	-	-	77.00
OTHERS	-	-	26.00	-	-	-	26.00
	-	<b>79.50</b>	<b>654.00</b>	-	-	-	<b>733.50</b>
<b>Mobilisation Advance paid</b>							
ITL	-	-	4.00	-	-	-	4.00
	-	-	<b>4.00</b>	-	-	-	<b>4.00</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Mobilisation Advances Received (Long-term)</b>							
IRIDCL	-	57.95	-	-	-	-	57.95
KNCEL	-	24.75	-	-	-	-	24.75
SSTL	-	77.58	-	-	-	-	77.58
OTHERS	-	16.80	-	-	-	-	16.80
	-	<b>177.08</b>	-	-	-	-	<b>177.08</b>
<b>Mobilisation Advances Received (Short-term)</b>							
BAEL	-	76.90	-	-	-	-	76.90
CNTL	-	32.67	-	-	-	-	32.67
KNCEL	-	70.02	-	-	-	-	70.02
OTHERS	-	10.48	-	-	10.44	-	20.92
	-	<b>190.07</b>	-	-	<b>10.44</b>	-	<b>200.51</b>
<b>Payable against property</b>							
SCOL	-	-	5.41	-	-	-	5.41
	-	-	<b>5.41</b>	-	-	-	<b>5.41</b>
<b>Provision for Doubtful Assets</b>							
IAL	-	-	22.06	-	-	-	22.06
VNIL	-	83.80	-	-	-	-	83.80
	-	<b>83.80</b>	<b>22.06</b>	-	-	-	<b>105.86</b>
<b>Purchase of Investments</b>							
GRICL	-	-	-	0.05	-	-	0.05
	-	-	-	<b>0.05</b>	-	-	<b>0.05</b>
<b>Purchase of Property</b>							
SCOL	-	-	6.79	-	-	-	6.79
	-	-	<b>6.79</b>	-	-	-	<b>6.79</b>
<b>Other Advances to related party</b>							
GRICL	-	-	-	75.00	-	-	75.00
OTHERS	-	-	-	-	0.01	-	0.01
	-	-	-	<b>75.00</b>	<b>0.01</b>	-	<b>75.01</b>
<b>Fair Value of other advances to related party</b>							
GRICL	-	-	-	27.40	-	-	27.40
	-	-	-	<b>27.40</b>	-	-	<b>27.40</b>
<b>Rent Deposit</b>							
Mr K Ramchand-Managing Director	-	-	-	-	-	0.10	0.10
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	-	0.05	0.05
Mr Mukund Sapre-Executive Director	-	-	-	-	-	0.05	0.05
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	-	0.05	0.05
Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	-	-	-	-	-	2.00	2.00
	-	-	-	-	-	<b>2.25</b>	<b>2.25</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Retention Money Payable</b>							
ELSAIND	-	1.03	-	-	-	-	1.03
EMSL	-	2.48	-	-	-	-	2.48
ITL	-	-	1.55	-	-	-	1.55
OTHERS	-	0.78	0.03	-	-	-	0.81
	-	<b>4.29</b>	<b>1.58</b>	-	-	-	<b>5.87</b>
<b>Retention Money Receivable</b>							
JSEL	-	-	-	-	39.29	-	39.29
KSEL	-	51.75	-	-	-	-	51.75
PSRDCL	-	48.54	-	-	-	-	48.54
SBHL	-	35.07	-	-	-	-	35.07
OTHERS	-	6.66	-	-	-	-	6.66
	-	<b>142.02</b>	-	-	<b>39.29</b>	-	<b>181.31</b>
<b>Trade Receivables</b>							
BAEL	-	643.47	-	-	-	-	643.47
KSEL	-	722.07	-	-	-	-	722.07
OTHERS	-	2,448.74	0.01	3.24	232.00	-	2,683.99
	-	<b>3,814.28</b>	<b>0.01</b>	<b>3.24</b>	<b>232.00</b>	-	<b>4,049.53</b>
<b>Unamortised borrowing costs</b>							
ILFS	0.49	-	-	-	-	-	0.49
IFIN	-	-	52.21	-	-	-	52.21
	<b>0.49</b>	-	<b>52.21</b>	-	-	-	<b>52.70</b>
<b>Allowance for Expected Credit Loss on Receivables</b>							
IRIDCL	-	16.99	-	-	-	-	16.99
MPBCDCL	-	26.85	-	-	-	-	26.85
WGEL	-	21.95	-	-	-	-	21.95
SSTL	-	35.25	-	-	-	-	35.5
OTHERS	-	28.78	-	0.09	15.91	-	44.78
	-	<b>129.82</b>	-	<b>0.09</b>	<b>15.91</b>	-	<b>145.82</b>
<b>Unbilled Revenue</b>							
CNTL	-	218.25	-	-	-	-	218.25
JSEL	-	-	-	-	94.24	-	94.24
KNCEL	-	55.37	-	-	-	-	55.37
RMGSL	-	58.23	-	-	-	-	58.23
OTHERS	-	55.64	-	-	0.53	-	56.17
	-	<b>387.49</b>	-	-	<b>94.77</b>	-	<b>482.26</b>
<b>Unearned Revenue</b>							
IRIDCL	-	22.65	-	-	-	-	22.65
MBEL	-	81.81	-	-	-	-	81.81
MPBCDCL	-	67.15	-	-	-	-	67.15
OTHERS	-	36.60	-	-	-	-	36.60
	-	<b>208.21</b>	-	-	-	-	<b>208.21</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Allowance for Expected Credit Loss on Loans</b>							
HREL	-	211.37	-	-	-	-	211.37
JRPICL	-	78.34	-	-	-	-	78.34
MPBCDCL	-	180.38	-	-	-	-	180.38
OTHERS	-	122.53	0.02	-	33.31	-	155.86
	-	<b>592.62</b>	<b>0.02</b>	-	<b>33.31</b>	-	<b>625.95</b>
<b>Fair Valuation of Investments - Decrease</b>							
HREL	-	136.26	-	-	-	-	136.26
JRPICL	-	242.45	-	-	-	-	242.45
MPBCDCL	-	110.28	-	-	-	-	110.28
APEL	-	126.31	-	-	-	-	126.31
OTHERS	-	75.22	-	29.29	17.03	-	121.54
	-	<b>690.52</b>	-	<b>29.29</b>	<b>17.03</b>	-	<b>736.84</b>
<b>Investments</b>							
IRL	-	550.14	-	-	-	-	550.14
OTHERS	-	3,848.51	-	209.30	407.39	-	4,465.20
	-	<b>4,398.65</b>	-	<b>209.30</b>	<b>407.39</b>	-	<b>5,015.34</b>
<b>Fair Valuation of Investments - Increase</b>							
BAEL	-	221.00	-	-	-	-	221.00
PSRDCL	-	202.86	-	-	-	-	202.86
	-	<b>423.86</b>	-	-	-	-	<b>423.86</b>
<b>Provision for diminution in the value of Investments</b>							
VNIL	-	14.50	-	-	-	-	14.50
	-	<b>14.50</b>	-	-	-	-	<b>14.50</b>
<b>Advances Recoverable</b>							
ILFS	0.01	-	-	-	-	-	0.01
IAL	-	-	27.27	-	-	-	27.27
KSEL	-	17.18	-	-	-	-	17.18
PSRDCL	-	21.20	-	-	-	-	21.20
PTMCM	-	-	18.36	-	-	-	18.36
OTHERS	-	49.80	0.25	0.30	8.96	-	59.31
	<b>0.01</b>	<b>88.18</b>	<b>45.88</b>	<b>0.30</b>	<b>8.96</b>	-	<b>143.33</b>
<b>Trade Payables other than MSME</b>							
EMSL	-	25.46	-	-	-	-	25.46
ILFS	8.22	-	-	-	-	-	8.22
IFIN	-	-	25.48	-	-	-	25.48
IRL	-	157.39	-	-	-	-	157.39
OTHERS	-	3.60	12.13	-	2.39	-	18.12
	<b>8.22</b>	<b>186.45</b>	<b>37.61</b>	-	<b>2.39</b>	-	<b>234.67</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Loans given - Non current</b>							
BAEL	-	471.41	-	-	-	-	471.41
JRPICL	-	264.97	-	-	-	-	264.97
KSEL	-	282.94	-	-	-	-	282.94
MPBCDCL	-	298.07	-	-	-	-	298.07
OTHERS	-	573.94	-	-	34.35	-	608.29
	-	<b>1,891.33</b>	-	-	<b>34.35</b>	-	<b>1,925.68</b>
<b>Loans given - Current</b>							
CNTL	-	205.67	-	-	-	-	205.67
HREL	-	348.33	-	-	-	-	348.33
IRIDCL	-	174.42	-	-	-	-	174.42
OTHERS	-	576.04	17.43	-	216.39	-	809.86
	-	<b>1,304.46</b>	<b>17.43</b>	-	<b>216.39</b>	-	<b>1,538.28</b>
<b>Transactions</b>							
<b>Revenue from Operations</b>							
BAEL	-	574.29	-	-	-	-	574.29
CNTL	-	718.61	-	-	-	-	718.61
KSEL	-	653.08	-	-	-	-	653.08
RMGSL	-	635.36	-	-	-	-	635.36
OTHERS	-	1,834.16	-	10.06	100.67	-	1,944.89
	-	<b>4,415.50</b>	-	<b>10.06</b>	<b>100.67</b>	-	<b>4,526.23</b>
<b>Interest Income</b>							
HREL	-	46.23	-	-	-	-	46.23
MPBCDCL	-	40.41	-	-	-	-	40.41
OTHERS	-	261.30	2.07	-	33.36	-	296.73
	-	<b>347.94</b>	<b>2.07</b>	-	<b>33.36</b>	-	<b>383.37</b>
<b>Miscellaneous Income</b>							
CNTL	-	9.66	-	-	-	-	9.66
IO2PL	-	7.58	-	-	-	-	7.58
BKEL	-	12.78	-	-	-	-	12.78
OTHERS	-	5.33	-	0.69	2.95	-	8.97
	-	<b>35.35</b>	-	<b>0.69</b>	<b>2.95</b>	-	<b>38.99</b>
<b>Profit on Sale of Investment</b>							
ILFS	141.82	-	-	-	-	-	141.82
	<b>141.82</b>	-	-	-	-	-	<b>141.82</b>
<b>Finance Charges</b>							
IFIN	-	-	31.03	-	-	-	31.03
OTHERS	-	-	0.16	-	-	-	0.16
	-	-	<b>31.19</b>	-	-	-	<b>31.19</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Administrative and general expenses</b>							
ILFS	18.58	-	-	-	-	-	18.58
OTHERS	-	-	0.11	-	-	-	0.11
	<b>18.58</b>	-	<b>0.11</b>	-	-	-	<b>18.69</b>
<b>Brand subscription fees (Expense)</b>							
ILFS	27.43	-	-	-	-	-	27.43
	<b>27.43</b>	-	-	-	-	-	<b>27.43</b>
<b>Commission Charges</b>							
ILFS	3.75	-	-	-	-	-	3.75
	<b>3.75</b>	-	-	-	-	-	<b>3.75</b>
<b>Construction Cost</b>							
IRL	-	346.69	-	-	-	-	346.69
OTHERS	-	19.92	4.89	-	-	-	24.81
	-	<b>366.61</b>	<b>4.89</b>	-	-	-	<b>371.50</b>
<b>Operating Expenses (Other than Construction Cost)</b>							
EMSL	-	153.45	-	-	-	-	153.45
OTHERS	-	0.63	-	-	-	-	0.63
	-	<b>154.08</b>	-	-	-	-	<b>154.08</b>
<b>Corporate Social Responsibility Expenses</b>							
IETS	-	-	3.09	-	-	-	3.09
ISDC	-	-	1.08	-	-	-	1.08
	-	-	<b>4.17</b>	-	-	-	<b>4.17</b>
<b>Legal /consultation &amp; Professional fees</b>							
ICAL	-	-	1.14	-	-	-	1.14
IGFSL	-	-	3.50	-	-	-	3.50
IGFSLUK	-	-	3.53	-	-	-	3.53
OTHERS	-	-	1.36	-	-	-	1.36
	-	-	<b>9.53</b>	-	-	-	<b>9.53</b>
<b>Borrowings</b>							
ILFS	2,153.75	-	-	-	-	-	2,153.75
RMGSL	-	645.00	-	-	-	-	645.00
OTHERS	-	510.50	2,577.50	-	-	-	3,088.00
	<b>2,153.75</b>	<b>1,155.50</b>	<b>2,577.50</b>	-	-	-	<b>5,886.75</b>
<b>Repayment of Borrowings</b>							
ILFS	2,153.75	-	-	-	-	-	2,153.75
OTHERS	-	1,028.00	1,416.50	-	-	-	2,444.50
	<b>2,153.75</b>	<b>1,028.00</b>	<b>1,416.50</b>	-	-	-	<b>4,598.25</b>
<b>Interest on Loans (Expense)</b>							
ILFS	71.87	-	-	-	-	-	71.87
GIMCL	-	-	15.27	-	-	-	15.27
OTHERS	-	13.47	47.53	-	-	-	61.00
	<b>71.87</b>	<b>13.47</b>	<b>62.80</b>	-	-	-	<b>148.14</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Investment made / purchased</b>							
IRL	-	164.85	-	-	-	-	164.85
KNCEL	-	95.20	-	-	-	-	95.20
RMGSL	-	68.11	-	-	-	-	68.11
OTHERS	-	103.67	-	-	-	-	103.67
	-	<b>431.83</b>	-	-	-	-	<b>431.83</b>
<b>Conversion of Loan given to Investment in Equity Shares</b>							
KSEL	-	144.19	-	-	-	-	144.19
	-	<b>144.19</b>	-	-	-	-	<b>144.19</b>
<b>Sale of Investment</b>							
ILFS	202.60	-	-	-	-	-	202.60
	<b>202.60</b>	-	-	-	-	-	<b>202.60</b>
<b>Remuneration to director / KMP*</b>							
Mr K Ramchand-Managing Director	-	-	-	-	-	5.59	5.59
Mr Krishna Ghag-Company Secretary	-	-	-	-	-	0.75	0.75
Mr Dilip Bhatia-Chief Financial Officer	-	-	-	-	-	0.33	0.33
Mr Mukund Sapre-Executive Director	-	-	-	-	-	3.69	3.69
Mr George Cherian-Chief Financial Officer (upto December 31, 2015)	-	-	-	-	-	1.90	1.90
	-	-	-	-	-	<b>12.26</b>	<b>12.26</b>
<b>Rent Expense</b>							
Mr K Ramchand-Managing Director	-	-	-	-	-	0.32	0.32
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	-	0.41	0.41
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	-	0.16	0.16
Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	-	-	-	-	-	0.01	0.01
Mr Mukund Sapre-Executive Director	-	-	-	-	-	0.16	0.16
	-	-	-	-	-	<b>1.06</b>	<b>1.06</b>
<b>Director Commission</b>							
Mr Ravi Parthasarathy - Director	-	-	-	-	-	0.06	0.06
Mr Hari Sankaran - Director	-	-	-	-	-	0.06	0.06
Mr Arun Saha - Director	-	-	-	-	-	0.06	0.06
	-	-	-	-	-	<b>0.18</b>	<b>0.18</b>
<b>Loans given</b>							
CNTL	-	386.00	-	-	-	-	386.00
JRPICL	-	640.31	-	-	-	-	640.31
OTHERS	-	2,074.46	-	-	313.60	-	2,388.06
	-	<b>3,100.77</b>	-	-	<b>313.60</b>	-	<b>3,414.37</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Repayment of loans given</b>							
CNTL	-	323.44	-	-	-	-	323.44
JRPICL	-	699.76	-	-	-	-	699.76
JSEL	-	-	-	-	358.22	-	358.22
MBEL	-	710.00	-	-	-	-	710.00
PSRDCL	-	390.00	-	-	-	-	390.00
OTHERS	-	317.86	-	-	18.75	-	336.61
	-	<b>2,441.06</b>	-	-	<b>376.97</b>	-	<b>2,818.03</b>
<b>Provision for Doubtful Assets.</b>							
IAL	-	-	22.06	-	-	-	22.06
VNIL	-	47.30	-	-	-	-	47.30
	-	<b>47.30</b>	<b>22.06</b>	-	-	-	<b>69.36</b>
<b>Expected Credit loss on Loans</b>							
HREL	-	76.50	-	-	-	-	76.50
MPBCDCL	-	54.38	-	-	-	-	54.38
SBHL	-	26.89	-	-	-	-	26.89
OTHERS	-	42.35	-	-	4.68	-	47.03
	-	<b>200.12</b>	-	-	<b>4.68</b>	-	<b>204.80</b>
<b>Reversal of Expected Credit loss on Loans</b>							
MBEL	-	3.21	-	-	-	-	3.21
NAMEL	-	-	-	-	1.82	-	1.82
OTHERS	-	0.49	0.15	-	0.03	-	0.67
	-	<b>3.70</b>	<b>0.15</b>	-	<b>1.85</b>	-	<b>5.70</b>
<b>Expected Credit loss on Receivables</b>							
SSTL	-	5.24	-	-	-	-	5.24
NAMEL	-	-	-	-	1.02	-	1.02
OTHERS	-	1.04	-	-	0.67	-	1.71
	-	<b>6.28</b>	-	-	<b>1.69</b>	-	<b>7.97</b>
<b>Reversal of Expected Credit loss on Receivables</b>							
BAEL	-	23.96	-	-	-	-	23.96
JSEL	-	-	-	-	14.68	-	14.68
KSEL	-	36.48	-	-	-	-	36.48
MBEL	-	19.89	-	-	-	-	19.89
PSRDCL	-	19.03	-	-	-	-	19.03
OTHERS	-	11.74	-	1.20	-	-	12.94
	-	<b>111.10</b>	-	<b>1.20</b>	<b>14.68</b>	-	<b>126.98</b>
<b>Reversal of Expected credit losses on other financial assets</b>							
GRICL	-	-	-	5.16	-	-	5.16
OTHERS	-	1.00	1.38	-	-	-	2.38
APEL	-	8.74	-	-	-	-	8.74
	-	<b>9.74</b>	<b>1.38</b>	<b>5.16</b>	-	-	<b>16.28</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Dividend Paid</b>							
ILFS	68.58	-	-	-	-	-	68.58
IFIN	-	-	1.28	-	-	-	1.28
	<b>68.58</b>	-	<b>1.28</b>	-	-	-	<b>69.86</b>
<b>Issue of Equity Shares on Right Basis (Including Premium)</b>							
ILFS	586.19	-	-	-	-	-	586.19
IFIN	-	-	9.60	-	-	-	9.60
	<b>586.19</b>	-	<b>9.60</b>	-	-	-	<b>595.79</b>

Footnote : - \* Includes Deputation cost of ₹ 5.50 Crores charged by Holding Company "IL&FS"

Mr K Ramchand-Managing Director	3.38
Mr Mukund Sapre-Executive Director	2.12
	<u>5.50</u>

### (iii) Preceding Previous Year - March 2015

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

Nature of Relationship	Name of Entity	Abbreviation used
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS
Subsidiaries - Direct	Badarpur Tollway Operations Management Limited	BTOML
	Baleswar Kharagpur Expressway Limited	BKEL
	Barwa Adda Expressway Limited	BAEL
	Charminar RoboPark Limited	CRL
	Chenani Nashri Tunnelway Limited	CNTL
	East Hyderabad Expressway Limited	EHEL
	Elsamex S.A	ELSA
	Futureage Infrastructure India Limited	FIIL
	GIFT Parking Facilities Limited	GPFL
	Hazaribagh Ranchi Expressway Limited	HREL
	IL&FS Rail Limited	IRL
	ITNL International Pte Ltd	IIPL
	ITNL Offshore Pte Ltd	IOPL
	ITNL Offshore Three Pte Ltd	IOP3L
	ITNL Offshore Two Pte Ltd	IOP2L
	ITNL Road Infrastructure Development Company Limited	IRIDCL
	ITNL Road Investment Trust	IRIT
	Jharkhand Road Projects Implementation Company Limited	JRPICL
	Karyavattom Sports Facilities Limited	KSFL
	Khed Sinnar Expressway Limited	KSEL
	Kiratpur Ner Chowk Expressway Limited	KNCEL
	Moradabad Bareilly Expressway Limited	MBEL
	MP Border Checkposts Development Company Limited	MPBCDCL
	Pune Sholapur Road Development Company Limited	PSRDCL
	Sikar Bikaner Highways Limited	SBHL

# NOTES

forming part of the Standalone financial statements

Nature of Relationship	Name of Entity	Abbreviation used
	Vansh Nimay Infraprojects Limited	VNIL
	West Gujarat Expressway Limited	WGEL
Subsidiaries - Indirect	North Karnataka Expressway Limited	NKEL
	Andhra Pradesh Expressway Limited	APEL
	Alcantarilla Fotovoltaica SA, Sociedad Unipersonal	
	Antenea Seguridad Y Medico Ambiente SA	
	Area De Servicio Punta Umbria SL	
	Area De Servicio Coiros S.L.	
	Beasolarta S.L.	
	CIESM-INTEVIA S.A. Sociedad Unipersonal	
	Conservacion de Infraestructuras De Mexico SD DE CV	
	Chattisgarh Highways Development Company Limited	CHDCL
	Srinagar Sonmarg Tunnelway Limited (since June 3, 2014)	SSTL
	Control 7, S. A	
	Elsamex India Private Limited	ELSAIND
	Elsamex Internacional, SLR	
	Elsamex Portugal-Engenharia E Sistemas De Gestao, S.A	EPE
	Elsamex Construcao E Manutencao LTDA, Brazil	
	Elsamex Brazil LTDA	
	ESM Mantenimiento Integral DE S.A DE C.V	
	GRICL Rail Bridge Development Company Ltd	GRBDCL
	Grusamar Albania SHPK	
	Grusamar Ingenieria Y Consulting, SL (Proyectos De Gestion Sistemas Calculo Y Analisis S.A was merged with grusamar)	
	Grusamar India Limited	GIL
	Inteval-Gestao Integral Rodoviaria S.A	
	ITNL Africa Projects Limited	IAPL
	ITNL International JLT	IJLT
	Mantenimiento Y Conservacion De Vialidades, DE C.V	
	Elsamex Maintenance Services Ltd	EMSL
	Elsamex LLC	
Subsidiaries - Indirect	IIPL USA LLC	
	Sharjah General Services Company LLC	
	Grusamar Engenharia & Consultoria Brasil LTDA	
	Rapid MetroRail Gurgaon Limited	RMGL
	Rapid MetroRail Gurgaon South Limited	RMGSL
	Senalizacion Viales E Imagen, SA	
	Yala Construction Company Private Limited	YCCPL
Fellow Subsidiaries (Only with whom there have been transaction during the period/ there was balance outstanding at the year end)	IL&FS Airport Limited	IAL
	IL&FS Capital Advisors Limited	ICAL
	IL&FS Education Technology Services Limited	IETS
	IL&FS Energy Development Company Limited	IEDCL
	IL&FS Environment Infrastructure Services Limited	IEISL
	IL&FS Financial Services Limited	IFIN
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Renewable Energy Limited	IREL
	IL&FS Securities Services Limited	ISSL
	IL&FS Township Urban Assets Limited	ITUAL

# NOTES

forming part of the Standalone financial statements

Nature of Relationship	Name of Entity	Abbreviation used
Associates	IL&FS Global Financial Services (UK) Limited	IGFSUKL
	IL&FS Global Financial Services (ME) Limited	IGFSMEL
	PT Mantimin Coal Mining	PTMCM
	ITNL Toll Management Services Limited	ITMSL
	Gujarat Road and Infrastructure Company Limited (Since August 08, 2014)	GRICL
	Centro de Investigaciones de Curretros Andalucia S.A.	CICAN
	Labetec Ensayos Técnicos Canarios, S.A.	LABTEC
	CGI 8 S.A.	CGI-8
	Elsamex Road Technology Company Limited	ERT(China)
	Sociedad Concesionaria Autovía A-4 Madrid S.A	A4 CONCESSION
	VCS-Enterprises Limited	VCS
	Geotecnia y Control De Qualitat, S.A.	
	Consortio De Obras Civiles S.R.L	
	Vies Y Construcciones S. R. L.	
Ramky Elsamex Ring Road Limited, Hyderabad	REHRR	
Joint Ventures	Emprsas Pame sa De CV	EPSD
	Noida Toll Bridge Company Limited	NTBCL
	Jorabat Shillong Expressway Limited	JSEL
	N.A.M. Expressway Limited	NAMEL
	Chongqing Yuhe Expressway Co. Ltd.	
	Thiruvananthapuram Road Development Company Limited	TRDCL
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL
	Road Infrastructure Development Company of Rajasthan Limited	RIDCOR
	Elsamex - ITNL JVCA	EIJVCA
	Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director and his relatives
Mr Mukund Sapre-Executive Director and his relatives		
Mr George Cherian-Chief Financial Officer		
Mr Krishna Ghag-Company Secretary		
Relatives of KMP	Mrs Rita Ramchand (wife of Mr K Ramchand)	
	Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	
	Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	

(b) Transactions/ balances with above mentioned related parties (mentioned in note 37 (iii) (a) above)

Particulars							₹ in crore
	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Balances</b>							
<b>Advance towards Application Money</b>							
<b>Long Term</b>							
IPL	-	15.63	-	-	-	-	15.63
OTHERS	-	-	-	-	0.01	-	0.01
	-	<b>15.63</b>	-	-	<b>0.01</b>	-	<b>15.64</b>
<b>Advances Recoverable</b>							
IAL	-	-	27.07	-	-	-	27.07
PTMCM	-	-	18.36	-	-	-	18.36
OTHERS	0.06	40.19	4.21	0.31	5.28	-	50.05
	<b>0.06</b>	<b>40.19</b>	<b>49.64</b>	<b>0.31</b>	<b>5.28</b>	-	<b>95.48</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Allowance for Expected Credit Loss on Loans</b>							
HREL	-	134.87	-	-	-	-	134.87
JRPICL	-	71.20	-	-	-	-	71.20
MPBCDCL	-	126.00	-	-	-	-	126.00
OTHERS	-	64.14	0.16	-	30.48	-	94.78
	-	<b>396.21</b>	<b>0.16</b>	-	<b>30.48</b>	-	<b>426.85</b>
<b>Allowance for Expected Credit Loss on Receivables</b>							
BAEL	-	34.29	-	-	-	-	34.29
KSEL	-	41.30	-	-	-	-	41.30
MPBCDCL	-	31.78	-	-	-	-	31.78
SSTL	-	30.01	-	-	-	-	30.01
OTHERS	-	97.33	-	1.29	28.91	-	127.53
	-	<b>234.71</b>	-	<b>1.29</b>	<b>28.91</b>	-	<b>264.91</b>
<b>Interest Accrued and due</b>							
MBEL	-	24.00	-	-	-	-	24.00
MPBCDCL	-	11.18	-	-	-	-	11.18
PSRDCL	-	14.38	-	-	-	-	14.38
WGEL	-	10.09	-	-	-	-	10.09
OTHERS	-	17.11	-	-	22.15	-	39.26
	-	<b>76.76</b>	-	-	<b>22.15</b>	-	<b>98.91</b>
<b>Interest Accrued and not due LT</b>							
JRPICL	-	5.47	-	-	-	-	5.47
KSEL	-	6.46	-	-	-	-	6.46
SBHL	-	7.93	-	-	-	-	7.93
TRDCL	-	-	-	-	25.09	-	25.09
OTHERS	-	4.10	-	-	-	-	4.10
	-	<b>23.96</b>	-	-	<b>25.09</b>	-	<b>49.05</b>
<b>Interest Accrued and not due ST</b>							
CNTL	-	1.36	-	-	-	-	1.36
ELSA	-	0.49	-	-	-	-	0.49
IMICL	-	-	1.19	-	-	-	1.19
WCBTRL	-	-	-	-	1.29	-	1.29
OTHERS	-	0.14	-	-	-	-	0.14
	-	<b>1.99</b>	<b>1.19</b>	-	<b>1.29</b>	-	<b>4.47</b>
<b>Interest accrued but not due on borrowings</b>							
NKEL	-	20.43	-	-	-	-	20.43
	-	<b>20.43</b>	-	-	-	-	<b>20.43</b>
<b>Investments</b>							
OTHERS	-	4,153.20	-	209.30	439.39	-	4,801.89
	-	<b>4,153.20</b>	-	<b>209.30</b>	<b>439.39</b>	-	<b>4,801.89</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Long-term Borrowings</b>							
IFIN	-	-	224.28	-	-	-	224.28
IMICL	-	-	224.28	-	-	-	224.28
	-	-	<b>448.56</b>	-	-	-	<b>448.56</b>
<b>Mobilisation Advances Received (Long-term)</b>							
BAEL	-	88.31	-	-	-	-	88.31
CNTL	-	37.28	-	-	-	-	37.28
IRIDCL	-	59.27	-	-	-	-	59.27
KNCEL	-	66.26	-	-	-	-	66.26
OTHERS	-	12.22	-	-	2.97	-	15.19
	-	<b>263.34</b>	-	-	<b>2.97</b>	-	<b>266.31</b>
<b>Mobilisation Advances Received (Short-term)</b>							
CNTL	-	79.17	-	-	-	-	79.17
KNCEL	-	63.83	-	-	-	-	63.83
SBHL	-	26.37	-	-	-	-	26.37
OTHERS	-	56.35	-	-	7.47	-	63.82
	-	<b>225.72</b>	-	-	<b>7.47</b>	-	<b>233.19</b>
<b>Other advances to related party</b>							
GRICL	-	-	-	75.00	-	-	75.00
	-	-	-	<b>75.00</b>	-	-	<b>75.00</b>
<b>Other Current Liabilities</b>							
ILFS	15.00	-	-	-	-	-	15.00
	<b>15.00</b>	-	-	-	-	-	<b>15.00</b>
<b>Provision for Advances</b>							
VNIL	-	36.50	-	-	-	-	36.50
	-	<b>36.50</b>	-	-	-	-	<b>36.50</b>
<b>Provision for diminution in the value of investments</b>							
VNIL	-	14.50	-	-	-	-	14.50
	-	<b>14.50</b>	-	-	-	-	<b>14.50</b>
<b>Rent Deposit</b>							
Mr Mukund Sapre-Executive Director	-	-	-	-	-	0.05	0.05
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	-	0.05	0.05
Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	-	-	-	-	-	2.00	2.00
Mr K Ramchand-Managing Director	-	-	-	-	-	0.10	0.10
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	-	0.05	0.05
	-	-	-	-	-	<b>2.25</b>	<b>2.25</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Retention Money Payable</b>							
ELSAIND	-	1.04	-	-	-	-	1.04
EMSL	-	1.36	-	-	-	-	1.36
GIYC	-	0.45	-	-	-	-	0.45
ITL	-	-	1.30	-	-	-	1.30
OTHERS	-	0.33	0.03	-	-	-	0.36
	-	<b>3.18</b>	<b>1.33</b>	-	-	-	<b>4.51</b>
<b>Retention Money Receivable</b>							
JSEL	-	-	-	-	39.29	-	39.29
KSEL	-	26.76	-	-	-	-	26.76
PSRDCL	-	42.92	-	-	-	-	42.92
SBHL	-	25.03	-	-	-	-	25.03
OTHERS	-	6.30	-	-	-	-	6.30
	-	<b>101.01</b>	-	-	<b>39.29</b>	-	<b>140.30</b>
<b>Short-term Borrowings</b>							
IRL	-	155.00	-	-	-	-	155.00
NKEL	-	70.00	-	-	-	-	70.00
	-	<b>225.00</b>	-	-	-	-	<b>225.00</b>
<b>Lone given - Current</b>							
HREL	-	220.38	-	-	-	-	220.38
MBEL	-	577.26	-	-	-	-	577.26
OTHERS	-	591.61	16.75	-	409.86	-	1,018.22
	-	<b>1,389.25</b>	<b>16.75</b>	-	<b>409.86</b>	-	<b>1,815.86</b>
<b>Lone given - Non Current</b>							
ELSA	-	318.58	-	-	-	-	318.58
HREL	-	213.60	-	-	-	-	213.60
SSTL	-	144.71	-	-	-	-	144.71
RIDCOR	-	-	-	-	158.60	-	158.60
OTHERS	-	325.24	-	-	111.69	-	436.93
	-	<b>1,002.13</b>	-	-	<b>270.29</b>	-	<b>1,272.42</b>
<b>Trade Payables other than MSME</b>							
EMSL	-	17.15	-	-	-	-	17.15
IFIN	-	-	15.26	-	-	-	15.26
IRL	-	57.01	-	-	-	-	57.01
OTHERS	5.85	4.02	8.16	-	3.96	-	21.99
	<b>5.85</b>	<b>78.18</b>	<b>23.42</b>	-	<b>3.96</b>	-	<b>111.41</b>
<b>Trade Receivables</b>							
BAEL	-	425.93	-	-	-	-	425.93
IRIDCL	-	301.49	-	-	-	-	301.49
KSEL	-	533.84	-	-	-	-	533.84
OTHERS	-	1,234.32	-	4.46	217.41	-	1,456.19
	-	<b>2,495.58</b>	-	<b>4.46</b>	<b>217.41</b>	-	<b>2,717.45</b>

# NOTES

forming part of the Standalone financial statements

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Unamortised Expenses</b>							
IFIN	-	-	37.13	-	-	-	37.13
	-	-	<b>37.13</b>	-	-	-	<b>37.13</b>
<b>Unbilled Revenue</b>							
HREL	-	25.56	-	-	-	-	25.56
JSEL	-	-	-	-	23.74	-	23.74
RMGSL	-	35.50	-	-	-	-	35.50
SBHL	-	20.64	-	-	-	-	20.64
OTHERS	-	13.90	-	-	0.53	-	14.43
	-	<b>95.60</b>	-	-	<b>24.27</b>	-	<b>119.87</b>
<b>Unearned Revenue</b>							
BAEL	-	30.10	-	-	-	-	30.10
CNTL	-	58.39	-	-	-	-	58.39
KSEL	-	69.52	-	-	-	-	69.52
MBEL	-	26.36	-	-	-	-	26.36
MPBCDCL	-	57.41	-	-	-	-	57.41
OTHERS	-	21.45	-	-	-	-	21.45
	-	<b>263.23</b>	-	-	-	-	<b>263.23</b>
<b>Fair value adjustment of Other advances to related party</b>							
I IPL	-	32.58	-	-	-	-	32.58
	-	<b>32.58</b>	-	-	-	-	<b>32.58</b>
<b>Fair Valuation of Investments - Decrease</b>							
HREL	-	136.26	-	-	-	-	136.26
JRPICL	-	242.45	-	-	-	-	242.45
MPBCDCL	-	110.28	-	-	-	-	110.28
APEL	-	135.05	-	-	-	-	135.05
OTHERS	-	76.22	-	29.29	17.03	-	122.54
	-	<b>700.26</b>	-	<b>29.29</b>	<b>17.03</b>	-	<b>746.58</b>
<b>Fair Valuation of Investments - Increase</b>							
BAEL	-	221.00	-	-	-	-	221.00
PSRDCL	-	202.86	-	-	-	-	202.86
	-	<b>423.86</b>	-	-	-	-	<b>423.86</b>
<b>Equity share Capital</b>							
ILFS	171.45	-	-	-	-	-	171.45
IFIN	-	-	3.20	-	-	-	3.20
	<b>171.45</b>	-	<b>3.20</b>	-	-	-	<b>174.65</b>

# NOTES

forming part of the Standalone financial statements

## 38. Ind AS 101 reconciliations

Effect of Ind AS adoption on the standalone balance sheet as at March 31, 2016 and April 1, 2015

₹ in Crore

Particulars	Notes	Previous GAAP		Ind AS	Previous GAAP		Ind AS
		As at March 31, 2016	Effect of transition to Ind AS	As at March 31, 2016	As at April 1, 2015	Effect of transition to Ind AS	As at April 1, 2015
<b>ASSETS</b>							
<b>(1) Non-current assets</b>							
(a) Property, Plant and Equipment		35.58	-	35.58	32.71	-	32.71
(b) Capital Work-In-Progress		7.23	-	7.23	-	-	-
(c) Investment Property Under Development	1	-	115.31	115.31	-	115.31	115.31
(d) Intangible assets	2	98.33	(91.22)	7.11	106.06	(96.22)	9.84
<b>(e) Financial assets</b>							
(i) Investments	3	5,134.05	(239.48)	4,894.57	4,790.08	(308.88)	4,481.20
(ii) Loans	4	2,107.99	(666.23)	1,441.76	1,325.01	(406.27)	918.74
(iii) Others	4	292.08	(27.40)	264.68	424.29	(32.56)	391.73
(f) Deferred Tax Assets (net)	2 to 5,10	-	432.22	432.22	-	328.27	328.27
(g) Non Current Tax Assets (net)	10	324.97	-	324.97	260.44	(26.75)	233.68
(h) Other Non-current Assets	5	386.05	(122.03)	264.02	568.84	(83.49)	485.35
<b>(2) Current assets</b>							
(a) Inventories		4.79	-	4.79	-	-	-
<b>(b) Financial Assets</b>							
(i) Investments		32.00	-	32.00	-	-	-
(ii) Trade receivables	4	4,115.46	(361.94)	3,753.52	2,739.46	(265.39)	2,474.07
(iii) Cash and cash equivalents	6	178.94	(173.00)	5.94	182.11	(161.88)	20.23
(iv) Bank balances other than (iii) above	6	-	173.00	173.00	-	161.88	161.88
(v) Loans	4	1,726.70	(96.44)	1,630.26	2,017.85	(108.15)	1,909.69
(vi) Other financial assets	4	651.26	(3.87)	647.40	339.94	(5.26)	334.68
(c) Other Current Assets	5	429.10	(58.23)	370.87	373.09	(36.16)	336.93
<b>Total Assets</b>		<b>15,524.53</b>		<b>14,405.23</b>	<b>13,159.88</b>		<b>12,234.31</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
(a) Equity Share Capital	7	705.41	(376.45)	328.96	623.17	(376.45)	246.72
(b) Other Equity	2 to 5, 7	3,604.31	(1,227.03)	2,377.27	2,956.37	(1,014.53)	1,941.84

# NOTES

forming part of the Standalone financial statements

₹ in Crore

Particulars	Notes	Previous GAAP		Ind AS		Previous GAAP		Ind AS	
		As at March 31, 2016	Effect of transition to Ind AS	As at March 31, 2016	As at April 1, 2015	Effect of transition to Ind AS	As at April 1, 2015		
<b>LIABILITIES</b>									
(1) Non-current Liabilities									
(a) Financial Liabilities									
(i) Borrowings	5, 7	5,868.27	583.89	6,452.16	4,115.42	627.90	4,743.32		
(ii) Other Financial Liabilities (other than those specified in item (b) below)		338.05	-	338.05	255.52	-	255.52		
(b) Provisions	7	15.89	(12.56)	3.33	9.42	(7.56)	1.86		
(c) Other Non-current Liabilities		177.07	-	177.07	266.30	-	266.30		
(2) Current liabilities									
(a) Financial Liabilities									
(i) Borrowings		2,173.15	-	2,173.15	1,951.17	-	1,951.17		
(ii) Trade Payables other than MSME		905.30	-	905.30	746.15	-	746.15		
(iii) Other Financial Liabilities (other than those specified in item (c) below)	7	1,082.69	78.87	1,161.56	1,452.62	78.86	1,531.48		
(b) Other Current Liabilities		453.26	-	453.26	510.57	-	510.57		
(c) Provisions	8, 9	193.87	(158.74)	35.12	237.77	(198.39)	39.38		
(d) Deferred tax liabilities (Net)	2 to 5, 10	7.26	(7.26)	-	35.40	(35.40)	-		
<b>Total Equity and Liabilities</b>		<b>15,524.53</b>		<b>14,405.23</b>	<b>13,159.88</b>		<b>12,234.31</b>		

## Notes

- Under the previous GAAP, investment property of ₹ 115.31 crore was included under non-current investments. Under Ind AS, investment property is presented separately on the face of the balance sheet.
- Under the previous GAAP, premium paid of ₹ 100 crore to acquire the right to purchase investments in Srinagar Sonmarg Tunnelway Limited (SSTL) a tunnel project, was presented as Right under Intangible assets and was amortised over 20 years. Under Ind AS, the premium paid is considered and disclosed as Investments.
- Under the previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary. On the date of transition to Ind AS, certain investments in subsidiaries and associate have been measured at fair value and considered as deemed cost, which is lower than the cost resulting in decrease in carrying amount. The consequential tax effect has also been recognised. Additionally, there are changes in classification of certain investment in associate and joint venture based on definition of control and significant influence under Ind AS as below :
  - Srinagar Sonmarg Tunnelway Limited is classified as a subsidiary, which was considered as an Associate under previous GAAP.
  - Thiruvananthapuram Road Development Company Limited & Warora Chandrapur Ballarpur Toll Road Limited are classified as joint ventures, which were considered as Associates under previous GAAP.
  - Noida Toll Bridge Company Limited is classified as an associate, which was considered as a joint venture under previous GAAP.
- Under the previous GAAP, trade receivable, loans granted, advances recoverable and advance towards capital were disclosed at contractual value after considering impairment loss, if any. Under Ind AS, these are carried at cost less impairment, wherein the impairment is determined based on expected credit loss, capturing both cash loss as well as loss on account of time value of money, as per Ind AS 109, Financial Instruments. The consequential tax effect has also been recognised.
- Under the previous GAAP, borrowing costs were amortised using straight line method and the unamortised borrowing costs were disclosed as other assets. Under the Ind AS, unamortised borrowing costs has been disclosed net of borrowings after calculating based on effective interest rate. The consequential tax effect has also been recognised.
- Under the previous GAAP, restricted bank balances were disclosed under cash and cash equivalent. Under Ind AS, the same is disclosed as a separate line on the face of the balance sheet.
- Under the previous GAAP, cumulative non-convertible compulsorily redeemable preference shares (CCRPS) were classified as part of total equity. Dividends paid on these preference shares and accrued premium on redemption were adjusted against retained earnings. However, under Ind AS, CCRPS are classified as a financial liability (borrowing). The resultant dividend, dividend tax and accrued redemption premium determined using effective interest rate have been recognised as finance costs in statement of profit and loss.

# NOTES

forming part of the Standalone financial statements

8. Under the previous GAAP, provision for tax was included under provisions. Under Ind AS, provision for tax has been reclassified and disclosed as a separate line item on the face of the balance sheet.
9. Under the previous GAAP, dividend on equity shares has been accrued in the financial year when the board has adopted the financial statements as an adjusting subsequent events after financials are prepared. Under Ind AS, these are accounted in the financial year when they are approved by the shareholders.
10. Under the previous GAAP, MAT credit entitlement is shown under loans and advances. Under Ind AS, the same is shown as net of deferred tax assets.

**Reconciliation between total comprehensive income and total equity previously reported (referred to as "Previous GAAP") with Ind AS is as under:**

₹ in Crore

Particulars	Footnotes	P&L	Equity	
		As at March 31, 2016	As at March 31, 2015	As at March 31, 2016
<b>Net profit (after tax) / Equity under previous GAAP</b>		<b>173.49</b>	<b>3,579.54</b>	<b>4,309.72</b>
Proposed equity dividend reversed		NA	118.78	79.19
Preference share with premium classified as borrowing	a	NA	(745.67)	(745.66)
Dividend on Preference shares classified as Finance Costs	a	(99.92)	NA	NA
Adjustment for recognising revenue at fair value	b	(216.11)	NA	(216.11)
Provision for expected credit losses on trade receivables	c	120.94	(270.65)	(149.71)
Provision for expected credit losses on loans given and other financial assets	c	(179.30)	(516.46)	(705.50)
Net loss on fair value of investments in subsidiary and associates	d	-	(324.09)	(310.12)
Others	e	0.92	10.18	4.93
Deferred tax on above adjustments	f	102.56	336.93	439.49
<b>Net loss (after tax)</b>		<b>(97.42)</b>	-	-
Other Comprehensive Income (after tax)		(0.13)	-	-
<b>Total Comprehensive Loss (after tax) / Equity under Ind AS</b>		<b>(97.55)</b>	<b>2,188.56</b>	<b>2,706.23</b>

**Notes:**

- a. Under the previous GAAP, cumulative non-convertible compulsorily redeemable preference shares (CCRPS) were classified as part of total equity. Dividends paid on these preference shares and accrued premium on redemption were adjusted against retained earnings. However, under Ind AS, CCRPS are classified as a financial liability (borrowing). The resultant dividend, dividend tax and accrued redemption premium determined using effective interest rate have been recognised as finance costs in statement of profit and loss.
- b. The Company has measured its revenue at fair value of consideration receivable and discounted all future receipts where it is likely to be received beyond one year.
- c. The Company has recorded expected credit losses ("ECL") arising out of time value of money on financial assets i.e. trade receivables, loans granted, advances recoverable and advance towards capital. As a result, ECL on the date of transition has been recognised in the opening reserves and changes thereafter have been recognised in the statement of profit and loss.
- d. The Company has chosen to measure certain investments in subsidiaries and associate at fair value on the transition date and considered the same as deemed cost on the said date.
- e. Others represents finance charges (EIR), reversal of amortisation of intangible assets and unrealised gains and losses on investments (other than investment in group companies) classified at fair value through profit and loss (FVTPL).
- f. The Company has computed deferred taxes on Ind AS adjustments, wherever applicable.

# NOTES

forming part of the Standalone financial statements

## Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2016

₹ in Crore

Particulars	Notes	Previous GAAP	Ind AS impact	Ind AS
Revenue from Operations	A	4,598.38	(216.11)	4,382.27
Other income	B	663.86	5.60	669.46
<b>Total Income</b>		<b>5,262.24</b>	<b>(210.51)</b>	<b>5,051.73</b>
<b>Expenses</b>				
Cost of materials consumed		57.58	-	57.58
Construction costs		3,253.90	-	3,253.90
Operating expenses		227.82	-	227.82
Employee benefits expense		72.25	-	72.25
Finance costs	C	1,102.35	109.60	1,211.95
Depreciation and amortisation expense	D	14.53	(4.99)	9.54
Other expenses	E	283.26	58.35	341.61
<b>Total expenses</b>		<b>5,011.69</b>	<b>162.96</b>	<b>5,174.65</b>
<b>Profit / (Loss) before tax</b>		<b>250.55</b>	<b>(373.47)</b>	<b>(122.92)</b>
(1) Current tax		105.20	-	105.20
(2) Deferred tax	F	(28.14)	(102.56)	(130.70)
<b>Total Tax</b>		<b>77.06</b>	<b>(102.56)</b>	<b>(25.50)</b>
<b>Profit / (Loss) for the year</b>		<b>173.49</b>	<b>(270.91)</b>	<b>(97.42)</b>
<b>Other Comprehensive Income</b>				
Items that may be reclassified to profit or loss				
Actuarial loss on defined benefit plan		-	(1.91)	(1.91)
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		-	1.78	1.78
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>(0.13)</b>	<b>(0.13)</b>
<b>Total Comprehensive Income for the year</b>		<b>173.49</b>	<b>(271.04)</b>	<b>(97.55)</b>

### Notes :

#### A. Revenue from operations:

The Company has measured its revenue at fair value of consideration receivable and discounted all future receipts where it is likely to be received beyond one year. Accordingly revenue is reduced by ₹ 216.11 Crore.

#### B. Other Income:

Changes in Other Income of ₹ 5.60 crore represents impact of changes in the fair value of investments classified at fair value through profit and loss (FVTPL)

#### C. Finance Cost

- I. As required under Ind AS, dividend on preference share capital of ₹ 99.92 crore (including dividend distribution tax thereon and accrued redemption premium) has been considered as finance cost.
- II. Under Ind AS, company has shown borrowing at amortised cost hence interest is calculated as per Effective interest rate (EIR) method accordingly there is an additional charge of ₹ 9.67 crore reflected in finance cost

# NOTES

forming part of the Standalone financial statements

## D. Depreciation and Amortisation:

Under the previous GAAP, premium paid of ₹ 100 crore to acquire the right to purchase investments in Srinagar Sonmarg Tunnelway Limited (SSTL) a tunnel project, was presented as Right under Intangible assets and was amortised over 20 years. Under Ind AS, the premium paid is considered and disclosed as Investments without amortisation. Accordingly there is reversal of amortisation of ₹ 4.99 crore.

## E. Other expenses:

Changes in Other expenses represent incremental impairment charge computed based on the expected credit losses on financial assets measured at amortised cost, as required under Ind AS.

## F. Deferred tax:

The Company has computed deferred taxes on Ind AS adjustments, wherever applicable

### Reconciliation between cash flows as per Ind AS and cash flow reported under Previous GAAP for the year ended March 31, 2016 is as under:

Particulars	₹ in Crore		
	I-GAAP		Ind AS
Cash Flow From Operating Activities	(865.85)	-	(865.85)
Cash Flow From Investing Activities	(590.68)	-	(590.68)
Cash Flow From Financing Activities (refer footnote)	1,442.24	(128.07)	1,314.17

**Footnote :** As per Ind AS 7 - Statement of Cash Flows, bank overdraft is to be classified in Cash and Cash Equivalent, hence movement of ₹ 128.07 in bank overdraft and cash credit for the year ended March 31, 2016 is shown in Cash & Cash Equivalent

# NOTES

forming part of the Standalone financial statements

## 39. Disclosure of Loans and advances in the nature of loans to subsidiaries and associates and Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan in accordance with Para A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

### A. Disclosure of Loans and advances in the nature of loans given to subsidiaries

₹ in Crore

Name of the Company	March 31, 2017		March 31, 2016	
	Amount as at March 31, 2017	Maximum amount outstanding during the year	Amount as at March 31, 2016	Maximum amount outstanding during the year
East Hyderabad Expressway Limited	9.35	82.86	63.36	63.36
ITNL Road Infrastructure Development Company Limited	439.29	439.29	284.34	319.04
Vansh Nimay Infraprojects Limited	99.15	99.15	89.80	89.80
West Gujarat Expressway Limited	50.31	72.29	44.99	70.24
Hazaribagh Ranchi Expressway Limited	328.73	427.33	398.33	398.33
Jharkhand Road Projects Implementation Company Limited	409.63	409.63	253.66	396.17
MP Border Checkposts Development Company Limited	513.32	513.32	383.48	383.48
Pune Sholapur Road Development Company Limited	539.16	539.16	25.45	183.70
Elsamex S.A., Spain	-	-	-	10.13
Moradabad Bareilly Expressway Limited	504.04	504.04	50.25	543.25
Sikar Bikaner Highway Limited	149.50	170.14	168.14	168.14
Baleshwar Kharagpur Expressway Limited	61.00	151.00	91.40	121.40
Barwa Adda Expressway Limited	664.35	664.35	438.00	438.00
Khed Sinnar Expressway Limited	271.99	274.49	260.41	260.41
Chenani Nashri Tunnelway Limited	259.24	390.56	170.56	426.00
Kiratpur Ner Chowk Expressway Limited	150.73	226.65	109.38	803.76
Karyavattom Sports Facility Limited	28.00	28.00	17.00	29.50
Rajasthan Land Holdings Limited	121.77	121.77	68.89	68.89
Rapid MetroRail Gurgaon Limited	9.30	55.00	14.00	14.00
Rapid MetroRail Gurgaon South Limited	30.00	30.05	-	-
Jharkhand Infrastructure Implementation Company Limited	39.50	39.50	-	-
ITNL International Pte Ltd.	24.63	24.63	-	-
Srinagar Sonamarg Tunnelway Limited	178.18	178.18	148.68	148.68

# NOTES

forming part of the Standalone financial statements

## B. Disclosure of Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan

The above loanees have not made any investment in the shares of the Company or subsidiaries, except Elsamex S.A., Spain and ITNL International Pte Ltd. for which disclosure is given below.

₹ in Crore

Particulars	March 31, 2017		March 31, 2016	
	Amount as at March 31, 2017	Maximum amount outstanding during the year	Amount as at March 31, 2016	Maximum amount outstanding during the year
Subsidiaries of Elsamex S.A., Spain				
Alcantarilla Fotovoltaica, S.L.U.	NA	NA	5.27	5.27
Area De Servicio Coiros S.L.U.	NA	NA	21.18	21.18
Area De Servicio Punta Umbria, S.L.U.	NA	NA	3.02	3.02
Atenea Seguridad Y Medio Ambiente S.A.U.	NA	NA	0.98	0.98
Beasolarta S.A.U.	NA	NA	0.31	0.31
CIESM-INTEVIA, S.A.	NA	NA	6.28	6.28
Conservacion De Infraestructuras De Mexico S.A. DE C.V.	NA	NA	0.02	0.02
Control 7, S.A.	NA	NA	5.75	5.75
Elsamex Brazil LTDA	NA	NA	-	-
Elsamex Colombia SAS	NA	NA	-	-
Elsamex Construcao E Manutencao LTDA	NA	NA	0.26	0.26
Elsamex India Private Limited	NA	NA	2.53	2.53
Elsamex Internacional S.L.	NA	NA	107.47	107.47
Elsamex LLC	NA	NA	-	-
Elsamex Maintenance Services Limited	NA	NA	0.10	0.10
Elsamex Portugal S.A.	NA	NA	1.89	1.89
ESM Mantenimiento Integral, SA DE CV	NA	NA	2.90	2.90
Grusamar Albania SHPK	NA	NA	0.00	0.00
Grusamar Engenharia y Consultoria Brasil LTDA	NA	NA	-	-
Grusamar India Limited	NA	NA	0.06	0.06
Grusamar Ingenieria Y Consulting Colombia SAS	NA	NA	-	-
Grusamar Ingenieria Y Consulting, S.L.	NA	NA	26.70	26.70
Inteval Gestao Integral Rodoviaria S.A.	NA	NA	16.60	16.60
Mantenimiento Y Conservacion De Vialidades S.A. DE C.V.	NA	NA	2.87	2.87
Senalizacion Viales e Imagen S.A.U.	NA	NA	46.36	46.36
Yala Construction Co Private Limited	NA	NA	6.96	6.96

# NOTES

forming part of the Standalone financial statements

Particulars	March 31, 2017		March 31, 2016	
	Amount as at March 31, 2017	Maximum amount outstanding during the year	Amount as at March 31, 2016	Maximum amount outstanding during the year
Subsidiaries of ITNL International Pte Ltd.				
Elsamex S.A.	524.67	524.67	NA	NA
ITNL Africa Projects Limited	17.83	17.83	NA	NA
ITNL Intenational DMCC	56.46	56.46	NA	NA
Sharjah General Services Co. LLC	0.33	0.33	NA	NA
IIPL US LLC	38.90	38.90	NA	NA
INTL Infrastructure Developer LLC	0.26	0.26	NA	NA
Elsamex Vietnam Joint Stock Company	4.21	4.21	NA	NA

**40.** Segment Disclosures: The Company operates in a single business segment viz. Surface Transportation Business. Also it operates in a single geographic segment. In the absence of separate reportable business or geographic segments the disclosures required under the Indian Accounting Standard 108 on Operating Segment are not applicable.

#### 41. Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on May 29, 2017

#### 42. Subsequent Events :

Subsequent Events : After the balance sheet date, the Company has received approvals from Concession granting authorities for transfer of its equity investments in 4 subsidiaries to IL&FS Transportation Investment Trust.

For and on behalf of the Board

**K. Ramchand**  
Managing Director  
DIN-00051769

**Arun K. Saha**  
Director  
DIN-00002377

**Dilip Bhatia**  
Chief Financial Officer

**Krishna Ghag**  
Company Secretary

Mumbai, May 29, 2017

# INDEPENDENT AUDITOR'S REPORT

To the Members of  
**IL&FS Transportation Networks Limited**

## Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of IL&FS Transportation Networks Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and its joint ventures, comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the entities included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the

consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

## Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial

statements and on the other unaudited financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated Ind AS financial statements 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 of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2017, their consolidated loss including other comprehensive loss and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

### Emphasis of Matter

We draw attention to footnote of Note 6.1 of the Consolidated Ind AS Financial Statements, in respect of suspension of toll collection of an associate company pursuant to the order of Hon'ble High Court of Allahabad and the matter is pending with Hon'ble Supreme Court of India. An emphasis of matter paragraph is also given by the auditors of the associate company.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other unaudited financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon, 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 of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group's companies, its associates and joint ventures incorporated in India, are disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India, refer to our separate report in "Annexure" to this report;
- (g) 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other unaudited financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:
  - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures – Refer Note 42 to the consolidated Ind AS financial statements;
  - ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 18 and Note 38.5.2 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associates and joint ventures;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India, during the year ended March 31, 2017.
- iv. The Holding Company and subsidiaries incorporated in India, have provided requisite disclosures in Note 13 (d) to these consolidated Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Group and as produced to us by the Management of the Holding Company.

### Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of fifty three subsidiaries whose Ind AS financial statements include total assets of ₹ 31,965.21 crore and net assets of ₹ 5,050.29 crore as at March 31, 2017, total revenues of ₹ 7,578.63 crore, profit after tax of ₹ 148.06 crore, total comprehensive income of ₹ 63.66 crore and net cash inflow of ₹ 131.81 crore for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 85.61 crore for the year ended March 31, 2017, in respect of eight associates and five joint ventures, whose financial statements, other

financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of such other auditors.

- (b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of three subsidiaries whose financial statements and other financial information reflect total assets of ₹ 1.50 crore and net assets of ₹ 0.25 crore as at March 31, 2017, total revenues of ₹ NIL, profit after tax of ₹ NIL and total comprehensive income of ₹ NIL for the year ended on that date. The consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 2.13 crore for the year ended March 31, 2017, in respect of two associates and two joint venture. These unaudited financial statements and other unaudited financial information of the aforesaid joint venture and associates have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates to amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these unaudited financial statements and other unaudited financial information are not material to the Group.

(c) The comparative financial information of the Group including its associates and joint ventures for the year ended March 31, 2016 and the transition date opening balance sheet as at April 01, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by one of us whose report for the year ended March 31, 2016 and March 31, 2015 dated May 13, 2016 and May 15, 2015 respectively, expressed an unmodified opinion on those consolidated financial statements, as adjusted for

the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited jointly by us.

Our above opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the unaudited financial statements and other unaudited financial information certified by the Management.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
ICAI Firm Registration Number: 117366W/W100018

**per Shrenik Baid**

Partner  
Membership Number: 103884

Place of Signature: Mumbai  
Date: May 29, 2017

**For S R B C & CO LLP**

Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Ravi Bansal**

Partner  
Membership Number: 49365

Place of Signature: Mumbai  
Date: May 29, 2017

# ANNEXURE

To the Independent Auditor's Report of even date on the Consolidated Financial Statements of IL&FS Transportation Networks Limited

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

In conjunction with our audit of the consolidated financial statements of IL&FS Transportation Networks Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of IL&FS Transportation Networks Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, as of that date.

## Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company 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 respective company'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 Act.

## Auditor's Responsibility

Our responsibility is to express an opinion on the company'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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 company'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 company'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 company; (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 company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company'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 Holding Company, its subsidiary companies, its associate companies and joint venture, which are companies incorporated in India, have, maintained 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, 2017, based on the internal control over financial

reporting criteria established by the Holding Company 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.

### Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to these thirty seven subsidiary companies, four associate companies and five joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, associate and joint ventures.

#### For DELOITTE HASKINS & SELLS LLP

Chartered Accountants  
ICAI Firm Registration Number: 117366W/W100018

#### per Shrenik Baid

Partner

Membership Number: 103884

Place of Signature: Mumbai

Date: May 29, 2017

#### For S R B C & CO LLP

Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

#### per Ravi Bansal

Partner

Membership Number: 49365

Place of Signature: Mumbai

Date: May 29, 2017

# CONSOLIDATED BALANCE SHEET

₹ in Crore

Particulars	Notes	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>ASSETS</b>				
<b>Non-current Assets</b>				
(a) Property, plant and equipment	2	426.69	281.92	140.56
(b) Capital work-in-progress	2	15.88	66.20	18.55
(c) Investment property	3	117.78	118.09	117.72
(d) Intangible assets				
(i) Goodwill on consolidation	4	167.86	179.95	167.35
(ii) Service Concession Arrangements (SCA)	5	12,871.96	9,357.78	3,996.00
(iii) Intangible assets under development	5	8,454.85	8,704.44	10,267.73
(iv) Others	5	18.15	22.82	36.15
(e) Financial assets				
(i) Investments				
a) Investments in associates	6	320.17	342.76	321.00
b) Investments in joint ventures	7	1,745.83	1,886.90	1,870.61
c) Other investments	8	22.60	22.68	17.08
(ii) Trade receivables	9	1.57	1.05	0.68
(iii) Loans	10	269.27	443.52	390.82
(iv) Other financial assets	11	8,623.99	8,204.14	7,162.23
(f) Tax assets				
(i) Deferred Tax Asset (net)	21	162.65	34.95	35.65
(ii) Non Current Tax Asset (Net)	24	514.54	363.81	263.89
(g) Other non-current assets	14	377.10	311.44	520.97
<b>Total Non-current Assets</b>		<b>34,110.89</b>	<b>30,342.45</b>	<b>25,326.99</b>
<b>Current Assets</b>				
(a) Inventories	12	116.67	85.47	13.87
(b) Financial assets				
(i) Trade receivables	9	1,003.00	1,007.86	803.94
(ii) Cash and cash equivalents	13	841.66	556.28	648.65
(iii) Bank balances other than (ii) above	13	382.08	316.95	268.14
(iv) Loans	10	602.08	479.76	535.69
(v) Other financial assets	11	2,316.00	1,332.50	855.44
(c) Current tax assets (Net)	24	37.52	33.93	36.38
(d) Other current assets	14	566.86	631.25	513.60
<b>Total Current Assets</b>		<b>5,865.87</b>	<b>4,444.00</b>	<b>3,675.71</b>
<b>Total Assets</b>		<b>39,976.76</b>	<b>34,786.45</b>	<b>29,002.70</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	15	328.96	328.96	246.72
(b) Other Equity	16	3,855.72	3,973.44	3,064.16
Equity attributable to owners of the Company		<b>4,184.68</b>	<b>4,302.40</b>	<b>3,310.88</b>
Non-controlling Interests	17	435.67	445.70	251.27
<b>Total Equity</b>		<b>4,620.35</b>	<b>4,748.10</b>	<b>3,562.15</b>
<b>LIABILITIES</b>				
<b>Non-current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	18	23,694.64	21,466.97	17,609.17
(ii) Trade payables other than MSME	23	0.73	0.80	2.10
(iii) Other financial liabilities	19	1,397.49	1,349.58	1,213.37
(b) Provisions	20	85.56	55.95	34.94
(c) Deferred tax liabilities (Net)	21	127.60	99.84	87.51
(d) Other non-current liabilities	22	133.64	113.62	42.07
<b>Total Non-current Liabilities</b>		<b>25,439.66</b>	<b>23,086.76</b>	<b>18,989.16</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	18	3,495.58	3,106.20	2,161.21
(ii) Trade payables other than MSME	23	1,164.23	1,264.75	1,082.96
(iii) Other financial liabilities	19	4,583.61	2,294.13	6,665.08
(b) Provisions	20	49.87	42.87	48.29
(c) Current tax liabilities (Net)	24	202.71	49.83	24.03
(d) Other current liabilities	22	420.75	193.81	119.18
<b>Total Current Liabilities</b>		<b>9,916.75</b>	<b>6,951.59</b>	<b>6,451.39</b>
<b>Total Liabilities</b>		<b>35,356.41</b>	<b>30,038.35</b>	<b>25,440.55</b>
<b>Total Equity and Liabilities</b>		<b>39,976.76</b>	<b>34,786.45</b>	<b>29,002.70</b>

Note 1 to 50 forms part of the consolidated financial statements.

In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

per **Shrenik P. Baid**

Partner

Membership No. 103884

For **SRBC & CO. LLP**

Chartered Accountants

(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**

Partner

Membership No. 49365

Mumbai, May 29, 2017

For and on behalf of the Board

**K. Ramchand**

Managing Director

DIN-00051769

**Arun K. Saha**

Director

DIN-00002377

**Dilip Bhatia**

Chief Financial Officer

Mumbai, May 29, 2017

**Krishna Ghag**

Company Secretary

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

₹ in Crore

Particulars	Notes	Year ended March 31, 2017	Year ended March 31, 2016
<b>I. Revenue from Operations</b>	25	7,984.42	8,035.84
<b>II. Other income</b>	26	417.20	320.53
<b>III. Total Income (I+II)</b>		<b>8,401.62</b>	<b>8,356.37</b>
<b>IV. Expenses</b>			
Cost of Material consumed	27	162.65	280.91
Construction Costs	27	2,942.66	3,643.11
Operating expenses	28	555.74	580.13
Employee benefits expense	29	522.03	490.75
Finance costs (net)	30	3,086.33	2,573.96
Depreciation and amortisation expense	31	365.72	196.40
Other expenses	32	641.60	518.80
<b>Total expenses (IV)</b>		<b>8,276.73</b>	<b>8,284.06</b>
<b>V Profit before share of profit/(loss) of an associate and a joint venture and tax (III-IV)</b>		124.89	72.31
<b>VI Less: Tax expense</b>	33		
(1) Current tax		144.11	172.37
(2) Deferred tax		(70.01)	(84.63)
<b>Total Tax expenses</b>		<b>74.10</b>	<b>87.74</b>
<b>VII Profit/(loss) after tax (V-VI)</b>		50.79	(15.43)
<b>VIII Add: Share of profit of associates (net)</b>		16.25	31.53
<b>IX Add: Share of profit of joint ventures (net)</b>		78.54	70.84
<b>X Profit for the year (VII+VIII+IX)</b>		<b>145.58</b>	<b>86.94</b>
<b>XI Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss			
(a) Actuarial loss of the defined benefit plans		(0.48)	(1.80)
(b) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss		(0.02)	0.01
		<b>(0.50)</b>	<b>(1.79)</b>
A (ii) Income tax relating to items that will not be reclassified to profit or loss		(0.05)	-
B (i) Items that may be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(67.44)	36.99
(b) Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(58.43)	32.57
(c) Others		(4.46)	(1.34)
(d) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss		(67.03)	1.22
		<b>(197.36)</b>	<b>69.44</b>
B (ii) Income tax relating to items that may be reclassified to profit or loss		(20.66)	-
<b>Total other comprehensive (loss) / income (A (i-ii) + B (i-ii))</b>		<b>(177.15)</b>	<b>67.65</b>
<b>XII Total comprehensive (loss) / income for the year (X+XI)</b>		<b>(31.57)</b>	<b>154.59</b>
Profit for the year attributable to:			
- Owners of the Company		149.31	121.96
- Non-controlling interests		(3.73)	(35.02)
		<b>145.58</b>	<b>86.94</b>
Other comprehensive income for the year attributable to:			
- Owners of the Company		(175.05)	67.64
- Non-controlling interests		(2.10)	0.01
		<b>(177.15)</b>	<b>67.65</b>
Total comprehensive income for the year attributable to:			
- Owners of the Company		(25.74)	189.60
- Non-controlling interests		(5.83)	(35.01)
		<b>(31.57)</b>	<b>154.59</b>
<b>XIII Earnings per equity share (face value ₹ 10 per share):</b>	34		
(1) Basic (in ₹)		4.54	4.34
(2) Diluted (in ₹)		4.54	4.34

Note 1 to 50 forms part of the consolidated financial statements.

In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)per **Shrenik P. Baid**  
Partner  
Membership No. 103884For **SRBC & CO. LLP**  
Chartered Accountants  
(Firm's Registration No. 324982E/E300003)per **Ravi Bansal**  
Partner  
Membership No. 49365  
Mumbai, May 29, 2017

For and on behalf of the Board

**K. Ramchand**  
Managing Director  
DIN-00051769**Arun K. Saha**  
Director  
DIN-00002377**Dilip Bhatia**  
Chief Financial Officer**Krishna Ghag**  
Company Secretary

Mumbai, May 29, 2017

# CONSOLIDATED CASH FLOW STATEMENT

₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the year	145.58	86.94
<b>Adjustments for:</b>		
Income tax expense recognised in profit or loss	74.10	87.74
Share of profit of associates (net)	(16.25)	(31.53)
Share of profit of joint ventures (net)	(78.54)	(70.84)
Finance costs recognised in profit or loss	3,086.33	2,573.96
Interest income recognised in profit or loss	(140.67)	(231.50)
Profit on sale of investments (net of goodwill)	(76.93)	-
Dividend Income on non-current investments	(6.18)	-
(Loss) / Gain on disposal of property, plant and equipment	(0.37)	(1.50)
Provision for employee benefits (net)	5.95	(5.44)
Provision for overlay (net)	19.03	7.66
Provision for replacement cost (net)	11.69	10.55
Provision for doubtful debts and receivables	27.97	68.91
Expected credit losses on trade receivables (net)	15.62	(11.58)
Expected credit losses on debt instruments (net)	59.78	0.20
Expected credit losses on other financial assets (net)	21.66	(10.66)
Depreciation and amortisation expenses	365.72	196.40
Excess provision written back	(4.35)	(6.49)
Exchange (gain) / loss	13.35	(7.38)
	<b>3,523.49</b>	<b>2,655.44</b>
Movements in working capital:		
Decrease in trade receivables (current and non current)	(1,056.43)	(129.22)
Decrease in inventories	(32.98)	(7.87)
(Increase)/decrease in other financial assets & other assets (current and non current)	(89.98)	147.52
Increase/ (Decrease) in financial liabilities & other liabilities (current and non current)	201.24	339.19
	(978.15)	349.62
<b>Cash generated from operations</b>	<b>2,545.34</b>	<b>3,005.06</b>
Income taxes paid (net of refunds)	(175.03)	(235.60)
<b>Net cash generated by operating activities (A)</b>	<b>2,370.31</b>	<b>2,769.46</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment, intangible assets	(2,969.05)	(4,029.01)
Proceeds from disposal of property, plant and equipment, intangible assets	9.00	3.70
Increase in receivable under service concession arrangements (net)	(768.36)	(1,213.04)
Interest received	225.28	224.42
Purchase of investments in joint venture	(4.46)	(2.72)
Proceeds from redemption of debentures	32.00	-
Proceed from sale of investment in subsidiary and associate	235.46	-
Proceeds on disposal of partial interest in a subsidiary that does not involve loss of control	-	65.50
Investment in Mutual funds	(360.00)	(300.00)
Redemption of Mutual funds	360.18	300.05
Long term loans repaid / (given) (net)	4.54	(34.79)
Short term loans repaid / (given) (net)	(156.90)	74.77
Inter-corporate deposits (placed) / matured (net)	(7.60)	23.61

# CONSOLIDATED CASH FLOW STATEMENT

₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Dividend received from associates & joint ventures	115.90	129.22
Dividend received from others	0.60	-
<b>Net cash used in investing activities (B)</b>	<b>(3,283.41)</b>	<b>(4,758.29)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Rights Equity Shares (including securities premium)	-	740.16
Rights issue / preference share issue expenses adjusted in securities premium	-	(6.16)
Proceeds from borrowings	15,555.04	13,498.81
Repayment of borrowings	(10,341.12)	(9,306.50)
Finance costs paid	(3,584.00)	(3,050.79)
Equity dividend paid	(69.52)	(98.69)
Tax on equity dividend paid	(20.90)	(20.09)
Proceeds from minority interest	1.89	0.05
Preference dividend paid	(78.86)	(78.86)
Tax on Preference dividend paid	(12.89)	(16.05)
Balances held as margin money or as security against borrowings	(85.11)	96.56
<b>Net cash generated in financing activities (C)</b>	<b>1,364.53</b>	<b>1,758.44</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>451.43</b>	<b>(230.39)</b>
Cash and cash equivalents at the beginning of the year	404.32	624.76
Impact of acquisition / disposal of subsidiary	(141.00)	0.12
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(14.83)	9.83
<b>Cash and cash equivalents at the end of the year</b>	<b>699.92</b>	<b>404.32</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash on hand	5.77	4.53
Balances with Banks in current accounts	675.96	465.13
Balances with Banks in deposit accounts	159.93	86.62
<b>Cash and Cash Equivalents</b>	<b>841.66</b>	<b>556.28</b>
Less - Secured Demand loans from banks (Cash credit) (shown under current borrowings in Note 18)	132.35	136.70
Less - Bank overdraft (Note 18)	9.39	15.26
<b>Cash and cash equivalents for statement of cash flows</b>	<b>699.92</b>	<b>404.32</b>

Footnote: The impact of non-cash transactions have not been given in the above cash flow statement details of which are given in Note 13.

Note 1 to 50 forms part of the consolidated financial statements.

In terms of our report attached.

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

per **Shrenik P. Baid**  
Partner  
Membership No. 103884

For **S R B C & CO. LLP**  
Chartered Accountants  
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**  
Partner  
Membership No. 49365  
Mumbai, May 29, 2017

For and on behalf of the Board

**K. Ramchand**  
Managing Director  
DIN-00051769

**Arun K. Saha**  
Director  
DIN-00002377

**Dilip Bhatia**  
Chief Financial Officer

**Krishna Ghag**  
Company Secretary

Mumbai, May 29, 2017

# STATEMENT OF CHANGES IN EQUITY

		₹ in Crore	
		For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
a. Equity share capital		328.96	246.72
Balance as at the beginning of the year		-	82.24
Changes in equity share capital during the year			
<b>Balance as at end of the year</b>		<b>328.96</b>	<b>328.96</b>
<b>Statement of changes in equity for the year ended March 2016</b>			
		₹ in Crore	
b. Other equity		Reserves and surplus	
		Capital reserve	1,174.23
		Securities premium reserve	
		General reserve	183.76
		Capital reserve on consolidation	
		Capital reserve on consolidation	36.05
		Debt redemption reserve	
		Debt redemption reserve	270.48
		Foreign currency items translation difference account	
		Foreign currency items translation difference account	(6.86)
		Retained earnings	
		Retained earnings	(54.35)
		Total	
		Total	3,140.38
		Items of other comprehensive income	
		Effective portion of cash flow hedge	(76.22)
		Foreign currency translation reserve	
		Foreign currency translation reserve	38.21
		Defined benefit plan adjustment	
		Defined benefit plan adjustment	(1.80)
		Others	
		Others	(1.34)
		Total	
		Total	(43.65)
		Attributable to owners of the parent	
		Attributable to owners of the parent	3,064.16
		Non-controlling interests	
		Non-controlling interests	(35.02)
		Total	
		Total	(123.18)
<b>Balance as at April 1, 2015</b>		<b>1,174.23</b>	<b>1,537.07</b>
Profit for the year		657.92	657.92
Other comprehensive income for the year, net of income tax		(123.18)	(123.18)
<b>Total comprehensive income for the year</b>		<b>676.61</b>	<b>1,071.81</b>
Payment of final dividends (including dividend tax)		(123.18)	(123.18)
Addition during the year from issue of equity shares on a rights basis		-	-
Transfer from retained earnings		39.23	39.23
Additional during the year		17.86	17.86
Additional non-controlling interests arising on acquisition		-	-
Disposal of partial interest in subsidiary		(6.16)	(6.16)
Premium utilised towards preference shares issue expenses and rights issue expenses		-	-
Other adjustments		1.03	1.03
<b>Balance as at March 31, 2016</b>		<b>1,175.26</b>	<b>2,188.83</b>

## Statement of changes in equity for the year ended March 2017

b. Other equity	Reserves and surplus						Items of other comprehensive income				Attributable to owners of the parent	Non-controlling interests	Total			
	Capital reserve	Securities premium reserve	General reserve	Capital reserve on consolidation	Debt redemption reserve	Foreign currency monetary items translation difference account	Retained earnings	Total	Effective portion of cash flow hedge	Foreign currency translation reserve				Defined benefit plan adjustment	Others	Total
Balance as at April 1, 2016	1,175.26	2,188.83	183.76	36.05	309.71	11.00	97.94	4,002.55	(50.07)	24.10	(1.80)	(1.34)	(29.11)	3,973.44	445.70	4,419.14
Profit for the year	-	-	-	-	-	-	149.31	149.31	-	-	-	-	-	149.31	(3.73)	145.58
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	(35.71)	(35.71)	(134.50)	(0.38)	(4.46)	(175.05)	(175.05)	(2.10)	(177.15)
<b>Total comprehensive income for the year</b>	<b>1,175.26</b>	<b>2,188.83</b>	<b>183.76</b>	<b>36.05</b>	<b>309.71</b>	<b>11.00</b>	<b>247.25</b>	<b>4,151.86</b>	<b>(85.78)</b>	<b>(110.40)</b>	<b>(2.18)</b>	<b>(5.80)</b>	<b>(204.16)</b>	<b>3,947.70</b>	<b>439.87</b>	<b>4,387.57</b>
Payment of final dividends (including dividend tax)	-	-	-	-	-	-	(90.48)	(90.48)	-	-	-	-	-	(90.48)	-	(90.48)
Transfer to retained earnings	-	-	-	-	(80.37)	-	80.37	-	-	-	-	-	-	-	-	-
Adjustment during the year for cessation of a subsidiary	-	-	-	-	(49.04)	-	(49.04)	-	-	-	-	-	-	(49.04)	(4.47)	(53.51)
Reversed during the year	-	-	-	-	-	(6.24)	(6.24)	(6.24)	-	-	-	-	-	(6.24)	-	(6.24)
Additional non-controlling interests arising on acquisition of / additional investment in a subsidiary (net)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.89	1.89
Disposal of partial interest in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.62)	(1.62)
Premium utilised towards discount on issue of Non-Convertible Debentures	-	(2.85)	-	-	-	-	-	(2.85)	-	-	-	-	-	(2.85)	-	(2.85)
Other adjustments	(0.69)	-	-	-	-	-	37.72	37.03	3.30	16.30	-	-	19.60	56.63	-	56.63
<b>Balance as at March 31, 2017</b>	<b>1,174.57</b>	<b>2,185.98</b>	<b>183.76</b>	<b>36.05</b>	<b>180.30</b>	<b>4.76</b>	<b>274.86</b>	<b>4,040.28</b>	<b>(82.48)</b>	<b>(94.10)</b>	<b>(2.18)</b>	<b>(5.80)</b>	<b>(184.56)</b>	<b>3,855.72</b>	<b>435.67</b>	<b>4,291.39</b>

Note 1 to 50 forms part of the consolidated financial statements.

In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

per **Shrenik P. Baid**

Partner  
Membership No. 103884

For **SRBC & CO. LLP**

Chartered Accountants  
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per **Ravi Bansal**

Partner  
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Mumbai, May 29, 2017

**K. Ramchand**  
Managing Director  
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**Dilip Bhatia**  
Chief Financial Officer

Mumbai, May 29, 2017

**Arun K. Saha**  
Director  
DIN-00002377

**Krishna Ghag**  
Company Secretary

# NOTES

forming part of the Consolidated Financial Statements

## 1: General Information & Significant Accounting Policies

### A. General information

#### IL&FS Transportation Networks Limited ("ITNL")

the Company is a public limited company incorporated in India. Its parent and ultimate holding company is Infrastructure Leasing & Financial Services Limited

The address of its registered office and principal place of business are The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. ITNL is a developer, operator and facilitator of surface transportation infrastructure projects, taking projects from conceptualization through commissioning to operations and maintenance under public to private partnership on build-operate transfer ("BOT") basis in India

### B. Significant accounting policies

#### B.1 Statement of compliance

The consolidated 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 Group prepared its consolidated 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). These are Group's first Ind AS consolidated financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note 1D for the details of first-time adoption exemptions availed by the Group

#### B.2 Basis of preparation and presentation

The consolidated 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 Group 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 consolidated financial statements is determined on these basis

The principal accounting policies are set out below

#### B.3 Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Group and entities (including structured entities) controlled by the Group and its subsidiaries. Control is established when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

# NOTES

forming part of the Consolidated Financial Statements

- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meeting

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary. As the financial assets and intangible assets recognized under service concession arrangement are acquired in exchange for infrastructure construction / upgrading services, gains / losses on intra group transactions are treated as realized and not eliminated on consolidation

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the

parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so

## Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date
  - (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill
  - (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group [profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets [read with Point (d) below], are eliminated in full]. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions
- Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if these results in the non-controlling interests are having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies
- (d) The Build, Operate and Transfer (BOT) / Design, Build, Finance, Operate and Transfer (DBFOT) contracts are governed by Service Concession Agreements with government authorities (grantor)

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Under these agreements, the operator does not own the road, but gets "toll collection rights" against the construction services rendered. Since the construction revenue earned by the operator is considered as exchanged with the grantor against toll collection rights, revenue is recognised at fair value of construction services rendered and profit from such contracts is considered as realised

Accordingly, BOT / DBFOT contracts awarded to group companies (operator), where work is subcontracted to fellow subsidiaries, the intra group transactions on BOT / DBFOT contracts and the profits arising thereon are taken as realised and not eliminated

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction

## B.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred (including contingent liabilities representing present obligation) and the equity interests issued by the Group in exchange of control of the acquired entity. Acquisition-related costs are generally recognized in profit or loss as incurred

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed

In case of a bargain purchase, before recognizing a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognizes any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognizes it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognizes the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or Other Comprehensive Income ("OCI"), as appropriate

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in

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OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss

## B.5 Goodwill

Goodwill arising on acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group's of cash-generating units) that is expected to benefit from the synergies of the combination

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described in Note 2.6.

## B.6 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries

The results of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognized in the balance sheet at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is tested for impairment along with investment. Distributions received from an associate or a joint venture reduces the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture equals or exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture

If the associates or joint ventures subsequently reports profits, the entity resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized. The financial statements of the associate or joint venture

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are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized directly in equity as capital reserve in the period in which the investment is acquired

If there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated, then it is necessary to recognize impairment loss with respect to the Group's investment in an associate or a joint venture

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized is reduced from the carrying amount of the investment and recognized in the profit or loss. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases but the increase is restricted to the amounts that would arise had no impairment loss been recognized in previous years

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognized in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss

## B.7 Interest in Joint Operation

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly

The Group accounts for the assets, liabilities, revenues, and expenses relating to its interest

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in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues, and expenses

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party

## Fair value measurement

The Group 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 Group

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 Group 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 Group 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

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 Group 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

- Quantitative disclosures of fair value measurement hierarchy (Note 38)

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- Investment in unquoted equity shares (discontinued operations) (Note 6, 7, 8)
- Property, plant and equipment under revaluation model (Note 2)
- Investment properties (Note 3)
- Financial instruments (including those carried at amortised cost) (Note 38)
- Non-cash distribution (Note 13)

## B.8 Non-current assets held for sale

Non-current assets and disposal groups 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 group) 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 group) 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 Group 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 Group will retain a non-controlling interest in its former subsidiary after the sale

When the Group 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 Group 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 Group discontinues the use of the equity method at the time of disposal when the disposal results in the

Group losing significant influence over the associate or joint venture

After the disposal takes place, the Group 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 Group uses the equity method (see the accounting policy regarding investments in associates or joint ventures above)

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

## B.9 Accounting for rights under service concession arrangements and revenue recognition

### i. Recognition and measurement

The Group builds, operates and maintains infrastructure assets under public-to-private Service Concession Arrangements ("SCA's"), 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 Group 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 SCA's 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 is detailed in Note B.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

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receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructures 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 Group 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 Group 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 Group has a right to charge the user of infrastructure facility, the Group 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 Group 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 B.9.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 Group 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 The component based certification which is received is an intermediate mechanism provided in the Concession Agreement to provide a right to collect eligible toll to compensate the Group for cost recovery during construction period and for any delays beyond the control of the Group. However, where there is other than temporary delay due to reasons beyond the control of the Group, the management may treat constructed portion of the infrastructure as a completed project. Eligible toll revenue collected on receipt of the component based certification is reduced from the cost of construction, as the construction work on remaining portion is still in progress and the entire asset is not ready for its intended purpose

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 Group 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 recognized on a discounted basis by charging costs to revenue on the units of usage method i.e. on

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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 recognized 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 Group 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 recognized 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 up to the reporting date bear to the estimated total contract costs

For the purposes of recognizing 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 recognized in the Consolidated 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 recognized only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognized 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 recognized as an expense in the Consolidated Statement of Profit and Loss in the period in which such probability occurs

**v. Borrowing cost related to SCA's**

In case of concession arrangement under financial asset model, borrowing costs attributable to construction of the infrastructure are charged to Consolidated 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 capitalized up to the date of the final completion certificate of the asset /

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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 Consolidated Statement of Profit and Loss in the period in which such costs are incurred

**vi. Amortization of intangible asset under SCA**

The intangible rights relating to infrastructure assets, which are recognized 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")] Group for construction or other delays attributable solely to the concession granting authority are recognized when there are a reasonable certainty that there will be inflow of economic benefits to the [concerned Project SPVs] Group. The claims when recognized 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**

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)

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 19) Thereafter, the interest expense is recognized based on the effective interest rate method, which also becomes eligible for capitalization on qualifying assets

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## B.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement

For arrangements entered into prior to 1 April 2015 the group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition

### B.10.1 Group as lessee

1. Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs (see note 36). Contingent rentals are recognized as expenses in the periods in which they are incurred

2. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term

3. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term

## B.11 Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent Group's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method

In preparing the financial statements of each individual entity in the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively)

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

exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

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- exchange differences on transactions entered into in order to hedge certain foreign currency risks (see B.24 below for hedging accounting policies); these are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognized initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI

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

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

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognized in profit or loss. For all the other partial disposals (i.e. Partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income

## B.12 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 or 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 recognized in profit or loss in the period in which they are incurred

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## B.13 Employee benefits

### B.13.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. The group has no obligation, other than the contribution payable to the provident fund, superannuation fund

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in [the Group's] the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs

### B.13.2 Short-term and other long-term employee benefits

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

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

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date

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## B.14 Taxation

### B.14.1 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 Group'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 consolidated 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

### B.14.2 Deferred tax

Deferred tax is recognized 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 recognized 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 recognized 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 recognized 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 recognized if the temporary difference arises from the initial recognition of goodwill

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group 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 recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize 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 realized, 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

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The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group 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 consolidated financial statements, deferred tax is recognized 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 Group

## B.15 Property, plant and equipment

Property, plant and equipment acquired by the Group 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 capitalized 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
Specialized 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 derecognized 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 recognized in profit or loss

## B.16 Investment properties under development:

Investment properties under development are measured at cost, including transaction costs and are stated at cost less accumulated impairment loss, if any

Though the group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee

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Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition

## B.17 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 Consolidated 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

## B.18 Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified

In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount rate

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, or whenever there is an indication that the asset may be impaired

Recoverable amount is the higher of fair value less costs of disposal and value in use

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss

Goodwill is tested for impairment annually at year end and when circumstances indicate that the carrying value may be impaired

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the

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recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase

## B.19 Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined on a first-in- first-out basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale

### B.19.1. Raw material

Raw materials are valued at cost. Cost of raw material includes purchase price and non-refundable taxes

When the total of cost of finished goods (in this case all goods and services provided under EPC contract) exceeds the Net Realizable Value (NRV), the raw materials are written down to their NRV. The replacement cost of the materials may be the best available measure of their NRV

### B.19.2. Stores and spares

Inventories are stated at the cost and net realizable value. Costs of inventories are determined on a first-in- first-out basis

## B.20 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group

will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement

The amount recognized 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)

### B.20.1 Onerous contracts

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract

## B.21 Financial instruments

Financial assets and financial liabilities are recognized when a Group 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 recognized immediately in the consolidated statement of profit and loss

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## B.22 Financial assets

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

### B.22.1 Classification of financial assets – debt instruments

Debt instruments that meet the following conditions are subsequently measured at amortized 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

### B.22.2 Amortized cost and Effective interest method

The effective interest method is a method of calculating the amortized 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 recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item

### B.22.3 Financial assets at FVTPL

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in FVOCI for equity instruments which are not held for trading

Debt instruments that do not meet the amortized cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortized cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL

A debt instrument that meets the amortized cost or FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss is included in the "Other income" line item

### B.22.4 Impairment of financial assets

In accordance with Ind AS 109, the group 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

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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
- d) Loan commitments which are not measured as at FVTPL
- e) Financial guarantee contracts which are not measured as at FVTPL

The Group 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 Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses

However, for trade receivables, the Group measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realized up to one year from the date of the invoice, loss for the time value of money is not recognized, 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 Group 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 Group 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

## *B.22.5 Reclassification of financial assets*

The group 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 group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group 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 group does not restate any previously recognised gains or losses (including impairment gains or losses) or interest

## *B.22.6 Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

## *B.22.7 Derecognition of financial assets*

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received

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On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset

On derecognition of a financial asset other than in its entirety (e.g., when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts

## **B.22.8 Foreign Exchange Gain and Losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship
- Changes in the carrying amount of investments in equity instruments at FVOCI

relating to changes in foreign currency rates are recognised in other comprehensive income

## **B.22.9 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 Group recalculates the gross carrying amount of the financial asset and recognizes 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 amortized over the remaining term of the modified financial asset

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

## **B.22.10 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

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

## *B.22.10.1 Classification as debt or equity*

Debt and equity instruments issued by a Group 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

## *B.22.10.2 Compound instruments*

The components of compound instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by issue of fixed number of the Group's own equity instruments in exchange of a fixed amount of cash or another financial asset is an equity instrument

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognized as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to retained earnings. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortized over the lives of the convertible notes using the effective interest method

## *B.22.10.3 Financial liabilities*

All financial liabilities are subsequently measured at amortized 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 Group and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below

### *B.22.10.3.1 Financial liabilities subsequently measured at amortized cost*

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized 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

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## *B.22.10.3.2 Financial guarantee contracts*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18

## *B.22.10.3.3 Foreign exchange gains and losses*

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

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period

## *B.22.10.3.4 Derecognition of financial liabilities*

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

## *B.22.10.3.5 Commitments to provide a loan at a below-market interest rate*

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 18

## **B.23 Derivative financial instruments**

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 38

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item

### *B.23.1 Embedded derivatives*

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL

### **B.24 Hedge accounting**

The Group designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign

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operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk

Note 38 sets out details of the fair values of the derivative instruments used for hedging purposes

## **B.24.1 Cash flow hedges**

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the 'Other gains and losses' line item

Amounts previously recognized in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a

forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss

## **B.24.2 Hedges of net investments in foreign operations**

Hedges of net investments in foreign operations are accounted for similar to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income and accumulated under the heading of foreign currency translation reserve. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the 'Other gains and losses' line item because for these hedging instruments, the Group has not elected the option to separate the spot element and forward element of the forward contracts for the purposes of hedge accounting

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation

## **B.25 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 consolidated 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 Group's cash management

## **C.1 Critical accounting judgments**

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

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The matters to be disclosed will be dictated by the circumstances of the individual entity, and by the significance of judgements and estimates made to the performance and financial position of the entity. Instead of disclosing this information in a separate note, it may be more appropriate to include such disclosures in the relevant asset and Ind AS 112.7 requires entities to disclose information about significant judgements and assumptions they have made in determining (i) whether they have control of another entity, (ii) whether they have joint control of an arrangement or significant influence over another entity, and (iii) the type of joint arrangement when the arrangement has been structured through a separate vehicle

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

## C.2 Key sources of estimation of uncertainty

Key source of estimation of uncertainty at the date of Financial Statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of-

### a. Revenue recognition-Margin on Intangible Assets

The Company has recognised margin on intangible assets equivalent to the internal rate of return ("IRR") generated by the asset. The IRR calculation considers components such as revenue from the asset, expenses to be incurred for generating the revenue and cost incurred / to be incurred for constructing the asset for its intended use. These components are estimated by the management considering assumptions such as (i) Work will be executed in the manner expected so that the project is completed timely (ii) consumption norms will remain same (iii) Assets will operate at the same level of productivity as determined (iv) Estimates for contingencies (v) There will be no change in design and the geological factors will be same as communicated and (vi) price escalations etc. There is some amount of complexity involved in estimating these components and these estimates are

sensitive to changes in the underlying assumptions. All the estimates and assumptions are reviewed at each reporting date

### b. Traffic count / Revenue for amortisation of assets

The Company has recognised the amortisation of intangible assets relating to Service Concession Agreements based on the estimated traffic count / estimated revenue over the project lifecycle. These estimates are corroborated through a traffic study report issued by an independent field expert. As the traffic study report is based on the various assumptions such as infrastructure development in the area, commercial developments, economic conditions, inflation, government policies etc, these are reviewed on an annual basis

### c. Cash Flow Model

The Cash flow model indicates the cash flow to be generated over the project lifecycle. The key inputs of the model comprise of revenue inflows (Toll / annuity), expenses to be incurred to earn the revenue, estimations on cost to build and maintain the asset, interest obligations based on financing pattern and other operational efficiencies. These inputs are based on circumstances existing and management judgement / assumption on the future expectations based on current situations. Judgements include management view on expected earnings in future years, changes in interest rates, cost inflation, government policy changes, etc. These input assumptions could affect the reported cash flow from the related assets / investments and accordingly these assumptions are reviewed periodically

### Key estimations in relation to fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is

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required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 38 for further disclosures

For other areas of estimation, refer relevant Notes and schedules

## D. First-time adoption optional exemptions

### D.1 Overall principle

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

### D.2 Accounting for changes in parent's ownership in a subsidiary that does not result in a loss of control

The Group has accounted for changes in a parent's ownership in a subsidiary that does not result in a loss of control in accordance with Ind AS 110, prospectively from the date of transition

### D.3 Classification of debt instruments

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

### D.4 Impairment of financial assets

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive

search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101

### D.5 Assessment of embedded derivatives

The Group has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract

### D.6 Past business combinations

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2015

*Consequently,*

- the Group has kept the same classification for the past business combinations as in its previous GAAP consolidated financial statements;
- the Group has not recognized assets and liabilities that were not recognized in accordance with previous GAAP in the balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree; the Group has excluded from its opening balance sheet those items recognized in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- the Group has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;
- the effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax

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The Group has not applied Ind AS 21 - The Effects of Changes in Foreign Exchange Rates retrospectively to fair value adjustments and goodwill arising in business combinations that occurred before the transition date

The above exemptions in respect of business combinations have also been applied to past acquisitions of investments in associates, interests in joint ventures and interests in joint operations in which the activity of the joint operation constitutes a business, as defined in Ind AS 103

## **D.7 Deemed cost for property, plant and equipment, investment properties, and intangible assets (other than assets under SCAs)**

For other than SCA assets, the Group has elected to continue with the carrying value of all of its plant and equipment, investment properties, and intangible assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. One of subsidiary has adopted exemption under clause D22 available under IndAS 101

## **D.8 Amortization method of Intangible assets under Service Concession Arrangement**

For all intangible road assets capitalized up to March 31, 2016, the Group has elected to continue the previous GAAP method of amortizing the intangible asset

## **D.9 Control evaluation**

### ***Control over Road Infrastructure Development Company of Rajasthan Limited ("RIDCOR")***

Note no. 35 describes that the Group has Joint Control even though the Group does not have a direct equity investment in the Company. IL&FS holds 50% shareholding in RIDCOR along with Government of Rajasthan and have a joint control. IL&FS has issued covered warrants against its shareholding in RIDCOR. The Group has subscribed to the covered warrants issued by IL&FS. These instruments entitle the Group to a proportionate share of the dividend and the residual interest / economic benefit on the shares of the underlying instruments. Accordingly it is assessed that the Group has joint control over RIDCOR

### ***Control over Jharkhand Accelerated Road Development Company Limited ("JARDCL")***

Note no. 35 describes that the Group has Joint Control even though the Group does not have a direct equity investment in the Company. IL&FS holds 74% shareholding in JARDCL along with Government of Jharkhand and have a joint control. IL&FS has issued covered warrants against its shareholding in JARDCL. The Group has subscribed to the covered warrants issued by IL&FS. These instruments entitle the Group to a proportionate share of the dividend and the residual interest / economic benefit on the shares of the underlying instruments. Accordingly it is assessed that the Group has joint control over JARDCL

### ***Control over Chattisgarh Highways Development Company Limited ("CHDCL")***

Note no. 35 describes that CHDCL is a subsidiary of the Group even though the Group does not have a direct equity investment in the Company. IL&FS holds 74% shareholding in CHDCL. IL&FS has issued covered warrants against its shareholding in CHDCL. The Group has subscribed to the covered warrants issued by IL&FS. These instruments entitle the Group to a proportionate share of the dividend and the residual interest / economic benefit on the shares of the underlying instruments. Accordingly it has been concluded that CHDCL is the subsidiary of the Group

### ***Control over Srinagar Sonamarg Tunnelway Limited ("SSTL")***

Note no. 35 describes that SSTL is a subsidiary of the Group even though the Group owns only 49% ownership interest in SSTL. Based on the arrangement between the Group and other investor, the Chairman and the Managing Director of SSTL will be a representative of Group. Further the Group has the power to direct the relevant activities of SSTL through the members nominated by the Group. Accordingly it has been concluded that SSTL is the subsidiary of the Group

### ***Control over Sharjah General Services Company LLC ("SGSC")***

Note no. 35 describes that SGSC is a subsidiary of the Group even though the Group owns only

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49% ownership interest in SGSC. As per the Memorandum of Association between ITNL International Pte Ltd ("IPL"- Subsidiary of the Group) and other shareholder Profits and Statutory Reserve, the net profits of SGSC and losses shall be distributed among IPL 70% and other shareholders 30%. IPL controls SGSC through composition of Board of Directors and accordingly is a subsidiary of the Group

## D.10 Cumulative translation differences on foreign operations

The Group has elected the option to reset the cumulative translation differences on foreign operations that exist as of the transition date to zero. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date

## D.11 Accounting for Joint Venture

Joint Venture was accounted for using the proportionate consolidation method under previous GAAP whereas it needs to be accounted using the equity method under Ind AS. Therefore, as required by Ind AS 101, the Group has:-

- On the transition date, recognized investment in Joint Ventures by measuring it at the aggregate of the carrying amount of the assets and liabilities that the Group had proportionately consolidated under previous GAAP as of the transition date;
- This investment amount has been deemed to be the cost of investment at initial recognition;
- The Group has tested the investment in Joint Ventures for impairment as of the transition date;
- After initial recognition at the transition date, the Group has accounted for Joint Ventures using the equity method in accordance with Ind AS 28; and

- The break-down of the assets and liabilities of Joint Ventures that have been aggregated into the single line investment balance at the transition date is below:

Particulars	As at 01/04/2015 (Date of transition) (amounts as reported in previous GAAP)
Non-Current Assets	3,398.54
Current Assets	116.74
Non-Current Liabilities	1,723.35
Current Liabilities	130.94
Net	1,660.99

## D.12 Foreign Currency Monetary items

The Group had exercised the option of mortising / capitalizing the exchange differences arising on long-term foreign currency monetary items as given under Ministry of Corporate Affairs (MCA) Notification No. G.S.R 914(E) dated December 29, 2011

## D.13 One time Fair valuation of financial assets and Investments

In the Consolidated financial statements, the Company has measured the investments at deemed cost i.e. the previous GAAP carrying amount at the date of transition. However, for the following investments in Joint Ventures and Associates, the Company has taken one time fair value option at the transition date:

1. Noida Toll Bridge Company Limited

In the separate financial statements, on the transition date Company has also measured the following financial assets and investments in subsidiaries at Fair value on the transition date

1. Jharkhand Road Projects Implementation Company Limited
2. Hazaribagh Ranchi Expressway Limited
3. MP Border Checkpost Development Company Limited

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4. Charminar RoboPark Limited
5. Futureage Infrastructure India Limited

In the Consolidated Financial Statements, these investments are represented by financial assets. The fair value of these assets cannot be measured based on quoted prices in active markets, hence their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models and the discount rates are taken from observable markets where possible, but where this is not feasible, a degree of judgment is used in establishing fair values. Judgments include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of assets appearing in consolidated financial statements

## E. Recent accounting pronouncements Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement

The Group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated

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## 2. Property, plant and equipment and Capital work-in-progress

₹ in Crore

Particulars	Deemed cost					Accumulated Depreciation				Carrying Amount							
	Balance as at April 1, 2015	Opening Adjustments	Additions	Deductions	Derecognised on disposal of a subsidiary	Effect of foreign currency exchange differences	Balance at March 31, 2016	Balance as at April 1, 2015	Effect of foreign currency exchange differences	Depreciation expense	Eliminated on disposal of a Subsidiary	Deductions	Opening Adjustments	Balance at March 31, 2016	As at March 31, 2016	As at April 1, 2015	
<b>Property plant and equipment</b>																	
Land	2.40	-	-	(0.09)	-	0.30	2.61	-	-	-	-	-	-	-	2.61	2.40	
Building and structures	10.81	-	91.69	-	-	(0.26)	102.24	-	-	1.53	-	-	-	1.53	100.71	10.81	
Vehicles	24.78	-	17.90	(0.71)	-	0.43	42.40	-	-	8.22	-	-	-	8.22	34.18	24.78	
Data processing equipments	3.26	-	1.17	(0.02)	-	0.28	4.69	-	-	2.10	-	-	-	2.10	2.59	3.26	
Office premises	4.14	-	-	-	-	0.22	4.36	-	-	0.07	-	-	-	0.07	4.29	4.14	
Office equipments	4.53	-	1.41	(0.03)	-	0.15	6.06	-	-	1.88	-	-	-	1.88	4.18	4.53	
Leasehold improvements	0.43	-	1.25	-	-	0.01	1.69	-	-	0.54	-	-	-	0.54	1.15	0.43	
Furniture and fixtures	4.40	-	2.31	(0.02)	-	0.19	6.88	-	-	1.12	-	-	-	1.12	5.76	4.40	
Electrical installations	3.10	-	13.09	(0.21)	-	0.34	16.32	-	-	2.93	-	-	-	2.93	13.39	3.10	
Plant and machinery	57.68	-	27.85	(0.92)	-	2.29	86.90	-	-	9.40	-	-	-	9.40	77.50	57.68	
Property plant and equipment on lease:																	
Plant and machinery	5.93	-	4.71	-	-	0.48	11.12	-	-	1.30	-	-	-	1.30	9.82	5.93	
Vehicles	2.04	-	5.94	(0.21)	-	0.19	7.96	-	-	1.01	-	-	-	1.01	6.95	2.04	
Furniture and fixtures	0.10	-	-	-	-	0.01	0.11	-	-	-	-	-	-	-	0.11	0.10	
Building and structures	12.77	-	-	-	-	1.61	14.38	-	-	0.36	-	-	-	0.36	14.02	12.77	
Land	4.19	-	-	-	-	0.47	4.66	-	-	-	-	-	-	-	4.66	4.19	
<b>Subtotal</b>	<b>140.56</b>	-	<b>167.32</b>	<b>(2.21)</b>	-	<b>6.71</b>	<b>312.38</b>	-	-	<b>30.46</b>	-	-	-	<b>30.46</b>	<b>281.92</b>	<b>140.56</b>	
Capital work-in-progress	18.55	-	120.18	(74.54)	-	2.01	66.20	-	-	-	-	-	-	-	66.20	18.55	
<b>Total</b>	<b>159.11</b>	-	<b>287.50</b>	<b>(76.75)</b>	-	<b>8.72</b>	<b>378.58</b>	-	-	<b>30.46</b>	-	-	-	<b>30.46</b>	<b>348.12</b>	<b>159.11</b>	

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Particulars	Deemed cost					Accumulated Depreciation					Carrying Amount				
	Balance as at April 1, 2016	Opening Adjustments	Additions	Deductions	Derecognised on disposal of a subsidiary	Effect of foreign currency exchange differences	Balance at March 31, 2017	Balance as at April 1, 2016	Opening Adjustments	Eliminated on disposal of a Subsidiary	Depreciation expense	Effect of foreign currency exchange differences	Balance at March 31, 2017	As at March 31, 2016	
<b>Property plant and equipment</b>															
Land	261	-	0.05	-	-	(0.17)	2.49	-	-	-	-	-	-	2.49	2.61
Building and structures	102.24	0.16	45.24	(5.54)	-	(1.18)	140.92	1.53	(0.10)	(0.03)	27.22	(0.13)	28.49	112.43	100.71
Vehicles	42.40	(0.89)	9.84	(12.52)	(0.12)	(7.61)	31.10	8.22	1.19	(10.25)	10.43	(5.22)	4.32	26.78	34.18
Data processing equipments	4.89	0.10	1.22	(1.35)	-	(0.57)	4.09	2.10	0.02	(1.29)	2.01	(0.54)	2.30	1.79	2.59
Office premises	4.36	-	-	-	-	(0.09)	4.27	0.07	-	-	0.08	-	0.15	4.12	4.29
Office equipments	6.06	(3.06)	1.49	(0.59)	(0.04)	(0.26)	3.60	1.88	(2.25)	(0.56)	2.56	(0.16)	1.44	2.16	4.18
Leasehold improvements	1.69	-	-	(0.13)	-	(0.03)	1.53	0.54	-	(0.13)	0.51	(0.02)	0.90	0.63	1.15
Furniture and fixtures	6.88	1.42	9.64	(0.97)	(0.04)	(1.28)	15.65	1.12	1.09	(0.53)	2.03	(1.03)	2.66	12.99	5.76
Electrical installations	16.32	5.27	2.36	(0.78)	-	(2.31)	20.86	2.93	0.11	(0.18)	4.01	(1.12)	5.75	15.11	13.39
Plant and machinery	86.90	5.50	142.00	(9.64)	-	(21.03)	203.73	9.40	4.16	(7.41)	11.83	(16.95)	1.03	202.70	77.50
Property plant and equipment on lease:															
Plant and machinery	11.12	(6.16)	7.29	-	-	(1.38)	10.87	1.30	(4.77)	-	2.95	(0.35)	(0.87)	11.74	9.82
Vehicles	7.96	2.42	1.77	(0.50)	-	(0.68)	10.97	1.01	(0.34)	(0.24)	2.54	(0.10)	2.87	8.10	6.95
Furniture and fixtures	0.11	-	-	-	-	(0.06)	0.05	-	-	-	-	-	-	0.05	0.11
Building and structures	14.38	-	9.95	-	-	(1.86)	22.47	0.36	-	-	1.17	(0.36)	1.17	21.30	14.02
Land	4.66	-	-	-	-	(0.36)	4.30	-	-	-	-	-	-	4.30	4.66
<b>Subtotal</b>	<b>312.38</b>	<b>4.76</b>	<b>230.85</b>	<b>(32.02)</b>	<b>(0.20)</b>	<b>(38.87)</b>	<b>476.90</b>	<b>30.46</b>	<b>(0.89)</b>	<b>(20.62)</b>	<b>67.34</b>	<b>(25.98)</b>	<b>50.21</b>	<b>426.69</b>	<b>281.92</b>
Capital work-in-progress	66.20	(5.10)	11.73	(52.50)	-	(4.45)	15.88	-	-	-	-	-	-	15.88	66.20
<b>Total</b>	<b>378.58</b>	<b>(0.34)</b>	<b>242.58</b>	<b>(84.52)</b>	<b>(0.20)</b>	<b>(43.32)</b>	<b>492.78</b>	<b>30.46</b>	<b>(0.89)</b>	<b>(20.62)</b>	<b>67.34</b>	<b>(25.98)</b>	<b>50.21</b>	<b>442.57</b>	<b>348.12</b>

Footnotes :

1. Additions to Plant and Machinery for the current year, includes Plant and Machinery of ₹ 58 crore given on operating lease for period of 2.5 years at fixed monthly rental which is included in Miscellaneous income under Other Income (refer Note 26 and 36.2)

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## 3. Investment property

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investment property (A-B)	2.47	2.78	2.41
Investment property under development	115.31	115.31	115.31
<b>Total</b>	<b>117.78</b>	<b>118.09</b>	<b>117.72</b>

### a) Investment property

₹ in Crore

Cost or Deemed Cost	As at March 31, 2017	As at March 31, 2016
Balance at beginning of year	3.31	2.74
Effect of foreign currency exchange differences	(0.21)	0.57
<b>Balance at end of the year (A)</b>	<b>3.10</b>	<b>3.31</b>

₹ in Crore

Accumulated depreciation and impairment	As at March 31, 2017	As at March 31, 2016
Balance at beginning of the year	0.53	0.33
Additions	0.14	0.13
Effect of foreign currency exchange differences	(0.04)	0.07
<b>Balance at end of the year (B)</b>	<b>0.63</b>	<b>0.53</b>

Footnote:

The Group has a investment property held by its subsidiary in Spain.

- b) Investment property under development consists of 49,555 sq.ft. commercial property in Mumbai. The said property has been offered as a security given to one of the lenders of the Company.

For investment property under development existing as on 1 April 2015, i.e., its date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed costs.

- c) All of the Company's investment properties are held under freehold interests.

### 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, 2017, as at March 31, 2016, and April 1, 2015, are as follows:

Particulars	Fair value as per Level 2 (₹ in crore)		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investment property	3.92	4.21	3.49
Investment property under development (Refer footnote)	118.93	118.93	118.93
<b>Total</b>	<b>122.85</b>	<b>123.14</b>	<b>122.42</b>

Footnote

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, 2017, As at March 31, 2016 and April 1, 2015, 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.

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## 4. Goodwill on consolidation

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cost (or deemed cost)	167.86	179.95	167.35
<b>Total</b>	<b>167.86</b>	<b>179.95</b>	<b>167.35</b>

₹ in Crore

Cost or Deemed Cost	As at March 31, 2017	As at March 31, 2016
Balance at beginning of the year	179.95	167.35
Additional amounts recognised from business combinations (refer Note 39)	-	12.01
Derecognised on disposal of a subsidiary (refer Note 39.2.3)	(11.11)	-
Effect of foreign currency exchange differences	(0.98)	0.59
<b>Balance at end of year</b>	<b>167.86</b>	<b>179.95</b>

### 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.

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
- Annuity projects	-	11.11	11.11
- Operation and maintenance	155.85	156.83	156.24
- Others	12.01	12.01	-
<b>Total</b>	<b>167.86</b>	<b>179.95</b>	<b>167.35</b>

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## 5. Intangible assets

Particulars	Cost or deemed cost			Accumulated Amortisation			Carrying Amount	
	Balance as at April 1, 2015	Opening Adjustments	Effect of foreign currency exchange differences	Balance as at April 1, 2015	Opening Adjustments	Effect of foreign currency exchange differences	Balance as at March 31, 2016	As at April 1, 2015
Software/ Licences acquired	7.34	-	0.38	883	-	-	3.38	5.45
Commercial rights acquired	7.39	-	-	7.39	-	-	2.71	4.68
Others	21.42	3.66	(2.01)	23.07	-	-	10.38	12.69
<b>Subtotal (a)</b>	<b>36.15</b>	<b>4.81</b>	<b>(1.63)</b>	<b>39.29</b>	<b>-</b>	<b>-</b>	<b>16.47</b>	<b>36.15</b>
<b>Rights under service concession arrangements (b)</b>	4,161.54	5,497.06	14.86	9,673.46	-	-	149.34	9,357.78
<b>Intangible assets under development (c)</b>	10,267.73	4,409.58	(5,973.57)	8,704.44	-	-	-	8,704.44
<b>Total (a+b+c)</b>	<b>14,465.42</b>	<b>9,911.45</b>	<b>(5,973.61)</b>	<b>18,417.19</b>	<b>-</b>	<b>0.80</b>	<b>332.15</b>	<b>18,085.04</b>

Particulars	Cost or deemed cost			Accumulated Amortisation			Carrying Amount	
	Balance as at April 1, 2016	Opening Adjustments	Effect of foreign currency exchange differences	Balance as at April 1, 2016	Opening Adjustments	Effect of foreign currency exchange differences	Balance as at March 31, 2017	As at March 31, 2016
Software/ Licences acquired	8.83	(0.28)	(1.51)	8.80	(0.15)	(1.36)	5.19	3.61
Commercial rights acquired	7.39	-	-	7.39	-	-	7.39	4.68
Others	23.07	12.07	(4.20)	30.94	0.53	(3.27)	16.40	14.54
<b>Subtotal (a)</b>	<b>39.29</b>	<b>11.79</b>	<b>(5.71)</b>	<b>47.13</b>	<b>0.38</b>	<b>(4.63)</b>	<b>28.98</b>	<b>22.82</b>
<b>Rights under service concession arrangements (b)</b>	9,673.46	(6.48)	(30.71)	13,457.12	1.78	(12.26)	585.15	12,871.97
<b>Intangible assets under development (c)</b>	8,704.44	(8.94)	(3,955.28)	8,454.85	-	-	-	8,454.85
<b>Total (a+b+c)</b>	<b>18,417.19</b>	<b>(3.63)</b>	<b>(3,986.05)</b>	<b>21,959.10</b>	<b>2.16</b>	<b>(6.10)</b>	<b>614.13</b>	<b>21,344.97</b>

Footnotes:

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

Estimates under Service Concession Arrangements

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

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

The Intangible Asset is amortised on the basis of units of usage method over the lower of the remaining concession period or useful life of such intangible asset, in terms of each SCA. However, with respect to toll road assets constructed and in operation as at March 31, 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 of intangible assets, instead of traffic count.

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

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

The key elements have been tabulated below:

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₹ in Crore

Particulars	Upto / As at March 31, 2017	Upto / As at March 31, 2016	Upto / As at March 31, 2015
Cumulative Margin on construction in respect of Intangible Assets / Intangible Assets under development	2,015.26	1,541.60	1,166.14

Particulars	Year ended	
	March 31, 2017	March 31, 2016
Amortisation charge in respect of intangible assets	281.42	149.34

- During the current year, the useful life of Commercial Rights has been restricted to March 31, 2017 as the rights have been extinguished and hence amortisation of ₹ 3.44 crore is taken in the current year.
- Additions in Rights under service concession arrangements represents projects capitalised during the respective years as reduced by claims and grants accounted post capitalisation.

## 6 Investments in associates

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

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Qty	Amount	Qty	Amount	Qty	Amount
<b>Quoted Investments (all fully paid)</b>						
Investments in Equity Instruments (at Deemed cost)						
Noida Toll Bridge Company Limited (refer Footnote)	49,095,007	238.89	47,195,007	239.49	47,195,007	228.94
<b>Total aggregate quoted investments (A)</b>		<b>238.89</b>		<b>239.49</b>		<b>228.94</b>
<b>Unquoted Investments (all fully paid)</b>						
Investments in Equity Instruments (at cost)						
Gujarat Road and Infrastructure Company Limited	14,873,366	45.71	23,187,166	67.73	23,187,166	67.33
ITNL Toll Management Services Limited	24,500	-	24,500	-	24,500	-
Ramky Elsamex Hyderabad Ring Road Ltd.	5,200,000	15.10	5,200,000	15.43	5,200,000	14.22
CGI-8 S.A	491	0.34	491	0.26	491	0.52
Sociedad Concesionaria Autovía A-4 Madrid, S.A.	917,804	9.98	917,804	8.74	917,804	3.37
Geotecnia y Control de Qualitat, S.A.	1,000	0.59	1,000	0.72	1,000	0.61
Consorcio de Obras Civiles, Conciviles S.R.L	34	9.22	34	9.90	34	5.78
Vías y Construcciones Viacon S.R.L	500	0.19	500	0.33	500	0.22
Elsamex Roads and Infrastructure Company WLL	8,800	0.15	8,800	0.17	-	-
<b>Total aggregate unquoted investments (B)</b>		<b>81.28</b>		<b>103.27</b>		<b>92.06</b>
<b>Total investments carrying value (A) + (B)</b>		<b>320.17</b>		<b>342.76</b>		<b>321.00</b>

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Deemed Cost	Market value	Deemed Cost	Market value	Deemed Cost	Market value
Aggregate market value of quoted investments	238.89	55.23	239.49	105.72	228.94	157.16

#### Footnote:

Pursuant to the order of High Court of Allahabad, the collection of toll at Noida Toll Bridge Company Limited has been suspended since October 26, 2016 and the matter is pending with the Hon'ble Supreme Court. Based on the provisions of the Concession agreement (relating to the Compensation and other recourses) supported by legal opinion, the Company is confident that the underlying value of the Intangible and other assets are fully recoverable. Consequently the Company is of the view that it would be appropriate to carry the investment at ₹ 238.89 crore.

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## 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

			₹ in Crore	
Aggregate information of associates that are not individually material	Year ended March 31, 2017	Year ended March 31, 2016		
The Group's share of profit / (loss)	16.25	31.53		
The Group's share of other comprehensive income	(0.09)	0.21		
<b>The Group's share of total comprehensive income</b>	<b>16.16</b>	<b>31.74</b>		

				₹ in Crore	
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015		
<b>Aggregate carrying amount of the Group's interests in these associates</b>	320.17	342.76	321.00		

### Unrecognised share of losses of an associate

			₹ in Crore	
Particulars	Year ended March 31, 2017	Year ended March 31, 2016		
Share of profit / (loss) for the year	0.32	0.03		

				₹ in Crore	
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015		
Cumulative share of loss of an associate	(0.83)	(1.05)	(1.08)		

## 7. Investments in joint ventures

### 7.1 Break-up of investments in joint ventures

							₹ in Crore	
Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015			
	Qty	Amount	Qty	Amount	Qty	Amount		
<b>Unquoted Investments (all fully paid)</b>								
(a) Investments in Equity Instruments (at cost / Deemed cost)								
Jorabat Shillong Expressway Limited	42,000,000	70.81	42,000,000	80.60	42,000,000	82.93		
NAM Expressway Limited	116,754,970	391.48	116,754,970	384.42	116,754,970	389.57		
Thiruvananthapuram Road Development Company Limited	17,030,000	-	17,030,000	-	17,030,000	-		
Warora Chandrapur Ballarpur Toll Road Limited	61,708,500	110.86	61,708,500	115.77	61,708,500	121.42		
Chongqing Yuhe Expressway Co. Ltd.	77,166	1,164.68	77,166	1,266.39	77,166	1,237.07		
(b) Investments in covered warrant (at Deemed cost)								
In favour of Jharkhand Accelerated Road Development Company Limited	7,400,000	8.00	7,400,000	7.71	7,400,000	7.63		

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₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Qty	Amount	Qty	Amount	Qty	Amount
In favour of Road Infrastructure Development Company of Rajasthan Limited	162,500,000	-	162,500,000	-	162,500,000	-
(c) Investments in debentures or bonds (at amortised cost)	-	-	32,000,000	32.00	32,000,000	32.00
<b>Total investments carrying value</b>		<b>1,745.83</b>		<b>1,886.90</b>		<b>1,870.61</b>

## 7.2 Details and financial information of material joint ventures

The Group has identified Chongqing Yuhe Expressway Co. Ltd. as material joint venture as per group policy i.e. 20% of group networth against carrying value of individual investment in joint ventures.

Details of the Group's material joint venture at the end of the reporting period is as follows:

Name of joint venture	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Group		
			As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Chongqing Yuhe Expressway Co. Ltd.	Surface transportation	China	49.00%	49.00%	49.00%

The above joint venture is accounted for using the equity method in these consolidated financial statements.

Summarised financial information in respect of the Group's material joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with Ind AS.

₹ in Crore

Chongqing Yuhe Expressway Co. Ltd.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current assets	2,949.67	3,349.02	3,415.50
Current assets	165.63	123.20	87.34
Non-current liabilities	1,530.59	1,685.50	1,660.38
Current liabilities	84.08	129.76	117.01

The above amounts of assets and liabilities include the following:

₹ in Crore

Chongqing Yuhe Expressway Co. Ltd.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash and cash equivalents	30.53	25.58	29.95
Current financial liabilities (excluding trade payables and provisions)	55.90	78.70	87.10

₹ in Crore

Chongqing Yuhe Expressway Co. Ltd.	Year ended March 31, 2017	Year ended March 31, 2016
Revenue	499.16	511.76
Profit for the year	175.31	171.18
Other comprehensive income for the year	(135.93)	2.51
Total comprehensive income for the year	39.39	173.68
Dividends received from the joint venture during the year	94.39	117.42

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₹ in Crore		
The above profit for the year include the following:	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation and amortisation	137.92	100.03
Interest income	2.39	3.54
Interest expense	80.30	100.64
Income tax expense	30.98	31.06

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

₹ in Crore			
Chongqing Yuhe Expressway Co. Ltd.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Net assets of the joint venture	1,500.64	1,656.96	1,725.46
Proportion of the Group's ownership interest in the joint venture (49%) (A)	735.31	811.91	845.48
Goodwill (B)	249.55	268.50	264.60
Exchange differences arising on translating the foreign operations (C)	179.82	185.98	126.99
Carrying amount of the Group's interest in the joint venture (A+B+C)	1,164.68	1,266.39	1,237.07

### 7.3 Aggregate information of joint ventures that are not individually material

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
The Group's share of profit / (loss)	(7.36)	(13.03)
The Group's share of other comprehensive income	-	-
The Group's share of total comprehensive income	(7.36)	(13.03)

₹ in Crore			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Aggregate carrying amount of the Group's interests in these joint ventures	581.15	620.52	633.54

### 7.4 Unrecognised share of losses of joint ventures

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Share of profit / (loss) for the year	12.34	(1.21)

₹ in Crore			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cumulative share of loss of joint ventures	(126.63)	(138.97)	(154.32)

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## 8. Other Non Current Investments

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Qty	Amount	Qty	Amount	Qty	Amount
<b>Unquoted Investments (all fully paid)</b>						
Investments in Equity Instruments						
Indian Highways Management Company Limited	5,000	0.01	-	-	-	-
Airport Holding Australasia Pte. Ltd.	100,000	-	100,000	-	100,000	-
Pipavav Railway Corporation Limited (at FVTPL)	12,000,000	17.90	12,000,000	17.90	12,000,000	17.90
NORVIA, S.A.	6,460	0.46	6,460	0.55	6,460	0.55
<b>TOTAL INVESTMENTS (A)</b>		<b>18.37</b>		<b>18.45</b>		<b>18.45</b>
<b>Add/ (less): fair value of investments (B)</b>						
Pipavav Railway Corporation Limited (at FVTPL)		4.23		4.23		(1.37)
<b>TOTAL INVESTMENTS CARRYING VALUE (A) + (B)</b>		<b>22.60</b>		<b>22.68</b>		<b>17.08</b>

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

₹ in Crore

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
<b>Financial assets carried at fair value through profit or loss (FVTPL)</b>			
Held for trading non-derivative financial assets	22.13	22.13	16.53
<b>Sub-total (a)</b>	<b>22.13</b>	<b>22.13</b>	<b>16.53</b>
Financial assets carried at amortised cost			
Debentures		32.00	32.00
<b>Sub-total (b)</b>	<b>-</b>	<b>32.00</b>	<b>32.00</b>
<b>Grand total (a+b)</b>	<b>22.13</b>	<b>54.13</b>	<b>48.53</b>

## 9. Trade receivables

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
<b>Trade receivables from related parties (refer Note 43)</b>						
-Unsecured, considered good	-	133.37	-	280.21	-	251.64
Less : Allowance for expected credit loss		(23.88)		(19.89)		(35.42)
<b>Trade receivables from others</b>						
-Unsecured, considered good	1.57	927.13	1.05	752.21	0.68	588.44
Less : Allowance for expected credit loss		(33.62)		(4.67)		(0.72)
-Unsecured, considered doubtful		80.22		77.31		72.92
Less : Allowance for bad and doubtful debts		(80.22)		(77.31)		(72.92)
<b>Total</b>	<b>1.57</b>	<b>1,003.00</b>	<b>1.05</b>	<b>1,007.86</b>	<b>0.68</b>	<b>803.94</b>

### Footnotes:

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

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- b. Trade receivables are generally on terms of 30 to 90 days and certain receivables carry interest for overdue period.
- c. Expected credit loss ("ECL") is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the weighted average cost of borrowings of the Company.
- d. The estimated realization date of the receivables has been taken by considering the cash flow model of the respective project SPV's which in the view of the management is the most realistic and appropriate way for estimating the realization date of the receivables with respect to the project SPV's. In respect of other than project SPV's, the management has carried out its internal assessment procedures and accordingly the realization date has been estimated.

## 9.1 Movement in the allowance for expected credit loss

₹ in Crore

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Balance at beginning of the year	41.88	36.14
Adjustment for recognising revenue at fair value	(5.76)	17.32
Expected credit loss allowance on trade receivables	27.73	6.29
Reversal of Expected credit losses on trade receivables	(12.11)	(17.87)
<b>Balance at end of the year</b>	<b>51.74</b>	<b>41.88</b>
Pertaining to the ECL Adjustments	57.50	24.56
Pertaining to the adjustment for revenue at fair value	(5.76)	17.32
<b>Total</b>	<b>51.74</b>	<b>41.88</b>

## 10. Loans

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
<b>a) Loans to related parties (Refer note 43)</b>						
-Unsecured, considered good	159.52	424.70	331.56	300.86	264.66	401.99
Less: Allowance for expected credit loss	(55.48)	(22.69)	(17.17)	(16.16)	(11.38)	(19.27)
<b>Subtotal (a)</b>	<b>104.04</b>	<b>402.01</b>	<b>314.39</b>	<b>284.70</b>	<b>253.28</b>	<b>382.72</b>
<b>b) Loans to other parties</b>						
-Unsecured, considered good	167.72	264.66	133.35	242.98	141.90	207.85
Less: Allowance for expected credit loss	(2.49)	(64.59)	(4.22)	(47.92)	(4.36)	(54.88)
-Unsecured, considered doubtful	-	9.21	-	9.21	-	-
Less: Allowance for bad and doubtful debts	-	(9.21)	-	(9.21)	-	-
<b>Subtotal (b)</b>	<b>165.23</b>	<b>200.07</b>	<b>129.13</b>	<b>195.06</b>	<b>137.54</b>	<b>152.97</b>
<b>Total (a+b)</b>	<b>269.27</b>	<b>602.08</b>	<b>443.52</b>	<b>479.76</b>	<b>390.82</b>	<b>535.69</b>

Footnotes:

- a. 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 Effective Interest Rate ("EIR").
- b. The estimated realization date of the loans given (including accrued interest), 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

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way for estimating the realization date of the loans given (including accrued interest), 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.

## 10.1 Movement in the allowance for expected credit loss

Particulars	₹ in Crore	
	As at March 31, 2017	As at March 31, 2016
Balance at beginning of the year	85.47	89.89
Expected credit loss allowance on loans given	62.68	7.48
Reversal of Expected credit losses on loans given	(2.90)	(7.28)
Reversal of Expected credit losses on account of acquisition of subsidiary	-	(4.62)
<b>Balance at end of the year</b>	<b>145.25</b>	<b>85.47</b>

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

Particulars	₹ in Crore					
	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Receivable under service concession arrangements	7,635.40	1,237.29	7,675.36	898.00	6,819.58	566.21
Claim & others receivable from authority	812.69	765.65	358.26	107.73	-	1.21
Derivative assets	-	-	5.77	-	-	8.03
<b>Advances recoverable :</b>						
From related parties (Refer Note 43)	75.00	-	75.01	-	75.01	-
Allowance for expected credit loss	(21.61)	-	(27.40)	-	(32.56)	-
From related parties considered doubtful	-	22.06	-	22.06	-	-
Allowance for doubtful advances	-	(22.06)	-	(22.06)	-	-
From others	-	56.52	0.17	22.95	20.31	0.32
From others considered doubtful	20.00	-	20.00	-	-	-
Allowance for doubtful advances	(20.00)	-	(20.00)	-	-	-
Interest accrued - Related Party (Refer Note 43)	-	0.07	-	81.57	41.71	25.77
Interest accrued - Others	0.01	62.79	22.05	47.55	0.77	81.90
Receivable for sale of investment	-	-	-	-	-	65.50
Call Option Premium Assets	3.67	-	7.91	-	7.91	-
Retention money receivable - Related Party (Refer Note 43)	40.68	-	44.31	-	42.12	-
Retention money receivable - Others	15.15	-	0.77	-	1.67	-
Security Deposits - Related Party (Refer Note 43)	0.15	-	2.25	-	2.25	-
Security Deposits - Others	9.62	10.56	6.28	11.14	8.16	41.43
Grant receivable	-	0.21	-	62.32	-	11.84
Unbilled Revenue	-	168.69	-	94.71	-	23.70
Balances with Banks in deposit accounts (under lien)	52.87	-	33.40	-	175.30	-
Interest Accrued on fixed deposits	-	1.41	-	1.32	-	0.71
Inter-corporate deposits	-	12.81	-	5.21	-	28.82
<b>Total</b>	<b>8,623.99</b>	<b>2,316.00</b>	<b>8,204.14</b>	<b>1,332.50</b>	<b>7,162.23</b>	<b>855.44</b>

### Footnote:

#### Estimates under Service Concession Arrangement - Financial assets

Under a Service Concession Arrangement (SCA), where a Special Purpose Vehicle (SPV) has acquired contractual rights to receive specified determinable

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amounts (Annuity) for use of an asset, such amounts are recognised as "Financial Assets" and are disclosed as "Receivable against Service Concession Arrangements"

The value of a Financial Asset covered under a SCA includes the fair value estimate of the construction services which is estimated at the inception of the contract and is based on the fair value of the constructed asset and comprises of the actual construction cost, a margin as per the SCA, estimates of the future operating and maintenance costs, including overlay / renewal costs

The cash flows from a Financial Asset commences from the Provisional / Final Commercial Operation Date as certified by the granting authority for the SCA.

The cash flow from a Financial Asset is accounted using the effective interest rate method. The intrinsic interest element in each Annuity receipt is accounted as finance income and the balance amount is accounted towards recovery of dues from the "Receivable against Service Concession Arrangements"

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

₹ in Crore			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cumulative Margin on construction and operation & maintenance and renewal services recognised in respect of Financial Assets	838.29	756.49	648.70
Future Operation and maintenance and renewal services considered in respect of Financial Assets	2,661.97	2,279.02	2,114.57
Revenue recognised on Receivables against Service Concession Arrangement on the basis of effective interest method	4,090.85	3,831.01	3,056.38

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

₹ in Crore			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Raw materials	13.03	6.84	2.57
Work-in-progress	68.09	61.29	-
Stock-in-trade	12.84	16.72	10.60
Stores and spares	22.71	0.62	0.70
<b>Total</b>	<b>116.67</b>	<b>85.47</b>	<b>13.87</b>

## 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:

₹ in Crore			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balances with Banks			
In current accounts	675.96	465.13	452.13
In deposit accounts	159.93	86.62	193.41
Cash on hand	5.77	4.53	3.11
<b>Cash and cash equivalents</b>	<b>841.66</b>	<b>556.28</b>	<b>648.65</b>
Unpaid dividend accounts	0.11	0.11	0.09
Balances held as margin money or as security against borrowings	381.97	316.84	268.05
<b>Other bank balances</b>	<b>382.08</b>	<b>316.95</b>	<b>268.14</b>

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Footnotes:

- a. Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company, and earn interest at the respective short-term deposit rates.

The Company has pledged a part of its short-term deposits to fulfil collateral requirements. Refer footnote 1 to Note 18 for further details.

**b. For the purpose of the statement of cash flows, cash and cash equivalents comprise the following :**

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Cash and cash equivalents</b>	<b>841.66</b>	<b>556.28</b>	<b>648.65</b>
Less - Secured Demand loans from banks (Cash credit) (shown under current borrowings in note 18)	132.35	136.70	-
Less - Unsecured Demand loans from banks (Bank overdraft) (shown under current borrowings in note 18)	9.39	15.26	23.89
<b>Cash and cash equivalents for statement of cash flows</b>	<b>699.92</b>	<b>404.32</b>	<b>624.76</b>

**c. Non-cash transactions excluded from cash flow statement**

- During the current year, the short term loans given to certain Group Companies have been assigned to certain existing lenders of the Company aggregating ₹ 1,320 crore.
- During the current year, by order of High Court of Bombay out of total 220,000,000 preference shares of Andhra Pradesh Expressway Limited held by the Company; 83,000,000 preference shares were cancelled and balance 137,000,000 preference shares were converted into 0.0001% interest bearing unsecured loan of ₹ 137 crore.
- During the previous year, the sale consideration of ₹ 344.43 crore for sale of equity shares of Rapid MetroRail Gurgaon Limited to Infrastructure Leasing & Financial Services Limited ("IL&FS") has been adjusted against the outstanding borrowing from IL&FS.

**d. Disclosure as required as per MCA notified G.S.R. 308(E) dated March 30, 2017:**

Specified Bank Notes ("SBN") held and transacted during the period 08/11/2016 to 30/12/2016 as provided in the Table below:-

Particulars	Amount in ₹		
	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	20,515,500.00	14,223,071.50	34,738,571.50
(+) Permitted receipts	118,303,000.00	508,106,492.00	626,409,492.00
(-) Permitted payments	-	28,811,411.00	28,811,411.00
(+) Withdrawals from Bank	-	3,066,500.00	3,066,500.00
(-) Amount deposited in banks	138,818,500.00	457,218,249.00	596,036,749.00
(+) Non-permitted receipts	-	-	-
(-) Non-permitted payments	-	-	-
<b>Closing cash in hand as on 30.12.2016</b>	<b>-</b>	<b>39,366,403.50</b>	<b>39,366,403.50</b>

The above disclosure pertains to only the Holding Company and in the subsidiaries of the Group

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

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Capital Advances						
-Secured, considered good	11.30	-	-	-	-	-
-Unsecured, considered good	14.67	-	45.83	-	36.55	-
Other advances	7.60	117.53	3.00	87.37	4.48	89.08
Prepaid expenses	23.77	132.62	36.49	145.10	42.61	99.47
Preconstruction and Mobilisation advances paid to contractors and other advances	319.76	173.45	226.12	292.44	437.33	257.84
Mobilisation advances considered doubtful	-	25.10	-	-	-	-
Allowance for doubtful advances	-	(25.10)	-	-	-	-
Indirect tax balances / Receivable credit	-	107.35	-	65.68	-	41.47
Others assets	-	35.91	-	40.66	-	25.74
<b>Total</b>	<b>377.10</b>	<b>566.86</b>	<b>311.44</b>	<b>631.25</b>	<b>520.97</b>	<b>513.60</b>

## 15. Equity Share Capital

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares	₹ in Crore	Number of shares	₹ in Crore	Number of shares	₹ in Crore
<b>Authorised</b>						
Equity Shares of ₹ 10/- each fully paid (refer Note 18 (4))	500,000,000	500.00	500,000,000	500.00	500,000,000	500.00
<b>Issued, Subscribed and Paid up Equity Shares of ₹ 10/- each fully paid</b>	<b>328,960,027</b>	<b>328.96</b>	<b>328,960,027</b>	<b>328.96</b>	<b>246,720,020</b>	<b>246.72</b>
	<b>328,960,027</b>	<b>328.96</b>	<b>328,960,027</b>	<b>328.96</b>	<b>246,720,020</b>	<b>246.72</b>

### 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, 2017		Year ended March 31, 2016	
	Number of shares	₹ in Crore	Number of shares	₹ in Crore
Shares outstanding at the beginning of the year	328,960,027	328.96	246,720,020	246.72
Shares issued during the year	-	-	82,240,007	82.24
<b>Shares outstanding at the end of the year</b>	<b>328,960,027</b>	<b>328.96</b>	<b>328,960,027</b>	<b>328.96</b>

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

₹ in Crore

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Holding Company - Infrastructure Leasing & Financial Services Limited ("IL&FS")	236,582,632	236,582,632	171,450,000
Fellow subsidiary - IL&FS Financial Services Limited ("IFIN")	4,266,368	4,266,368	3,199,776

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

Equity Shareholder	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
IL&FS	236,582,632	71.92%	236,582,632	71.92%	171,450,000	69.49%
<b>Total</b>	<b>236,582,632</b>	<b>71.92%</b>	<b>236,582,632</b>	<b>71.92%</b>	<b>171,450,000</b>	<b>69.49%</b>

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.

15.5 During the FY 2015-16, the Company issued 82,240,007 equity shares on rights basis in the ratio of 1:3 at a price of ₹ 90 per share having a face value of ₹ 10 each aggregating ₹ 82.24 Crore and premium of ₹ 80 each aggregating to ₹ 657.92 Crore. The Earnings per share has been accordingly adjusted for the effects of Rights Issue for the years ended March 31, 2016.

The details of utilisation of proceeds of above issue are given below :

Particulars	₹ in Crore
	FY 2015-16
<b>Amount received from the issue</b>	<b>740.16</b>
<b>Utilisation :</b>	
For repayment of loans	733.21
For working capital payments (including issue expenses)	6.95
<b>Total utilisation</b>	<b>740.16</b>
<b>Balance amount unutilised as at year end</b>	<b>Nil</b>

## 16. Other Equity (excluding non-controlling interests)

Particulars	As at March 31, 2017	As at March 31, 2016
	₹ in Crore	
<b>Capital Reserve</b>		
Balance at beginning of the year	1,175.26	1,174.23
Adjustments during the year	(0.69)	1.03
<b>Balance at end of the year</b>	<b>1,174.57</b>	<b>1,175.26</b>
<b>Securities premium reserve</b>		
Balance at beginning of the year	2,188.83	1,537.07
Addition during the year from issue of equity shares on a rights basis	-	657.92
Premium utilised towards discount on issue of Non-Convertible Debentures	(2.85)	-
Premium utilised towards rights issue expenses	-	(6.16)
<b>Balance at end of the year</b>	<b>2,185.98</b>	<b>2,188.83</b>
<b>General reserve (Refer Footnote 2)</b>		
Balance at beginning of the year	183.76	183.76

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₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016
Transfer from balance in Statement of Profit and Loss	-	-
<b>Balance at end of the year</b>	<b>183.76</b>	<b>183.76</b>
<b>Capital Reserve on consolidation</b>		
Balance at beginning of the year	36.05	36.05
Addition during the year	-	-
<b>Balance at end of the year</b>	<b>36.05</b>	<b>36.05</b>
<b>Debenture redemption reserve (Refer Footnote 1)</b>		
Balance at beginning of the year	309.71	270.48
Transfer from /(to) balance in Statement of Profit and Loss	(80.37)	39.23
Adjustment during the year for cessation of a subsidiary	(49.04)	-
<b>Balance at end of the year</b>	<b>180.30</b>	<b>309.71</b>
<b>Foreign currency monetary item translation reserve</b>		
Balance at beginning of the year	11.00	(6.86)
Addition during the year	(6.24)	17.86
<b>Balance at end of the year</b>	<b>4.76</b>	<b>11.00</b>
<b>Retained earnings</b>		
Balance at beginning of year	97.94	(54.35)
Profit attributable to owners of the Company	149.31	121.96
Payment of dividends on equity shares	(90.48)	(123.18)
Transfer (to)/from debenture redemption redemption reserve	80.37	(39.23)
Consolidated adjustments	37.72	192.74
<b>Balance at end of the year</b>	<b>274.86</b>	<b>97.94</b>
<b>Sub-Total</b>	<b>4,040.28</b>	<b>4,002.55</b>
<b>Items of other comprehensive income</b>		
<b>Cash flow hedging reserve</b>		
Balance at beginning of year	(50.07)	(76.22)
Gain/(loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges	(32.41)	26.15
<b>Balance at end of the year</b>	<b>(82.48)</b>	<b>(50.07)</b>
<b>Foreign currency translation reserve</b>		
Balance at beginning of year	24.10	-
Exchange differences arising on translating the foreign operations	(118.20)	24.10
<b>Balance at end of the year</b>	<b>(94.10)</b>	<b>24.10</b>
<b>Defined benefit plan adjustment</b>		
Balance at beginning of the year	(1.80)	-
Other comprehensive income arising from re-measurement of defined benefit	(0.38)	(1.80)
<b>Balance at end of the year</b>	<b>(2.18)</b>	<b>(1.80)</b>
<b>Others</b>		
Balance at beginning of the year	(1.34)	-
Adjustments during the year	(4.46)	(1.34)
<b>Balance at end of the year</b>	<b>(5.80)</b>	<b>(1.34)</b>
<b>Sub-Total</b>	<b>(184.56)</b>	<b>(29.11)</b>
<b>Total</b>	<b>3,855.72</b>	<b>3,973.44</b>

## Footnotes

- 1 The Group has issued several series of Non Convertible Debentures (NCDs). In terms of Section 71(4) of the Companies Act, 2013 read with rule 18(7) (b) (iii) of the Companies (Share capital and Debentures) Rules 2014, the Company being an Infrastructure

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Company is required to create Debenture Redemption Reserve to the extent of 25% of the value of privately placed NCDs until such NCDs are redeemed.

The method of creation of Debenture Redemption Reserve (DRR) has been modified during the year from equally proportionate basis to accelerating over the years basis using "Sum of Digits" method. Consequently, there is no additional requirement during the current year and an excess amount of ₹ 80.37 Crore has been transferred from Debenture Redemption Reserve to accumulated retained earnings.

- 2 The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.
- 3 During the year ended March 31, 2017, the dividend of ₹ 2 per share (₹ 75.03 crore including dividend distribution tax of ₹ 9.29 crore) was paid to holders of fully paid equity shares by Holding Company. During the year ended March 31, 2016, the dividend paid was ₹ 4 per share (₹ 118.78 crore including dividend distribution tax of ₹ 20.09 crore).
- 4 During the year ended March 31, 2016, the Group has sold its non-current investment of 300,211,197 equity shares held in Rapid MetroRail Gurgaon Limited at a profit of ₹ 7 per share to Infrastructure Leasing & Financial Services Limited, its holding company. The profit on sale of ₹ 210.15 crore from this transaction is included consolidated adjustment

## 17. Non-controlling interests

Particulars	₹ in Crore	
	As at March 31, 2017	As at March 31, 2016
Balance at beginning of year	445.70	251.27
Share of profit for the year	(5.83)	(35.01)
Non-controlling interests arising on the acquisition of / additional investment in a subsidiary (net)	1.89	0.05
Reduction in non-controlling interests on disposal of a subsidiary	(4.47)	-
Additional non-controlling interests arising on disposal of interest in subsidiary that does not result in loss of control (net)	(1.62)	229.39
<b>Total</b>	<b>435.67</b>	<b>445.70</b>

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**17.1 Details of non-wholly owned subsidiaries that have material non-controlling interests**  
The table below shows details of non-wholly owned subsidiaries of the Company that have material non-controlling interests as per group policy i.e. 20% of group non controlling interest against individual non-controlling interest:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit (loss), allocated to non-controlling interests		Accumulated non-controlling interests		
		As at March 31, 2017	As at April 1, 2015	Year ended March 31, 2017	Year ended March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
		55.88%	17.19%	(63.93)	(17.04)	127.43	187.38	(14.49)
Rapid MetroRail Gurgaon Limited	India	16.75%	26.44%	0.46	2.27	156.17	159.30	145.59
IL&FS Rail Limited	India			<b>(63.47)</b>	<b>(14.77)</b>	<b>283.60</b>	<b>346.68</b>	<b>131.10</b>
<b>Total (a)</b>				57.64	(20.24)	152.07	99.02	120.17
Individually immaterial subsidiaries with non-controlling interests (b)				<b>(5.83)</b>	<b>(35.01)</b>	<b>435.67</b>	<b>445.70</b>	<b>251.27</b>

Summarised financial information in respect of each of the Company's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Particulars	Rapid MetroRail Gurgaon Limited			IL&FS Rail Limited		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	1,287.10	1,299.79	1,313.19	761.25	625.24	540.16
Non-current assets	32.56	313.12	24.48	241.37	326.42	245.68
Current assets	(822.15)	(827.02)	(825.05)	(0.04)	(0.09)	(0.20)
Non-current liabilities	(175.81)	(351.01)	(44.51)	(97.78)	(187.09)	(235.07)
Equity attributable to owners of the Company	194.28	247.50	482.59	748.64	605.18	404.98
Non-controlling interests	127.43	187.38	(14.49)	156.17	159.30	145.59

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₹ in Crore

Particulars	Rapid MetroRail Gurgaon Limited		IL&FS Rail Limited	
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016
Revenue	92.80	46.65	332.93	444.70
Expenses	203.95	158.42	330.48	395.41
Profit (loss) for the year	(111.15)	(111.77)	2.45	49.29
Profit (loss) attributable to owners of the Company	(47.22)	(94.73)	1.99	47.02
Profit (loss) attributable to the non-controlling interests	(63.93)	(17.04)	0.46	2.27
Profit (loss) for the year	(111.15)	(111.77)	2.45	49.29
Other comprehensive income attributable to owners of the Company	(0.93)	(0.03)	(0.04)	(0.19)
Other comprehensive income attributable to the non-controlling interests	(1.18)	(0.03)	(0.01)	(0.05)
Other comprehensive income for the year	(2.12)	(0.06)	(0.05)	(0.24)
Total comprehensive income attributable to owners of the Company	(48.15)	(94.76)	1.94	46.82
Total comprehensive income attributable to the non-controlling interests	(65.12)	(17.07)	0.45	2.22
Total comprehensive income for the year	(113.27)	(111.83)	2.40	49.05
Dividends paid to non-controlling interests	-	-	-	-

₹ in Crore

Particulars	Rapid MetroRail Gurgaon Limited		IL&FS Rail Limited	
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016
Net cash inflow (outflow) from operating activities	17.51	2.12	(0.46)	(25.16)
Net cash inflow (outflow) from investing activities	320.46	(284.85)	(136.02)	18.45
Net cash inflow (outflow) from financing activities	(334.12)	286.95	138.04	7.96
Net cash inflow (outflow)	3.85	4.22	1.56	1.25

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Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Long-term	Current portion	Long-term	Short-term	Long-term	Short-term
<b>18. Borrowings</b>	₹ in Crore					
<b>Secured - at amortised cost (refer Footnote 1)</b>						
(i) Bonds / debentures (refer Footnote 3)						
- from other parties	1,109.62	114.69	703.78	152.93	825.37	123.17
(ii) Term loans						
- from banks	13,914.20	1,166.99	12,516.42	1,122.63	11,667.08	611.04
- from financial institutions	2,158.28	22.91	873.82	29.61	464.11	25.71
- from related parties (Refer note 43)	104.07	0.10	-	-	141.53	0.70
- from other parties	43.37	12.82	-	-	-	-
(iii) Other loans						
- Demand loans from banks (Cash credit)	-	-	132.35	-	136.70	-
<b>Unsecured - at amortised cost</b>						
(i) Bonds / debentures (refer Footnote 3)						
- from related parties (Refer note 43)	7.20	3.60	10.80	3.60	14.40	3.60
- from other parties	3,788.51	1,187.84	3,725.02	3.59	2,799.25	656.14
(ii) Term loans						
- from banks	1,346.77	1,320.38	1,856.92	583.14	700.97	845.58
- from financial institutions	-	-	-	-	300.00	56.71
- from related parties (Refer note 43)	355.79	75.00	1,001.02	-	1,357.75	169.32
- from other parties	82.96	79.27	10.39	78.86	-	78.86
(iii) Finance lease obligations	20.65	10.92	20.97	8.93	14.13	5.87
(iv) Commercial paper						
(v) Other loans						
- Redeemable preference share capital (refer Footnote 4)	763.22	-	758.22	-	753.22	-
- Demand loans from banks (Bank overdraft)	-	-	9.39	-	15.26	-
<b>Total</b>	<b>23,694.64</b>	<b>3,994.52</b>	<b>21,466.97</b>	<b>1,983.29</b>	<b>17,609.17</b>	<b>2,745.79</b>
Less: Current maturities of long term debt clubbed under "other current liabilities"		3,994.52		1,983.29		2,745.79
<b>Total</b>	<b>23,694.64</b>	<b>-</b>	<b>3,495.58</b>	<b>-</b>	<b>3,106.20</b>	<b>-</b>
<b>Footnotes:</b>						
1. Security details						
All the Secured borrowings are secured against-						
i) All movable tangible and intangible assets other than goodwill, cash and receivables created as a part of project of respective SPVs.						
ii) 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, without limitation, the right to compel performance thereunder, and to be substituted for the Borrower therein, and to commence and conduct either in the						

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iii) name of the Borrower or in its own name or otherwise any proceedings against any Person in respect of any breach of, the Projects of respective SPVs. 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 of respective SPVs.

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

Particulars	As at	As at	As at	As at	As at	Interest rate range	
	March 31, 2017	March 31, 2016	April 1, 2015			March 31, 2017	March 31, 2016
	₹ in Crore	₹ in Crore	₹ in Crore	Frequency of Repayment*	Frequency of Repayment*	March 31, 2017	April 1, 2015
1-3 Years	5,794.72	6,328.61	3,077.09	QT, HY, Y, B	QT, HY, Y, B	8.00% to 16.50%	8.00% to 16.50%
3-5 Years	3,160.75	2,978.71	2,703.40	QT, HY, Y, B	QT, HY, Y, B	8.00% to 16.50%	8.00% to 16.50%
> 5 Years	9,070.62	6,961.83	7,436.44	QT, HY, Y, B	QT, HY, Y, B	8.00% to 16.50%	8.00% to 16.50%
<b>Total</b>	<b>18,026.09</b>	<b>16,269.15</b>	<b>13,216.93</b>				

\* QT = Quarterly, HY = Half yearly, Y = Yearly and B = Bullet repayment

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, 2017	As at March 31, 2016
Secured-From Others							
Series 18	1,000,000	9.20%	Semi Annually	15-07-2019	148	148	148
Series 17	1,000,000	9.20%	Semi Annually	15-01-2019	156	156	156
Series 16	1,000,000	9.20%	Semi Annually	16-07-2018	166	166	166
Series 15	1,000,000	9.20%	Semi Annually	15-01-2018	176	176	176
Series 14	1,000,000	9.20%	Semi Annually	15-07-2017	186	186	186
Series 13	1,000,000	9.20%	Semi Annually	16-01-2017	196	196	196
Series 12	1,000,000	9.20%	Semi Annually	15-07-2016	207	207	207
Series 11	1,000,000	9.20%	Semi Annually	15-01-2016	215	-	215
Series 10	1,000,000	9.20%	Semi Annually	15-07-2015	238	-	238
Debentures	1,000,000	9.20%	Quarterly	30-09-2033	3,550	3,195	-
INE526S07015	10,000	9.75%	Semi Annually	14-02-2017	170,000	-	170,000
Series AI	100,000	8.50%	Bullet repayment	13-10-2017	4,000	4,000	-
Series BI	100,000	8.75%	Bullet repayment	13-10-2017	2,400	2,400	-
Series AIII	100,000	8.50%	Bullet repayment	12-10-2018	2,000	2,000	-
Series BIII	100,000	8.75%	Bullet repayment	13-04-2018	450	450	-
Series AII	100,000	8.50%	Bullet repayment	13-04-2018	2,000	2,000	-
Series BIII	100,000	8.75%	Bullet repayment	12-10-2018	550	550	-
Series AIV	100,000	8.50%	Bullet repayment	12-04-2019	2,000	2,000	-
Series BIV	100,000	8.75%	Bullet repayment	12-04-2019	700	700	-

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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, 2017	As at March 31, 2016
Series AV	100,000	8.50%	Bullet repayment	14-10-2019	2,000	2,000	-
Series BV	100,000	8.75%	Bullet repayment	14-10-2019	800	800	-
Series AVI	100,000	8.50%	Bullet repayment	14-04-2020	2,000	2,000	-
Series BVI	100,000	8.75%	Bullet repayment	14-04-2020	900	900	-
Series BVII	100,000	8.50%	Bullet repayment	14-10-2020	2,500	2,500	-
Series BVIII	100,000	8.75%	Bullet repayment	14-10-2020	550	550	-
Series AIX	100,000	8.50%	Bullet repayment	14-10-2021	2,500	2,500	-
Series BVIII	100,000	8.75%	Bullet repayment	14-04-2021	550	550	-
Series AVIII	100,000	8.50%	Bullet repayment	14-04-2021	2,600	2,600	-
Series BXI	100,000	8.75%	Bullet repayment	14-10-2021	750	750	-
Series AX	100,000	8.50%	Bullet repayment	14-04-2022	2,400	2,400	-
Series BX	100,000	8.75%	Bullet repayment	14-04-2022	950	950	-
Series AXI	100,000	8.50%	Bullet repayment	14-10-2022	2,500	2,500	-
Series BXI	100,000	8.75%	Bullet repayment	14-10-2022	1,000	1,000	-
Series AXII	100,000	8.50%	Bullet repayment	14-04-2023	2,500	2,500	-
Series BXIII	100,000	8.75%	Bullet repayment	13-10-2023	800	800	-
Series AXIII	100,000	8.50%	Bullet repayment	13-10-2023	2,900	2,900	-
Series BXII	100,000	8.75%	Bullet repayment	14-04-2023	1,100	1,100	-
Series AXIV	100,000	8.50%	Bullet repayment	12-04-2024	2,600	2,600	-
Series BXV	100,000	8.75%	Bullet repayment	14-10-2024	700	700	-
Series AXV	100,000	8.50%	Bullet repayment	14-10-2024	3,000	3,000	-
Series BXIV	100,000	8.75%	Bullet repayment	12-04-2024	1,000	1,000	-
Series AXVI	100,000	8.50%	Bullet repayment	14-04-2025	3,000	3,000	-
Series BXVI	100,000	8.75%	Bullet repayment	14-04-2025	850	850	-
Series AXVII	100,000	8.50%	Bullet repayment	14-10-2025	3,000	3,000	-
Series BXVII	100,000	8.75%	Bullet repayment	14-10-2025	1,000	1,000	-
Series AXIX	100,000	8.50%	Bullet repayment	14-10-2026	3,500	3,500	-
Series BXVIII	100,000	8.75%	Bullet repayment	14-04-2026	1,050	1,050	-
Series AXVIII	100,000	8.50%	Bullet repayment	14-04-2026	3,100	3,100	-
Series BXIX	100,000	8.75%	Bullet repayment	14-10-2026	850	850	-
Series AXX	100,000	8.50%	Bullet repayment	14-04-2027	3,700	3,700	-
Series BXX	100,000	8.75%	Bullet repayment	14-04-2027	750	750	-
Unsecured							
From related parties							
Series-INE475108014	1,000,000	14.00%	Quarterly	31-03-2020	360	108	144
From others							
Series A	100,000	10.20%	Quarterly	31-01-2023	5,250	4,620	4,935
Series B	100,000	11.05%	Quarterly	15-09-2023	976	961	966

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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		
						March 31, 2017	As at March 31, 2016	As at March 31, 2015
Series C	100,000	8.00%	Quarterly	15-09-2023	7,900	7,821	7,861	7,861
ITNL 11.80% 2024	1,000,000	11.80%	Bullet repayment	03-01-2025	2,500	2,500	2,500	2,500
ITNL 11.80% 2024	1,000,000	11.80%	Bullet repayment	21-12-2024	2,500	2,500	2,500	2,500
ITNL 9.44% 2026	1,000,000	9.44%	Various Dates	25-Oct-24 to 27-Oct-26	2,500	2,500	-	-
ITNL 9.51% 2026	1,000,000	9.51%	Various Dates	16-Aug-24 to 18-Aug-26	1,000	1,000	-	-
ITNL 9.51% 2026	1,000,000	9.51%	Various Dates	9-Aug-24 to 10-Aug-26	2,000	2,000	-	-
ITNL 9.33% 2027 - Series B	1,000,000	9.20%	Various Dates	28-June-24 to 31-Mar-27	4,500	4,500	-	-
ITNL, 11.50% 2024	1,000,000	11.50%	Bullet repayment	21-06-2024	2,000	2,000	2,000	2,000
ITNL, 11.50% 2024	1,000,000	11.50%	Bullet repayment	04-02-2024	1,000	1,000	1,000	1,000
ITNL 9.20% 2022 - A	1,000,000	9.20%	Bullet repayment	15-04-2022	3,000	3,000	-	-
ITNL 10.50% 2021	1,000,000	10.50%	Bullet repayment	08-05-2021	1,250	1,250	1,250	-
ITNL 9.28% 2021	1,000,000	9.28%	Various Dates	30-July-20 to 30-June-21	2,000	2,000	-	-
ITNL 11.70% 2020	1,000,000	11.70%	Bullet repayment	27-07-2020	2,250	2,250	2,250	-
ITNL 11.50% 2019	1,000,000	11.50%	Bullet repayment	20-11-2019	1,250	1,250	1,250	1,250
NCD Tranche XIII Series B #	500,000	0%	Bullet repayment	23-06-2019	500	500	-	-
ITNL 9.40% 2019	1,000,000	9.40%	Bullet repayment	05-04-2019	4,250	4,250	4,250	-
NCD Tranche XIII Series A #	500,000	0%	Bullet repayment	23-03-2019	7,300	7,300	7,300	-
ITNL, 12.00%, 2019 Series II*	1,000,000	12.00%	Bullet repayment	18-03-2019	5,300	363	405	5,300
ITNL, 12.00% 2019*	1,000,000	12.00%	Bullet repayment	23-01-2019	4,000	50	50	4,000
ITNL 11.10%	1,000,000	11.10%	Bullet repayment	10-10-2018	1,000	-	1,000	-
ITNL 11.70% 2018	1,000,000	11.70%	Bullet repayment	12-04-2018	1,500	1,500	1,500	1,500
ITNL 11.25%	1,000,000	11.25%	Bullet repayment	21-04-2016	1,250	-	-	1,250
Bonds	CNY 1,000,000	8.00%	Bullet repayment	17-07-2017	575	575	575	575
Bonds	CNY 1,000,000	5.75%	Bullet repayment	26-04-2015	630	-	-	630
Series HK0000242708	CNY 1,000,000	7.50%	Bullet repayment	29-03-2018	690	690	690	690

# These are 0% coupon NCDs having intrinsic rate of interest of 9.85% p.a.

\* Debenture terms gives put option to debenture holder.

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4. The Company has issued the following series of CRPS and CNCRPS aggregating to ₹ 752.90 crore:

Series Name	Number of shares	Face value per share	Premium received per share	Maturity date	Dividend payout	Redemption terms
20.50% CRPS	200,000,000	10	10	Refer footnote 4.1 below	20.50% per annum	Refer footnote 4.1 below
10.40% ITNL CNCRPS 2017	107,250,000	10	10	June 23, 2017	21.06% per annum	Redemption at face value plus premium of ₹ 10 per share
10.50% ITNL CNCRPS 2018	19,200,000	10	10	December 23, 2018	21.44% per annum	
11% ITNL CNCRPS 2021	50,000,000	10	10	January 17, 2021	22.32% per annum	

4.1 The 20.50% CRPS will be redeemed starting from May 31, 2017 to May 31, 2025 at a premium of ₹ 10 per share and an additional redemption premium of 2.50% p.a. on the face value from the date of issue. See below table for details:

Date of redemption	No of shares to be redeemed (in Crore)	Redemption Amount ₹ in Crore
31-May-17	2.00	41.84
31-May-18	2.00	42.34
31-May-19	3.00	64.26
31-May-20	3.00	65.01
31-May-21	3.00	65.76
31-May-22	3.00	66.51
31-May-23	3.00	67.26
31-May-24	0.50	11.34
31-May-25	0.50	11.48
<b>Total</b>	<b>20.00</b>	<b>435.80</b>

4.2 Authorised preference share capital of the Company is 1,000,000,000 shares of ₹ 10 each aggregating ₹ 1,000 crore (as at March 31, 2016: 1,000,000,000 shares of ₹ 10 each aggregating ₹ 1,000 crore; as at March 31, 2015: 1,000,000,000 shares of ₹ 10 each aggregating ₹ 1,000 crore)

4.3 Rights of CRPS and CNCRPS holders are as follows:

The holder(s) of CRPS and CNCRPS shall have no voting rights other than in respect of matters directly affecting the rights attached to the CRPS and CNCRPS. In the event of any due and payable dividends on the CRPS and CNCRPS remaining unpaid for a period of two years prior to the start of any General Meeting of the Equity Shareholders, the holder(s) of CRPS and CNCRPS shall gain voting rights in respect of all matters placed by the Company at a General Meeting of its Equity Shareholders in accordance with the provisions of the Companies Act and the Articles of Association of the Company. In the event of winding up or repayment of capital, the holder(s) of the CRPS and CNCRPS shall carry a preferential right vis-à-vis equity shareholders to be repaid the amount of paid up capital, unpaid dividends and fixed premium, in accordance with the provisions of the Companies Act and the Articles of Association of the Company. The claims of holder(s) of CRPS and CNCRPS shall be subordinated to the claims of all secured and unsecured creditors of the Company but senior to equity shareholders and pari passu amongst other preference shareholders.

During the current year, preference dividend of ₹ 78.86 Crore (previous year ended March 31, 2016: ₹ 78.86 Crore) was paid to holders of CRPS and CNCRPS.

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## 19. Other financial liabilities

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Current maturities of long-term debt	-	3,983.60	-	1,974.36	-	2,739.92
Current maturities of finance lease obligations	-	10.92	-	8.93	-	5.87
Interest accrued	-	183.32	-	140.27	-	62.42
Income received in advance	-	3.38	-	6.16	-	11.54
Payable for purchase of capital assets	-	213.17	-	46.42	-	68.49
Retention Money Payable	279.43	-	331.21	-	246.20	-
Derivative liability	82.72	71.14	6.12	13.83	10.43	0.02
Security Deposit from customer	4.32	-	3.72	-	3.11	-
Connectivity Charges Payable	27.04	-	19.04	-	11.02	-
Unpaid dividends	-	0.13	-	0.11	-	0.09
Premium payable to authority	994.21	105.43	977.18	90.36	932.87	119.62
Unearned Revenue	-	0.07	-	-	-	-
Financial guranteee contracts	9.77	12.45	12.30	13.69	9.74	7.75
<b>Total</b>	<b>1,397.49</b>	<b>4,583.61</b>	<b>1,349.58</b>	<b>2,294.13</b>	<b>1,213.37</b>	<b>3,015.72</b>

## 20. Provisions

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Provision for Employee benefits.	4.77	33.82	5.67	26.82	3.45	32.24
Provision for overlay (refer footnote 1)	45.52	-	26.70	-	18.46	-
Provision for replacement cost (refer footnote 2)	35.27	-	23.58	-	13.03	-
Provision for dividend tax on dividend on preference shares	-	16.05	-	16.05	-	16.05
<b>Total</b>	<b>85.56</b>	<b>49.87</b>	<b>55.95</b>	<b>42.87</b>	<b>34.94</b>	<b>48.29</b>

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.

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₹ in Crore

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
	Non Current	Current	Non Current	Current
Balance at the beginning of the year	26.70	-	18.46	-
Provision made during the year	27.95	-	14.10	-
Utilised for the year	(10.19)	-	(6.44)	-
Adjustment for foreign exchange fluctuation during the year	(0.21)	-	0.58	-
Unwinding of discount and effect of changes in the discount rate	1.27	-	-	-
<b>Balance at the end of the year</b>	<b>45.52</b>	<b>-</b>	<b>26.70</b>	<b>-</b>

## 2. Provision for replacement cost

₹ in Crore

Particulars	Year ended March 31, 2017		Year ended March 31, 2016	
	Non Current	Current	Non Current	Current
Balance at the beginning of the year	23.58	-	13.03	-
Provision made during the year	9.23	-	9.19	-
Unwinding of discount and effect of changes in the discount rate	2.46	-	1.36	-
<b>Balance at the end of the year</b>	<b>35.27</b>	<b>-</b>	<b>23.58</b>	<b>-</b>

## 21. Deferred tax balances

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

₹ in Crore

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Deferred tax assets	162.65	34.95	35.65
Deferred tax liabilities	127.60	99.84	87.51
<b>Deferred Tax Asset / (Liabilities) (Net)</b>	<b>35.05</b>	<b>(64.89)</b>	<b>(51.86)</b>

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Particulars	₹ in Crore						As at March 31, 2017			
	As at April 1, 2015	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
<b>Deferred tax (liabilities)/assets in relation to:</b>										
Cash flow hedges	-	-	-	-	-	20.66	-	-	20.66	
Property, plant and equipment	(0.94)	87.40	-	-	86.46	16.45	-	-	102.91	
Finance leases	1.28	2.12	-	0.26	3.66	(2.35)	-	(0.12)	1.19	
Intangible assets	(99.61)	(125.77)	-	1.51	(223.87)	(151.58)	-	(1.06)	(376.51)	
Unamortised borrowing costs	(43.44)	(10.41)	-	0.06	(53.79)	(25.49)	-	(0.01)	(79.29)	
Provision for doubtful loans	20.70	3.27	(0.84)	-	23.13	20.69	-	-	43.82	
Provision for doubtful receivables	10.87	25.26	-	-	36.13	7.93	-	-	44.06	
Defined benefit obligation	2.05	(0.20)	-	-	1.85	(0.04)	-	-	1.81	
Other financial liabilities	(0.98)	(7.84)	(4.80)	-	(13.62)	(4.20)	-	-	(17.82)	
Other financial assets	(49.36)	(13.90)	4.64	-	(58.62)	6.42	-	-	(52.20)	
Other assets	1.05	(0.50)	-	-	0.55	0.37	-	-	0.92	
Others	(5.40)	(0.75)	0.09	1.30	(4.76)	2.88	-	-	9.88	
Expected credit loss in investments	0.31	(0.12)	-	-	0.19	6.76	-	-	6.95	
Expected credit loss in financial assets	11.07	(1.58)	-	-	9.49	(2.00)	-	-	7.49	
Business loss	-	-	-	-	-	39.05	-	-	39.05	
Capital loss	-	-	-	-	-	47.32	-	-	47.32	
<b>Total (A)</b>	<b>(152.40)</b>	<b>(43.02)</b>	<b>(0.91)</b>	<b>3.13</b>	<b>(193.20)</b>	<b>(37.79)</b>	<b>20.66</b>	<b>-</b>	<b>8.69</b>	<b>(201.64)</b>
Tax Losses	(11.86)	0.83	1.03	(1.44)	(11.44)	9.75	-	-	0.58	(1.11)
Unabsorbed Depreciation	85.65	54.10	-	-	139.75	95.76	-	-	-	235.51
<b>Total (B)</b>	<b>73.79</b>	<b>54.93</b>	<b>1.03</b>	<b>(1.44)</b>	<b>128.31</b>	<b>105.51</b>	<b>-</b>	<b>-</b>	<b>0.58</b>	<b>234.40</b>
<b>Sub total</b>	<b>(78.61)</b>	<b>11.91</b>	<b>0.12</b>	<b>1.69</b>	<b>(64.89)</b>	<b>67.72</b>	<b>20.66</b>	<b>-</b>	<b>9.27</b>	<b>32.76</b>
MAT Credit Entitlement (refer footnote 1)	26.75	(26.75)	-	-	-	2.29	-	-	-	2.29
<b>Deferred Tax Asset / (Liabilities) (Net)</b>	<b>(51.86)</b>	<b>(14.84)</b>	<b>0.12</b>	<b>1.69</b>	<b>(64.89)</b>	<b>70.01</b>	<b>20.66</b>	<b>-</b>	<b>9.27</b>	<b>35.05</b>

Footnotes:

- The management of the Company represents that the Company will earn sufficient taxable profit (both business gains and capital gains) in future periods and hence deferred tax assets is recognised for business loss and capital loss and similarly MAT credit entitlement is also recognised.
- Deferred tax credit (net) during the year ended March 31, 2016 includes deferred tax credit of ₹ 72.72 crore which has been adjusted against retained earning in respect of reversal of gain from sale of non-current investment due to no change in common control and consequently have not been included above.

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## 22. Other liabilities

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
(a) Mobilisation Advance Received	131.67	181.25	109.71	26.59	42.07	23.19
(b) Other Advance received	-	18.52	-	44.73	-	11.33
(c) Others						
Statutory dues	-	174.34	-	90.93	-	36.92
Other Liabilities	1.97	46.64	3.91	31.56	0.00	47.74
<b>Total</b>	<b>133.64</b>	<b>420.75</b>	<b>113.62</b>	<b>193.81</b>	<b>42.07</b>	<b>119.18</b>

## 23. Trade payables

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Trade payables other than MSME	0.73	874.26	0.80	1,264.75	2.10	1,082.96
Bills payable	-	289.97	-	-	-	-
<b>Total</b>	<b>0.73</b>	<b>1,164.23</b>	<b>0.80</b>	<b>1,264.75</b>	<b>2.10</b>	<b>1,082.96</b>

Footnote :

Based on information received by the Company from its vendors, the amount of principal outstanding in respect of MSME as at Balance Sheet date covered under the Micro, Small and Medium Enterprises Development Act, 2006 is ₹ Nil. There were no delays in the payment of dues to Micro and Small Enterprises.

## 24. Current tax assets and liabilities

₹ in Crore

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Current tax assets						
Advance payment of taxes	514.54	37.52	363.81	33.93	263.89	36.38
<b>Total</b>	<b>514.54</b>	<b>37.52</b>	<b>363.81</b>	<b>33.93</b>	<b>263.89</b>	<b>36.38</b>
Current tax liabilities						
Provision for tax	-	202.71	-	49.83	-	24.03
<b>Total</b>	<b>-</b>	<b>202.71</b>	<b>-</b>	<b>49.83</b>	<b>-</b>	<b>24.03</b>

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## 25. Revenue from operations

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Advisory, Design and Engineering fees	21.71	53.29
(b) Supervision fees	2.31	12.46
(c) Operation and maintenance income	1,061.89	1,222.45
(d) Toll revenue	518.58	359.54
(e) User fee income	147.84	143.59
(f) Finance income	710.61	802.34
(g) Construction income		
Claim from authority	721.56	-
Others	4,661.04	5,325.78
(h) Sales (net of sales tax)	16.61	10.28
(i) Operation and maintenance Grant	-	0.07
(j) Other operating income:		
Claim from authority	122.27	106.04
<b>Total</b>	<b>7,984.42</b>	<b>8,035.84</b>

## 26. Other Income

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Interest income earned on financial assets that are not designated as at fair value through profit or loss		
Interest on loans granted	97.68	169.74
Interest on debentures	0.61	5.82
Interest on bank deposits (at amortised cost)	35.42	47.99
Interest on short term deposit	6.96	7.95
Dividend Income on non-current investments	6.18	-
Profit on sale of investment (net) (refer footnotes)	88.04	-
Gain on disposal of property, plant and equipment	0.37	1.50
Excess provisions written back	4.35	6.49
Exchange rate fluctuation (Gain)	53.47	21.77
Insurance claim received / receivable	18.53	21.83
Miscellaneous income	94.16	23.09
Other gains and losses		
Net gain/(loss) arising on financial assets designated as at FVTPL	11.00	14.26
Net gain / (loss) on derecognition of financial assets measured at amortised cost	0.43	0.09
<b>Total</b>	<b>417.20</b>	<b>320.53</b>

Footnote :

- i) During the year ended March 31, 2017, the Company sold 33,700,060 equity shares of Andhra Pradesh Expressway Limited, a subsidiary Company. The profit on sale of ₹ 1.60 crore from this transaction is included under Other income.
- ii) During the year ended March 31, 2017, the Company sold 8,313,800 equity shares (representing 15% shareholding) of Gujarat Road and Infrastructure Company Limited, an associate Company. The profit on sale of ₹ 86.44 crore from this transaction is included under Other income.

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## 27. Cost of Material Consumed & Construction Cost

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Material consumption	170.96	283.90
Changes in inventories of finished goods, work-in-progress and stock-in-trade.	(8.31)	(2.99)
<b>Total (a)</b>	<b>162.65</b>	<b>280.91</b>
Construction contract costs (b)	2,942.66	3,643.11
<b>Total (a+b)</b>	<b>3,105.31</b>	<b>3,924.02</b>

## 28. Operating Expenses

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Fees for technical services / design and drawings	56.43	84.71
Diesel and fuel expenses	27.49	26.29
Operation and maintenance expenses	423.95	433.91
Provision for overlay expenses	27.94	14.10
Provision for replacement cost	9.23	9.19
Toll plaza expenses	1.64	1.76
Other Operating Expenses	9.06	10.18
<b>Total</b>	<b>555.74</b>	<b>580.13</b>

## 29. Employee benefits expense

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Salaries and Wages	425.49	391.88
Contribution to provident and other funds (refer Note 37.1)	73.69	83.84
Staff welfare expenses	12.41	7.88
Deputation Cost	10.44	7.15
<b>Total</b>	<b>522.03</b>	<b>490.75</b>

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## 30. Finance costs

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
(a) Interest costs		
Interest on bank overdrafts and loans and debentures		
Interest on loans for fixed period (refer Footnote)	2,319.31	1,735.37
Interest on debentures	349.52	379.71
Discount on commercial paper	21.51	93.47
Other interest expense	69.98	14.02
(b) Dividend on redeemable preference shares	96.75	99.92
(c) Other borrowing costs		
Guarantee commission	0.78	2.90
Finance charges	224.83	244.88
Upfront fees on performance guarantee	3.65	3.69
(d) Others		
Loss / (gain) arising on derivatives designated as hedging instruments in cash flow hedges	40.32	(9.46)
(Gain) / Loss arising on adjustment for hedged item attributable to the hedged risk in a designated cash flow hedge accounting relationship	(40.32)	9.46
<b>Total (a+b+c+d)</b>	<b>3,086.33</b>	<b>2,573.96</b>

Footnote :

Interest on bank overdrafts, loans and debentures is net off ₹ 14.80 Crore (previous year ₹ nil) on account of Credit Value Adjustment / Debit Value Adjustments (CVA / DVA) on derivative contracts on borrowings.

## 31. Depreciation and amortisation expense

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Depreciation of property, plant and equipment	67.34	30.46
Depreciation of investment property (refer Note 3)	0.14	0.13
Amortisation of intangible assets (refer Note 5)	298.24	165.81
<b>Total depreciation and amortisation</b>	<b>365.72</b>	<b>196.40</b>

## 32. Other expenses

₹ in Crore		
Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Legal and consultation fees	80.31	69.08
Travelling and conveyance	50.44	53.11
Rent (refer Note 36.2)	109.49	74.91
Rates and taxes	14.84	24.04
Repairs and maintenance	23.52	25.01
Bank commission	17.75	14.66
Registration expenses	2.34	0.28
Communication expenses	9.94	9.73
Insurance	33.98	38.47
Printing and stationery	4.70	7.11
Electricity charges	4.67	18.43

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₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Directors' fees	2.30	2.42
Loss on sale of fixed assets (net)	2.77	0.01
Brand Subscription Fee	17.28	28.08
Corporate Social Responsibility Exp. (Refer Note 32.3)	6.62	8.82
Business promotion expenses	7.10	4.40
Payment to auditors (Refer Note 32.2)	9.21	8.52
Provision for doubtful debts and receivables	27.97	68.91
Expected credit losses on trade receivables (net) (Refer Note 32.1)	15.62	(11.58)
Expected credit losses on loans given (net) (Refer Note 32.1)	59.78	0.20
Expected credit losses on other financial assets (net) (Refer Note 32.1)	21.66	(10.66)
Miscellaneous expenses	119.31	84.85
<b>Total</b>	<b>641.60</b>	<b>518.80</b>

## 32.1 Movement in Expected credit losses

₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Expected credit loss allowance on trade receivables	27.73	6.29
Reversal of Expected credit losses on trade receivables	12.11	17.87
<b>Reversal of Expected credit losses on trade receivables (net)</b>	<b>15.62</b>	<b>(11.58)</b>
Expected credit loss allowance on loans given	62.68	7.48
Reversal of Expected credit losses on loans given	2.90	7.28
<b>Expected credit losses on loans given (net)</b>	<b>59.78</b>	<b>0.20</b>
<b>Expected credit losses on other financial assets (net)</b>	<b>21.66</b>	<b>(10.66)</b>

## 32.2 Payments to auditors

₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
a) For audit	5.56	5.02
b) For taxation matters	0.07	0.12
c) For other services	2.95	2.77
d) For reimbursement of expenses	0.02	0.04
e) Service tax on above	0.61	0.57
<b>Total</b>	<b>9.21</b>	<b>8.52</b>

## 32.3 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.

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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	₹ in Crore	
	Year ended March 31, 2017	Year ended March 31, 2016
(a) Gross amount required to be spent by the company during the year:	7.36	8.37
(b) Amount spent during the year on:		
(i) Skilling for employment	0.14	1.08
(ii) Livelihood Development	0.90	0.47
(iii) Education enhancement	2.72	2.81
(iv) Local Area projects	2.86	3.20
(v) Others		1.26
<b>Total</b>	<b>6.62</b>	<b>8.82</b>

## 33. Income taxes

### 33.1 Income tax recognised in profit or loss

Particulars	₹ in Crore	
	Year ended March 31, 2017	Year ended March 31, 2016
<b>Current tax</b>		
In respect of the current period	143.87	175.35
In respect of prior period	0.24	(2.98)
	<b>144.11</b>	<b>172.37</b>
<b>Deferred tax</b>		
In respect of the current period	(84.69)	(84.63)
MAT credit entitlement	14.68	-
	<b>(70.01)</b>	<b>(84.63)</b>
<b>Total income tax expense recognised in the current period relating to continuing operations</b>	<b>74.10</b>	<b>87.74</b>

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

Particulars	₹ in Crore	
	Year ended March 31, 2017	Year ended March 31, 2016
Profit before tax from continuing operations	124.89	72.31
Income tax expense calculated at 0% to 34.608%	59.97	(1.61)
Income tax expense reported in the statement of profit and loss	74.10	87.74
<b>Movement to be explained</b>	<b>14.13</b>	<b>89.35</b>
Set off against unabsorbed depreciation and carry forward losses	(118.69)	(21.65)
Deferred tax not created on IndAS adjustment	23.46	(75.74)
Effect of income that is exempt from taxation	(35.13)	(30.53)
Effect of expenses that are not deductible in determining taxable profit	17.16	18.69
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(4.89)	4.70
Foreign Withholding tax	5.31	6.18
Deferred tax not created on business losses	237.77	157.83
Effect of different tax rates of subsidiaries operating in other jurisdictions	(5.02)	(7.73)
Preference dividend accounted as finance cost in IndAS	33.48	34.58

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Particulars	₹ in Crore	
	Year ended March 31, 2017	Year ended March 31, 2016
Reversal of tax at normal rate in the tax holiday period and MAT on book profit	(18.07)	-
Effect on deferred tax balances due to the change in income tax rate	(0.26)	-
Profit on sale of Investment Nil tax since capital loss as per Tax	(29.57)	-
Deferred tax created on Capital Losses	(46.18)	-
Deferred tax created on Business Losses	(39.33)	-
Others	(5.90)	3.02
Total movement explained	14.13	89.35
Adjustments recognised in the current year in relation to the current tax of prior years	-	-
<b>Income tax expense recognised in profit or loss (relating to continuing operations)</b>	<b>14.13</b>	<b>89.35</b>

### 33.3 Income tax recognised in other comprehensive income

Particulars	₹ in Crore	
	Year ended March 31, 2017	Year ended March 31, 2016
<b>Deferred tax</b>		
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	(20.66)	-
Re-measurement of defined benefit obligation	(0.05)	-
<b>Total</b>	<b>(20.71)</b>	<b>-</b>
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(20.66)	-
Items that may be reclassified to profit or loss	(0.05)	-

### 34. Earnings per share

Particulars	Unit	₹ in Crore	
		Year ended March 31, 2017	Year ended March 31, 2016
Profit for the year attributable to owners of the Company	₹ in Crore	149.31	121.96
Weighted average number of equity shares	Number	328,960,027	281,195,339
Nominal value per equity share	₹	10.00	10.00
<b>Basic / Diluted earnings per share</b>	₹	<b>4.54</b>	<b>4.34</b>

### 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, 2017	As at March 31, 2016	As at April 1, 2015
<b>1. Held directly:</b>					
Scheme of ITNL Road Investment Trust	Investment Holding	India	100.00	100.00	100.00
East Hyderabad Expressway Limited	Surface Transportation	India	74.00	74.00	74.00
ITNL Road Infrastructure Development Company Limited	Surface Transportation	India	100.00	100.00	100.00

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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, 2017	As at March 31, 2016	As at April 1, 2015
IL&FS Rail Limited	Investment Holding	India	83.25	79.89	73.56
Elsamex SA (refer footnote 1)	Surface Transportation	Spain	-	100.00	100.00
ITNL International Pte. Ltd.	Investment Holding	Singapore	100.00	100.00	100.00
Vansh Nimay Infraprojects Limited	Surface Transportation	India	90.00	90.00	90.00
West Gujarat Expressway Limited	Surface Transportation	India	74.00	74.00	74.00
Hazaribagh Ranchi Expressway Limited	Surface Transportation	India	99.99	99.99	99.99
Pune Sholapur Road Development Company Limited	Surface Transportation	India	90.91	90.91	90.91
Moradabad Bareilly Expressway Limited	Surface Transportation	India	100.00	100.00	100.00
Jharkhand Road Projects Implementation Company Limited	Surface Transportation	India	100.00	100.00	100.00
Chenani Nashri Tunnelway Limited	Surface Transportation	India	100.00	100.00	100.00
MP Border Checkpost Development Company Limited	Surface Transportation	India	74.00	74.00	74.00
Badarpur Tollway Operations Management Limited	Surface Transportation	India	100.00	100.00	100.00
Futureage Infrastructure India Limited	Investment Holding	India	58.48	58.48	58.48
Charminar RoboPark Limited	Car Park development	India	89.20##	89.20##	89.20##
ITNL Offshore Pte. Ltd.	Investment Holding	Singapore	100.00	100.00	100.00
Karyavattom Sports Facility Limited	Stadium development	India	100.00	100.00	100.00
Kiratpur Ner Chowk Expressway Limited	Surface Transportation	India	100.00	100.00	100.00
Baleshwar Kharagpur Expressway Limited	Surface Transportation	India	100.00	100.00	100.00
Sikar Bikaner Highway Limited	Surface Transportation	India	100.00	100.00	100.00
Khed Sinnar Expressway Limited	Surface Transportation	India	100.00	100.00	100.00
Barwa Adda Expressway Limited	Surface Transportation	India	100.00	100.00	100.00
GIFT Parking Facilities Limited (refer footnote 2)	Car Park development	India	-	100.00	100.00
ITNL Offshore Two Pte. Ltd.	Investment Holding	Singapore	100.00	100.00	100.00
ITNL Offshore Three Pte. Ltd.	Investment Holding	Singapore	100.00	100.00	100.00
Amravati Chikhli Expressway Limited (from August 25, 2015)	Surface Transportation	India	100.00	100.00	-

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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, 2017	As at March 31, 2016	As at April 1, 2015
Fagne Songadh Expressway Limited (from August 25, 2015)	Surface Transportation	India	100.00	100.00	-
Jharkhand Infrastructure Implementation Company Limited (from October 23, 2015)	Surface Transportation	India	100.00	99.60	-
Rajasthan Land Holdings Limited (from March 31, 2016)	Land Development	India	100.00	100.00	-
GRICL Rail Bridge Development Company Limited (from March 31, 2016)	Surface Transportation	India	100.00	100.00	-
Chattisgarh Highways Development Company Limited (considered through investment in covered warrant)	Surface Transportation	India	74.00	74.00	74.00
Srinagar Sonamarg Tunnelway Limited (control through composition of Board of Directors)	Surface Transportation	India	49.00	49.00	49.00
<b>2. Held through subsidiaries:</b>					
North Karnataka Expressway Limited	Surface Transportation	India	93.50@	93.50@	93.50@
Elsamex SA (refer footnote 1)	Surface Transportation	Spain	100.00	-	-
Atenea Seguridad Y Medio Ambiente S.A.U.	Surface Transportation	Spain	100.00 \$	100.00 \$	100.00 \$
Senalizacion Viales e Imagen S.A.U.	Surface Transportation	Spain	100.00 \$	100.00 \$	100.00 \$
Elsamex Internacional S.L.	Surface Transportation	Spain	100.00 \$	100.00 \$	100.00 \$
Grusamar Ingenieria Y Consulting, S.L.	Surface Transportation	Spain	100.00 \$	100.00 \$	100.00 \$
Elsamex Portugal S.A.	Surface Transportation	Portugal	70.35 \$	70.35 \$	70.35 \$
Inteval Gestao Integral Rodoviaria S.A.	Surface Transportation	Portugal	100.00 \$	100.00 \$	100.00 \$
Elsamex India Private Limited	Surface Transportation	India	100.00 \$	99.15 \$	99.15 \$
Yala Construction Co Private Limited	Surface Transportation	India	100.00 \$	96.03 \$	96.03 \$
Mantenimiento Y Conservacion De Vialidades S.A. DE C.V.	Surface Transportation	Mexico	64.00 \$	64.00 \$	64.00 \$
ESM Mantenimiento Integral, SA DE CV	Surface Transportation	Mexico	100.00 \$	100.00 \$	100.00 \$
CIESM-INTEVIA, S.A.	Surface Transportation	Spain	100.00 \$	100.00 \$	100.00 \$
Control 7, S.A.	Surface Transportation	Spain	100.00 \$	100.00 \$	100.00 \$
Grusamar Albania SHPK	Surface Transportation	Albania	51.00 \$	51.00 \$	51.00 \$
Rapid MetroRail Gurgaon Limited	Surface Transportation	India	44.12#	42.46#	82.81#
Area De Servicio Coiros S.L.U.	Surface Transportation	Spain	100.00 \$	100.00 \$	100.00 \$

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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, 2017	As at March 31, 2016	As at April 1, 2015
Conservacion De Infraestructuras De Mexico S.A. DE C.V.	Surface Transportation	Mexico	96.40 \$	96.40 \$	96.40 \$
Alcantarilla Fotovoltaica, S.L.U.	Surface Transportation	Spain	100.00 \$	100.00 \$	100.00 \$
Area De Servicio Punta Umbria, S.L.U.	Surface Transportation	Spain	100.00 \$	100.00 \$	100.00 \$
ITNL International DMCC	Investment Holding	UAE	100.00	100.00	100.00
Beasolarta S.A.U.	Surface Transportation	Spain	100.00 \$	100.00 \$	100.00 \$
Rapid MetroRail Gurgaon South Limited	Surface Transportation	India	89.11###	86.93###	82.81###
ITNL Africa Projects Ltd.	Surface Transportation	Nigeria	100.00^	100.00^	100.00^
Grusamar India Limited	Surface Transportation	India	100.00 \$	100.00 \$	100.00 \$
Elsamex Construcao E Manutencao LTDA	Surface Transportation	Brazil	99.99 \$	99.99 \$	99.99 \$
Sharjah General Services Company LLC	Surface Transportation	UAE	49.00**	49.00**	49.00**
I IPL USA LLC	Surface Transportation	USA	100.00	100.00	100.00
Andhra Pradesh Expressway Limited (upto March 10, 2017)	Surface Transportation	India	-	86.74\$\$	86.74\$\$
Elsamex Maintenance Services Limited	Surface Transportation	India	99.88 \$	99.88 \$	99.88 \$
Elsamex LLC	Operation & Maintenance	USA	100.00 \$	100.00 \$	100.00 \$
Grusamar Engenharia y Consultoria Brasil LTDA	Surface Transportation	Brazil	99.99 \$	99.99 \$	99.99 \$
ITNL Infrastructure Developer LLC (from May 4, 2015)	Car Park Development	UAE	49.00 ***	-***	-
Elsamex Colombia SAS (from May 14, 2015)	Surface Transportation	Colombia	100.00 \$	100.00 \$	-
Grusamar Ingenieria Y Consulting Colombia SAS (May 14, 2015)	Surface Transportation	Colombia	100.00 \$	100.00 \$	-
Flamingo Landbase Private Limited (from March 31, 2016)	Land Development	India	100.00	100.00	-
Devika Buildestate Private Limited (from March 31, 2016)	Land Development	India	100.00	100.00	-
Chirayu Kath Real Estate Private Limited (from March 31, 2016)	Land Development	India	100.00	100.00	-
Park Line LLC (from May 4, 2016)	Car Park Development	UAE	24.99 @@	-	-
Elsamex Vietnam Joint Stock Company (from May 18, 2016)	Operation & Maintenance	Vietnam	65.00	-	-

\$ Proportion of Group's Interest as at December 31, 2016, 2015 & 2014 respectively

## Out of the above 74.00% is directly held by the Company and balance 15.20% through FIIL (As at 31st March 2016, As at 1st April 2015: 74.00% held by Company and balance 15.20% held through FIIL)

@ Out of the above 13.00% is held directly by the Company and balance 80.50% through the scheme of IRIT (As at 31st March 2016, As at 1st April 2015:

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13.00% held by the Company and balance 80.50% through the scheme of IRIT).

# Out of the above 2.89% is directly held by the Company and balance effective 41.23% through IRL (As at 31st March 2016: 2.89% held by Company and balance effective 39.57% held through IRL. As at 1st April 2015: 35.00% held by Company and balance effective 47.81% held through IRL).

### Out of the above 35% is directly held by the Company and balance effective 54.11% through IRL (As at 31st March 2016: 35% held by Company and balance effective 51.93% held through IRL. As at 1st April 2015: 35.00% held by Company and balance effective 47.81% held through IRL).

^ Out of the above 0.50 % is directly held by the Company and balance 99.50% through IIPL (As at 31st March 2016, As at 1st April 2015: 0.50 % held by Company and balance 99.50% through IIPL)

\*\* As per Memorandum of Association between IIPL and other shareholder, Profits and Statutory Reserve, the net profits of SGSC and losses shall be distributed among IIPL 70% and other shareholders 30%. IIPL controls SGSC through composition of Board of Directors and accordingly is a subsidiary of IIPL.

\*\*\*As per Memorandum of Association between IIPL and other shareholder, Profits and Statutory Reserve, the net profits of IIDL and losses shall be distributed among IIPL 49% and other shareholders 51%. IIPL controls IIDL through composition of Board of Directors and accordingly is a subsidiary of IIPL.

\$\$ Out of the above 12.74 % is directly held by the Company and balance 74% through IRIT (As at 1st April 2015: 12.74 % is directly held by the Company and balance 74% through IRIT)

@@ As per Memorandum of Association between IIDL and other shareholders, Profits and Statutory Reserve, the net profits of PLL and losses shall be distributed among IIDL 51% and other shareholders 49%. IIDL controls PLL through composition of Board of Directors and accordingly is a subsidiary of IIDL.

Footnotes :

- During the year ended March 31, 2017, the Company sold 260,949 equity shares (representing the Company's entire shareholding of 77.39%) of Elsames S.A., Spain, a subsidiary Company to its wholly owned subsidiary in Singapore, against issue of fresh equity shares. The said transaction is done pursuant to the disclosure made by the wholly owned subsidiary company in their International Bond offering document. In pursuance of above transaction Elsames SA is classified from direct to indirect subsidiary.
- GIFT Parking Facilities Limited dissolved on September 15, 2016

## 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, 2017	As at March 31, 2016	As at April 1, 2015
<b>Held Directly :</b>					
Thiruvananthapuram Road Development Company Limited	Surface Transportation	India	50.00	50.00	50.00
Warora Chandrapur Ballarpur Toll Road Limited	Surface Transportation	India	35.00	35.00	35.00
N.A.M. Expressway Limited	Surface Transportation	India	50.00	50.00	50.00
Jorabat Shillong Expressway Limited	Surface Transportation	India	50.00	50.00	50.00
Jharkhand Accelerated Road Development Company Limited (considered through investment in covered warrant)	Surface Transportation	India	74.00	74.00	74.00
Road Infrastructure Development Company of Rajasthan Limited (considered through investment in covered warrant)	Surface Transportation	India	50.00	50.00	50.00
<b>Held through Subsidiaries :</b>					
Chongqing Yuhe Expressway Co. Ltd.	Surface Transportation	China	49.00	49.00	49.00

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The Group's interest in jointly controlled operations are :

Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)		
	As at March 17 \$	As at March 16 \$	As at March 15 \$
Grusamar - Progescan UTE Areas De Servicio	100.00	100.00	100.00
Grusamar-Elsamex-Atenea UTE Seguridad Vial Murcia	100.00	100.00	0.00
Intevia-Grusamar-Dair UTE Seguridad Vial Bizkaia	70.00	70.00	70.00
UTE Abedul Orihuela	25.00	25.00	25.00
UTE Abedul Ponferrada	25.00	25.00	25.00
UTE Abedul Villavidel	25.00	25.00	25.00
UTE Abedul Zamora	25.00	25.00	25.00
UTE Almanzora	65.00	65.00	65.00
UTE AP-7 Ondara	60.00	60.00	60.00
UTE Arona	60.00	60.00	60.00
UTE Atenea-Paymacotas	40.00	40.00	40.00
UTE Atenea-Prevecons	55.00	55.00	55.00
UTE Bizcaya Bi	37.50	37.50	37.50
UTE Cican Ciesm	50.00	50.00	50.00
UTE Conservacion Almeria	70.00	70.00	70.00
UTE Conservacion Asturias	50.00	50.00	50.00
UTE Conservacion Caceres	50.00	50.00	50.00
UTE Cordoba	50.00	50.00	50.00
UTE Dallas	50.00	50.00	50.00
UTE Elsamex-Lujan Alicante	50.00	50.00	50.00
UTE Grusamar-Eyser	50.00	50.00	50.00
UTE Grusamar-Intecsa-Inarsa-Atenea	60.00	60.00	60.00
UTE Grusamar - Inserco Rambla Retamar	50.00	50.00	50.00
UTE Mantenimient De Cuenca	50.00	50.00	50.00
UTE SG-2/2011	24.00	24.00	24.00
UTE Sur Sevilla	50.00	50.00	50.00
UTE Tren Mallorca	80.00	80.00	80.00
UTE Parking Estacion Intermodal	50.00	50.00	50.00
UTE Elsamex-Pulido	50.00	50.00	50.00
UTE AP-7 Ondara 2	60.00	60.00	60.00
UTE Ciesm- Intevia-Conurma-Esmovilidad	40.00	40.00	40.00
UTE Elsamex-ITNL	100.00	100.00	100.00
UTE Intevia-Getinsa-Ciesa	34.00	34.00	34.00
UTE Etiopia 35	100.00	100.00	100.00
UTE Sistema tarifario	50.00	50.00	50.00
UTE Elsamex-Rebogar	60.00	60.00	60.00
UTE Servicios Energeticos de Antequera	30.00	30.00	30.00
UTE Burgos Sur	86.00	86.00	86.00
UTE Alumbrado Tegueste	50.00	50.00	50.00
UTE Avda. de Daganzo	50.00	50.00	50.00
UTE Servicios Energeticos las Palmas	50.00	50.00	50.00
UTE Jaen Sur	70.00	70.00	70.00
UTE Ciesm- Intevia-Dair-Itsak	42.50	42.50	42.50
UTE Elsgroup	100.00	100.00	0.00
UTE Santiago AP-9	50.00	50.00	0.00

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Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)		
	As at March 17 \$	As at March 16 \$	As at March 15 \$
UTE Sevilla Este	70.00	70.00	0.00
UTE Málaga Norte	70.00	70.00	0.00
UTE Arbrat Badalona	50.00	50.00	0.00
UTE Acceso Norte	60.00	60.00	0.00
UTE Piscinas Zamora	60.00	60.00	0.00
UTE Elsamex - Lujan Alicante II	50.00	50.00	0.00
UTE Seguridad Vial Murcia II	100.00	100.00	100.00
UTE Durango II	45.00	45.00	45.00
UTE Teruel II Elsamex Api	50.00	50.00	50.00
UTE Elsamex Ibersenal	60.00	60.00	60.00
UTE Elsamex Cauchil Jaen	80.00	80.00	80.00
UTE Polideportivo Latina	50.00	50.00	50.00
UTE Coruña III	70.00	70.00	70.00
UTE Durango Bi (Vizcaya III)	37.50	37.50	37.50
UTE Corelsa	50.00	50.00	50.00
UTE Argentona Elsamex - Rubau	50.00	50.00	50.00
UTE Conservacion Cadiz Sur (Martin Casillas)	50.00	50.00	50.00
UTE Orense III	50.00	50.00	50.00
UTE Instalaciones Deportivas	60.00	60.00	0.00
UTE STM Terres del LEBre	30.00	30.00	0.00
UTE Red Viaria Sevilla	70.00	70.00	0.00
UTE Arucas	40.00	40.00	40.00
UTE Travesia de Hermigua	50.00	50.00	50.00
UTE Linares	50.00	50.00	50.00
UTE Rio Alhama	50.00	50.00	50.00
UTE Camino Santiago	50.00	50.00	50.00
UTE Asistencia Molinar	52.00	52.00	52.00
UTE Inspeccion Autobuses Lineas Urbanas Murcia	20.00	20.00	0.00
UTE Atenea Consulnima	50.00	50.00	50.00
UTE Embalse de Flix	50.00	50.00	50.00
UTE SG 2/2008	24.00	24.00	24.00
UTE Dair-Intevia	50.00	50.00	50.00
UTE Auditorias Fis Granada	33.33	33.33	0.00
UTE Piscina Cubierta	50.00	50.00	0.00
UTE Servicios Mantenimiento Las Palmas	50.00	50.00	0.00
UTE Etiopia Bure	50.00	0.00	0.00
UTE Etiopia Nekemte	50.00	0.00	0.00
UTE Bialdeko	34.50	0.00	0.00
UTE LCA- Grusamar	50.00	0.00	0.00
UTE EIS Batalla	80.00	0.00	0.00
UTE Piscinas Zamora II	50.00	0.00	0.00
UTE ES Mercadal	50.00	0.00	0.00
UTE Instalaciones del Cloro	50.00	0.00	0.00
UTE Parque Tentengorra	50.00	0.00	0.00
UTE Mar Menor	50.00	0.00	0.00
UTE Osuna	50.00	0.00	0.00

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Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)		
	As at March 17 \$	As at March 16 \$	As at March 15 \$
UTE Montes Occidentales de Granada	50.00	0.00	0.00
UTE Ecija	50.00	0.00	0.00
UTE Recloracion	50.00	0.00	0.00
Con Interanino	50.00	50.00	50.00
Cons.Carreteras del Sur	60.00	60.00	60.00
Cons.Jose Saldis	34.00	34.00	34.00
Consortio Elsamex Grusamar Ecuador	100.00	100.00	100.00
JV Elsamex - Ascon	50.00	50.00	50.00

\$ Proportion of Group's Interest as at December 31, 2016, 2015 & 2014 respectively

### 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, 2017	As at March 31, 2016	As at April 1, 2015
1.Held directly :					
Noida Toll Bridge Company Limited	Surface Transportation	India	26.37	25.35	25.35
ITNL Toll Management Services Limited	Operation & Maintenance	India	49.00	49.00	49.00
Gujarat Road and Infrastructure Company Limited	Surface Transportation	India	26.81	41.81	41.81
2.Held through Subsidiaries :					
Consortio De Obras Civiles S.R.L	Surface Transportation	R.Dominicana	34.00 \$	34.00 \$	34.00 \$
Geotecnia y Control De Qualitat, S.A.	Surface Transportation	Spain	50.00 \$	50.00 \$	50.00 \$
Vias Y Construcciones S. R. L.	Surface Transportation	R.Dominicana	50.00 \$	50.00 \$	50.00 \$
CGI 8 S.A.	Surface Transportation	Spain	49.00 \$	49.00 \$	49.00 \$
Sociedad Concesionaria Autovía A-4 Madrid S.A	Surface Transportation	Spain	48.75 \$	48.75 \$	48.75 \$
Ramky Elsamex Hyderabad Ring Road Limited	Surface Transportation	India	26.00 \$	26.00 \$	26.00 \$
Elsamex Infrastructure Company WLL	Surface Transportation	Qatar	44.00 \$	44.00 \$	-
Elsamex Road Technology Company Limited	Surface Transportation	China	23.44 \$	23.44 \$	23.44 \$

\$ Proportion of Group's Interest as at December 31, 2016, 2015 & 2014 respectively

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### 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 Park Line LLC (PLL), Elsamex Vietnam JSC which became subsidiaries during the year ended March 31, 2017 are given below:

Particulars	₹ in Crore	
	PLL	Elsamex Vietnam JSC
<b>Assets as at March 31, 2017</b>		
Non-current assets	39.28	3.54
Current assets	0.15	5.87
<b>Total</b>	<b>39.43</b>	<b>9.41</b>
<b>Equity and Liability as at March 31, 2017</b>		
<b>Total Equity</b>	(0.09)	(2.87)
Current liabilities	19.24	2.02
<b>Total</b>	<b>19.15</b>	<b>(0.85)</b>
<b>Income for the period (from the date of incorporation / acquisition to March 31, 2017)</b>		
Operating income	40.37	2.45
Other income	-	0.00
<b>Total Income</b>	<b>40.37</b>	<b>2.45</b>
<b>Expenses for the period (from the date of incorporation / acquisition to March 31, 2017)</b>		
Operating expenses	20.20	0.30
Depreciation	-	0.05
Interest cost	-	0.00
Other administrative expenses	0.16	4.54
<b>Total Expenses</b>	<b>20.36</b>	<b>4.89</b>
Profit / (Loss) for the period before tax	20.01	(2.44)
Taxes	-	-
<b>Profit / (Loss) for the period after tax</b>	<b>20.01</b>	<b>(2.44)</b>
Other Comprehensive Income / (loss)	(0.01)	0.09
<b>Total other comprehensive Income / (loss)</b>	<b>20.00</b>	<b>(2.35)</b>

- b. The financial position and results (after eliminations and consolidation adjustments) of Amravati Chikhli Expressway Limited (ACEL), Fagne Songadh Expressway Limited (FSEL), Jharkhand Infrastructure Implementation Company Limited (JIICL), Elsamex Colombia SAS, Grusamar Ingenieria Y Consulting Colombia SAS, Rajasthan Land Holdings Limited (RLHL),

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Flemingo Landbase Private Limited (FLPL), Devika Buildestate Private Limited (DBPL), Chirayu Kath Real Estate Private Limited (CKREPL), GRICL Rail Bridge Development Company Limited (GRBDCL) and ITNL Infrastructure Developer LLC (IIDL) which became subsidiaries during the year ended March 31, 2016 are given below:

Particulars	₹ in Crore									
	ACEL	FSEL	JIIICL	IIDL	RLHL	FLPL	DBPL	CKREPL	GRBDCL	GRBDCL
<b>Assets as at March 31, 2016</b>										
Non-current assets	174.26	131.56	35.73	0.61	16.10	-	-	-	-	5.80
Current assets	1.64	0.44	0.81	0.08	19.32	10.75	7.43	25.98		0.00
<b>Total</b>	<b>175.90</b>	<b>132.00</b>	<b>36.54</b>	<b>0.69</b>	<b>35.42</b>	<b>10.75</b>	<b>7.43</b>	<b>25.98</b>		<b>5.80</b>
<b>Equity and Liability as at March 31, 2016</b>										
Total Equity	(0.54)	(0.54)	(0.08)	(1.58)	(11.83)	2.52	1.16	5.59		(0.01)
Non-current liabilities	-	-	-	-	-	1.27	0.58	2.81		-
Current liabilities	5.83	3.92	0.55	0.17	0.44	0.10	0.09	0.01		1.35
<b>Total</b>	<b>5.29</b>	<b>3.38</b>	<b>0.47</b>	<b>(1.41)</b>	<b>(11.38)</b>	<b>3.89</b>	<b>1.83</b>	<b>8.41</b>		<b>1.34</b>
<b>Income for the period (from the date of incorporation / acquisition to March 31, 2016)</b>										
Operating income	173.57	131.30	27.15	-	-	-	-	-		-
Other income	0.00	-	-	-	0.01	-	-	-		-
<b>Total Income</b>	<b>173.57</b>	<b>131.30</b>	<b>27.15</b>	<b>-</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>Expenses for the period (from the date of incorporation / acquisition to March 31, 2016)</b>										
Operating expenses	21.57	16.30	4.55	-	-	-	-	-		-
Interest cost	-	-	-	-	1.21	-	-	-		-
Other administrative expenses	0.55	0.54	0.08	1.56	0.00	0.00	0.00	0.00		-
<b>Total Expenses</b>	<b>22.12</b>	<b>16.84</b>	<b>4.63</b>	<b>1.56</b>	<b>1.21</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>
Profit / (Loss) for the period before tax	151.46	114.46	22.52	(1.56)	(1.20)	(0.00)	(0.00)	(0.00)		-
Taxes	-	-	-	-	(1.10)	0.09	0.03	0.20		-
<b>Profit / (Loss) for the period after tax</b>	<b>151.46</b>	<b>114.46</b>	<b>22.52</b>	<b>(1.56)</b>	<b>(0.10)</b>	<b>(0.09)</b>	<b>(0.03)</b>	<b>(0.20)</b>		<b>-</b>
Other Comprehensive Income / (loss)	-	-	-	-	-	-	-	-		-
<b>Total other comprehensive income / (loss)</b>	<b>151.46</b>	<b>114.46</b>	<b>22.52</b>	<b>(1.56)</b>	<b>(0.10)</b>	<b>(0.09)</b>	<b>(0.03)</b>	<b>(0.20)</b>		<b>-</b>

Footnote:

Subsidiaries Elsamex Colombia SAS and Grusamar Ingenieria Y Consulting Colombia SAS are yet to commence operations.

- c. During the year ended March 31, 2017, GIFT Parking Facilities Limited has ceased to be subsidiary by virtue of voluntary liquidation. The Financial position and results of the same is not material.
- d. During the year ended March 31, 2016, Elsamex Brazil LTDA has ceased to be subsidiary by virtue of voluntary liquidation. The Financial position and results of the same is not material.

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## 36. Leases

### 36.1 Obligations under finance leases

The Company as lessee

Finance lease liabilities

₹ in Crore

Particulars	Minimum lease payments		Present value of minimum lease payments	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Not later than one year	11.77	10.02	10.92	8.93
Later than one year and not later than five years	21.47	22.22	20.65	20.97
Later than five years	-	-	-	-
	<b>33.24</b>	<b>32.24</b>	<b>31.57</b>	<b>29.90</b>
Less: Future Finance charges	1.67	2.34	-	-
<b>Present value of minimum lease payments</b>	<b>31.57</b>	<b>29.90</b>	<b>31.57</b>	<b>29.90</b>

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016
Included in the financial statements as:		
- Non-current borrowings (note 18)	20.65	20.97
- Current maturities of finance lease obligations (note 18)	10.92	8.93
<b>Total</b>	<b>31.57</b>	<b>29.90</b>

### 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

₹ in Crore

Particulars	As at March 31, 2017	As at March 31, 2016
Not later than 1 year	49.63	55.59
Later than 1 year and not later than 5 years	6.88	6.16
Later than 5 years	-	-
<b>Total</b>	<b>56.51</b>	<b>61.75</b>

₹ in Crore

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Amount charged to the Statement of Profit and Loss for rent	67.74	58.34
<b>Total</b>	<b>67.74</b>	<b>58.34</b>

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.

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## 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:

Particulars	₹ in Crore	
	As at March 31, 2017	As at March 31, 2016
Not later than 1 year	23.24	-
Later than 1 year and not later than 5 years	38.16	-
Later than 5 years	2.58	-
<b>Total</b>	<b>63.98</b>	-

Particulars	₹ in Crore	
	Year ended March 31, 2017	Year ended March 31, 2016
Amount credited to the Statement of Profit and Loss for rent	0.82	-
<b>Total</b>	<b>0.82</b>	-

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 / fiduciary-type arrangements. While both the employees and the Company pay predetermined contributions into the provident fund and pension fund, contributions to superannuation fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. The assets of the plans are held separately from those of the Company in funds under the control of Regional provident fund office and third party fund manager.

The total expense recognised in profit or loss of ₹ 73.69 crores (for the year ended March 31, 2016: ₹ 83.84 crore) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

### 37.2 Defined benefit plans

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

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

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

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

Particulars	Valuation as at		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Discount rate(s)	6.69% to 8.06%	7.77% to 8.08%	7.84% to 8.08%
Rate of increase in compensation#	5% to 6.50%	6.50%	6.50%
Mortality rates*	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee Attrition rate (Past service)	PS: 0 to 40 : 6.1% to 2%	PS: 0 to 40 : 2%	PS: 0 to 40 : 2%

# 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	₹ in Crore	
	Year ended March 31, 2017	Year ended March 31, 2016
Service cost:		
Current service cost	2.62	2.53
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	0.11	(0.09)
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>2.73</b>	<b>2.44</b>
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(0.02)	0.23
Actuarial (gains) / losses arising from changes in demographic assumptions*	0.25	-
Actuarial (gains) / losses arising from changes in financial assumptions	(0.34)	0.06
Actuarial (gains) / losses arising from experience adjustments	0.15	1.61
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>0.04</b>	<b>1.90</b>
<b>Total</b>	<b>2.77</b>	<b>4.34</b>

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

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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.

₹ in Crore			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Present value of funded defined benefit obligation	13.84	13.60	11.13
Fair value of plan assets	14.67	10.32	11.41
Funded status	0.83	(3.28)	0.28
<b>Net liability arising from defined benefit obligation</b>	<b>0.83</b>	<b>(3.28)</b>	<b>0.28</b>

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

₹ in Crore			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening defined benefit obligation	13.61	11.13	8.59
Current service cost	2.62	2.27	1.96
Interest cost	1.04	1.03	0.55
Remeasurement (gains)/losses:			
Actuarial gains and losses arising from changes in demographic assumptions	0.25	-	-
Actuarial gains and losses arising from changes in financial assumptions	(0.31)	0.13	0.71
Actuarial gains and losses arising from experience adjustments	0.59	1.85	(0.25)
Benefits paid	(3.91)	(2.80)	(0.43)
Others - Transfer outs	(0.05)	-	-
<b>Closing defined benefit obligation</b>	<b>13.84</b>	<b>13.61</b>	<b>11.13</b>

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

₹ in Crore			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Opening fair value of plan assets	10.31	11.41	8.66
Interest income	0.79	0.67	0.69
Remeasurement gain (loss):	(0.06)	(0.06)	0.04
Return on plan assets (excluding amounts included in net interest expense)	0.16	(0.05)	0.42
Adjustment to Opening Fair Value of Plan Asset	(0.12)	-	-
Contributions from the employer	7.49	1.13	2.03
Benefits paid	(3.91)	(2.79)	(0.43)
<b>Closing fair value of plan assets</b>	<b>14.66</b>	<b>10.31</b>	<b>11.41</b>

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

₹ in Crore			
Particulars	Fair Value of plan asset as at		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash and cash equivalents	-	-	-
Gratuity Fund (LIC)	14.66	10.31	11.41
<b>Total</b>	<b>14.66</b>	<b>10.31</b>	<b>11.41</b>

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All of the Plan Asset is entrusted to LIC of India under their Company Gratuity Scheme. 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 ₹ 0.90 crore (2016: ₹ 0.85 crore).

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

- If the discount rate is 100 basis points higher/(lower), the defined benefit obligation would decrease by ₹ 1.16 crore (decrease by ₹ 3.15 crore as at March 31, 2016) (decrease by ₹ 0.47 crore as at April 1, 2015) and increase by ₹ 1.31 crore (increase by ₹ 4.22 crore as at March 31, 2016) (increase by ₹ 0.77 crore as at April 1, 2015).
- If the salary escalation rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 1.29 crore (increase by ₹ 4.20 crore as at March 31, 2016) (increase by ₹ 0.76 crore as at April 1, 2015) and decrease by ₹ 1.12 crore (decrease by ₹ 3.31 crore as at March 31, 2016) (decrease by ₹ 0.47 crore as at April 1, 2015).
- If the Attrition rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 0.07 crore (increase by ₹ 0.09 crore as at March 31, 2016) (increase by ₹ 0.04 crore as at April 1, 2015) and decrease by ₹ 0.08 crore (decrease by ₹ 0.07 crore as at March 31, 2016) (decrease by ₹ 0.04 crore as at April 1, 2015).

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, 2017 is 9.87 years (as at March 31, 2016: 16 years; as at April 1, 2015: 16 years).

The expected contributions to the defined benefit plan for the next annual reporting period as at March 31 2017 is ₹ 1.48 crore (as at March 31 2016 is ₹ 1.75 Crore; as at April 1, 2015 is ₹ 2.66 Crore)

## 38. Financial instruments

### 38.1 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.

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## 38.1.1 Gearing ratio

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

Particulars	₹ in Crore		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Debt (i)	31,368.07	26,696.73	22,578.60
Cash and bank balances (including cash and bank balances in a disposal company held for sale)	1,276.61	906.63	1,092.09
<b>Net debt</b>	<b>30,091.46</b>	<b>25,790.11</b>	<b>21,486.50</b>
<b>Total Equity (ii)</b>	<b>4,620.35</b>	<b>4,748.10</b>	<b>3,562.15</b>
Net debt to total equity ratio	6.51	5.43	6.03

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.

## 38.2 Categories of financial instruments

Particulars	₹ in Crore		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Financial assets</b>			
<i>Fair value through profit and loss (FVTPL)</i>			
Investment in equity instruments	22.13	22.13	16.53
<i>Derivative instruments designated as cash flow hedge</i>	-	5.77	8.03
<i>At amortised cost</i>			
Investment in equity instruments	0.47	0.55	0.55
Loans	871.35	923.28	926.51
Trade receivables	1,004.57	1,008.91	804.62
Cash & cash equivalents; and bank balances (including Balances with Banks in deposit accounts under lien)	1,276.61	906.63	1,092.09
SCA receivable	8,872.69	8,573.35	7,385.79
Other financial assets (excluding Balances with Banks in deposit accounts under lien)	2,014.43	924.12	448.55
<b>Financial liabilities</b>			
<i>Financial Liabilities</i>			
<i>Derivative instruments designated as cash flow hedge</i>	153.86	19.95	10.45
<i>At amortised cost</i>			
Borrowings (including interest accrued)	31,368.07	26,696.73	22,578.60
Trade payables	1,164.96	1,265.55	1,085.06
Other financial liabilities (excluding interest accrued)	1,649.39	1,500.20	1,410.42

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## 38.3 Financial risk management objectives

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

The Group 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 Group'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 Group does not enter into or trade in financial instruments, including derivative financial instruments, for speculative purposes. The Corporate Treasury function reports to the Group's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures

## 38.4 Market risk

The Group does not have activities that exposes it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group 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 Group's exposure to market risks or the manner in which these risks are managed and measured

## 38.5 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	Liabilities as at (INR)			Assets as at (INR)		
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
USD	435.61	227.57	123.03	175.04	180.51	117.32
Euro	973.89	886.34	773.07	787.64	818.86	686.27
CNY	1,197.34	1,302.92	1,251.69	23.22	33.63	20.08
AED	0.29	2.29	13.04	113.86	91.09	81.85
VND	1.61	-	-	4.10	-	-
Botswana Pula	88.57	83.40	32.11	172.51	83.64	68.73
Dominican Peso	28.58	-	28.52	94.96	118.79	106.59
Ethiopian Birr	22.66	0.21	-	227.41	16.26	-
Mexican Peso	1.13	2.04	1.39	7.57	6.63	7.03

### 38.5.1 Foreign currency sensitivity analysis

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



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

	Foreign currency-CNY		Average exchange rate		Average contracted fixed interest rate		Notional principal value		Fair value assets (liabilities)			
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016		
Outstanding receive floating pay/fixed contracts	69.00	-	63.00	9.29	10.20	4.50%	640.87	-	642.58	(57.50)	-	8.03
Buy US Dollar	-	69.00	-	10.02	-	4.50%	-	691.59	-	-	(13.82)	-
Less than 1 year	-	-	-	-	-	-	-	-	-	-	-	-
1 to 3 years	-	-	-	-	-	-	-	-	-	-	-	-
3 to 5 years	-	-	-	-	-	-	-	-	-	-	-	-
5 years +	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>69.00</b>	<b>69.00</b>	<b>63.00</b>				<b>640.87</b>	<b>691.59</b>	<b>642.58</b>	<b>(57.50)</b>	<b>(13.82)</b>	<b>8.03</b>

	Foreign currency-USD		Average exchange rate		Average contracted		Notional principal value		Fair value assets (liabilities)			
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016		
Outstanding receive floating pay/fixed contracts	3.43	0.04	0.02	63.59	66.29	11.3%- 12.40%	10.80%- 12.40%	218.01	2.68	1.26	(0.54)	(0.10)
Upto 1 year	-	-	-	-	-	-	-	-	-	-	-	-
1 to 3 years	2.48	3.46	0.07	64.18	63.63	10.8%- 12.40%	11.20%- 12.40%	158.99	220.37	4.42	(10.73)	4.22
3 to 5 years	13.10	3.18	4.59	67.07	65.02	10.66%- 11.23%	10.57%- 12.40%	878.66	206.54	292.25	(47.78)	0.37
More than 5 years	6.08	0.05	-	67.27	67.67	11.30%- 11.23%	10.66%- 11.23%	408.99	3.69	-	(36.33)	(0.73)
<b>Total</b>	<b>25.09</b>	<b>6.73</b>	<b>4.68</b>					<b>1,664.66</b>	<b>433.28</b>	<b>297.92</b>	<b>(95.38)</b>	<b>3.76</b>

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.

### 38.6 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.

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### 38.6.1 Interest rate sensitivity analysis

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

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

profit for the year ended March 31, 2017 would decrease/increase by ₹ 56.82 crores (2016: decrease/increase by ₹ 48.37 crores). 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.

### 38.6.2 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

	Average contracted fixed interest rate		Notional principal value		Fair value assets (liabilities)	
	As at March 31, 2017	As at April 1, 2015	As at March 31, 2017	As at April 1, 2015	As at March 31, 2017	As at April 1, 2015
Outstanding receive floating pay fixed contracts						
Less than 1 year			-	-	-	-
1 to 3 years			-	-	-	-
3 to 5 years	3.05%	2.72%	17.14	18.59	0.98	1.91
5 years +			-	-	-	-
<b>Total</b>			<b>17.14</b>	<b>18.59</b>	<b>0.98</b>	<b>1.91</b>

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.

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### 38.7 Other price risks

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

### 38.8 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Management of the Group 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 Group has adopted a policy of only dealing with creditworthy counterparties.

The group has significant credit exposure to mainly two parties:

1. National Highways Authority of India- ₹ 7,393.50 crore (March 31, 2016 ₹ 6,680.56 crores)
2. State Government Authorities - ₹ 3,057.53 crore (March 31, 2016 ₹ 2,358.79 crores)

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.

### 38.9 Liquidity risk management

The Group 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 Group 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

### 38.9.1 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	March 31, 2017		March 31, 2016		April 1, 2015				
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments			
Upto 1 year	1,347.37	5,665.98	2,946.00	1,151.66	4,469.58	506.20	680.89	4,552.11	2,303.45
1-3 years	526.02	6,800.39	3,628.89	547.36	6,265.28	3,408.62	457.82	5,675.54	2,270.63
3-5 years	70.58	4,397.29	2,023.02	35.57	6,123.33	1,510.55	25.95	5,579.57	2,071.61
More than 5 years	1,391.22	10,837.13	5,337.86	1,418.31	9,883.80	1,137.16	1,441.61	9,805.31	1,583.91
<b>Total</b>	<b>3,335.19</b>	<b>27,700.79</b>	<b>13,935.77</b>	<b>3,152.90</b>	<b>26,731.99</b>	<b>6,562.53</b>	<b>2,606.27</b>	<b>25,612.53</b>	<b>8,229.60</b>

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

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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	March 31, 2017			March 31, 2016			April 1, 2015		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Upto 1 year	2,228.69	167.49	816.33	1,048.04	285.49	381.47	794.78	247.43	725.90
1-3 years	895.94	679.22	1,073.45	695.50	839.82	372.44	726.84	481.86	585.27
3-5 years	427.49	45.46	1,245.31	343.34	341.33	957.48	245.64	435.35	622.16
More than 5 years	348.36	5,353.74	3,814.60	32.98	4,990.28	3,468.18	27.44	4,160.81	2,423.31
<b>Total</b>	<b>3,900.48</b>	<b>6,245.91</b>	<b>6,949.69</b>	<b>2,119.86</b>	<b>6,456.92</b>	<b>5,179.57</b>	<b>1,794.70</b>	<b>5,325.45</b>	<b>4,356.64</b>

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, 2017			March 31, 2016			April 1, 2015		
	Interest rate swaps	Cross Currency Swaps	Cross Currency Swaps	Interest rate swaps	Cross Currency Swaps	Cross Currency Swaps	Interest rate swaps	Cross Currency Swaps	Cross Currency Swaps
Upto 1 year	-	(58.04)	(0.10)	-	(0.10)	-	-	-	8.13
1-3 years	-	(10.73)	(9.60)	-	(9.60)	-	-	-	0.34
3-5 years	0.98	(47.78)	0.37	1.91	0.37	2.60	2.60	2.60	(3.23)
More than 5 years	-	(36.33)	(3.50)	-	(3.50)	-	-	-	-

### 38.10 Fair value measurements

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

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

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

Financial assets/ (financial liabilities)	Fair value			Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015				
1) Interest rate swaps (see notes 11 and 19)	0.98	1.91	2.60	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 (see notes 11 and 19)	(152.88)	(10.06)	5.23	Level 2	Discounted cash flow.	None	None
3) Investment in equity shares of Pipavav Railway Corporation Limited	22.13	22.13	16.53	Level 3	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. Net assets value of the investee company based on its audited financial statements	Net assets of the investee company	Direct

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

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>						
<b>Fair value through profit and loss (FVTPL)</b>						
Investment in equity instruments	22.13	22.13	22.13	22.13	16.53	16.53
<b>Derivative instruments designated as cash flow hedge</b>						
<b>At amortised cost</b>						
Investment in equity instruments	0.47	0.47	0.55	0.55	0.55	0.55
Loans	871.35	873.71	923.28	923.31	926.51	926.51
Trade receivables	1,004.57	1,004.57	1,008.91	1,008.91	804.62	804.62
Cash & cash equivalents; and bank balances	1,276.61	1,276.61	906.63	906.63	1,092.09	1,092.09
SCA receivable	8,872.69	9,090.98	8,573.35	9,661.06	7,385.79	8,792.20
Other financial assets	2,014.43	2,014.43	924.12	924.12	448.55	448.55
<b>Financial liabilities</b>						
<b>Derivative instruments designated as cash flow hedge</b>						
<b>At amortised cost</b>						
Borrowings	31,368.07	31,507.06	26,696.73	26,728.29	22,578.60	22,537.98
Trade payables	1,164.96	1,164.96	1,265.55	1,265.55	1,085.06	1,085.06
Other financial liabilities	1,649.39	1,627.18	1,500.20	1,500.20	1,410.42	1,410.42

	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 2
<b>Financial assets</b>									
<b>Fair value through profit and loss (FVTPL)</b>									
Investment in equity instruments	22.13			22.13					16.53
<b>Derivative instruments designated as cash flow hedge</b>									
<b>Financial Assets measured at amortised cost</b>									
Investment in equity instruments		0.47			0.55				0.55
Loans		873.71			923.31				926.51
Trade receivables		1,004.57			1,008.91				804.62
Cash & cash equivalents; and bank balances		1,276.61			906.63				1,092.09
SCA receivable		9,090.98			9,661.06				8,792.20
Other financial assets		2,014.43			924.12				448.55
<b>Financial liabilities</b>									
<b>Derivative instruments designated as cash flow hedge</b>									
<b>At amortised cost</b>									
Borrowings		31,507.06			26,728.29				22,537.98
Trade payables		1,164.96			1,265.55				1,085.06
Other financial liabilities		1,627.18			1,500.20				1,410.42

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

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## 39. Business combinations

### 39.1.1 Business combinations

₹ in Crore

Particulars	Principal activity	Date of acquisition	Proportion of voting equity interests acquired (%)	Consideration transferred
During the period				
Rajasthan Land Holding Limited ("RLHL")	Land development	30-Mar-16	100%	2.50
GRICL Rail Bridge Development Company Limited ("GRBDCL")	Surface transportation	31-Mar-16	100%	0.05
<b>Total</b>				<b>2.55</b>

### 39.1.2 Consideration transferred

₹ in Crore

Particulars	RLHL	GRBDCL
Cash	2.50	0.05
<b>Total</b>	<b>2.50</b>	<b>0.05</b>

### 39.1.3 Assets acquired and liabilities recognized at the date of acquisition

₹ in Crore

Particulars	RLHL	GRBDCL
	As at March 30, 2016	As at March 31, 2016
<b>Current assets</b>		
Cash and cash equivalents	0.12	0.00
Inventories	62.08	-
Other current financial assets	4.13	-
Other current assets	1.14	0.00
<b>Non-current assets</b>		
Deferred tax Assets	5.30	-
Non current tax	0.18	-
Loans given	1.52	-
Other non current financial assets	24.33	4.71
Other Non current assets	1.77	1.09
<b>Total (A)</b>	<b>100.57</b>	<b>5.81</b>
<b>Current liabilities</b>		
Trade payables	0.09	5.31
Other current financial liability	17.08	-
Other current liability	0.56	0.45
<b>Non-current liabilities</b>		
Borrowings	63.67	-
Other non current financial liability	24.34	-
Deferred Tax liability	4.34	-
<b>Total (B)</b>	<b>110.08</b>	<b>5.76</b>
<b>Net Assets acquired (A-B)</b>	<b>(9.51)</b>	<b>0.05</b>

Note : Above figures consist of consolidated financial statement of RLHL includes its wholly own subsidiaries Flamingo Landbase Private Limited , Devika Buildestate Private Limited , Chirayu Kath Real Estate Private Limited

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## 39.1.4 Goodwill arising on acquisition

Particulars	₹ in Crore	
	RLHL	GRBDCL
Consideration transferred	2.50	0.05
Less: fair value of identifiable net assets acquired	(9.51)	0.05
Goodwill arising on acquisition	12.01	-

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.

## 39.1.5 Net cash outflow on acquisition of subsidiaries

Particulars	₹ in Crore	
	RLHL For the 31st March 2017	GRBDCL For the 31st March 2017
Consideration paid in cash	2.50	0.05
Less: cash and cash equivalent balances acquired	(0.12)	(0.00)
<b>Total</b>	<b>2.38</b>	<b>0.05</b>

## 39.1.6 Impact of acquisitions on the results of the Company

Included in the profit for the year is ₹ NIL attributable to the additional business generated by RLHL. Revenue for the year includes ₹ 0.42 crores in respect of RLHL.

Had these business combinations been effected at April 1, 2015, the revenue of the Company from continuing operations would have been ₹ 3.5 crore, and the loss for the year from continuing operations would have been ₹ 1.73 crores. The directors consider these 'pro-forma' numbers to represent an approximate measure of the performance of the combined group on an annualized basis and to provide a reference point for comparison in future periods.

## 39.2 Disposal of a subsidiary

On March 9, 2017, the Company disposed of Andhra Pradesh Expressway Limited which carried out Surface Transport business.

### 39.2.1 Consideration received

Particulars	₹ in Crore
	As at March 9, 2017
Consideration received in cash and cash equivalents	6.06
<b>Total consideration received</b>	<b>6.06</b>

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## 39.2.2 Analysis of asset and liabilities over which control was lost

		₹ in Crore
Particulars		As at March 9, 2017
<b>Current assets</b>		
Cash and cash equivalents		17.69
Other Current Financial assets		170.82
Current tax assets (Net)		4.25
Other assets		0.23
<b>Non-current assets</b>		
Property, plant and equipment and Investment property		0.13
Other Non Current Financial assets		394.16
Other assets		0.15
<b>Total (A)</b>		<b>587.43</b>
<b>Current liabilities</b>		
Borrowings		90.17
Other financial liabilities		0.26
Provisions		0.27
Other current liabilities		0.04
<b>Non-current liabilities</b>		
Borrowings		495.82
<b>Total (B)</b>		<b>586.56</b>
<b>Net assets disposed of (A-B)</b>		<b>0.88</b>

## 39.2.3 Loss on disposal of a subsidiary

		₹ in Crore
Particulars		Year ended March 31, 2017
Consideration received		6.06
Less : Net assets disposed of		0.88
Less : Goodwill impairment		11.11
Loss on disposal		(5.93)

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

		₹ in Crore
Particulars		Year ended March 31, 2017
Consideration received in cash and cash equivalents		6.06
Less: cash and cash equivalent balances disposed of		(17.69)
<b>Total</b>		<b>(11.63)</b>

## 40. Disclosure in respect of Construction Contracts

		₹ in Crore	
Particulars	Year ended March 31, 2017	Year ended March 31, 2016	
Contract revenue recognised as revenue during the year	108.45	70.51	

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₹ in Crore			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cumulative revenue recognised	1,485.34	1,376.89	1,306.38
Advances received	2.46	10.44	10.44
Retention Money receivable	41.57	39.29	39.29
Gross amount due from customers for contract work, disclosed as asset (i.e. Unbilled Revenue)	168.45	94.77	24.27
Gross amount due to customers for contract work, disclosed as liability (i.e. Unearned Revenue)	-	-	-

## 41. Commitments for expenditure

₹ in Crore			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances paid aggregate ₹ 200.92 crore (as at March 31, 2016 ₹ 299.19 crore and March 31, 2015 ₹ 483.48 crore)	7,267.75	9,241.73	7,047.49
(b) Other commitments			
Connectivity charges to Haryana Urban Development Authority	2,732.96	2,740.96	2,748.98
<b>Total</b>	<b>10,000.71</b>	<b>11,982.69</b>	<b>9,796.47</b>

## 42. Contingent liabilities and Letter of awareness and letter of financial support

### 42.1 Contingent liabilities

₹ in Crore			
Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a) Claims against the Company not acknowledged as debt	92.07	387.44	418.98
(b) Other money for which the company is contingently liable			
- Income tax demands contested by the Group	63.67	35.15	38.53
- Other tax liability	79.08	78.22	8.39
- Royalty to Nagpur Municipal Corporation	1.07	1.07	1.07
- Others	6.48	-	-
(c) Guarantees/ counter guarantees issued in respect of other companies	31.92	21.21	22.07
(d) Put option on sale of investment	Unascertainable	Unascertainable	Unascertainable
- Contingent liabilities incurred by the Company arising from its interests in joint ventures (refer Footnote i)	38.69	37.50	38.92
- Contingent liabilities incurred by the Company arising from its interests in associates (refer Footnote ii)	357.37	159.10	-
In case of Income Tax disputes decided in favour of the Group at the First Appellate Authority for amounts disallowed amounting to ₹ 71.52 crore (Previous year : March 31, 2016 ₹ 103.01 crore and March 31, 2015 ₹ 82.01 crore), the Income Tax department has gone for further appeal in all the cases. If decided against the Group, it will result in reduction of unabsorbed depreciation as per the Income - Tax law	Not Accertainable	Not Accertainable	Not Accertainable

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## 42.2 Litigations against the Group :

- (i) Hon'ble High Court of Allahabad had, vide its Judgement dated October 26, 2016 on a Public Interest Litigation filed in 2012 (challenging the validity of the Concession Agreement and seeking the Concession Agreement to be quashed) has directed one of the project of an associate company to stop collecting the user fee holding the two specific provisions relating to levy and collection of fee to be inoperative but refused to quash the Concession Agreement. Consequently, Collection of user fee from the users of the NOIDA bridge has been suspended from October 26, 2016 and an appeal has been filed before Hon'ble Supreme Court of India seeking an Interim Stay on the said Judgment.

On November 11, 2016, Hon'ble Supreme Court issued its Interim Order though denying the interim stay, sought assistance of CAG to submit a report whether the Total Cost of the Project in terms of the Concession Agreement has been recovered or not by the company. CAG has submitted its report to Hon'ble Supreme Court, however the copy of the report is not made available to the said associate company.

- (ii) During the year, Income Tax Department has raised a demand of ₹ 195.99 crore (Group's share) u/s 143(3) of the income tax Act, 1961 against said associate company which is primarily on account of addition of arrears of designated returns to be recovered in future from toll, revenue subsidy on account of allotment of Land. The said associate company has filed an appeal with the first level Appellate Authority and based on legal opinion, management believes that the outcome of the same will be in favour of the Company. and it has no impact on the financial position of the Group at this stage.

Earlier, Income Tax Department has initiated reassessment U/s 147 of the Income Tax Act, 1961 for Assessment Years 2007-08, 2008-09 and 2012-13 and raised a demand of ₹ 163.81 crore (Group's share) primarily on account of arrears of designated returns to be recovered in future from toll and other recoveries as per the Concession Agreement of one of the associate company. The said associate company has filed an appeal with the first level Appellate Authority and based on legal opinion, the management believes that the outcome of the same will be in favour of the Company and it has no impact on the financial position of the Group at this stage.

In few other matters, income tax demands of ₹ 1.26 crore (Group's share) have also been raised for which necessary rectification applications U/s 154 of the Income Tax Act, 1961 have been filed by the associate company. The management of the Company expects that the demands will be deleted post rectification by the department and it has no impact on the financial position of the Group at this stage.

- (iii) In one of the projects of an associate Company, encroachment onto land & installation of unipoles, size of advertisement structures, exemption from paying toll to armed forces personnel's, etc. are under litigation. Based on the legal opinion from the counsel of the associate company, the management of the Company believes that there is reasonable probability of success in the matters and have no impact on the financial position of the Group at this stage.
- (iv) Since August 01, 2009, an associate company was contesting imposition of monthly license fee @ ₹ 115/- per sq.ft. of the total display area (as against 25% of the gross revenue generated) by MCD. In May 2010, The Hon'ble Court has directed the said entity to deposit license fees at 50% of ₹ 115/- per sqft of the display till the final disposal of the matter. As an abundant caution the management had decided to provide for the license fee as demanded by MCD in full.

In November 2014, the entity has entered into MOU with MCD whereby the entity has obtained permission to display advertisement against payment of monthly license fees @ 25% of total income or 25% of zonal rate (whichever is higher).

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In February 2015, Hon'able High Court ordered that the imposition of License Fees do not have the authority of law, accordingly set aside the MCD demand & ordered MCD to refund amount deposited pursuant to its order of May 2010. The entity has stopped paying license fees to MCD from February 2015 and filed an application for refund of the amount paid. The entity had written back the provision recognised in this respect in previous financial year

In August 2015, MCD has issued show-cause notice alleging violation of various terms of MOU and subsequently removed all outdoor advertisement/display on the Delhi side of DND flyway. The entity has initiated legal action and is in process of amicable settlement with MCD.

- (v) An associate company has acquired the land on Delhi side for the construction of Bridge from the Government of Delhi and Delhi Development Authority and the amount paid has been considered as a part of the project cost. However pending final settlement of the dues, the said entity had estimated the cost at ₹ 0.77 crore (Group Share) and provided the same as a part of the project cost. A sum of ₹ 0.24 crore (Group share) has so far been paid against the demand out of the aforesaid provision. The actual settlement may result in probable obligation to the extent of ₹ 0.53 crore (Group Share) based on management estimates.

## 42.3 Others

- (i) As per the draft MOU, to be executed between RLHL (LOC), Chirayu Kath Real Estate Pvt. Ltd.(LOC), Devika Buildestate Pvt. Ltd. (LOC), Flamingo Landbase Pvt. Ltd. (LOC) and IL&FS Township & Urban Assets Ltd. {ITUAL (Developer)}, in respect of Alwar Land and Kishangarh land, ITUAL has incurred certain expenses/going to incur certain expenses till the execution of the joint Development Agreement, relating to land conversion, deployment of security guards, appointment of designers, architects, other consultants, construction of boundary wall, litigations etc. and the LOC's agrees to reimburse the same to Developer along with the applicable taxes and interest in case of non-execution of Development Agreement.

As on 31 March 2017, the Development Agreement had not been executed and ITUAL had incurred ₹ 1.05 crore (As at March 31, 2016: ₹ 0.95 crore) being project related expenses in relation to land held with the said group subsidiary.

- (ii) As per the draft MOU, to be executed between CKREPL (LOC), Rajasthan Land Holdings Ltd.(LOC), and IL&FS Township & Urban Assets Ltd. {ITUAL (Developer)}, in respect of Alwar Land, ITUAL has incurred certain expenses/going to incur certain expenses till the execution of the joint Development Agreement, relating to land conversion, deployment of security guards, appointment of designers, architects, other consultants, construction of boundary wall, litigations etc. and the LOC's agrees to reimburse the same to Developer along with the applicable taxes and interest in case of non-execution of Development Agreement.

As on 31 March 2017, the Development Agreement had not been executed and ITUAL had incurred ₹ 0.61 crore (As at March 31, 2016: ₹ 0.59 crore) being project related expenses in relation to land held with the said group subsidiary.

- (iii) As per the draft MOU, to be executed between DBPL (LOC), Rajasthan Land Holdings Ltd.(LOC), Flamingo Landbase Pvt. Ltd. (LOC) and IL&FS Township & Urban Assets Ltd. {ITUAL (Developer)}, in respect of Kishangarh land, ITUAL has incurred certain expenses/going to incur certain expenses till the execution of the joint Development Agreement, relating to land conversion, deployment of security guards, appointment of designers, architects, other consultants, construction of boundary wall, litigations etc. and the LOC's agrees to reimburse the same to Developer along with the applicable taxes and interest in case of non-execution of Development Agreement.

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As on 31 March 2017, the Development Agreement had not been executed and ITUAL had incurred ₹ 0.75 crore (As at March 31, 2016: ₹ 0.66 crore) being project related expenses in relation to land held with the said group subsidiary.

- (iv) As per the draft MOU, to be executed between FLPL (LOC), Rajasthan Land Holdings Ltd.(LOC), Devika Buildestate Pvt. Ltd. (LOC) and IL&FS Township & Urban Assets Ltd. {ITUAL (Developer)}, in respect of Kishangarh land, ITUAL has incurred certain expenses/going to incur certain expenses till the execution of the joint Development Agreement, relating to land conversion, deployment of security guards, appointment of designers, architects, other consultants, construction of boundary wall, litigations etc. and the LOC's agrees to reimburse the same to Developer along with the applicable taxes and interest in case of non-execution of Development Agreement.

As on 31 March 2017, the Development Agreement had not been executed and ITUAL had incurred ₹ 1.33 crore (As at March 31, 2016: ₹ 1.17 crore) being project related expenses in relation to land held with the said group subsidiary.

- (v) A suit had been filed by a claimant against the insurance companies under the Motor Vehicles Act, in connection with an accident between a tractor trolley and a car owned by RIDCOR. In the suit the said JV had been named as one of the Respondents in the matter. The main parties to the suit were the insurance companies and all claims, as may be awarded by the Court, were to be settled by the respective insurance companies. This case had been decided by the tribunal whereby the said JV and its insurance company were made liable to pay ₹ 0.24 crore (group share) plus interest @ 6% per annum from 29.04.2008. As the said JV had taken third party liability insurance, this amount is required to be paid by the insurance company. The insurance company has filed an appeal against the decision and denied to pay the amount. The said JV's liability may persist as a respondent, being the owner of the car/vehicle. The amount claimed under the case is ₹ 0.24 crore (group share) plus interest @ 6% per annum from 29.04.2008 onwards.
- (vi) There are certain land acquisition cases pending against PWD/ RIDCOR which were filed under the Land Acquisition Act, 1894. As the Land Acquisition Act, 1894 has been repealed and new Land Acquisition Act, 2013 has been passed, these cases (20 High Court / Lower Court Cases) will now be dealt with by the New Act of 2013 depending upon the decisions of the High/Supreme Court. PWD/ RIDCOR may have to pay compensation in some cases as per new act, the quantum of which cannot be determined at this point of time.
- (vii) Due to Sinhashth Parv of Kumbh at Ujjain, Hon'ble Minister, PWD had directed to suspend tolling at JU Toll plaza for 1 month from 22.04.2016 to 22.05.2016. The toll agency of package JU has claimed compensation of ₹ 0.26 crore (group share) alleging that they had considered higher revenue for Kumbh period in their quote. The said JV has requested PWD, GOR to compensate for the toll revenue loss for this period amounting to ₹ 0.61 crore including contractual Toll Revenue. The payment of contractor's claim is subject to receipt of the said JV's claim from GOR.
- (viii) As per order issued by District Collector, Sawai Madhopur, vehicles which were plying with rationing food under National Food Security scheme were exempted from toll at Bhadoti Toll Plaza of Lalsot-Kota (LJ-1). In this regard toll agency has submitted a claim of ₹ 0.02 crore (group share) for the period during which such exemption was given. The said JV has requested PWD, GOR to reimburse this amount. The payment of contractor's claim is subject to receipt of the said JV's claim from GOR.
- (ix) Due to demonetisation and shortage of small denomination currency, the toll collection was suspended during the period from 09.11.2016 to 02.12.2016 by the Government. The said JV has submitted claim of ₹ 12.93 crore (group share) to PWD, GOR to compensate for the toll revenue loss for this period which includes toll collection

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establishment charges and Toll agency's profit margin. In this respect Toll agency of Package LJ-1 and AS has submitted a claim towards revenue loss of ₹ 0.13 group share (net of liability already provided for). The payment of contractor's claim is subject to receipt of Group's claim from GOR.

- (x) M/s Shree Gautam Construction Company who has executed construction of Bikaner ROB, has given a notice for conciliation in respect of dispute regarding payment of post tensioned prestressed girder. Total amount claimed by the contractor is ₹ 0.35 crore (group share) against reinforcement steel used in PSC Girders. The said JV's contention in this regard is that the claim raised by the contractor is not acceptable because price of reinforcement steel is already included in the BOQ item mentioned in the contract agreement. Presently conciliation is in progress.

Footnotes:

- (i) A number of contingent liabilities have arisen as a result of the Company's interest in its joint venture. The amount disclosed represents the aggregate amount of such contingent liabilities for which the Company as an investor is liable. The extent to which an outflow of funds will be required is dependent on the future operations of the joint venture being more or less favourable than currently expected. The Company is not contingently liable for the liabilities of other venturers in its joint venture.
- (ii) The amount disclosed represents the Company's share of contingent liabilities of associates. The extent to which an outflow of funds will be required is dependent on the future operations of the associates being more or less favourable than currently expected.

#### 42.4 Letter of awareness and letter of financial support

Letter of financial support has been issued to Thiruvananthapuram Road Development Company Limited to enable it to continue its operations and meet its financial obligations as and when they fall due.

## 43 Related Party Disclosure

### Current year

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

Nature of Relationship	Name of Entity	Abbreviation used
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS
Fellow Subsidiaries (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Apptex Marketing Services & Solutions Limited	APMSSL
	Bhopal E-Governance Limited	B EGL
	Gujarat Integrated Maritime Complex Private Limited	GIMCL
	IL&FS Airport Limited	IAL
	IL&FS Capital Advisors Limited	ICAL
	IL&FS Cluster Development Initiative Limited	ICDI
	IL&FS Education & Technology Services Limited	IETS
	IL&FS Energy Development Company Limited	IEDCL
	IL&FS Environment Infrastructure & Services Limited	IEISL
	IL&FS Financial Services Limited	IFIN
	IL&FS Global Financial Services (UK) Ltd.	IGFS(UK)L
	IL&FS Global Financial Services Pte. Ltd.	IGFSPL
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Renewable Energy Limited	IREL
	IL&FS Securities Services Limited	ISSL
	IL&FS Skills Development Corporation Limited	ISDC
	IL&FS Technologies Ltd.	ITL
	IL&FS Township & Urban Assets Limited	ITUAL
	IL&FS Trust Company Limited (upto March 30, 2016)	ITCL
	IL&FS Water Limited	IWL
	IL&FS Wind Power Limited	IWPL
	IL&FS Wind Projects Development Limited	IWP

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Nature of Relationship	Name of Entity	Abbreviation used
	Kanak Resources Management Limited	KRML
	Livia India Limited	LIL
	Mota Layja Gas Power Company Limited	MLGPCL
	PT Mantimin Coal Mining	PTMCM
	Rohtas Bio Energy Limited	RBEL
	Sabarmati Capital One Limited	SCOL
	Skill Training Assessment Management Partners Limited	STAMP
	Tierra Enviro Limited	TEL
	Unique Waste Processing Company Limited	UWPCL
	ISSL CPG BPO Private Limited	ISCPBL
	IL&FS Global Financial Services (ME) Limited	IGFSL(ME)
	IL&FS Maritime International FZE	IMIF
	IL&FS Global Financial Services (HK) Limited	IGFSL(HK)
Associates	ITNL Toll Management Services Limited	ITMSL
	Gujarat Road and Infrastructure Company Limited	GRICL
	CGI 8 S.A.	CGI-8
	Geotecnia y Control De Qualitat, S. A.	
	Consortio De Obras Civiles, Conciviles, S.R.L.	
	Vias Y Construcciones, Viacon, S.R.L.	
	Elsamex Infrastructure Company WLL	EICWLL
	Elsamex Road Technology Company Limited	ERT(China)
	Noida Toll Bidge Company Limited	NTBCL
	Ramky Elsamex Ring Road Limited, Hyderabad	REHRR
	Sociedad Concesionaria Autovia A-4 Madrid S.A	A4 CONCESSION
Joint Ventures	Jorabat Shillong Expressway Limited	JSEL
	Road Infrastructure Development Company of Rajasthan Limited	RIDCOR
	RIDCOR Infraprojects Private Limited	RIPL
	Jharkhand Accelerated Road Development Company Limited	JARDCL
	Thiruvananthapuram Road Development Company Limited	TRDCL
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL
	N.A.M. Expressway Limited	NAMEL
	Chongqing Yuhe Expressway Co. Ltd	Yuhe
	Elsamex ITNL JVCA	EIJVCA
Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director	
	Mr Dilip Bhatia - Chief Financial Officer (from January 01, 2016)	
	Mr Krishna Ghag-Company Secretary	
Relatives of KMP	Mrs Rita Ramchand (wife of Mr K Ramchand)	
KMP of Holding Company	Mr Ravi Parthasarathy - Director	
	Mr Hari Sankaran - Director	
	Mr Arun Saha - Director	

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(b) Current year balances / transactions with above mentioned related parties

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
<b>Balances</b>						
<b>Advances Recoverable</b>						
GRICL	-	-	75.00	-	-	75.00
	-	-	<b>75.00</b>	-	-	<b>75.00</b>
<b>Allowance for Expected Credit Loss on Advances Recoverables</b>						
GRICL	-	-	21.61	-	-	21.61
	-	-	<b>21.61</b>	-	-	<b>21.61</b>
<b>Equity share Capital</b>						
IFIN	-	4.27	-	-	-	4.27
ILFS	236.58	-	-	-	-	236.58
	<b>236.58</b>	<b>4.27</b>	-	-	-	<b>240.85</b>
<b>Investments</b>						
NAMEL	-	-	-	116.75	-	116.75
NTBCL	-	-	191.62	-	-	191.62
RIDCOR	-	-	-	162.50	-	162.50
OTHERS	-	-	39.78	138.14	-	177.92
	-	-	<b>231.40</b>	<b>417.39</b>	-	<b>648.79</b>
<b>Fair Valuation of Investments - Decrease</b>						
NTBCL	-	-	29.29	-	-	29.29
TRDCL	-	-	-	17.03	-	17.03
	-	-	<b>29.29</b>	<b>17.03</b>	-	<b>46.32</b>
<b>Long-Term Borrowings</b>						
IFIN	-	500.62	-	-	-	500.62
IMICL	-	200.00	-	-	-	200.00
OTHERS	7.20	120.73	32.41	75.00	-	235.34
	<b>7.20</b>	<b>821.35</b>	<b>32.41</b>	<b>75.00</b>	-	<b>935.96</b>
<b>Short-term Borrowings</b>						
IFIN	-	77.50	-	-	-	77.50
SCOL	-	135.00	-	-	-	135.00
LIL	-	200.00	-	-	-	200.00
BEGL	-	99.00	-	-	-	99.00
OTHERS	49.83	116.47	0.77	7.92	-	174.99
	<b>49.83</b>	<b>627.97</b>	<b>0.77</b>	<b>7.92</b>	-	<b>686.49</b>
<b>Current Maturities of Long Term Borrowings</b>						
NLGPCL	-	75.00	-	-	-	75.00
OTHERS	3.60	0.10	-	-	-	3.70
	<b>3.60</b>	<b>75.10</b>	-	-	-	<b>78.70</b>
<b>Interest accrued but not due on borrowings</b>						
IFIN	-	7.05	-	-	-	7.05
ITUAL	-	3.72	-	-	-	3.72
OTHERS	-	0.33	-	-	-	0.33
	-	<b>11.10</b>	-	-	-	<b>11.10</b>

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Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
<b>Mobilisation Advance paid</b>						
ITL	-	4.00	-	-	-	4.00
	-	<b>4.00</b>	-	-	-	<b>4.00</b>
<b>Mobilisation Advances Received (Short-term)</b>						
JSEL	-	-	-	5.57	-	5.57
NAMEL	-	-	-	2.46	-	2.46
	-	-	-	<b>8.03</b>	-	<b>8.03</b>
<b>Option Premium (Net of provision)</b>						
ILFS	3.67	-	-	-	-	3.67
	<b>3.67</b>	-	-	-	-	<b>3.67</b>
<b>Payable on account of Capital Expenditure</b>						
SCOL	-	3.33	-	-	-	3.33
	-	<b>3.33</b>	-	-	-	<b>3.33</b>
<b>Retention Money Payable</b>						
ITL	-	1.55	-	-	-	1.55
RIDCOR	-	-	-	6.41	-	6.41
OTHERS	-	0.03	-	-	-	0.03
	-	<b>1.58</b>	-	<b>6.41</b>	-	<b>7.99</b>
<b>Retention Money Receivable</b>						
JSEL	-	-	-	40.67	-	40.67
OTHERS	-	-	0.01	-	-	0.01
	-	-	<b>0.01</b>	<b>40.67</b>	-	<b>40.68</b>
<b>Trade Receivables</b>						
JSEL	-	-	-	26.86	-	26.86
NAMEL	-	-	-	34.68	-	34.68
PTMCM	-	19.74	-	-	-	19.74
TRDCL	-	-	-	26.70	-	26.70
OTHERS	-	1.18	9.12	15.11	-	25.41
	-	<b>20.92</b>	<b>9.12</b>	<b>103.35</b>	-	<b>133.39</b>
<b>Allowance for Expected Credit Loss on Receivables</b>						
NAMEL	-	-	-	3.52	-	3.52
TRDCL	-	-	-	18.50	-	18.50
OTHERS	-	1.86	-	-	-	1.86
	-	<b>1.86</b>	-	<b>22.02</b>	-	<b>23.88</b>
<b>Unbilled Revenue</b>						
JSEL	-	-	-	167.29	-	167.29
OTHERS	-	-	-	0.53	-	0.53
	-	-	-	<b>167.82</b>	-	<b>167.82</b>

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Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
<b>Loans given - Current</b>						
JSEL	-	-	-	219.55	-	219.55
TRDCL	-	-	-	78.20	-	78.20
OTHERS	-	55.60	0.87	70.48	-	126.95
	-	<b>55.60</b>	<b>0.87</b>	<b>368.23</b>	-	<b>424.70</b>
<b>Loans given - Non current</b>						
A4 CONCESSION	-	-	60.10	-	-	60.10
TRDCL	-	-	-	99.08	-	99.08
OTHERS	-	-	-	0.34	-	0.34
	-	-	<b>60.10</b>	<b>99.42</b>	-	<b>159.52</b>
<b>Allowance for Expected Credit Loss on non current Loans</b>						
TRDCL	-	-	-	55.48	-	55.48
	-	-	-	<b>55.48</b>	-	<b>55.48</b>
<b>Allowance for Expected Credit Loss on current Loans</b>						
TRDCL	-	-	-	22.39	-	22.39
OTHERS	-	-	-	0.30	-	0.30
	-	-	-	<b>22.69</b>	-	<b>22.69</b>
<b>Inter Corporate Deposits</b>						
IFIN	-	8.80	-	-	-	8.80
	-	<b>8.80</b>	-	-	-	<b>8.80</b>
<b>Other Current Liabilities</b>						
IFIN	-	2.31	-	-	-	2.31
OTHERS	0.13	0.02	-	-	-	0.15
	<b>0.13</b>	<b>2.33</b>	-	-	-	<b>2.46</b>
<b>Other Financial Assets</b>						
GIMCI	-	0.06	-	-	-	0.06
TEL	-	0.02	-	-	-	0.02
ICDI	-	0.01	-	-	-	0.01
	-	<b>0.09</b>	-	-	-	<b>0.09</b>
<b>Prepaid Expenses</b>						
IFIN	-	57.32	-	-	-	57.32
IGFSL	-	8.77	-	-	-	8.77
OTHERS	-	3.26	-	-	-	3.26
	-	<b>69.35</b>	-	-	-	<b>69.35</b>
<b>Security Deposit</b>						
Mr K Ramchand-Managing Director	-	-	-	-	0.10	0.10
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	0.05	0.05
	-	-	-	-	<b>0.15</b>	<b>0.15</b>
<b>Other Advances</b>						
IAL	-	5.39	-	-	-	5.39
RIDCOR	-	-	-	4.40	-	4.40
OTHERS	0.01	1.14	0.50	0.05	-	1.70
	<b>0.01</b>	<b>6.53</b>	<b>0.50</b>	<b>4.45</b>	-	<b>11.49</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
<b>Trade payables</b>						
IFIN	-	42.06	-	-	-	42.06
ILFS	26.92	-	-	-	-	26.92
ITUAL	-	17.95	-	-	-	17.95
OTHERS	0.11	17.42	-	2.39	-	19.92
	<b>27.03</b>	<b>77.43</b>	-	<b>2.39</b>	-	<b>106.85</b>
<b>Provision for Doubtful Advance</b>						
IAL	-	22.06	-	-	-	22.06
	-	<b>22.06</b>	-	-	-	<b>22.06</b>
<b>Revenue from Operations</b>						
GRICL	-	-	38.92	-	-	38.92
JSEL	-	-	-	100.80	-	100.80
OTHERS	-	1.07	12.14	77.28	-	90.49
	-	<b>1.07</b>	<b>51.06</b>	<b>178.08</b>	-	<b>230.21</b>
<b>Other Income</b>						
A4 CONCESSION	-	-	4.19	-	-	4.19
JSEL	-	-	-	29.52	-	29.52
OTHERS	-	0.11	-	-	-	0.11
	-	<b>0.11</b>	<b>4.19</b>	<b>29.52</b>	-	<b>33.82</b>
<b>Borrowings</b>						
ILFS	1,180.83	-	-	-	-	1,180.83
ICDI	-	575.10	-	-	-	575.10
OTHERS	13.15	3,456.48	-	200.00	-	3,669.63
	<b>1,193.98</b>	<b>4,031.58</b>	-	<b>200.00</b>	-	<b>5,425.56</b>
<b>Brand subscription fees (Expense)</b>						
ILFS	15.74	-	-	-	-	15.74
	<b>15.74</b>	-	-	-	-	<b>15.74</b>
<b>Capital Advance received</b>						
IFIN	-	115.00	-	-	-	115.00
	-	<b>115.00</b>	-	-	-	<b>115.00</b>
<b>Capital Advance repaid</b>						
IFIN	-	115.00	-	-	-	115.00
	-	<b>115.00</b>	-	-	-	<b>115.00</b>
<b>Commission Charges &amp; monitoring fees</b>						
ILFS	21.51	-	-	-	-	21.51
OTHERS	-	0.15	-	-	-	0.15
	<b>21.51</b>	<b>0.15</b>	-	-	-	<b>21.66</b>
<b>Dividend Paid</b>						
ILFS	3.73	-	-	-	-	3.73
	<b>3.73</b>	-	-	-	-	<b>3.73</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
<b>Finance Cost</b>						
IFIN	-	70.32	-	-	-	70.32
IMICL	-	20.50	-	-	-	20.50
OTHERS	-	29.34	-	-	-	29.34
	-	<b>120.16</b>	-	-	-	<b>120.16</b>
<b>Intangible assets under development</b>						
IFIN	-	65.03	-	-	-	65.03
OTHERS	0.31	0.41	-	-	-	0.72
	<b>0.31</b>	<b>65.44</b>	-	-	-	<b>65.75</b>
<b>Interest income on Financial Assets</b>						
ILFS	5.42	-	-	-	-	5.42
JSEL	-	-	-	8.93	-	8.93
TRDCL	-	-	-	8.81	-	8.81
RIDCOR	-	-	-	9.04	-	9.04
OTHERS	-	3.18	-	0.77	-	3.95
	<b>5.42</b>	<b>3.18</b>	-	<b>27.55</b>	-	<b>36.15</b>
<b>Interest on Debentures</b>						
ILFS	1.83	-	-	-	-	1.83
	<b>1.83</b>	-	-	-	-	<b>1.83</b>
<b>Interest on Loans (Expense)</b>						
ILFS	321.00	-	-	-	-	321.00
OTHERS	26.81	384.06	0.15	2.41	-	413.43
	<b>347.81</b>	<b>384.06</b>	<b>0.15</b>	<b>2.41</b>	-	<b>734.43</b>
<b>Loans given</b>						
JSEL	-	-	-	643.37	-	643.37
TRDCL	-	-	-	121.77	-	121.77
OTHERS	-	53.63	0.83	59.00	-	113.46
	-	<b>53.63</b>	<b>0.83</b>	<b>824.14</b>	-	<b>878.60</b>
<b>Miscellaneous Income</b>						
NTBCL	-	-	0.66	-	-	0.66
OTHERS	-	0.60	-	-	-	0.60
	-	<b>0.60</b>	<b>0.66</b>	-	-	<b>1.26</b>
<b>Operating Expenses (Other than Construction Cost)</b>						
IAL	-	7.01	-	-	-	7.01
ITL	-	12.78	-	-	-	12.78
OTHERS	-	0.16	-	-	-	0.16
	-	<b>19.95</b>	-	-	-	<b>19.95</b>
<b>Other Interest</b>						
IFIN	-	2.32	-	-	-	2.32
	-	<b>2.32</b>	-	-	-	<b>2.32</b>
<b>Purchase of Investment</b>						
ILFS	4.52	-	-	-	-	4.52
	<b>4.52</b>	-	-	-	-	<b>4.52</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
<b>Redemption / Repayments</b>						
ILFS	3.60	-	-	-	-	3.60
	<b>3.60</b>	-	-	-	-	<b>3.60</b>
<b>Redemption of Debenture</b>						
RIDCOR	-	-	-	32.00	-	32.00
	-	-	-	<b>32.00</b>	-	<b>32.00</b>
<b>Remuneration to director / KMP</b>						
Mr K Ramchand-Managing Director	-	-	-	-	5.20	5.20
Mr Dilip Bhatia-Chief Financial Officer	-	-	-	-	1.50	1.50
OTHERS	-	-	-	-	0.59	0.59
	-	-	-	-	<b>7.29</b>	<b>7.29</b>
<b>Rent Expense</b>						
Mr K Ramchand-Managing Director	-	-	-	-	0.34	0.34
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	0.45	0.45
OTHERS	-	-	-	-	0.10	0.10
	-	-	-	-	<b>0.89</b>	<b>0.89</b>
<b>Repayment of Borrowings</b>						
ILFS	1,180.00	-	-	-	-	1,180.00
OTHERS	337.00	5,474.58	-	125.00	-	5,936.58
	<b>1,517.00</b>	<b>5,474.58</b>	-	<b>125.00</b>	-	<b>7,116.58</b>
<b>Repayment of loans given</b>						
JSEL	-	-	-	486.82	-	486.82
TRDCL	-	-	-	128.28	-	128.28
OTHERS	-	15.57	-	59.00	-	74.57
	-	<b>15.57</b>	-	<b>674.10</b>	-	<b>689.67</b>
<b>Reversal of Expected Credit Loss on Receivables</b>						
TRDCL	-	-	-	5.76	-	5.76
	-	-	-	<b>5.76</b>	-	<b>5.76</b>
<b>Dividend Received</b>						
GRICL	-	-	4.46	-	-	4.46
NTBCL	-	-	7.36	-	-	7.36
	-	-	<b>11.82</b>	-	-	<b>11.82</b>
<b>Inter corporate deposits placed</b>						
IFIN	-	129.53	-	-	-	129.53
OTHERS	-	2.56	-	-	-	2.56
	-	<b>132.09</b>	-	-	-	<b>132.09</b>
<b>Inter corporate deposits received back</b>						
IFIN	-	122.03	-	-	-	122.03
OTHERS	-	2.46	-	-	-	2.46
	-	<b>124.49</b>	-	-	-	<b>124.49</b>
<b>Other Expenses</b>						
ILFS	26.81	-	-	-	-	26.81
OTHERS	3.63	17.21	2.01	0.24	-	23.09
	<b>30.44</b>	<b>17.21</b>	<b>2.01</b>	<b>0.24</b>	-	<b>49.90</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
<b>Dividend Paid</b>						
ILFS	47.32	-	-	-	-	47.32
IFIN	-	0.85	-	-	-	0.85
	<b>47.32</b>	<b>0.85</b>	-	-	-	<b>48.17</b>

Footnote : - \* Includes Deputation cost of ₹ 6.10 Crores charged by Holding Company "IL&FS"

Mr K Ramchand-Managing Director	3.68
Mr Mukund Sapre-Executive Director	2.42
	<u>6.10</u>

## Previous year - March 2016

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

Nature of Relationship	Name of Entity	Abbreviation used
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS
Fellow Subsidiaries (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Apptex Marketing Services & Solutions Limited	APMSSL
	Bhopal E-Governance Limited	B EGL
	Gujarat Integrated Maritime Complex Private Limited	GIMCL
	IL&FS Airport Limited	IAL
	IL&FS Capital Advisors Limited	ICAL
	IL&FS Cluster Development Initiative Limited	ICDI
	IL&FS Education & Technology Services Limited	IETS
	IL&FS Energy Development Company Limited	IEDCL
	IL&FS Environment Infrastructure & Services Limited	IEISL
	IL&FS Financial Services Limited	IFIN
	IL&FS Global Financial Services (UK) Ltd.	IGFS(UK)L
	IL&FS Global Financial Services Pte. Ltd.	IGFSPL
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Renewable Energy Limited	IREL
	IL&FS Securities Services Limited	ISSL
	IL&FS Skills Development Corporation Limited	ISDC
	IL&FS Technologies Ltd.	ITL
	IL&FS Township & Urban Assets Limited	ITUAL
	IL&FS Trust Company Limited (upto March 30, 2016)	ITCL
	IL&FS Water Limited	IWL
	IL&FS Wind Power Limited	IWPL
	IL&FS Wind Projects Development Limited	IWP
	Kanak Resources Management Limited	KRML
Livia India Limited	LIL	
Mota Layja Gas Power Company Limited	MLGPCL	
PT Mantimin Coal Mining	PTMCM	
Rohtas Bio Energy Limited	RBEL	
Sabarmati Capital One Limited	SCOL	

# NOTES

forming part of the Consolidated Financial Statements

Nature of Relationship	Name of Entity	Abbreviation used
	Skill Training Assessment Management Partners Limited	STAMP
	Tierra Enviro Limited	TEL
	Unique Waste Processing Company Limited	UWPCL
	IL&FS Urban Infrastructure Managers Limited	IUIML
	ISSL CPG BPO Private Limited	ISCPBL
	IL&FS Global Financial Services (ME) Limited	IGFSL(ME)
	IL&FS Maritime International FZE	IMIF
	IL&FS Global Financial Services (HK) Limited	IGFSL(HK)
Associates	ITNL Toll Management Services Limited	ITMSL
	Gujarat Road and Infrastructure Company Limited	GRICL
	CGI 8 S.A.	CGI-8
	Elsamex Infrastructure Company WLL	EICWLL
	Elsamex Road Technology Company Limited	ERT(China)
	Noida Toll Brdige Company Limited	NTBCL
	Ramky Elsamex Ring Road Limited, Hyderabad	REHRR
	Geotecnia y Control De Qualitat, S. A.	
	Consortio De Obras Civiles, Conciviles, S.R.L.	
	Vias Y Construcciones, Viacon, S.R.L.	
	Sociedad Concesionaria Autovia A-4 Madrid S.A	A4 CONCESSION
	VCS-Enterprises Limited (upto February 18, 2016)	VCS
Joint Ventures	Jorabat Shillong Expressway Limited	JSEL
	Road Infrastructure Development Company of Rajasthan Limited	RIDCOR
	RIDCOR Infraprojects private Limited	RIPL
	Jharkhand Accelerated Road Development Company Limited	JARDCL
	Thiruvananthapuram Road Development Company Limited	TRDCL
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL
	N.A.M. Expressway Limited	NAMEL
	Chongqing Yuhe Expressway Co. Ltd	Yuhe
	Elsamex ITNL JVCA	EIJVCA
Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director	
	Mr Mukund Sapre-Executive Director	
	Mr George Cherian-Chief Financial Officer (upto December 31, 2015)	
	Mr Dilip Bhatia - Chief Financial Officer (from January 01, 2016)	
	Mr Krishna Ghag-Company Secretary	
Relatives of KMP	Mrs Rita Ramchand (wife of Mr K Ramchand)	
	Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	
	Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	
KMP of Holding Company	Mr Ravi Parthasarathy - Director	
	Mr Hari Sankaran - Director	
	Mr Arun Saha - Director	

# NOTES

forming part of the Consolidated Financial Statements

(b) Previous year balances / transactions with above mentioned related parties

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Balances</b>						
<b>Advances Recoverable</b>						
GRICL	-	-	75.00	-	-	75.00
OTHERS	-	-	-	0.01	-	0.01
	-	-	<b>75.00</b>	<b>0.01</b>	-	<b>75.01</b>
<b>Equity share Capital</b>						
ILFS	236.58	-	-	-	-	236.58
OTHERS	-	4.27	-	-	-	4.27
	<b>236.58</b>	<b>4.27</b>	-	-	-	<b>240.85</b>
<b>Inter-corporate deposits</b>						
IFIN	-	1.21	-	-	-	1.21
ITL	-	4.00	-	-	-	4.00
	-	<b>5.21</b>	-	-	-	<b>5.21</b>
<b>Investments</b>						
NAMEL	-	-	-	116.75	-	116.75
RIDCOR	-	-	-	162.50	-	162.50
NTBCL	-	-	187.16	-	-	187.16
OTHERS	-	-	65.45	128.14	-	193.59
	-	-	<b>252.61</b>	<b>407.39</b>	-	<b>660.00</b>
<b>Fair Valuation of Investments - Decrease</b>						
TRDCL	-	-	-	17.03	-	17.03
NTBCL	-	-	29.29	-	-	29.29
	-	-	<b>29.29</b>	<b>17.03</b>	-	<b>46.32</b>
<b>Loans given - Current</b>						
JSEL	-	-	-	185.00	-	185.00
TRDCL	-	-	-	94.55	-	94.55
OTHERS	-	15.56	-	5.75	-	21.31
	-	<b>15.56</b>	-	<b>285.30</b>	-	<b>300.86</b>
<b>Loans given - Non current</b>						
ILFS	112.34	-	-	-	-	112.34
JSEL	-	-	-	59.50	-	59.50
RIDCOR	-	-	-	59.40	-	59.40
TRDCL	-	-	-	34.35	-	34.35
A4 CONCESSION	-	-	61.81	-	-	61.81
OTHERS	-	-	4.16	-	-	4.16
	<b>112.34</b>	-	<b>65.97</b>	<b>153.25</b>	-	<b>331.56</b>
<b>Current Maturities of Long-term debt</b>						
ILFS	3.60	-	-	-	-	3.60
	<b>3.60</b>	-	-	-	-	<b>3.60</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Allowance for Expected Credit Loss on Loans</b>						
TRDCL	-	-	-	33.21	-	33.21
OTHERS	-	0.02	-	0.10	-	0.12
	-	<b>0.02</b>	-	<b>33.31</b>	-	<b>33.33</b>
<b>Long-term Borrowings</b>						
IFIN	-	333.50	-	-	-	333.50
ILFS	123.14	-	-	-	-	123.14
MLGPCL	-	200.00	-	-	-	200.00
SCOL	-	157.00	-	-	-	157.00
TEL	-	150.00	-	-	-	150.00
OTHERS	-	513.94	-	-	-	513.94
	<b>123.14</b>	<b>1,354.44</b>	-	-	-	<b>1,477.58</b>
<b>Short-term Borrowings</b>						
IFIN	-	653.75	-	-	-	653.75
ILFS	50.00	-	-	-	-	50.00
LIL	-	276.00	-	-	-	276.00
UWPCL	-	200.00	-	-	-	200.00
OTHERS	-	319.53	-	-	-	319.53
Short-term Borrowings Total	<b>50.00</b>	<b>1,449.28</b>	-	-	-	<b>1,499.28</b>
<b>Interest accrued but not due on borrowings</b>						
ILFS	14.57	-	-	-	-	14.57
LIL	-	7.01	-	-	-	7.01
SCOL	-	4.74	-	-	-	4.74
TEL	-	5.48	-	-	-	5.48
UWPCL	-	6.13	-	-	-	6.13
OTHERS	-	5.01	-	-	-	5.01
	<b>14.57</b>	<b>28.37</b>	-	-	-	<b>42.94</b>
<b>Interest-accrued</b>						
ILFS	1.09	-	-	-	-	1.09
IMICL	-	1.86	-	-	-	1.86
NAMEL	-	-	-	8.61	-	8.61
RIDCOR	-	-	-	21.86	-	21.86
TRDCL	-	-	-	47.15	-	47.15
OTHERS	-	0.02	-	0.98	-	1.00
	<b>1.09</b>	<b>1.88</b>	-	<b>78.60</b>	-	<b>81.57</b>
<b>Mobilisation Advances Received (Short-term)</b>						
JSEL	-	-	-	7.98	-	7.98
NAMEL	-	-	-	2.46	-	2.46
	-	-	-	<b>10.44</b>	-	<b>10.44</b>
<b>Option Premium (Net of provision)</b>						
ILFS	7.92	-	-	-	-	7.92
	<b>7.92</b>	-	-	-	-	<b>7.92</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Other Advances</b>						
EIJVCA	-	-	-	8.77	-	8.77
IAL	-	27.27	-	-	-	27.27
OTHERS	0.01	0.25	0.30	0.19	-	0.75
	<b>0.01</b>	<b>27.52</b>	<b>0.30</b>	<b>8.96</b>	-	<b>36.79</b>
<b>Other Current Assets</b>						
IFIN	-	1.37	-	-	-	1.37
	-	<b>1.37</b>	-	-	-	<b>1.37</b>
<b>Other Current Liabilities</b>						
ITUAL	-	24.86	-	-	-	24.86
OTHERS	-	4.98	-	-	-	4.98
	-	<b>29.84</b>	-	-	-	<b>29.84</b>
<b>Payable against property</b>						
SCOL	-	5.41	-	-	-	5.41
	-	<b>5.41</b>	-	-	-	<b>5.41</b>
<b>Prepaid Expenses</b>						
IFIN	-	3.00	-	-	-	3.00
IGFSL	-	6.88	-	-	-	6.88
IGFSL(HK)	-	2.49	-	-	-	2.49
OTHERS	-	0.01	-	-	-	0.01
	-	<b>12.38</b>	-	-	-	<b>12.38</b>
<b>Provision for Doubtful Assets</b>						
IAL	-	22.06	-	-	-	22.06
	-	<b>22.06</b>	-	-	-	<b>22.06</b>
<b>Purchase of Investments</b>						
GRICL	-	-	0.05	-	-	0.05
	-	-	<b>0.05</b>	-	-	<b>0.05</b>
<b>Purchase of tangible assets</b>						
SCOL	-	13.59	-	-	-	13.59
	-	<b>13.59</b>	-	-	-	<b>13.59</b>
<b>Trade Payables other than MSME</b>						
IFIN	-	25.81	-	-	-	25.81
ILFS	9.72	-	-	-	-	9.72
OTHERS	-	18.05	-	2.39	-	20.44
	<b>9.72</b>	<b>43.86</b>	-	<b>2.39</b>	-	<b>55.97</b>
<b>Retention Money Payable</b>						
ITL	-	1.55	-	-	-	1.55
OTHERS	-	0.03	-	-	-	0.03
	-	<b>1.58</b>	-	-	-	<b>1.58</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Trade Receivables</b>						
ILFS	0.01	-	-	-	-	0.01
JSEL	-	-	-	172.17	-	172.17
NAMEL	-	-	-	34.68	-	34.68
RIDCOR	-	-	-	1.78	-	1.78
YUHE	-	-	-	8.49	-	8.49
OTHERS	-	19.13	11.27	32.69	-	63.09
	<b>0.01</b>	<b>19.13</b>	<b>11.27</b>	<b>249.81</b>	-	<b>280.22</b>
<b>Allowance for Expected Credit Loss on Receivables</b>						
JSEL	-	-	-	7.53	-	7.53
NAMEL	-	-	-	2.00	-	2.00
TRDCL	-	-	-	6.38	-	6.38
PTMCM	-	3.89	-	-	-	3.89
OTHERS	-	-	0.09	-	-	0.09
	-	<b>3.89</b>	<b>0.09</b>	<b>15.91</b>	-	<b>19.89</b>
<b>Retention Money Receivable</b>						
JSEL	-	-	-	39.29	-	39.29
RIDCOR	-	-	-	5.02	-	5.02
	-	-	-	<b>44.31</b>	-	<b>44.31</b>
<b>Unamortised borrowing costs</b>						
IFIN	-	52.21	-	-	-	52.21
OTHERS	0.49	-	-	-	-	0.49
	<b>0.49</b>	<b>52.21</b>	-	-	-	<b>52.70</b>
<b>Unbilled Revenue</b>						
JSEL	-	-	-	94.21	-	94.21
OTHERS	-	-	-	0.50	-	0.50
	-	-	-	<b>94.71</b>	-	<b>94.71</b>
<b>Security Deposits</b>						
Mr K Ramchand-Managing Director	-	-	-	-	0.10	0.10
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	0.05	0.05
Mr Mukund Sapre-Executive Director	-	-	-	-	0.05	0.05
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	0.05	0.05
Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	-	-	-	-	2.00	2.00
	-	-	-	-	<b>2.25</b>	<b>2.25</b>
<b>Fair Value Adjustment of advances recoverable - Decrease</b>						
GRICL	-	-	27.40	-	-	27.40
	-	-	<b>27.40</b>	-	-	<b>27.40</b>
<b>Investment in Non Convertible Debenture</b>						
RIDCOR	-	-	-	32.00	-	32.00
	-	-	-	<b>32.00</b>	-	<b>32.00</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Transactions</b>						
<b>Administrative and general expenses</b>						
ILFS	24.75	-	-	-	-	24.75
OTHERS	0.24	6.86	-	-	-	7.10
	<b>24.99</b>	<b>6.86</b>	-	-	-	<b>31.85</b>
<b>Borrowings</b>						
ILFS	3,528.05	-	-	-	-	3,528.05
OTHERS	-	4,350.63	-	-	-	4,350.63
	<b>3,528.05</b>	<b>4,350.63</b>	-	-	-	<b>7,878.68</b>
<b>Brand subscription fees (Expense)</b>						
ILFS	27.43	-	-	-	-	27.43
	<b>27.43</b>	-	-	-	-	<b>27.43</b>
<b>Commission Charges</b>						
ILFS	3.75	-	-	-	-	3.75
	<b>3.75</b>	-	-	-	-	<b>3.75</b>
<b>Construction Cost</b>						
ITUAL	-	62.29	-	-	-	62.29
OTHERS	-	4.89	-	-	-	4.89
	-	<b>67.18</b>	-	-	-	<b>67.18</b>
<b>Corporate Social Responsibility Expenses</b>						
ISDC	-	1.08	-	-	-	1.08
IETS	-	3.09	-	-	-	3.09
	-	<b>4.17</b>	-	-	-	<b>4.17</b>
<b>Director Commission</b>						
Mr Arun Saha - Director	-	-	-	-	0.06	0.06
Mr Hari Sankaran - Director	-	-	-	-	0.06	0.06
Mr Ravi Parthasarathy - Director	-	-	-	-	0.06	0.06
	-	-	-	-	<b>0.18</b>	<b>0.18</b>
<b>Dividend Paid</b>						
ILFS	0.12	-	-	-	-	0.12
ISSL	-	1.08	-	-	-	1.08
	<b>0.12</b>	<b>1.08</b>	-	-	-	<b>1.20</b>
<b>Expected Credit loss on Loans</b>						
TRDCL	-	-	-	4.68	-	4.68
	-	-	-	<b>4.68</b>	-	<b>4.68</b>
<b>Expected Credit loss on Receivables</b>						
NAMEL	-	-	-	1.02	-	1.02
TRDCL	-	-	-	0.67	-	0.67
	-	-	-	<b>1.69</b>	-	<b>1.69</b>
<b>Finance Charges</b>						
IFIN	-	31.03	-	-	-	31.03
OTHERS	-	4.41	-	-	-	4.41
	-	<b>35.44</b>	-	-	-	<b>35.44</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Finance Cost</b>						
IFIN	-	20.50	-	-	-	20.50
IMICL	-	20.50	-	-	-	20.50
OTHERS	-	5.00	-	-	-	5.00
	-	<b>46.00</b>	-	-	-	<b>46.00</b>
<b>Guarantee Fees Income</b>						
EIJVCA	-	-	-	2.95	-	2.95
	-	-	-	<b>2.95</b>	-	<b>2.95</b>
<b>Intangible assets under development</b>						
IFIN	-	19.92	-	-	-	19.92
ILFS	34.21	5.70	-	-	-	39.91
OTHERS	-	2.18	-	-	-	2.18
	<b>34.21</b>	<b>27.80</b>	-	-	-	<b>62.01</b>
<b>Inter-corporate deposits - matured</b>						
IFIN	-	189.69	-	-	-	189.69
OTHERS	-	3.12	-	-	-	3.12
	-	<b>192.81</b>	-	-	-	<b>192.81</b>
<b>Inter-corporate deposits - placed</b>						
IFIN	-	167.99	-	-	-	167.99
OTHERS	-	1.21	-	-	-	1.21
	-	<b>169.20</b>	-	-	-	<b>169.20</b>
<b>Interest Income</b>						
ILFS	12.95	-	-	-	-	12.95
JSEL	-	-	-	16.37	-	16.37
TRDCL	-	-	-	16.11	-	16.11
OTHERS	-	3.82	-	1.04	-	4.86
	<b>12.95</b>	<b>3.82</b>	-	<b>33.52</b>	-	<b>50.29</b>
<b>Interest on Loans (Expense)</b>						
IFIN	-	43.76	-	-	-	43.76
ILFS	110.78	-	-	-	-	110.78
OTHERS	-	74.12	-	-	-	74.12
	<b>110.78</b>	<b>117.88</b>	-	-	-	<b>228.66</b>
<b>Legal /consultation &amp; Professional fees</b>						
ICAL	-	1.14	-	-	-	1.14
IGFSL	-	3.50	-	-	-	3.50
IGFSLUK	-	3.53	-	-	-	3.53
OTHERS	-	1.36	-	-	-	1.36
	-	<b>9.53</b>	-	-	-	<b>9.53</b>
<b>Loans given</b>						
JSEL	-	-	-	297.00	-	297.00
OTHERS	-	-	-	16.60	-	16.60
	-	-	-	<b>313.60</b>	-	<b>313.60</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Miscellaneous Income</b>						
NTBCL	-	-	0.69	-	-	0.69
	-	-	<b>0.69</b>	-	-	<b>0.69</b>
<b>Operating Expenses (Other than Construction Cost)</b>						
ILFS	6.80	-	-	-	-	6.80
ITL	-	3.41	-	-	-	3.41
OTHERS	-	0.18	-	-	-	0.18
	<b>6.80</b>	<b>3.59</b>	-	-	-	<b>10.39</b>
<b>Other Income</b>						
RIDCOR	-	-	-	30.56	-	30.56
OTHERS	-	0.61	0.46	-	-	1.07
Other Income Total	-	<b>0.61</b>	<b>0.46</b>	<b>30.56</b>	-	<b>31.63</b>
<b>Profit on Sale of Investment</b>						
ILFS	237.67	-	-	-	-	237.67
	<b>237.67</b>	-	-	-	-	<b>237.67</b>
<b>Provision for Doubtful Assets.</b>						
IAL	-	22.06	-	-	-	22.06
	-	<b>22.06</b>	-	-	-	<b>22.06</b>
<b>Remuneration to director / KMP</b>						
Mr K Ramchand-Managing Director	-	-	-	-	5.59	5.59
Mr Dilip Bhatia-Chief Financial Officer	-	-	-	-	0.33	0.33
Mr Krishna Ghag-Company Secretary	-	-	-	-	0.75	0.75
Mr Mukund Sapre-Executive Director	-	-	-	-	3.69	3.69
Mr George Cherian-Chief Financial Officer (upto December 31, 2015)	-	-	-	-	1.90	1.90
	-	-	-	-	<b>12.26</b>	<b>12.26</b>
<b>Rent Expense</b>						
Mr K Ramchand-Managing Director	-	-	-	-	0.32	0.32
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	0.41	0.41
Mr Mukund Sapre-Executive Director	-	-	-	-	0.16	0.16
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	0.16	0.16
Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	-	-	-	-	0.01	0.01
	-	-	-	-	<b>1.06</b>	<b>1.06</b>
<b>Repayment of Borrowings</b>						
ILFS	3,475.15	-	-	-	-	3,475.15
OTHERS	-	1,942.92	-	-	-	1,942.92
	<b>3,475.15</b>	<b>1,942.92</b>	-	-	-	<b>5,418.07</b>
<b>Repayment of loans given</b>						
JSEL	-	-	-	358.22	-	358.22
OTHERS	-	-	-	18.75	-	18.75
	-	-	-	<b>376.97</b>	-	<b>376.97</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Revenue from Operations</b>						
JSEL	-	-	-	70.21	-	70.21
RIDCOR	-	-	-	42.34	-	42.34
OTHERS	-	1.17	10.06	44.40	-	55.63
	-	<b>1.17</b>	<b>10.06</b>	<b>156.95</b>	-	<b>168.18</b>
<b>Reversal of Expected Credit loss on Loans</b>						
NAMEL	-	-	-	1.82	-	1.82
OTHERS	-	0.15	-	0.03	-	0.18
	-	<b>0.15</b>	-	<b>1.85</b>	-	<b>2.00</b>
<b>Reversal of Expected Credit loss on Receivables</b>						
JSEL	-	-	-	14.68	-	14.68
OTHERS	-	-	1.20	-	-	1.20
	-	-	<b>1.20</b>	<b>14.68</b>	-	<b>15.88</b>
<b>Reversal of Expected credit losses on other financial assets</b>						
GRICL	-	-	5.16	-	-	5.16
PTMCM	-	1.38	-	-	-	1.38
	-	<b>1.38</b>	<b>5.16</b>	-	-	<b>6.54</b>
<b>Dividend Paid</b>						
ILFS	68.58	-	-	-	-	68.58
IFIN	-	1.28	-	-	-	1.28
	<b>68.58</b>	<b>1.28</b>	-	-	-	<b>69.86</b>
<b>Issue of Equity Shares on Right Basis (Including Premium)</b>						
ILFS	586.19	-	-	-	-	586.19
IFIN	-	9.60	-	-	-	9.60
	<b>586.19</b>	<b>9.60</b>	-	-	-	<b>595.79</b>
<b>Sale of Investment</b>						
ILFS	368.53	-	-	-	-	368.53
	<b>368.53</b>	-	-	-	-	<b>368.53</b>

Footnote : - \* Includes Deputation cost of ₹ 5.50 Crores charged by Holding Company "IL&FS"

Mr K Ramchand-Managing Director	3.38
Mr Mukund Sapre-Executive Director	2.12
	<u>5.50</u>

# NOTES

forming part of the Consolidated Financial Statements

## Preceding Previous Year - March 2015

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

Nature of Relationship	Name of Entity	Abbreviation used
Holding Company	Infrastructure Leasing & Financial Services Limited	ILFS
Fellow Subsidiaries (Only with whom there have been transaction during the period / there was balance outstanding at the year ended)	IL&FS Financial Services Limited	IFIN
	IL&FS Education & Technology Services Limited	IETS
	IL&FS Energy Development Company Limited	IEDCL
	IL&FS Environmental Infrastructure & Services Limited	IEISL
	IL&FS Renewable Energy Limited	IREL
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Airport Limited.	IAL
	IL&FS Capital Advisors Limited.	ICAL
	IL&FS Urban Infrastructure Managers Limited	IUIML
	PT Mantimin Coal Mining	PTMCM
	Chattisgarh Highways Development Company Limited	CHDCL
	IL&FS Securities Services Limited	ISSL
	IL&FS Township & Urban Assets Limited	ITUAL
	IL&FS Trust Company Limited	ITCL
	Livia India Limited	LIL
	IL&FS Technology Limited (since January 30, 2015)	ITL
	IL&FS Global Financial Services Pte Limited	IGFSL
	IL&FS Global Financial Services (ME) Limited	IGFSL(ME)
	IL&FS Global Financial Services (HK) Limited	IGFSL(HK)
	IL&FS Global Financial Services (UK) Limited	IGFSL(UK)
Associates	ITNL Toll Management Services Limited	ITMSL
	Noida Toll Bridge Company Limited	NTBCL
	Gujarat Road and Infrastructure Company Limited (since August 08, 2014)	GRICL
	CGI 8 S.A.	CGI-8
	Geotecnia y Control De Qualitat, S. A.	
	Consortio De Obras Civiles, Conciviles, S.R.L.	
	Vias Y Construcciones, Viacon, S.R.L.	
	Elsamex Road Technology Company Limited	ERT(China)
	Sociedad Concesionaria Autovia A-4 Madrid S.A	A4 CONCESSION
	VCS-Enterprises Limited	VCS
Ramky Elsamex Ring Road Limited, Hyderabad	REHRR	
Joint Ventures	Jorabat Shillong Expressway Limited	JSEL
	Road Infrastructure Development Company of Rajasthan Limited	RIDCOR
	Jharkhand Accelerated Road Development Company Limited	JARDCL
	Thiruvananthapuram Road Development Company Limited	TRDCL
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL
	N.A.M. Expressway Limited	NAMEL
	Chongqing Yuhe Expressway Co. Ltd	Yuhe
	Elsamex ITNL JVCA	EIJVCA
Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director	
	Mr Mukund Sapre-Executive Director	
	Mr George Cherian-Chief Financial Officer	

# NOTES

forming part of the Consolidated Financial Statements

Nature of Relationship	Name of Entity	Abbreviation used
Relatives of KMP	Mr Krishna Ghag-Company Secretary	
	Mrs Rita Ramchand (wife of Mr K Ramchand)	
	Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	
KMP of Holding Company	Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	
	Mr Ravi Parthasarathy - Director	
	Mr Hari Sankaran - Director	
	Mr Arun Saha - Director	

(b) balances with above mentioned related parties

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Balances</b>						
<b>Equity share Capital</b>						
ILFS	171.45	-	-	-	-	171.45
IFIN	-	3.20	-	-	-	3.20
	<b>171.45</b>	<b>3.20</b>	-	-	-	<b>174.65</b>
<b>Inter-corporate deposits</b>						
IFIN	-	24.82	-	-	-	24.82
ITL	-	4.00	-	-	-	4.00
Inter-corporate deposits Total	-	<b>28.82</b>	-	-	-	<b>28.82</b>
<b>Investments</b>						
NAMEL	-	-	-	116.75	-	116.75
NTBCL	-	-	187.16	-	-	187.16
RIDCOR	-	-	-	162.50	-	162.50
OTHERS	4.47	-	36.37	160.14	-	200.98
	<b>4.47</b>	-	<b>223.53</b>	<b>439.39</b>	-	<b>667.39</b>
<b>Fair Valuation of Investments - Decrease</b>						
NTBCL	-	-	29.29	-	-	29.29
TRDCL	-	-	-	17.03	-	17.03
	-	-	<b>29.29</b>	<b>17.03</b>	-	<b>46.32</b>
<b>Loan Given - Current</b>						
JSEL	-	-	-	120.72	-	120.72
TRDCL	-	-	-	77.95	-	77.95
RIDCOR	-	-	-	163.25	-	163.25
OTHERS	-	15.57	-	24.50	-	40.07
	-	<b>15.57</b>	-	<b>386.42</b>	-	<b>401.99</b>
<b>Loan Given - Non Current</b>						
A4 CONCESSION	-	-	55.57	-	-	55.57
TRDCL	-	-	-	34.35	-	34.35
ILFS	112.34	-	-	-	-	112.34
RIDCOR	-	-	-	59.39	-	59.39
OTHERS	-	-	3.00	-	-	3.00
	<b>112.34</b>	-	<b>58.57</b>	<b>93.74</b>	-	<b>264.66</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Allowance for Expected Credit Loss on Loans</b>						
TRDCL	-	-	-	28.53	-	28.53
OTHERS	-	0.16	-	1.95	-	2.11
	-	<b>0.16</b>	-	<b>30.48</b>	-	<b>30.65</b>
<b>Long-term Borrowings</b>						
IFIN	-	200.00	-	-	-	200.00
IMICL	-	200.00	-	-	-	200.00
ILFS	126.74	-	-	-	-	126.74
OTHERS	-	105.56	-	-	-	105.56
	<b>126.74</b>	<b>505.56</b>	-	-	-	<b>632.30</b>
<b>Short-term Borrowings</b>						
IFIN	-	437.95	-	-	-	437.95
	-	<b>437.95</b>	-	-	-	<b>437.95</b>
<b>Interest accrued but not due on borrowings</b>						
IFIN	-	0.38	-	-	-	0.38
ITUAL	-	1.74	-	-	-	1.74
ILFS	0.99	-	-	-	-	0.99
	<b>0.99</b>	<b>2.12</b>	-	-	-	<b>3.10</b>
<b>Interest-accrued</b>						
NAMEL	-	-	-	8.60	-	8.60
TRDCL	-	-	-	8.55	-	8.55
ILFS	1.10	-	-	-	-	1.10
RIDCOR	-	-	-	41.71	-	41.71
OTHERS	-	1.24	-	6.28	-	7.52
	<b>1.10</b>	<b>1.24</b>	-	<b>65.14</b>	-	<b>67.48</b>
<b>Mobilisation Advance paid</b>						
ITUAL	-	0.91	-	-	-	0.91
	-	<b>0.91</b>	-	-	-	<b>0.91</b>
<b>Mobilisation Advances Received (Long-term)</b>						
JSEL	-	-	-	2.97	-	2.97
	-	-	-	<b>2.97</b>	-	<b>2.97</b>
<b>Mobilisation Advances Received (Short-term)</b>						
JSEL	-	-	-	5.01	-	5.01
NAMEL	-	-	-	2.46	-	2.46
	-	-	-	<b>7.47</b>	-	<b>7.47</b>
<b>Option Premium (Net of provision)</b>						
ILFS	7.91	-	-	-	-	7.91
	<b>7.91</b>	-	-	-	-	<b>7.91</b>
<b>Other Advances</b>						
EIJVCA	-	-	-	5.06	-	5.06
IAL	-	27.07	-	-	-	27.07
ITL	-	4.00	-	-	-	4.00
ILFS	0.01	-	-	-	-	0.01
OTHERS	0.06	0.08	0.31	0.22	-	0.67
	<b>0.07</b>	<b>31.15</b>	<b>0.31</b>	<b>5.28</b>	-	<b>36.81</b>

# NOTES

forming part of the Consolidated Financial Statements

₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Other advances to related party</b>						
GRICL	-	-	75.00	-	-	75.00
OTHERS	-	-	-	0.01	-	0.01
	-	-	<b>75.00</b>	<b>0.01</b>	-	<b>75.01</b>
<b>Other Current Liabilities</b>						
ITUAL	-	34.82	-	-	-	34.82
ILFS	15.05	-	-	-	-	15.05
OTHERS	-	31.29	3.25	-	-	34.55
	<b>15.05</b>	<b>66.11</b>	<b>3.25</b>	-	-	<b>84.41</b>
<b>Prepaid Expenses</b>						
IGFSL	-	7.52	-	-	-	7.52
IGFSL(HK)	-	5.83	-	-	-	5.83
OTHERS	-	0.05	-	-	-	0.05
	-	<b>13.40</b>	-	-	-	<b>13.40</b>
<b>Rent Deposit</b>						
Mr K Ramchand-Managing Director	-	-	-	-	0.10	0.10
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	0.05	0.05
Mr Mukund Sapre-Executive Director	-	-	-	-	0.05	0.05
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	0.05	0.05
Mrs Vishpala Parthasarathy (wife of Mr Ravi Parthasarathy)	-	-	-	-	2.00	2.00
	-	-	-	-	<b>2.25</b>	<b>2.25</b>
<b>Retention Money Payable</b>						
ITL	-	1.30	-	-	-	1.30
OTHERS	-	0.03	-	-	-	0.03
	-	<b>1.33</b>	-	-	-	<b>1.33</b>
<b>Retention Money Receivable</b>						
JSEL	-	-	-	39.29	-	39.29
OTHERS	-	-	-	2.83	-	2.83
	-	-	-	<b>42.12</b>	-	<b>42.12</b>
<b>Trade Receivables</b>						
JSEL	-	-	-	162.36	-	162.36
NAMEL	-	-	-	34.68	-	34.68
OTHERS	-	18.49	4.52	31.59	-	54.60
	-	<b>18.49</b>	<b>4.52</b>	<b>228.63</b>	-	<b>251.64</b>
<b>Allowance for Expected Credit Loss on Receivables</b>						
JSEL	-	-	-	22.22	-	22.22
PTMCM	-	5.25	-	-	-	5.25
TRDCL	-	-	-	5.68	-	5.68
OTHERS	-	-	1.29	0.98	-	2.27
	-	<b>5.25</b>	<b>1.29</b>	<b>28.87</b>	-	<b>35.42</b>

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₹ Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
<b>Unamortised Expenses</b>						
IFIN	-	37.13	-	-	-	37.13
	-	<b>37.13</b>	-	-	-	<b>37.13</b>
<b>Unbilled Revenue</b>						
JSEL	-	-	-	23.70	-	23.70
	-	-	-	<b>23.70</b>	-	<b>23.70</b>
<b>Fair value adjustment of Other advances</b>						
GRICL	-	-	32.58	-	-	32.58
	-	-	<b>32.58</b>	-	-	<b>32.58</b>
<b>Investment In Non-Convertible Debentures</b>						
RIDCOR	-	-	-	32.00	-	32.00
	-	-	-	<b>32.00</b>	-	<b>32.00</b>
<b>Current Maturities of Long-term borrowings</b>						
ILFS	4.30	-	-	-	-	4.30
	<b>4.30</b>	-	-	-	-	<b>4.30</b>
<b>Trade Payables</b>						
IFIN	-	15.26	-	-	-	15.26
ILFS	5.85	-	-	-	-	5.85
OTHERS	-	8.77	-	3.96	-	12.73
	<b>5.85</b>	<b>24.03</b>	-	<b>3.96</b>	-	<b>33.84</b>

## 44. Segment Reporting

₹ in crore

	Surface Transportation Business		Others			Total
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016
<b>Revenue</b>						
External	7,669.17	7,685.88	315.25	349.96	7,984.42	8,035.84
Inter-Segment	-	-	-	-	-	-
<b>Segment Revenue</b>	7,669.17	7,685.88	315.25	349.96	7,984.42	8,035.84
Segment expenses	4,889.47	5,412.88	255.12	284.77	5,144.59	5,697.65
<b>Segment results</b>	2,779.69	2,273.00	60.14	65.19	2,839.83	2,338.19
Unallocated income (excluding interest income) (Refer footnote 3)					276.53	89.04
Unallocated expenditure (Refer footnote 4)					45.81	12.45
Finance cost					3,086.33	2,573.96
Interest Income unallocated					140.67	231.49
Tax expense (net)					74.10	87.74
Share of profit / (loss) of Joint ventures (net)					78.54	70.84
Share of profit / (loss) of Associates (net)					16.25	31.53
<b>Profit for the year</b>					145.58	86.94

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₹ in crore

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
<b>Segment assets</b>	35,040.26	29,994.18	397.61	413.34	35,437.87	30,407.52
Unallocated Assets (Refer footnote 1)					4,538.89	4,378.93
<b>Total assets</b>					<b>39,976.76</b>	<b>34,786.45</b>
<b>Segment liabilities</b>	3,311.08	2,946.95	160.50	187.57	3,471.58	3,134.52
Unallocated Liabilities (Refer footnote 2)					31,884.83	26,903.83
<b>Total liabilities</b>					<b>35,356.41</b>	<b>30,038.35</b>

₹ in crore

	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016
Capital Expenditure for the year	7,785.53	10,165.10	6.92	33.85	7,792.45	10,198.95
Depreciation and amortisation expense					365.72	196.40
Non cash expenditure other than depreciation for the year					162.20	70.16

## (II) Secondary - Geographical Segments:

₹ in crore

Particulars	India	Outside India	India	Outside India
	Year ended March 31, 2017	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2016
Revenue - External	6,843.89	1,140.53	6,951.40	1,084.44
Capital Expenditure	7,672.79	119.66	9,987.13	211.82

₹ in crore

	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2016
Segment Assets	33,819.86	1,618.01	28,996.10	1,411.42

### Footnote:

- 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.

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## 45. Ind AS 101 reconciliations Reconciliation of Equity as previously reported under IGAAP to Ind AS:

Particulars	As at March 31, 2016		Notes	As at April 1, 2015		
	(End of comparable period presented under previous GAAP)			(Date of transition)		
	Previous GAAP	Effect of transition to Ind AS		Previous GAAP	Effect of transition to Ind AS	
					As per Ind AS balance sheet	
<b>Non-current assets</b>						
(a) Property, plant and equipment	320.70	(38.78)	a	174.45	(33.89)	140.56
(b) Capital work-in-progress	66.45	(0.25)	a	18.62	(0.07)	18.55
(c) Investment property	-	118.09	b	-	117.72	117.72
(d) Intangible assets						
(i) Goodwill on consolidation	597.94	(417.99)	a	582.00	(414.65)	167.35
(ii) under Service Concession Arrangements (SCA)	11,857.50	(2,499.72)	a, c	6,933.17	(2,937.17)	3,996.00
(iii) others	120.26	(97.44)	d	132.42	(96.27)	36.15
(iv) Intangible assets under development	8,154.41	550.03	c, d	9,325.65	942.08	10,267.73
(e) Financial assets						
(i) Investments						
a) Investments in associates	298.94	43.82	e	281.98	39.02	321.00
b) Investments in joint ventures	-	1,886.90	a	-	1,870.61	1,870.61
c) Other investments	328.58	(305.90)	f	360.47	(343.39)	17.08
(ii) Trade receivables	14.71	(13.66)	a	0.00	0.68	0.68
(iii) Loans	487.26	(43.74)	a	330.57	60.25	390.82
(iv) Other financial assets	9,402.07	(1,197.93)	a, g	8,727.38	(1,565.15)	7,162.23
(f) Tax assets						
(i) Deferred Tax Asset (net)	22.82	12.13	o	16.12	19.53	35.65
(ii) Non Current Tax Asset (Net)	381.28	(17.47)	a	295.09	(31.20)	263.89
(g) Other non-current assets	438.81	(127.37)	a, h	653.88	(132.91)	520.97
<b>Total non-current assets</b>	<b>32,491.73</b>	<b>(2,149.28)</b>		<b>27,831.80</b>	<b>(2,504.81)</b>	<b>25,326.99</b>
<b>Current assets</b>						
(a) Inventories	86.95	(1.48)	a	14.08	(0.21)	13.87
(b) Financial assets						
(i) Investments	53.67	(53.67)	a	20.05	(20.05)	-
(ii) Trade receivables	1,298.24	(290.38)	i	1,045.62	(241.68)	803.94
(iii) Cash and cash equivalents	589.78	(33.50)	a, j	689.24	(40.59)	648.65
(iv) Bank balances other than (iii) above	285.08	31.87	a, j	249.62	18.52	268.14

₹ in Crore

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Particulars	As at March 31, 2016		Notes	As at April 1, 2015		
	(End of comparable period presented under previous GAAP)			(Date of transition)		
	Previous GAAP	Effect of transition to Ind AS		Previous GAAP	Effect of transition to Ind AS	
(v) Loans	346.50	133.26	a	510.99	24.70	535.69
(vi) Other financial assets	1,956.61	(624.11)	a	818.64	36.80	855.44
(c) Current tax assets (Net)	27.83	6.10	a	33.91	2.47	36.38
(d) Other current assets	707.92	(76.67)	a	680.71	(167.11)	513.60
<b>Total current assets</b>	<b>5,352.58</b>	<b>(908.58)</b>		<b>4,062.86</b>	<b>(387.15)</b>	<b>3,675.71</b>
<b>Total Assets</b>	<b>37,844.31</b>	<b>(3,057.85)</b>		<b>31,894.66</b>	<b>(2,891.96)</b>	<b>29,002.70</b>
<b>Equity</b>						
(a) Equity share capital	705.41	(376.45)	k	623.17	(376.45)	246.72
(b) Other Equity	5,987.94	(2,014.50)	c,d,f,g,h,k,n,m,o	5,096.00	(2,031.84)	3,064.16
Equity attributable to owners of the Company	6,693.35	(2,390.95)		5,719.17	(2,408.29)	3,310.88
Non-controlling interests		445.70	l		251.27	251.27
<b>Total equity</b>	<b>6,693.35</b>	<b>(1,945.25)</b>		<b>5,719.17</b>	<b>(2,157.02)</b>	<b>3,562.15</b>
Minority interest (previous GAAP)	473.61	(473.61)	l	291.14	(291.14)	
<b>Non-current liabilities</b>						
Financial liabilities						
(i) Borrowings	22,488.50	(1,021.53)	k,h,m	18,591.71	(982.54)	17,609.17
(ii) Trade and other payables	19.30	(18.50)		11.19	(9.09)	2.10
(ii) Other financial liabilities	515.74	833.84	l	380.82	832.55	1,213.37
Provisions	91.93	(35.98)	o	62.98	(28.04)	34.94
Deferred tax liabilities (Net)	101.60	(1.76)	q	124.56	(37.05)	87.51
Other non-current liabilities	216.98	(103.36)	a	61.80	(19.73)	42.07
<b>Total non-current liabilities</b>	<b>23,434.05</b>	<b>(347.29)</b>		<b>19,233.06</b>	<b>(243.90)</b>	<b>18,989.16</b>
<b>Current liabilities</b>						
Financial liabilities						
(i) Borrowings	3,112.89	(6.69)	k,h,m	2,272.92	(111.71)	2,161.21
(ii) Trade and other payables	1,391.16	(126.41)	a	1,089.99	(7.03)	1,082.96
(iii) Current maturities of long term debt	2,041.67	(2,041.67)	p	2,648.86	(2,648.86)	-
(iv) Other financial liabilities	242.46	2,051.67		225.52	2,790.20	3,015.72
Provisions	203.90	(161.03)	o	251.08	(202.79)	48.29
Current tax liabilities (Net)	42.02	7.81	a	32.86	(8.83)	24.03
Other current liabilities	209.18	(15.37)	a	130.06	(10.88)	119.18
<b>Total current liabilities</b>	<b>7,243.30</b>	<b>(291.71)</b>		<b>6,651.29</b>	<b>(199.90)</b>	<b>6,451.39</b>
<b>Total liabilities</b>	<b>30,677.35</b>	<b>(639.00)</b>		<b>25,884.35</b>	<b>(443.80)</b>	<b>25,440.55</b>
<b>Total equity and liabilities</b>	<b>37,844.31</b>	<b>(3,057.86)</b>		<b>31,894.66</b>	<b>(2,891.96)</b>	<b>29,002.70</b>

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## Explanation for reconciliation of balance sheet as previously reported under IGAAP to Ind AS

- a) Under previous GAAP, assets and liabilities of Joint Ventures ("JVs") were consolidated on proportionate basis, whereas under Ind AS, they are consolidated using equity method. Accordingly, this has resulted in decrease in related assets and liabilities, including goodwill on consolidation pertaining to Joint ventures as at March 31, 2016 and April 1, 2015.  
Above decrease is offset by increase in assets and liabilities of new subsidiaries, due to change in control evaluation criteria of the group companies as explained in Note D.9.
- b) Under the previous GAAP, investment property of ₹ 115.31 crore was included under non-current investments. Under Ind AS, investment property is presented separately on the face of the balance sheet.
- c) Intangible assets under Service Concession Arrangements (including intangibles under development) has changed broadly due to (i) point a explained above (change in accounting for JVs), (ii) capitalisation of present value of long-term obligation (negative grants) payable to the government over the concession period as per concession arrangement, (iii) on adoption of exemption under para D22 with impairment reassessment of intangible asset and other SCA adjustments ( FY 16 ₹1422 crores, FY 15 ₹ 1464 crores)
- d) Under the previous GAAP, premium paid of ₹ 100 crore to acquire the right to purchase investments in Srinagar Sonmarg Tunnelway Limited (SSTL) a tunnel project, was presented as Right under intangible assets and was amortised over 20 years. Under Ind AS, SSTL has been considered as a subsidiary company and accordingly, the premium paid is treated as investment in subsidiary.
- e) Adjustments with respect to Investment in associates represents group's share of Ind AS adjustments in the entities financials.
- f) Under the previous GAAP, investments in covered warrants were classified as Other investment. However, under Ind AS, these qualified as subsidiaries and joint ventures and were consolidated and accounted under equity method, respectively.
- g) Financial asset (receivable) under Service Concession Arrangements has changed broadly due to (i) point a explained above (accounting for JVs) and on account of SCA adjustments as per Ind AS.
- h) Under previous GAAP, borrowing costs were adjusted against securities premium or amortised using straight line method and the unamortised borrowing costs were disclosed as other assets. Under Ind AS, borrowings are measured at amortized cost by applying the effective interest rate method which adjusts the effective interest rate for the borrowing costs. Unamortised borrowing costs has been disclosed net of borrowings after calculating based on effective interest rate. The consequential tax effect has also been recognised.
- i) Under the previous GAAP, trade receivables were disclosed at contractual value after considering impairment loss, if any. Under Ind AS, these are carried at cost less impairment, wherein the impairment is determined based on expected credit loss, capturing both cash loss as well as loss on account of time value of money as per Ind AS 109, Financial Instruments. The consequential tax effect has also been recognised. Further, it has changed to recognition of revenue at fair value on initial recognition.
- j) Under the previous GAAP, restricted bank balances were disclosed under cash and cash equivalents. Under Ind AS, the same is disclosed as a separate line of the face of the balance sheet.
- k) Under previous GAAP, preference shares were disclosed as part of Share Capital ( FY 16 & FY 15 ₹ 746 crores), whereas under Ind AS, they were reclassified as debt as per Ind AS 32.
- l) Under previous GAAP, minority interest was presented as a separate line on the face of the balance sheet outside of equity, whereas under Ind AS, it forms part of Equity.
- m) Decrease in Borrowings includes ₹ 1600 crores on account of change in accounting for JVs (as explained above in point a) as per Ind AS. Also as stated in point " k" above, preference shares including premium are classified under borrowings amounting to ₹ 750 crores.

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n) Other financial liabilities has increased on account of recognition of present value of long-term obligation (negative grants) payable to the government over the concession period as per concession arrangement and with corresponding increase to Intangible assets under SCA and Intangible assets under development (refer point c above) as per Ind AS.

o) Under previous GAAP, provision for major maintenance (overlay) are recorded on undiscounted basis, whereas under Ind AS, they are recorded at present value of the future obligation.

Under the previous GAAP, dividend on equity shares (FY 16 ₹81 crores, FY 15 ₹123 crores) has been accrued as provisions in the financial year when the board has adopted the financial statements as an adjusting subsequent events after financials are prepared. Under Ind AS, these are accounted in the financial year when they are approved by the shareholders.

p) Under previous GAAP, current maturities of long term borrowings were disclosed separately on the face of the balance sheet, however under Ind AS, it is disclosed as part of other financial liabilities.

q) Deferred tax on above adjustments.

## Reconciliation between financial results & equity previously reported (referred to as "Previous GAAP") with Ind AS is as under:

(₹ in Crore)

Particulars	Notes	Result	Equity
		Year ended March 31, 2016	As at March 31, 2016
<b>Net profit (after tax) / Equity under previous GAAP*</b>		<b>311.54</b>	<b>6,693.35</b>
Proposed equity dividend reversed (including Dividend Distribution Tax)		-	81.30
Preference share with premium	a	-	(745.73)
Dividend on Preference shares classified as Finance Costs	a	(99.92)	-
Adjustment for service concession accounting	b	41.95	(955.72)
Impairment of intangible asset (SCA) in accordance with Ind AS 101	c	-	(466.00)
Ind AS 109 adjustment on financial assets and liabilities	d	(147.70)	(202.13)
Adjustment for recognising revenue and cost at fair value on initial recognition	e	(89.71)	(89.71)
Deferred tax on above adjustments	f	67.31	11.25
Ind AS adjustments of joint venture and associate companies		(30.59)	(98.22)
Others (including non-controlling interest)	g	34.06	519.71
<b>Net profit (after tax)</b>		<b>86.94</b>	<b>NA</b>
Other Comprehensive Income (after tax)		67.65	-
<b>Total Comprehensive income (after tax) / Equity under Ind AS*</b>		<b>154.59</b>	<b>4,748.10</b>

\* Net profit and Equity as per IGAAP excludes non-controlling interests, whereas it is included under Ind AS

### Notes:

- Redeemable Preference shares are considered as borrowings & consequently dividends thereon are reported under Finance Costs, along with dividend distribution tax and premium on redemption.
- In accordance with Ind AS 11, the Group has made adjustment for service concession accounting
- In accordance with Ind AS 101, the Group has reviewed its intangible assets for impairment and have recorded an impairment charge for one of the subsidiary company
- In accordance with Ind AS 109, the Group has recorded certain financial assets and all financial liabilities on amortised cost and certain investments at fair value through profit and loss account.
- The Group has measured its revenue and cost at fair value of consideration receivable/payable, respectively, by discounting all future receipts/future payment where it is likely to receive/paid beyond one year.
- The Group has computed deferred taxes on Ind AS adjustments
- In accordance with Ind AS 110, the Group has presented noncontrolling interest within the total comprehensive income and Equity, whereas under Previous GAAP, net income (after tax) and Equity was presented net of non-controlling interest.

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## Reconciliation of profit or loss as previously reported under IGAAP to Ind AS :

₹ in Crore

Particulars	Notes	Year ended March 31, 2016		
		(Latest period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from Operations	a	8,263.79	(227.95)	8,035.84
Other income	a	468.24	(147.71)	320.53
<b>Total Income</b>		<b>8,732.03</b>	<b>(375.66)</b>	<b>8,356.37</b>
<b>Expenses</b>				
Cost of materials consumed		281.57	(0.66)	280.91
Construction Costs	a	3,501.28	141.83	3,643.11
Operating expenses	a	622.04	(41.91)	580.13
Employee benefits expense	a	510.47	(19.72)	490.75
Finance costs	b	2,530.87	43.09	2,573.96
Depreciation and amortisation expense	a	275.38	(78.98)	196.40
Other expenses	a, c	581.28	(62.48)	518.80
<b>Total expenses</b>		<b>8,302.89</b>	<b>(18.83)</b>	<b>8,284.06</b>
<b>Profit/(loss) before share of (profit)/loss of an associate and a joint venture, exceptional items and tax</b>		429.14	(356.83)	72.31
Less: Tax expense				
(1) Current tax	a	192.51	(20.14)	172.37
(2) Deferred tax	d	(32.56)	(52.07)	(84.63)
		<b>159.95</b>	<b>(72.21)</b>	<b>87.74</b>
<b>Profit after tax before share of (profit)/loss of an associate and a joint venture, exceptional items</b>		269.19	(284.62)	(15.43)
Add: Share of profit/(loss) of associates		2.57	28.96	31.53
Add: Share of profit/(loss) of joint ventures			70.84	70.84
Less : Share of profit/(loss) transfer to minority		(39.78)	39.78	
<b>Profit for the year</b>		311.54	(224.6)	86.94
<b>Other Comprehensive Income</b>				
A (i) Items that will not be reclassified to profit or loss				
(a) Remeasurements of the defined benefit plans			(1.80)	(1.80)
(b) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss			0.01	0.01
		-	<b>(1.79)</b>	<b>(1.79)</b>
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			36.99	36.99
(b) Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge			32.57	32.57
(c) Others (specify nature)			(1.34)	(1.34)
(d) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss			1.22	1.22
			<b>69.44</b>	<b>69.44</b>
B (ii) Income tax relating to items that may be reclassified to profit or loss			-	-
<b>Total other comprehensive income</b>		-	<b>67.65</b>	<b>67.65</b>
<b>Total comprehensive income for the year</b>		<b>311.54</b>	<b>(156.95)</b>	<b>154.59</b>

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## Explanation for reconciliation of profit or loss as previously reported under IGAAP to Ind AS for the year ended 31 March 2016

### a. Income

Under Indian GAAP, the Group consolidated revenue of Joint Ventures (JVs) on proportionate basis, whereas under Ind AS, Joint Venture needs to be consolidated under Equity Method. Accordingly it resulted in decrease in revenue and expenses stated above.

The Group has measured its revenue at fair value of consideration receivable and discounted all future receipts where it is likely to be received beyond one year.

Revenue from operations changed due to certain SCA adjustments.

### b. Finance cost changed due to following:

I. Under Ind AS, dividend on preference share capital of ₹ 99.92 crore (including dividend distribution tax thereon) has been considered as finance cost.

II. Under Ind AS, borrowings are recorded at amortised cost hence interest is calculated as per Effective interest rate (EIR) method. Accordingly there is an additional charge of ₹ 108 crore in finance cost.

III. Decrease of ₹ 165 cr due to change in JV accounting (as explained in point a. above)

### c. Other expense decreased due to reversal of impairment provision computed using expected credit loss model.

### d. Deferred tax on above adjustments.

## Reconciliation between cash flows as per Ind AS and cash flow reported under Previous GAAP for the year ended March 31, 2016 is as under:

				₹ in Crore
Particulars	Notes	Previous GAAP	Ind AS impact	Ind AS
Cash Flow From Operating Activities	1,2	2,783.93	(14.47)	2,769.46
Cash Flow From Investing Activities	1,2	(4,697.66)	(16.63)	(4,758.29)
Cash Flow From Financing Activities	1,2,3	1,804.78	(46.34)	1,758.44

## Explanation for reconciliation of cash flow as previously reported under IGAAP to Ind AS for the year ended 31 March 2016

- Under previous GAAP, Group consolidated Joint Ventures (JVs) on proportionate basis, whereas under Ind AS, Joint Venture needs to be consolidated under Equity Method. Accordingly it resulted in change in cash flow stated above.  
Under Ind AS, SSTL has been considered as a Subsidiary Company. Accordingly it has resulted in change in cash flow as stated above.
- In addition to point 1, change in cash flow is on account of change in control evaluation on certain investments through "covered warrants" and consequently accounting as a subsidiary company.
- As per Ind AS 7 - Statement of Cash Flows, bank overdraft is to be classified in Cash and Cash Equivalent, hence movement of ₹ 128.07 in bank overdraft and cash credit for the year ended March 31, 2016 is shown in Cash & Cash Equivalent

# NOTES

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## 46 Disclosure as per Schedule III of the Companies Act, 2013 related to Consolidated Financial Statements

Name of the entity	Net Assets, i.e. total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive Income / (loss)		Share in total other Comprehensive income / (loss)	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profit and loss	Amount (₹ in crore)	As % of consolidated other Comprehensive income / (loss)	Amount (₹ in crore)	As % of consolidated total other Comprehensive income / (loss)	Amount (₹ in crore)
IL&FS Transportation Networks Limited	25.10	2,829.12	62.28	236.39	17.93	(35.65)	111.10	200.74
<b>Subsidiaries</b>								
<b>Indian</b>								
East Hyderabad Expressway Limited	0.58	64.90	(3.88)	(14.73)	-	-	(8.15)	(14.73)
ITNL Road Infrastructure Development Company Limited	0.10	11.35	(17.33)	(65.78)	-	-	(36.14)	(65.78)
IL&FS Rail Limited	8.03	904.92	0.64	2.45	0.03	(0.05)	1.33	2.40
Rapid MetroRail Gurgaon Limited	2.85	321.71	(29.29)	(111.15)	1.06	(2.12)	(62.69)	(113.27)
Rapid MetroRail Gurgaon South Limited	7.25	817.46	9.00	34.16	4.23	(8.40)	14.26	25.76
Vansh Nimay Infraprojects Limited	(0.73)	(82.63)	13.84	52.53	0.16	(0.32)	28.90	52.22
Scheme of ITNL Road Investment Trust	0.77	86.82	13.83	52.47	-	-	29.04	52.47
West Gujarat Expressway Limited	(0.66)	(74.02)	(5.22)	(19.80)	-	-	(10.96)	(19.80)
Hazaribagh Ranchi Expressway Limited	0.81	91.34	(10.62)	(40.31)	-	-	(22.31)	(40.31)
Pune Sholapur Road Development Company Limited	4.55	512.61	(10.99)	(41.71)	-	-	(23.08)	(41.71)
Moradabad Bareilly Expressway Limited	7.55	850.71	3.94	14.96	-	-	8.28	14.96
Jharkhand Road Projects Implementation Company Limited	2.91	327.67	(21.27)	(80.74)	-	-	(44.68)	(80.74)
Chenani Nashri Tunnelway Limited	4.02	453.52	(36.14)	(137.16)	5.39	(10.72)	(81.84)	(147.88)
Badarpur Tollway Operations Management Limited	0.00	0.25	-	-	-	-	-	-
MP Border Checkpost Development Company Limited	(1.42)	(160.51)	67.68	256.87	-	-	142.16	256.87
North Karnataka Expressway Limited	1.25	140.68	3.17	12.02	-	-	6.65	12.02
Kiratpur Ner Chowk Expressway Limited	6.15	693.26	15.28	58.01	-	-	32.11	58.01
Baleshwar Kharagpur Expressway Limited	1.53	172.63	(20.58)	(78.12)	-	-	(43.23)	(78.12)
Sikar Bikaner Highway Limited	4.62	520.66	(5.85)	(22.18)	-	-	(12.28)	(22.18)
Khed Sinner Expressway Limited	4.14	466.24	11.73	44.51	-	-	24.63	44.51
Barwa Adda Expressway Limited	3.57	402.53	31.66	120.17	-	-	66.51	120.17
Karyavattom Sports Facilities Limited	0.39	44.07	(3.38)	(12.84)	-	-	(7.11)	(12.84)
Futureage Infrastructure India Limited	0.01	0.72	(0.41)	(1.55)	-	-	(0.86)	(1.55)
Charminar RoboPark Limited	0.00	0.02	(1.54)	(5.85)	-	-	(3.24)	(5.85)
Andhra Pradesh Expressway limited (upto March 10, 2017)	-	-	(15.75)	(59.78)	-	-	(33.09)	(59.78)

# NOTES

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Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income / (loss)		Share in total other Comprehensive income / (loss)	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profit and loss	Amount (₹ in crore)	As % of consolidated other Comprehensive income / (loss)	Amount (₹ in crore)	As % of consolidated total other Comprehensive income / (loss)	Amount (₹ in crore)
Amravati Chikhli Expressway Limited	0.15	17.37	(0.04)	(0.14)	-	-	(0.08)	(0.14)
Fagne Songadh Expressway Limited	0.38	43.17	7.79	29.56	-	-	16.36	29.56
Jharkhand Infrastructure Implementation Company Limited	0.56	63.47	4.84	18.54	-	-	10.26	18.54
Rajasthan Land Holdings Limited	(0.10)	(11.64)	(0.05)	(0.17)	-	-	(0.10)	(0.17)
Flamingo Landbase Private Limited	0.02	2.20	(0.09)	(0.33)	-	-	(0.18)	(0.33)
Devika Buildestate Private Limited	0.01	1.01	(0.04)	(0.15)	-	-	(0.09)	(0.15)
Chirayu Kath Real Estate Private Limited	0.04	4.89	(0.19)	(0.72)	-	-	(0.40)	(0.72)
Gujarat Road Bridge Development Company Limited	0.04	4.09	(0.03)	(0.10)	-	-	(0.05)	(0.10)
Chattisgarh Highways Development Company Limited	0.07	8.27	(0.09)	(0.36)	-	-	(0.19)	(0.36)
Srinagar Sonamarg Tunnelway Limited	0.66	74.08	4.22	16.00	-	-	8.86	16.00
Eisamex India Pvt Limited	0.10	11.83	(0.15)	(0.56)	-	-	(0.31)	(0.56)
Yala Construction Company Pvt Limited	0.10	11.27	0.09	0.35	-	-	0.19	0.35
Grusamar India Limited	0.01	0.81	(0.01)	(0.03)	-	-	(0.02)	(0.03)
Eisamex Maintenance Services limited	0.37	42.14	4.29	16.28	-	-	9.01	16.28
<b>Foreign</b>								
ITNL International Pte. Limited	5.22	588.68	5.58	21.17	7.90	(15.72)	3.02	5.46
ITNL Offshore Pte. Limited	0.06	6.87	0.14	0.55	0.08	(0.16)	0.21	0.38
ITNL Offshore Two Pte. Limited	0.01	1.49	0.15	0.56	3.19	(6.34)	(3.20)	(5.77)
ITNL Offshore Three Pte. Limited	(0.00)	(0.28)	(0.02)	(0.08)	(0.00)	0.01	(0.04)	(0.07)
ITNL International DMCC	(0.01)	(1.52)	(4.23)	(16.07)	(0.05)	0.09	(8.84)	(15.89)
ITNL Africa Projects Ltd	(0.02)	(2.18)	(0.25)	(0.94)	-	-	(0.52)	(0.94)
Sharjah General Services Company LLC	(0.07)	(8.22)	(0.36)	(1.38)	-	-	(0.76)	(1.38)
IPL USA LLC	0.06	6.64	(3.97)	(15.08)	(0.00)	0.01	(8.34)	(15.07)
ITNL Infrastructure Developer LLC	(0.06)	(6.30)	(1.44)	(5.46)	(0.10)	0.20	(2.91)	(5.26)
Park Line LLC	0.00	0.38	(0.04)	(0.16)	0.00	(0.01)	(0.09)	(0.17)
Eisamex Vietnam JSC	0.01	1.19	(1.19)	(4.50)	(0.04)	0.09	(2.44)	(4.41)
Eisamex SA	4.30	484.64	11.83	44.91	26.51	(52.71)	(4.32)	(7.80)
Atenea Seguridad Y Medio Ambiente S.A.U	0.16	18.03	0.31	1.18	-	-	0.65	1.18
Senalizacion Vales e Imagen S.A.U	0.20	22.53	(0.37)	(1.40)	-	-	(0.78)	(1.40)
Eisamex Internacional S.L	0.01	1.34	(3.59)	(13.63)	-	-	(7.54)	(13.63)
Grusamar Ingenieria y Consulting S.L	0.28	31.25	0.18	0.67	-	-	0.37	0.67
Eisamex Portugal S.A	0.10	10.96	0.22	0.84	-	-	0.47	0.84

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Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income / (loss)		Share in total other Comprehensive income / (loss)	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profit and loss	Amount (₹ in crore)	As % of consolidated other Comprehensive income / (loss)	Amount (₹ in crore)	As % of consolidated total other Comprehensive income / (loss)	Amount (₹ in crore)
Inteval Gestao Integral Rodoviaria S.A	0.29	32.70	1.80	6.85	-	-	3.79	6.85
Mantenimiento Y Conservacion De Vialidades S.A De CV	0.04	4.33	0.18	0.67	-	-	0.37	0.67
ESM Mantenimiento Integral S.A De CV	0.02	2.44	0.01	0.02	-	-	0.01	0.02
CIEM-INTEVIA S.A.	0.08	8.56	0.18	0.67	-	-	0.37	0.67
Control 7 S.A.	0.02	2.33	(0.88)	(3.35)	-	-	(1.85)	(3.35)
Grusamar Albania SHPK	(0.00)	(0.30)	-	-	-	-	-	-
Area de Servicio Coiros S.L.U	0.18	20.21	0.05	0.21	-	-	0.11	0.21
Conservacion De Infraestructuras De Mexico S.A De CV	0.00	0.00	-	-	-	-	-	-
Alcantarilla Fotovoltaica S.L.U	0.03	3.09	0.02	0.09	-	-	0.05	0.09
Area de Servicio Punta Umbria S.L.U	0.04	4.21	0.14	0.53	-	-	0.29	0.53
Beasolarta S.A.U	0.13	14.19	(0.84)	(3.19)	-	-	(1.76)	(3.19)
Eisamex Construcao E Manutencao LTDA	(0.00)	(0.09)	-	-	-	-	-	-
Eisamex LLC USA	-	-	-	-	-	-	-	-
Grusamar Engenharia y Consultoria Brasil LTDA	-	-	-	-	-	-	-	-
Eisamex Colombia SAS	-	-	-	-	-	-	-	-
Grusamar Ingenieria Y Consulting Colombia SAS	-	-	-	-	-	-	-	-
<b>Associates (Investment as per the equity method)</b>								
<b>Indian</b>								
Noida Toll Bridge Company Limited	0.68	76.56	0.16	0.60	0.05	(0.10)	0.28	0.50
ITNL Toll Management Services Limited	(0.00)	(0.02)	-	-	-	-	-	-
Gujarat Road and Infrastructure Company Limited	0.28	31.52	1.77	6.71	(0.00)	0.00	3.71	6.71
Ramky Eisamex Hyderabad Ring Road Limited	0.08	9.48	0.50	1.91	-	-	1.06	1.91
<b>Foreign</b>								
CGI 8 S.A.	(0.00)	(0.20)	0.03	0.12	-	-	0.07	0.12
Sociedad Concesionaria Autovia A-4 Madrid S.A	(0.19)	(21.80)	1.88	7.12	-	-	3.94	7.12
Eisamex Infrastructure Company WLL	-	-	-	-	-	-	-	-
Consorcio De Obras Civiles S.R.L	0.08	9.22	(0.00)	(0.00)	-	-	(0.00)	(0.00)
Geotecnia y Control De Calidad, S.A.	(0.00)	(0.04)	(0.02)	(0.08)	-	-	(0.04)	(0.08)
Vias Y Construcciones S. R. L.	0.00	0.19	(0.03)	(0.12)	-	-	(0.07)	(0.12)
Eisamex Road Technology Company Limited	-	-	-	-	-	-	-	-
<b>Joint Ventures (as per the equity method)</b>								

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Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income / (loss)		Share in total other Comprehensive income / (loss)	
	As % of consolidated net assets	Amount (₹ in crore)	As % of consolidated profit and loss	Amount (₹ in crore)	As % of consolidated other Comprehensive income / (loss)	Amount (₹ in crore)	As % of consolidated total other Comprehensive income / (loss)	Amount (₹ in crore)
<b>Indian</b>								
Thiruvananthapuram Road Development Company Limited	(0.15)	(17.03)	-	-	-	-	-	-
Warora Chandrapur Ballarpur Toll Road Limited	0.44	49.15	(1.30)	(4.92)	-	(2.72)	-	(4.92)
Jorabat Shillong Expressway Limited	0.26	28.81	(2.58)	(9.80)	-	(5.42)	-	(9.80)
N.A.M. Expressway Limited	2.44	274.73	1.86	7.07	-	3.91	-	7.07
Jharkhand Accelerated Road Development Company Limited	0.01	0.60	0.08	0.28	-	0.16	-	0.28
Road Infrastructure Development Company of Rajasthan Limited	(1.44)	(162.50)	-	-	-	-	-	-
<b>Foreign</b>								
Chongqing Yuhe Expressway Co. Ltd.	0.67	74.98	22.63	85.90	33.67	(66.96)	10.49	18.95
<b>Total</b>	<b>100.00</b>	<b>11,269.79</b>	<b>100.00</b>	<b>379.54</b>	<b>100.00</b>	<b>(198.85)</b>	<b>100.00</b>	<b>180.69</b>
Consolidated adjustment and elimination		(6,213.77)		(233.96)		21.70		(212.26)
<b>Minority Interest in all subsidiaries</b>	(0.09)	(435.67)	0.02	3.73	(0.01)	2.10	(0.23)	5.83
<b>Consolidated Net Assets / Profit</b>		<b>4,620.35</b>		<b>149.31</b>		<b>(175.05)</b>		<b>(25.74)</b>

Footnote :

The above figures have been taken from the financial statement of the respective entities.

**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": Subsidiaries

Sr. No.	Name of the Subsidiary	Reporting Currency	Exchange Rate	Share capital	Reserve and Surplus	Total Assets	Total Liabilities	Investments	Turnover / Total Revenue	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding
1	East Hyderabad Expressway Limited	INR	1.00	29.31	35.59	345.37	280.47	-	23.10	(14.73)	-	(14.73)	-	74.00
2	ITNL Road Infrastructure Development Company Limited	INR	1.00	140.00	(128.65)	919.06	907.71	-	30.06	(65.78)	-	(65.78)	-	100.00
3	IL&FS Rail Limited	INR	1.00	826.69	78.23	1,001.47	96.55	740.23	332.03	3.91	1.46	2.45	-	83.25
4	Rapid MetroRail Gurgaon Limited	INR	1.00	631.00	(309.30)	1,319.66	997.96	-	92.80	(116.28)	(5.12)	(111.15)	-	44.12
5	Rapid MetroRail Gurgaon South Limited	INR	1.00	658.00	159.46	2,618.74	1,801.28	-	806.69	88.12	53.96	34.16	-	88.11
6	Vansh Nimay InfraProjects Limited	INR	1.00	15.89	(98.52)	91.46	174.10	-	155.85	52.53	-	52.53	-	90.00
7	Scheme of ITNL Road Investment Trust	INR	1.00	106.90	(20.07)	86.84	0.02	77.53	51.71	52.47	-	52.47	-	100.00
8	West Gujarat Expressway Limited	INR	1.00	40.00	(114.02)	369.91	443.93	-	55.75	(19.80)	-	(19.80)	-	74.00
9	Hazaribagh Ranchi Expressway Limited	INR	1.00	131.00	(39.66)	1,037.35	946.01	-	92.78	(40.31)	-	(40.31)	-	99.99

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Sr. No.	Name of the Subsidiary	Reporting Currency	Exchange Rate	Share capital	Reserve and Surplus	Total Assets	Total Liabilities	Investments	Turnover / Total Revenue	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding
10	Pune Sholapur Road Development Company Limited	INR	1.00	176.00	336.61	2,367.31	1,864.70	-	282.42	(41.71)	-	(41.71)	-	90.91
11	Moradabad Bareilly Expressway Limited	INR	1.00	221.66	629.05	3,531.08	2,680.36	-	427.15	20.21	5.25	14.96	-	100.00
12	Jharkhand Road Projects Implementation Company Limited	INR	1.00	259.50	68.17	2,472.01	2,144.34	-	247.43	(80.74)	-	(80.74)	-	100.00
13	Chennai Nashri Tunnelway Limited	INR	1.00	372.00	81.52	5,565.94	5,112.41	-	1,061.18	(137.16)	-	(137.16)	-	100.00
14	MP Border Checkpost Development Company Limited	INR	1.00	149.02	(309.54)	1,303.05	1,463.56	-	579.63	290.41	33.54	256.87	-	74.00
15	North Karnataka Expressway Limited	INR	1.00	59.39	81.28	327.16	186.48	-	49.16	16.09	4.07	12.02	-	93.50
16	Kiratpur Ner Chowk Expressway Limited	INR	1.00	500.81	192.45	2,190.38	1,497.12	-	719.40	73.75	15.74	58.01	-	100.00
17	Baleshwar Kharagpur Expressway Limited	INR	1.00	178.59	(5.96)	1,321.99	1,149.36	-	85.07	(78.12)	-	(78.12)	-	100.00
18	Sikar Bikaner Highway Limited	INR	1.00	124.05	396.61	984.23	463.57	-	52.76	(22.18)	-	(22.18)	-	100.00
19	Khed Sinner Expressway Limited	INR	1.00	294.19	172.05	2,179.73	1,713.48	-	777.44	56.58	12.08	44.51	-	100.00
20	Banwa Addia Expressway Limited	INR	1.00	105.00	297.53	2,834.98	2,432.45	-	986.76	152.77	32.61	120.17	-	100.00
21	Kayavattom Sports Facilities Limited	INR	1.00	43.12	0.95	368.35	324.28	-	34.00	(18.42)	(5.58)	(12.84)	-	100.00
22	Futureage Infrastructure India Limited	INR	1.00	5.13	(4.41)	0.91	0.19	-	0.16	(1.55)	-	(1.55)	-	58.48
23	Chamimar RoboPark Limited	INR	1.00	6.32	(6.31)	0.09	0.07	-	3.61	(5.85)	-	(5.85)	-	89.20
24	Andhra Pradesh Expressway limited (upto March 10, 2017)	INR	1.00	33.70	(32.82)	587.43	586.56	-	62.38	(59.78)	-	(59.78)	-	-
25	ITNL International Pte. Limited	USD	64.84	758.49	(169.81)	1,904.57	1,315.89	1,732.36	144.09	26.00	4.82	21.17	-	100.00
26	ITNL Offshore Pte. Limited	USD	64.84	20.84	(13.98)	719.89	713.03	-	48.15	0.59	0.04	0.55	-	100.00
27	ITNL Offshore Two Pte. Limited	USD	64.84	0.32	1.17	761.08	759.59	-	52.36	0.56	-	0.56	-	100.00
28	ITNL Offshore Three Pte. Limited	USD	64.84	0.00	(0.28)	265.29	265.57	-	11.96	0.51	0.59	(0.08)	-	100.00
29	ITNL International DMCC	AED	17.64	53.91	(55.43)	80.77	82.29	-	18.76	(16.07)	-	(16.07)	-	100.00
30	ITNL Africa Projects Ltd	NGN	0.21	14.68	(16.86)	1.62	3.80	-	-	(0.94)	-	(0.94)	-	100.00
31	Sheijah General Services Company LLC	AED	17.64	0.51	(8.73)	0.18	8.40	-	0.20	(1.38)	-	(1.38)	-	49.00
32	IPL USA LLC	USD	64.84	38.16	(31.52)	7.67	1.04	-	10.60	(15.08)	-	(15.08)	-	100.00
33	ITNL Infrastructure Developer LLC	AED	17.64	0.54	(6.86)	7.98	14.29	0.27	2.97	(5.46)	-	(5.46)	-	49.00
34	Park Line LLC	AED	17.64	0.54	(0.17)	39.16	38.78	-	40.37	(0.16)	-	(0.16)	-	24.99
35	Eisamex Vietnam JSC	VND	0.003	5.60	(4.41)	9.42	8.23	-	2.45	(4.50)	-	(4.50)	-	65.00
36	Amravati Chikhli Expressway Limited	INR	1.00	18.05	(0.68)	181.78	164.41	-	7.73	(0.14)	-	(0.14)	-	100.00
37	Fagne Sorgadh Expressway Limited	INR	1.00	14.15	29.02	366.08	322.91	-	234.31	37.58	8.02	29.56	-	100.00
38	Jharkhand Infrastructure Implementation Company Limited	INR	1.00	45.00	18.47	243.96	180.50	-	163.48	23.57	5.03	18.54	-	100.00
39	Rajasthan Land Holdings Limited	INR	1.00	2.00	(13.64)	127.32	138.96	9.53	5.51	(2.49)	(2.32)	(0.17)	-	100.00
40	Flamingo Landbase Private Limited	INR	1.00	0.01	2.19	11.67	9.47	-	-	(0.01)	0.31	(0.33)	-	100.00
41	Devika Buildstate Private Limited	INR	1.00	0.01	1.00	8.03	7.02	-	-	(0.02)	0.14	(0.15)	-	100.00
42	Chirayu Kath Real Estate Private Limited	INR	1.00	0.01	4.88	28.26	23.37	-	-	(0.02)	0.70	(0.72)	-	100.00

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Sr. No.	Name of the Subsidiary	Reporting Currency	Exchange Rate	Share capital	Reserve and Surplus	Total Assets	Total Liabilities	Investments	Turnover / Total Revenue	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of shareholding
43	Gujarat Road Bridge Development Company Limited	INR	1.00	4.20	(0.11)	8.54	4.44	-	0.66	(0.10)	-	(0.10)	-	100.00
44	Chattisgarh Highways Development Company Limited	INR	1.00	10.00	(1.73)	10.86	2.59	-	-	(0.35)	-	(0.35)	-	74.00
45	Sinagar Sonamarg Tunnelway Limited	INR	1.00	11.58	62.50	593.78	519.70	-	89.39	20.35	4.34	16.00	-	49.00
46	Eisamex SA #	Euro	69.25	140.33	344.31	1,775.12	1,290.48	280.26	753.56	52.59	7.67	44.91	-	100.00
47	Atenea Seguridad Y Medio Ambiente S.A.U #	Euro	69.25	0.90	17.13	23.06	5.03	-	17.43	2.13	0.95	1.18	-	100.00
48	Senalización Viales e Imagen S.A.U #	Euro	69.25	4.76	17.77	44.29	21.76	-	20.89	(1.96)	(0.56)	(1.40)	-	100.00
49	Eisamex Internacional S.L #	Euro	69.25	99.10	(97.76)	205.85	204.51	20.69	20.70	(21.16)	(7.54)	(13.63)	-	100.00
50	Grusemar Ingenieria y Consulting S.L #	Euro	69.25	24.20	7.05	83.09	51.84	3.15	69.01	0.93	0.25	0.67	-	100.00
51	CIESM-INTEVIA S.A. #	Euro	69.25	0.42	8.14	80.57	72.01	5.85	17.41	(0.33)	(1.01)	0.67	-	100.00
52	Area de Servicio Corios S.L.U #	Euro	69.25	6.95	13.27	36.07	15.85	-	4.04	0.26	0.05	0.21	-	100.00
53	Area de Servicio Punta Umbria S.L.U #	Euro	69.25	0.57	3.63	15.59	11.38	-	2.66	0.68	0.15	0.53	-	100.00
54	Alcantarilla Fotovoltaica S.L.U #	Euro	69.25	0.30	2.79	31.80	28.71	-	3.61	0.19	0.10	0.09	-	100.00
55	Beasolartia S.A.U #	Euro	69.25	0.28	13.91	15.90	1.71	-	1.69	(4.23)	(1.04)	(3.19)	-	100.00
56	Conservacion De Infraestructuras De Mexico S.A. De CV #	Mexican Peso	3.28	0.02	(0.02)	0.02	0.02	-	-	-	-	-	-	96.40
57	Eisamex India Pvt Limited #	INR	1.00	2.34	9.49	14.36	2.53	-	0.75	(0.56)	(0.00)	(0.56)	-	100.00
58	Yala Construction Company Pvt Limited #	INR	1.00	6.70	4.57	13.35	2.08	-	3.53	0.56	0.22	0.35	-	100.00
59	Eisamex Construciao E Manutencao LTDA #	Brazilian Real	20.84	0.24	(0.32)	0.81	0.90	0.53	-	-	-	-	-	99.99
60	Eisamex Maintenance Services limited #	INR	1.00	0.04	42.10	112.23	70.09	-	224.60	24.32	8.03	16.28	-	99.88
61	Eisamex LLC USA #	USD	64.84	-	-	-	-	-	-	-	-	-	-	100.00
62	Eisamex Portugal S.A. #	Euro	69.25	2.42	8.54	16.09	5.13	-	13.14	1.20	0.35	0.84	-	70.00
63	ESM Mantenimiento Integral SA De CV #	Mexican Peso	3.28	2.39	0.05	3.19	0.75	-	8.96	0.02	(0.00)	0.02	-	100.00
64	Inteval Gestao Integral Rodoviaria S.A #	Euro	69.25	9.70	23.01	58.77	26.07	-	156.38	9.36	2.51	6.85	-	100.00
65	Mantenimiento Y Conservacion De Vialidades SA De CV #	Mexican Peso	3.28	4.12	0.21	5.43	1.10	0.00	19.26	0.82	0.15	0.67	-	64.00
66	Control 7 S.A. #	Euro	69.25	3.81	(1.48)	14.93	12.60	0.63	15.53	(4.21)	(0.87)	(3.35)	-	100.00
67	Grusemar India LTD #	INR	1.00	0.05	0.76	0.90	0.09	-	-	(0.00)	0.03	(0.03)	-	100.00
68	Grusemar Albania SHPK #	Albanian Lek	0.52	0.01	(0.31)	0.42	0.72	-	-	-	-	-	-	51.00
69	Grusemar Engenharia Y Consultoria Brasil LTDA #	Brazilian Real	20.84	-	-	-	-	-	-	-	-	-	-	99.99
70	Eisamex Colombia SAS #	Colombia Peso	0.02	-	-	-	-	-	-	-	-	-	-	100.00
71	Grusemar Ingenieria Y Consulting Colombia SAS #	Colombia Peso	0.02	-	-	-	-	-	-	-	-	-	-	100.00

Footnotes :

1. "##" Subsidiaries having December 31, 2016 as a reporting date

# NOTES

forming part of the Consolidated Financial Statements

- The above figures have been taken from the financial statement of the respective entities.
- The above statement also indicates performance and financial position of each of the subsidiaries.
- Percentage holding is disclosed based on aggregation of direct holding of the Company and effective proportionate share holding of the Subsidiary

## Names of subsidiaries which have been liquidated / under liquidation during the year

- Badarpur Tollway Operations Management Limited

## Part "B": Associates 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		Amount of Investment in Associates/Joint Venture	Extend of Holding %	Network attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year		Description of how there is significant influence	Reason why the associate/joint venture is not consolidated
			Numbers	Investment in Associates/Joint Venture				Considered in Consolidation	Not Considered in Consolidation		
<b>Joint Ventures:</b>											
1	Thiruvananthapuram Road Development Company Limited	March 31, 2017	17,030,000	17.03	50.00	-	-	(13.54)	-	There is significant influence due to percentage (%) of Share Capital.	Not Applicable
2	Warora Chandrapur Ballarpur Toll Road Limited #	March 31, 2017	61,708,500	61.71	35.00	110.86	(4.92)	-	-		
3	Jorabat Shilong Expressway Limited	March 31, 2017	42,000,000	42.00	50.00	70.81	(9.80)	-	-		
4	N.A.M. Expressway Limited #	March 31, 2017	116,754,970	116.75	50.00	391.48	7.07	-	-		
5	Jharkhand Accelerated Road Development Company Limited	March 31, 2017	7,400,000	7.40	74.00	8.00	0.28	-	-		
6	Road Infrastructure Development Company of Rajasthan Limited	March 31, 2017	162,500,000	162.50	50.00	-	-	25.88	-		
7	Chongqing Yuh Expressway Co. Ltd.	March 31, 2017	77,166	1,089.70	49.00	1,164.68	85.90	-	-		
<b>Associates:</b>											
1	Noida Toll Bridge Company Limited	March 31, 2017	49,095,007	162.33	26.37	238.89	0.60	-	-		
2	ITNL Toll Management Services Limited	March 31, 2017	24,500	0.02	49.00	-	-	-	-		
3	Gujarat Road and Infrastructure Company Limited	March 31, 2017	14,873,366	14.19	26.81	45.71	6.71	-	-		
4	CGI 8 S.A.	December 31, 2016	491	0.54	49.00	0.34	0.12	-	-		
5	Sociedad Concesionaria Autovia A-4 Madrid S.A	December 31, 2016	917,804	31.78	48.75	9.98	7.12	-	-		
6	Ramky Elsamex Hyderabad Ring Road Limited	December 31, 2016	5,200,000	5.62	26.00	15.10	1.91	-	-		
7	Elsamex Infrastructure Company WLL	December 31, 2016	8,800	0.15	44.00	0.15	-	-	-		
8	Consortio De Obras Civiles S.R.L	December 31, 2016	34	-	34.00	9.22	(0.00)	-	-		
9	Geotecnia y Control De Calidad, S.A	December 31, 2016	1,000	0.63	50.00	0.59	(0.08)	-	-		
10	Vias Y Construcciones S. R. L.	December 31, 2016	500	-	50.00	0.19	(0.12)	-	-		

### Footnotes :

- The above figures have been taken from the financial statement of the respective entities.
- The above statement also indicates performance and financial position of each of the joint ventures and associates.
- In case of Associates, loss in excess of investments in Associates are not considered in CFS and are disclosed as not considered in Consolidation
- Information of Companies marked "#" is from unaudited Financial Statements

## Names of associates which have been liquidated / under liquidation during the year

- Elsamex Road Technology Company Limited

# NOTES

forming part of the Consolidated Financial Statements

47 The concession arrangements of the Group relate primarily to the construction, operation and maintenance of carriageways (roads) and gas stations by special purpose entities within the Group, which at the end of the concession period must be returned in the stipulated conditions to the grantors of the concessions. In consideration for having designed, constructed, operated and maintained such carriageways, the Group is entitled either to "Annuities" from grantors or is entitled charge "Toll" to the users of the carriageways or in the case of gas stations, to compensation from the oil companies besides other revenue from ancillary commercial activities.

(I) The following are toll based service concession arrangements of the Group which have been classified as "Intangible Assets":

1	Group Entity	ITNL Road Infrastructure Development Company Limited	Baleshwar Khargpur Expressway Limited	Chammar Robo Park Project Limited	N.A.M Expressway Limited	Chongqing Yube Expressway Company Limited	West Gujarat Expressway Limited	MP Border Development Company Limited	Rapid Metro Rail Gurgaon Limited	Rapid Metro Rail Gurgaon South Limited	Banwa Adda Expressway Limited	Noida Toll Bridge Company Limited	Road Infrastructure Development Company of Rajasthan Limited
2	Project	The Beawar Gomi Road Project (Refer Footnote 1)	Baleshwar Khargpur Road	Chammar Robo Park Project	Narikaipally Addanki Project	Chongqing Yube Expressway China	Jaipur-Rajkot-Gondal Road Project	MP Border Checkpost Project	Gurgaon Metro Rail Link	Gurgaon Metro Rail South Extension	Banwa Adda Expressway project	Delhi Noida Bridge Project	Mega Highway Road project
3	Nature of Asset	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible
4	Year when SCA Granted	2009	2012	2012	2010	2002	2005	2010	2009	2013	2013	1997	2006
5	Period	30 years	24 years	30 years	24 Years	30 Years	20 years	12.5 years	99 Years	98 Years	20 years	30 years	32 years
6	Extension of Period	NA	NA	NA	NA	NA	NA	As per condition mentioned in Concession Agreement	NA	NA	NA	Draft proposal approval (subject to approval by Noida & Shareholders) for terminating the concession & handing over the bridge on March 31, 2031 and freezing the amount payable as on 31st March 2011.	NA
7	Stage of Completion	Completed /Under Construction (Refer footnote 1)	Completed	Under Construction	Completed	Completed	Completed	Under Construction and partly operational (19 out of 24 check posts)	Completed	Completed	Under Construction	Completed	Completed
8	Premature Termination	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations
9	Special Terms	Nil	Nil	Nil	Nil	Nil	The Company has agreed to provide NHAI cash payment of cumulative sum equal to ₹ 280 crore and NHAI agree to provide the company cash support by way of Grant cumulative sum equal to ₹ 40 crore	Nil	Nil	Nil	Nil	The concession agreement guarantees 20% return. In case if designated return is not achieved within 30 years, the tenure of the concession period will extend by 2 years at a time	Nil

# NOTES

forming part of the Consolidated Financial Statements

Footnote 1

Project	Date of Award	Date of Completion
Beawar to Gomti - 2 lane	April 01, 2009	August 26, 2010
Beawar to Gomti - Additional 2 lane	April 01, 2009	Under Construction

1	Group/Entity	Amravati Chikhli Expressway Limited	Fagne Songadh Expressway Limited	Kayavattam Sports Facilities Limited	Kratpur Ner Chowk Expressway Limited	Moradabad Bareilly Expressway Limited	Pure Sholapur Road Development Company Limited	Skar Bikaner Highway Limited	Warora Chandrapur Balapur Toll Road Limited	Warora Chandrapur Expressway project	Khed Simar Expressway Limited	Gujarat Road and Infrastructure Company Limited	Park Line LLC	
2	Project	Amravati Chikhli Road Project	Fagne Songadh Road Project	Kayavattam Sports Facilities Project	Kratpur Ner Chowk Project	Moradabad Bareilly Road Project	Pure Sholapur Road Project	Skar Bikaner Highway Project	Warora Chandrapur Balapur Road Project	Warora Chandrapur Expressway project	Khed Simar Expressway project	Vadodra Halol Road Project	Ahmedabad Mehsana Road Project	Car Parking Project
3	Nature of Asset	Intangible	Intangible	Intangible/ Financial	Intangible	Intangible	Intangible							
4	Year when SCA Granted	2015	2015	2012	2012	2010	2009	2012	2010	2010	2013	1988	1989	2016
5	Period	19 Years	19 Years	15 years	28 Years	25 years	19 years and 295 days	25 years	30 years	30 years	20 years	30 years	30 years	30 years
6	Extension of Period	NA	NA	NA	NA	As per condition mentioned in Concession Agreement	NA	As per condition mentioned in concession agreement	NA	NA	NA	2 years at a time	2 years at a time	NA
7	Stage of Completion	Under Construction	Under Construction	Completed	Under Construction	Completed	Completed	Completed	Completed	Completed	POCD received w.e.f. 31/12/2017 for 104.636 kms out of 137.86 kms	Completed	Completed	Under Construction
8	Premature Termination	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations
9	Special Terms	Nil	The concession agreement guarantees 20% return. In case if designated return is not achieved within 30 years, the tenure of the concession period will extend by 2 years at a time	The concession agreement guarantees 20% return. In case if designated return is not achieved within 30 years, the tenure of the concession period will extend by 2 years at a time	Nil									

# NOTES

forming part of the Consolidated Financial Statements

(ii) The following are an annuity based service concession arrangements of the Group which have been classified as financial assets under "Receivables against service concession arrangements":

1	Group Entity	North Karnataka Expressway Limited	Jorabat Shillong Expressway Limited	Jharkhand Road Projects Implementation Company Limited	Hazaribagh Ranchi Expressway Limited	Chenani Nashri Tunnelway Limited	East Hyderabad Expressway Limited	Thiruvananthapuram Road Development Company Limited	Srinagar Sonamarg Tunnelway Limited	Jharkhand Infrastructure Implementation Company Limited	GRIL Rail Bridge Development Company Limited
2	Project	North Karnataka Expressway Project	Jorabat Shillong Project	Jharkhand Accelerated Road (Refer Footnote 2)	Hazaribagh Ranchi Road Project	Chenani Nashri Tunnel Project	Hyderabad Outer Ring Road Project	Thiruvananthapuram City Road Project (Refer Footnote 3)	Srinagar Sonamarg Tunnel Project	Ranchi Ring Road Project (Section VII)	G-ROB
3	Nature of Asset	Financial									
4	Year when SCA Granted	2001	2010	Refer Footnote 2	2009	2010	2007	Refer Footnote 3	2015	2015	2015
5	Period	17 year 6 months	20 years	Refer Footnote 2	18 years	20 years	15 years	Refer Footnote 3	20 years	17 year 6 months	17 year 6 months
6	Extension of Period	NA	NA	Refer Footnote 2	NA	NA	NA	NA	NA	At the discretion of grantor	NA
7	Stage of Completion	Completed	Completed	Refer Footnote 2	Completed	Completed	Completed	Completed	Under Construction	Under Construction	Under Construction
8	Premature Termination	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations
9	Special Terms	Nil									
Footnote 2											
Projects											
Ranchi Ring Road Project											
Year when SCA granted											
2009											
Period											
17 year 6 months											
Extension of period											
At the discretion of grantor											
Completed / Under Construction											
Completed											
Footnote 3											
Projects											
Phase I											
Year when SCA granted											
2004											
Period											
17 year 6 months											
Phase II											
Year when SCA granted											
2004											
Period											
17 year 6 months											
Phase III											
Year when SCA granted											
2009											
Period											
17 year 6 months											
Adityapur Kandra Road Project											
Year when SCA granted											
2011											
Period											
15 Years 9 months											
Extension of period											
Extended upto January 31, 2013											
Completed / Under Construction											
Completed											
Footnote 4											
Projects											
Patratu Dam Ramgarh Road Project											
Year when SCA granted											
2009											
Period											
17 year 6 months											
Extension of period											
Extended upto June 30, 2014											
Completed / Under Construction											
Completed											
Footnote 5											
Projects											
Chaibasa Kandra Chowka Road Project											
Year when SCA granted											
2011											
Period											
17 year 6 months											
Extension of period											
Extended upto March 31, 2015											
Completed / Under Construction											
Completed											

# NOTES

forming part of the Consolidated Financial Statements

- iii) Elsamex SA, its subsidiaries and joint ventures, (the "Elsamex Group") have entered into Service Concession Arrangements ("SCA") for construction and operation and maintenance of five gas stations in Spain and for the construction and operation and maintenance of a road project in Spain with the Government authorities. The periods for which the SCAs have been granted are as under:

Project	Year of SCA	Status	Operations and Maintenance period	Extension of period
Orihuela Gas Station	2001	Construction completed	29 years	At the discretion of grantor
Villavidel Gas Station	2001	Construction completed	44 years	At the discretion of grantor
Zamora Gas Station	2002	Construction completed	46 years	At the discretion of grantor
Ponferrada Gas Station	2004	Construction completed	46 years	At the discretion of grantor
Coiros Gas Station	2004	Construction completed	39 years	At the discretion of grantor
A4 Road	2007	Construction completed	19 years	At the discretion of grantor
Area de servicio Punta Umbria	2010	Construction completed	30 years	At the discretion of grantor
Alcantarilla Fotovoltaica, S.L.U.	2010	Construction completed	30 years	At the discretion of grantor
Ramky Elsamex Hyderabad	2007	Construction completed	15 years	At the discretion of grantor

Maintenance activities for the gas stations and road project include routine operating and maintenance as well as periodic overhauling and refurbishment to maintain the stations to the defined standards. In consideration for performing its obligations under the SCA, Elsamex is entitled to compensation from the oil companies computed at a predefined proportion of the sale of products at the gas stations and in the form of a "shadow toll" based on the units of usage i.e. the number of vehicles using the road in respect of road project.

- 48** The Company has formed IL&FS Transportation Investment Trust ("InvIT") and identified four SPVs i.e. North Karnataka Expressway Limited, Hazaribagh Ranchi Expressway Limited, Jharkhand Road Projects Implementation Company Limited and Sikar Bikaner Highway Limited which will be transferred to InvIT once the funds are raised by InvIT.

## 49 Subsequent Events :

After the balance sheet date, the Company has received approvals from Concession granting authorities for transfer of its equity investments in four subsidiaries (investments held for sale) to IL&FS Transportation Investment Trust.

## 50 Approval of financial statements

The consolidated financial statements were approved for issue by the Board of Directors on May 29, 2017

For and on behalf of the Board

**K. Ramchand**  
Managing Director  
DIN-00051769

**Arun K. Saha**  
Director  
DIN-00002377

**Dilip Bhatia**  
Chief Financial Officer

**Krishna Ghag**  
Company Secretary

Mumbai, May 29, 2017

# NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of IL&FS Transportation Networks Limited will be held at Y B Chavan Auditorium, Next to Sachivalaya Gymkhana, Opp. Mantralaya, Gen. J. Bhosale Marg, Mumbai 400 021 on Tuesday, August 29, 2017 at 11.00 a.m. to transact the following business:

## Ordinary Business

- (1) To receive, consider and adopt:
  - (a) the Audited Standalone Financial Statements for the year ended March 31, 2017 together with the Reports of the Board of Directors and the Auditors thereon; and
  - (b) the Audited Consolidated Financial Statements for the year ended March 31, 2017
- (2) To confirm the payment of interim dividend as final dividend on Preference Shares
- (3) To appoint a director in place of Mr. Ravi Parthasarathy (DIN: 00002392), who retires by rotation and being eligible offers himself for re-appointment
- (4) To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, SRBC & Co. LLP, Chartered Accountants (Firm Registration No. 324982E/E30003) be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 22nd AGM of the Company to be held in the financial year 2022 (subject to ratification, if any, required as per the applicable provisions of the law from time to time, of their appointment at every AGM) at such remuneration plus service tax as applicable and reimbursement of out-of-pocket expenses in connection with the audit as the Board of Directors may fix in consultation with them”

## SPECIAL BUSINESS

- (5) To consider and, if thought fit, to give assent or dissent to the following resolution to be passed as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of

the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, (including any statutory modification(s) / re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. Chivilkar Solanki & Associates, Cost Accountants, Mumbai (Firm Registration No.: 000468) as Cost Auditors to conduct the audit of the cost records of the Company for FY 2017-18, as recommended by the Audit Committee and approved by the Board of Directors of the Company, amounting to ₹ 2,00,000/- (Rupees Two Lakhs) plus service tax as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby approved”

- (6) To consider and, if thought fit, to give assent or dissent to the following resolution to be passed as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 71, 179 and all other applicable provisions, if any, of the Companies Act, 2013, read with proviso to Rule 14(2)(a) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable rules, if any, made thereunder, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, (“Debt Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification thereof and any circulars, notifications, clarifications, rules passed thereunder from time to time) and in accordance with the Memorandum and Articles of Association of the Company, and subject to such approvals, consents, sanctions, permissions as may be necessary from all appropriate statutory and regulatory authorities, and subject to such conditions and modifications as may be prescribed by the respective statutory and/or regulatory authorities while granting such approvals, consents, sanctions, permissions which may be agreed to by the Board and subject to the total borrowings of the Company not exceeding the borrowing powers approved by the Members under Section 180(1)(c) of Companies Act 2013, the approval of the Members of the Company be and is hereby accorded to the Board of Directors to offer or invite subscription for secured/unsecured Non-Convertible Debentures including but not limited to subordinated Debentures, bonds, and/or other debt securities, etc. (“NCDs”) (the “Issue”) to the prospective

investor(s) on a private placement basis in one or more tranches for an aggregate amount not exceeding ₹ 3,500 Crore, within the overall borrowing limits of the Company as may be approved by the Members from time to time

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized on behalf of the Company to do such acts, deeds and things as they may in their absolute discretion deem necessary or desirable in connection with such Issue or any matters incidental thereto including but not limited to the class of investors to whom NCDs are to be issued, the determination of the face value, issue price, issue size, timing, amount, security, coupon / interest rate(s), yield, utilization of issue proceeds, listing, allotment and other terms and conditions of Issue; and to deal with all such matters, settle all questions, difficulties or doubts that may arise in regard to the issue or allotment of such Debentures, and take all such steps as may be necessary and to sign/execute, any deeds/documents/agreements/undertakings/papers/writings etc. as the Board may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to sub-delegate all or any of the above authorizations in favour of a Committee of the Board of Directors subject to such conditions as it may deem fit"

**By Order of the Board**  
For **IL&FS Transportation Networks Limited**

**Krishna Ghag**

Vice President & Company Secretary  
Membership No. FCS 4489

Mumbai, May 29, 2017

Registered Office:  
The IL&FS Financial Centre,  
C-22, G-Block, Bandra - Kurla Complex,  
Bandra (East), Mumbai 400051

CIN: L45203MH2000PLC129790

**NOTES:**

- 1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, trusts, etc., must be supported by appropriate resolutions / authority, as applicable**

**A person can act as a proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total paid-up share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member**

2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the business under Item Nos. 5 & 6 of the Notice is annexed hereto. The relevant details as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 (SS-2) for persons seeking Appointment/Re-appointment as Director under Item No. 3 of the Notice is also annexed
3. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing such representative(s) to attend and vote on their behalf at the Meeting
4. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public holidays) between 2.00 pm to 5.00 pm prior to the date of this Annual General Meeting

5. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, August 22, 2017 to Tuesday, August 29, 2017 (both days inclusive)
  6. The Register of Directors and Key Managerial Persons and their shareholding, maintained under Section 170 of the Act, will be available for inspection by the Members at the AGM
  7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the AGM
  8. Members are requested to immediately intimate changes, if any, in their registered addresses along with pin code number to the Company or the Registrar & Share Transfer Agents. Members holding shares in dematerialised mode are requested to intimate the same to their respective depository participants
  9. In order to avail the facility of Electronic Clearing Service (ECS), Members holding shares in physical form are requested to provide bank account details to the Company or the Registrar & Share Transfer Agents. Members holding shares in dematerialised mode are requested to instruct their respective Depository Participants their details of bank account in which they wish to receive the dividends. The Company/ Registrars & Share Transfer Agents will not act on any request received from the Members holding shares in dematerialised form for carrying out any change/ deletion of such bank account details
  10. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate risks associated with physical shares
  11. The Company is obliged to print bank details on the Dividend warrants as furnished by National Securities Depository Limited ("NSDL") and Central Securities Depository Limited ("CDSL") hereinafter referred to as ("the Depositories") to the Company and the Company cannot entertain any request for deletion/change of Bank details already printed on the Dividend warrant(s) based on the information received from the concerned Depositories without confirmation from them. In this regard, Members are advised to contact their Depository Participant (DP) and furnish them the particulars of any change desired
  12. In terms of the provisions of Section 124 of the Companies Act, 2013, dividend amount remaining unpaid/unclaimed for a period of 7 years would be transferred to the "Investor Education and Protection Fund (IEPF)", constituted by the Central Government. Members who have not yet encashed their dividend warrant(s) for the financial year 2009-10 onwards are requested to make their claims without any delay to the Company
- Pursuant to the provisions of the IEPF (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules 2012, the details of unpaid / unclaimed dividend amounts lying with the Company as on August 9, 2016 (date of last AGM) have been displayed on the website of the Company ([www.itnlindia.com](http://www.itnlindia.com)) and are also available on the website of the Ministry of Corporate Affairs
13. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member had requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode
  14. Members intending to require information or clarifications about the Financial Accounts, to be explained at the Meeting are requested to inform the Company atleast a week in advance to enable the Company to compile the information and provide replies at the Meeting
  15. Members are requested to bring their copy of the Annual Report to the Meeting
  16. A Route-map showing directions to reach the venue of the 17th Annual General Meeting of the Company is enclosed to the notice as per the requirements of "Secretarial Standards-2" on General Meetings
  17. Process and manner for voting through electronic means
    - i. In compliance with provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGMs ("remote e-voting") will be provided by NSDL.

- ii. Mrs. Jayshree S. Joshi (FCS: 1451; CP No.: 487), proprietor of Jayshree Dagli & Associates, Company Secretaries, Mumbai has been appointed as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner
- iii. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper
- iv. The remote e-voting period commences on Saturday, August 26, 2017 (9.00 am IST) and ends on Monday, August 28, 2017 (5.00 pm IST). During this period, Members holding shares in physical or dematerialized form, as on the cut-off date i.e. Tuesday, August 22, 2017, may cast their votes electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently
- v. The voting rights of Members shall be in proportion to their share in the paid up share capital of the Company as on the cut-off date i.e. Tuesday, August 22, 2017
- vi. A Member can opt for only one mode of voting i.e. either through remote e-voting or by ballot. If a Member casts votes by both modes, then the voting done through e-voting shall prevail and ballot shall be treated as invalid
- vii. The procedure and instructions for remote e-voting areas follows:

(a) In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)] :

1. Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".

2. Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>
3. Click on Shareholder - Login
4. Put your user ID and password. Click Login.
5. Password change menu appears. Change the password/PIN with new password of your choice with minimum

8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

6. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  7. Select "EVEN" of "IL&FS Transportation Networks Limited".
  8. Now you are ready for remote e-voting as Cast Vote page opens.
  9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  10. Upon confirmation, the message "Vote cast successfully" will be displayed.
  11. Once you have voted on the resolution, you will not be allowed to modify your vote.
  12. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [jayshreedagli@gmail.com](mailto:jayshreedagli@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- (b) In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participant(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :  
**EVEN (Remote e-voting Event Number)**  
**USER ID PASSWORD/PIN**
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote
- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- (d) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID)

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No)

- viii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- ix. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Tuesday, August 22, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Link Intime India Limited, Registrar & Transfer Agents  
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990
- x. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM
- xi. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper
- xii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility
- xiii. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith

- xiv. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.itnlindia.com](http://www.itnlindia.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND RULE 15(3) OF COMPANIES (MEETINGS OF BOARD AND ITS POWERS) RULES, 2014**

#### **Item no. 5**

The Board of Directors on the recommendation of the Audit Committee, had approved the appointment of M/s. Chivilkar & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for FY 2017-18

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor for FY 2017-18 is required to be approved by the Members of the Company. Accordingly, the Members are requested to approve the remuneration payable to the Cost Auditor for the financial year ending March 31, 2018, as set out in the Resolution No 5 of the Notice

None of the Directors, Promoters or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the said Resolution

The Board of Directors recommend the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the Members

A copy of all the documents would be available for inspection at the Registered Office of the Company on all working days except Saturday and Sunday, between 2.00 p.m. and 5.00 p.m. upto the date of the meeting

#### **Item no. 6**

##### **Private Placement of Non-Convertible Debentures**

Pursuant to the provisions of Section 42, Section 71, Section 179 of Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company offering or making an invitation to subscribe to Non-Convertible Debentures ("NCDs") is required to obtain the prior approval of the Members of the Company by way of a Special Resolution which is valid for a year. The validity of the Special Resolution passed by the Members on June 27, 2016 authorizing the Board of Directors to issue Non-Convertible Debentures to the extent of ₹ 2,500 Crore has since expired. Out of the aforesaid, the Company had raised only an amount of ₹ 1,500 Crore over the previous year

since, the Company had been considering lowering its short term nature of debt to a longer term debt from an operational perspective. The Company has been able to achieve significant correction by reducing the short term debt to 26% as at the end of March 31, 2017. In order to continue this trend to avail of longer term fund, the Company proposes to seek fresh approval for raising a sum of upto ₹ 3,500 Crore by issue of NCDs so as to bring down the short term debt level

The resolution contained in the accompanying Notice, accordingly, seeks shareholders' approval through Special Resolution for Private Placement of Non-Convertible Debentures to the prospective investor(s) in one or more tranches for an aggregate amount not exceeding ₹ 3,500 Crore and authorizing Board of Directors including any Committee thereof for the aforesaid purpose and to complete all formalities in this connection

The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in the accompanying Notice for approval of the Members

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or

interested, financially or otherwise, in the resolution, except to the extent of their equity shareholdings in the Company.

A copy of each of the documents referred to in the accompanying Explanatory Statement is open for inspection at the Registered Office of the Company on all working days except Saturday and Sunday, between 2.00 p.m. and 5.00 p.m. upto the date of the meeting

**By Order of the Board**  
For **IL&FS Transportation Networks Limited**

**Krishna Ghag**  
Vice President & Company Secretary  
Membership No. FCS 4489

Mumbai, May 29, 2017

Registered Office:  
The IL&FS Financial Centre,  
C-22, G-Block, Bandra - Kurla Complex,  
Bandra (East), Mumbai 400051

CIN: L45203MH2000PLC129790

**Details of Directors seeking Appointment / Re-Appointment as required under Regulation 36 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 (SS-2) with respect to Director Seeking Appointment / Re-appointment is as under:**

Particulars	Mr. Ravi Parthasarathy
Date of Birth	October 4, 1952
Date of Appointment	June 8, 2006
Qualifications	(i) B.Sc. (ii) MBA from IIM, Ahmedabad
Expertise in specific functional areas	Eminent Professional with rich and varied experience in Infrastructure & Financial services segment
Relationships between directors inter se	-
Directorships in other Listed Companies	-
Membership of Committees in other Listed Companies (includes only Audit & Stakeholders' Relationship Committee)	-
No. of Shares held in the Company	5,33,061



**IL&FS Transportation Networks Limited**

Regd. Office: The IL&FS Financial Centre, C-22, G-Block, Bandra - Kurla Complex, Bandra (East), Mumbai 400051  
 Tel. No.: +91 22 2653 3333, Facsimile: +91 22 2652 3979,  
 Email: itninvestor@ilfsindia.com, website: www.itnlindia.com  
 CIN: L45203MH2000PLC129790

**ATTENDANCE SLIP**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP Id*		Folio No.	
Client Id*		No. of Shares	

NAME AND ADDRESS OF THE MEMBER

I hereby record my presence at the **ANNUAL GENERAL MEETING** of IL&FS Transportation Networks Limited held on August 29, 2017 at 11.00 a.m. at Y. B. Chavan Auditorium, Gen. J. Bhosale Marg, Next to Sachivalaya Gym., Opp. Mantralaya, Mumbai 400 021

\* Applicable for investors holding shares in electronic form

Signature of Member / Proxy

**IL&FS Transportation Networks Limited**

Regd. Office: The IL&FS Financial Centre, C-22, G-Block, Bandra - Kurla Complex, Bandra (East), Mumbai 400051  
 Tel. No.: +91 22 2653 3333, Facsimile: +91 22 2652 3979,  
 Email: itninvestor@ilfsindia.com, website: www.itnlindia.com  
 CIN: L45203MH2000PLC129790

**PROXY FORM**

Name of the member(s):		e-mail id:	
Registered address:		Folio No/ *Client Id /*DP Id:	

I/We, being the member(s) of \_\_\_\_\_ shares of IL&FS Transportation Networks Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Annual General Meeting** of the Company, to be held on August 29, 2017 at 11.00 a.m. at Y. B. Chavan Auditorium, Gen. J. Bhosale Marg, Next to Sachivalaya Gym., Opp. Mantralaya, Mumbai 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Consider and adopt the (a) Audited Standalone Financial Statement, Reports of the Board of Directors and Auditors and (b) Consolidated Financial Statement for the year ended March 31, 2017		
2. Confirm the Payment of Interim Dividend as Final Dividend on Preference Shares		
3. Re-appointment of Mr. Ravi Parthasarathy (DIN 00002392) who retires by rotation		
4. Appointment of SRBC & Co. LLP, as Statutory Auditors and to fix their remuneration		
5. Approval of Cost Auditor's Remuneration for FY 2017-18		
6. Issue of Non-convertible Debentures for an amount upto ₹ 3,500 Crore		

Signed this..... day of August 2017

Signature of Member

Signature of first proxy holder

Signature of second proxy holder

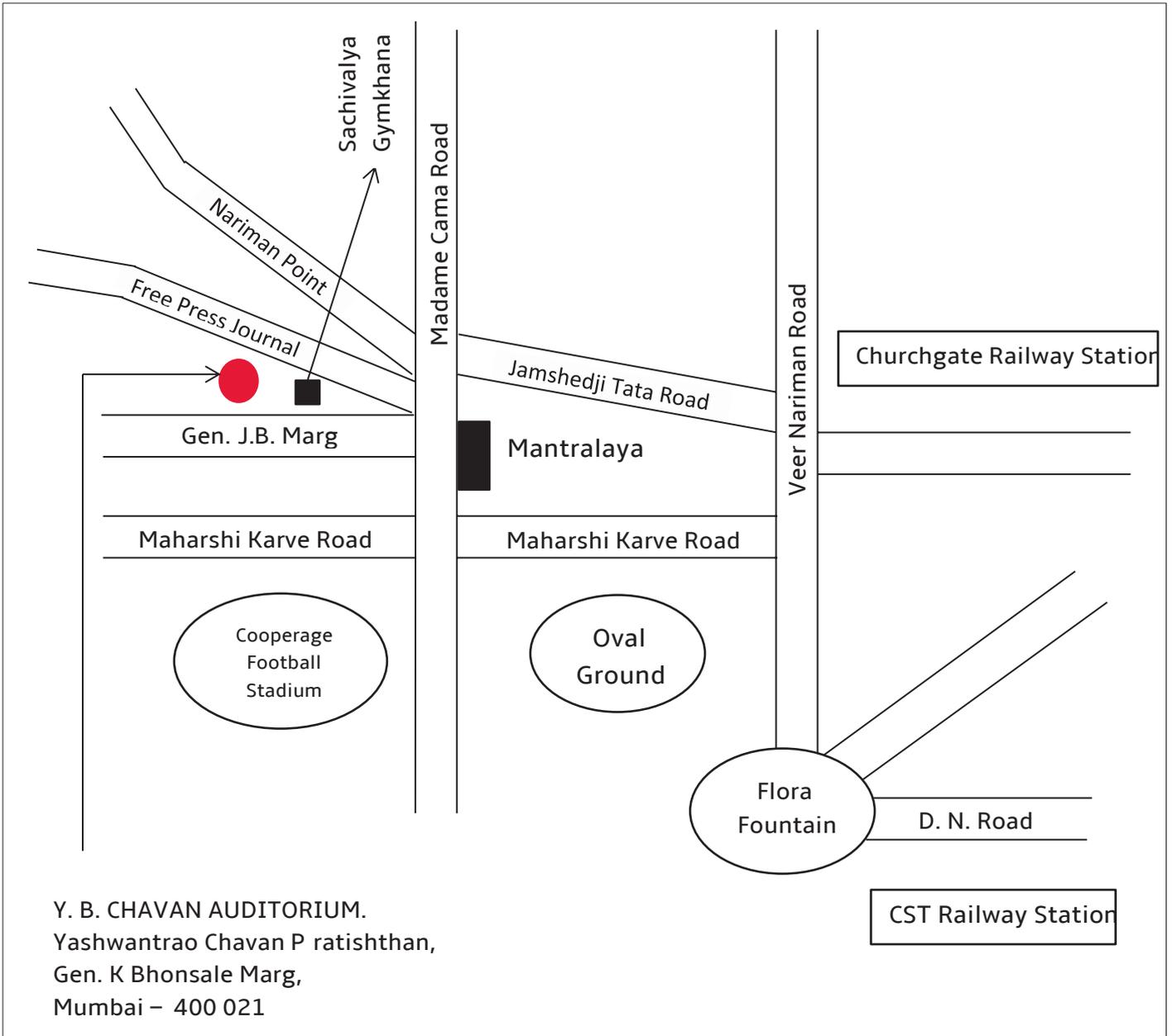
Signature of third proxy holder

Affix a  
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Revenue  
Stamp

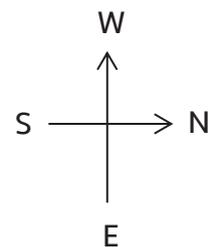
\* Applicable for members holding shares in electronic form



# ROUTE MAP



Not to scale







Interior and exterior views of the IL&FS Financial Centre, Mumbai



# | Transportation

**IL&FS Transportation Networks Limited**

The IL&FS Financial Centre  
Plot C-22, G-Block, Bandra Kurla Complex,  
Bandra East, Mumbai 400 051

Tel: +91 22 2653 3333, Fax: +91 22 2652 3979

CIN: L45203MH2000PLC129790

[www.itnlindia.com](http://www.itnlindia.com)