IL&FS | Transportation

IL&FS TRANSPORTATION NETWORKS LIMITED

CHALLENGES AHEAD

2017-18 ANNUAL REPORT

CONTENTS

2017-18 Highlights

REVENUE FROM OPERATIONS	PROFIT AFTER TAX	EBITDA MARGIN
₹ 8,717 Cr	₹ 176 Cr	44%

▲ Moradabad Bareilly Road

As India moves towards a major infrastructure revival, IL&FS Transportation Networks Limited (ITNL) is suitably positioned to play a defining role in shaping the country's transportation canvas. With inherent and well-established strengths in project execution and our engineering proficiencies, we have a positive and sustained commitment to build value for the nation through our contribution to infrastructure creation

This determination withstood the tide of the challenges that arose in 2017-18, making us stronger and wiser. Delays in project execution, coupled with reluctance from the financial institutions to fund infrastructure projects, posed a major hurdle in the development of the road sector. These delays led to cost overruns, which lowered returns for developers and adversely affected their debt-servicing ability

ITNL prides itself on thinking through ways of overcoming these obstacles. We operate on the philosophy that difficult situations are opportunities to emerge tougher than before. The manner in which we have been responding to the prevalent challenges in the industry, as well as our approach to balancing financial concerns, are testimony of our resilience

We are cognisant of the opportunities on the horizon and are steering our strategy to make the business stronger. We plan to churn our asset portfolio to free-up locked-in equity to fund ongoing projects and focus on Engineering, Procurement & Construction (EPC) and Hybrid Annuity Model (HAM) contracts

With enhanced Government impetus on road infrastructure, we are leveraging our experience and expertise to be in step with a nation on the move, while resolutely facing challenges

INTRODUCING ITNL

Barwa Adda Panagarh Road

With a vast portfolio of roads, bridges, tunnels and highways, IL&FS Transportation Networks Limited (ITNL) has been partnering India's growth through infrastructure development

Established in 2000 as a wholly-owned subsidiary of Infrastructure Leasing & Financial Services Limited (IL&FS), the Company has grown to become a leader in the surface transportation infrastructure sector in India. The Company's road asset portfolio, comprising a mix of toll and annuity-based projects, aggregates to 13,493 lane-km

Through our wholly-owned international subsidiaries, including Elsamex SA and ITNL International Pte. Ltd. (IIPL), we provide maintenance services, primarily for highways, roads and gas stations across Asia, Europe, Africa and the Americas

Key strengths

Strong parentage from being 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

BOT PROJECTS	NON-ROAD BOT PROJECTS	EPC PROJECTS
28	5	4

TOTAL OPERATIONAL (BOT)	TOTAL PORTFOLIO (BOT)	EPC ORDER BOOK
10,326 lane-km	13,493 lane-km	₹ 5,424 Cr

Business segments

We cater to three broad business segments including BOT (Build Operate Transfer), EPC (Engineering, Procurement & Construction) and O&M (Operations & Maintenance)

BUILD, OPERATE, TRANSFER (BOT)

- Concession from a Government authority to finance, design, construct and operate an infrastructure facility for a defined period
- Core business at present, with 28 road projects and five non-road projects
- Prudent mix of toll and annuity projects to balance stable cash flows along with upside from increased traffic

ENGINEERING, PROCUREMENT & CONSTRUCTION (EPC)

- Design and construction of projects with no balance sheet or operational risk
- Milestone-based payments for work executed, helping maintain healthy cash flow
- Growing portfolio of four EPC projects

OPERATIONS & MAINTENANCE (O&M)

- Operations and maintenance services for infrastructure projects
- Providing O&M services for both internal as well as external agencies
- Proficient in state-of-the-art cold/hot in-place pavement recycling technology

GEOGRAPHICAL PRESENCE

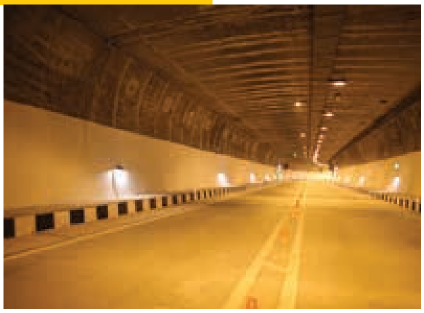
PAN-INDIA PRESENCE

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. US
2. Mexico
3. Haiti
4. The 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

OPERATIONAL HIGHLIGHTS



Madhya Pradesh Major District Roads Upgradation Project

The Company, in Joint Venture (JV) with IL&FS Engineering and Construction Company Ltd. (IECCL), was awarded the contract for widening and reconstruction of major district roads, in Madhya Pradesh, aggregating to 160 lane-km, under the Madhya Pradesh Major District Roads Upgradation Project (MPMDRUP Package 2) by Madhya Pradesh Road Development Corporation Limited (MPRDC) on June 16, 2017

Barwa Adda Road Project

The Company commenced toll collection at the second toll plaza on the Barwa Adda Road project in the states of Jharkhand and West Bengal, bolstering the toll revenue stream of the Company

Zojila Tunnel

The Company was awarded the project for the construction, operation and maintenance of the 14-km-long two-lane bi-directional Zojila Tunnel with parallel escape (egress) tunnel, excluding approaches on the Srinagar-Leh section connecting NH-1 at 95 KM and at 118 KM in Jammu & Kashmir, in EPC mode

Claims Settlement

During the period under review, claims amounting to ₹547 Crore were awarded by the Arbitration Tribunal in favour of Pune Sholapur Road Development Company Limited, while claim conciliation is in the final stages in the Moradabad Barielly Expressway Limited, the outcome of which is expected during the current financial year

Chenani Nashri Tunnel

The Company received final completion certificate for the Chenani-Nashri Tunnel Project in Jammu & Kashmir

Refinancing Debt

The Company refinanced the debt in Jorabat-Shillong Expressway Limited and Jharkhand Road projects Implementation Company Limited, aggregating to ₹2,613 Crore, which has in turn led to lowering of interest rate by 2-3% and consequent savings in interest cost

AWARDS & ACCOLADES

- The Chenani-Nashri Tunnel Project was conferred the **SKOCH Order-of-Merit Award** during the 48th SKOCH Summit. The project was rated on three parameters, namely Early Bird, Jury Evaluation and Popular Vote in **Skoch BSE Corporate Excellence Award**

- The Company received an award for **effective Project Financing & Economics** by the **International Road Federation for the Jharkhand Accelerated Road Development Programme**

- The Company was **felicitated in the 7th EPC World Awards** under two categories – Outstanding Contribution in Roads and Highways and Infra Company of the Year

- Jharkhand Accelerated Road Development Programme has been listed **among 60 United Nation Sustainable Development's** 'People-First Public-Private Partnerships' at an international forum hosted by the **United Nations Economic Commission for Europe (UNECE)** in Geneva, Switzerland

FINANCIAL HIGHLIGHTS

Revenue
(₹ in Crore)

	Revenue
2017-18	9,779
2016-17	8,402
2015-16	8,356
2014-15	6,828
2013-14	6,803

EBITDA
(₹ in Crore)

	EBITDA
2017-18	4,324
2016-17	3,577
2015-16	2,843
2014-15	2,466
2013-14	2,105

Operating Margins
(%)

	Operating Margins
2017-18	44.22
2016-17	42.60
2015-16	34.00
2014-15	36.10
2013-14	30.90

Profit After Tax
(₹ in Crore)

	Profit After Tax
2017-18	65
2016-17	146
2015-16	87
2014-15	444
2013-14	463

Net Fixed Assets

(₹ in Crore)

2017-18	33,070
2016-17	30,660
2015-16	27,007
2014-15	25,418
2013-14	21,603

Net Worth

(₹ in Crore)

2017-18	4,361
2016-17	4,185
2015-16	4,302
2014-15	5,719
2013-14	5,004

Investments

(₹ in Crore)

2017-18	5,377
2016-17	5,304
2015-16	4,895
2014-15	4,901
2013-14	4,148

Net Debt

(₹ in Crore)

2017-18	32,811
2016-17	29,961
2015-16	25,863
2014-15	22,575
2013-14	18,145

▲ Ranchi Ring Road

CHAIRMAN'S MESSAGE

DELIVERING THROUGH CHALLENGES

Dear Shareholders,

The year 2017 was marked by key economic reforms by the Government of India. In July, the Indian economy witnessed the launch of the transformational Goods and Service Tax (GST). While a game-changer, the teething problems gave rise to a climate of uncertainty. However, conducive policies, reform initiatives and corrective measures led to signs of revival in the second half of the year. The Indian economy posted a growth rate of 7.7% during Q4 FY 2017-18, enabling the country to retain its position as the fastest-growing major economy. Domestically, over the medium term, GST promises to deliver positive results as India becomes a single, more competitive market. The Government continues to drive reforms across sectors to improve transparency and boost investments in our country

INFRASTRUCTURE OPPORTUNITY

The development of a country's infrastructure is vital to the growth of its sectors and the overall economy. The increased spending in this sector has a multiplier effect on the overall economic growth as it necessitates industrial growth and manufacturing. This in turn boosts aggregate demand by improving living conditions

In the fiscal year ending March 2018, the National Highways Authority of India (NHAI) and Ministry of Road Transport and Highways (MoRTH) awarded contracts for a record ~17,000 km of roads and constructed ~10,000 km. During the current fiscal, the Government has set a target to increase road award and construction to about 20,000 km and 16,000 km, respectively. The sector's visibility improved with the Government announcing the Bharatmala project, under which it plans to construct 83,677 km of roads by 2022. MoRTH expects to fund it with ₹71,000 Crore in budgetary support and around ₹1.5 Lakh Crore by monetising 100 highway projects. It has already monetised nine projects and raised ₹10,000 Crore. NHAI proposes to issue bonds, including masala bonds, to fund the residual amount

The mix of awards by both NHAI and MoRTH have also changed with the shift to HAM and EPC from BOT. This was largely driven by the need to protect road players from the volatility of traffic growth, which had rendered several older projects unviable, limiting debt funding from banks for future growth. The Government has continued its thrust on the Pradhan Mantri Gram Sadak Yojana (PMGSY) as allocation towards it remained at ₹19,000 Crore. The Phase-III of PMGSY has been launched to connect hospitals and schools through major link routes through the interiors of villages. The Government's target is to construct 57,000 km, involving 28.35 Crore man-days

OPERATIONAL PERFORMANCE

Our construction revenue for the reporting period stood at ₹2,538 Crore, around 14% lower than that of 2016-17 (₹2,952 Crore) on account of reduction in the number of projects under implementation. The year ended with a consolidated order book, including business from international territories, of ₹20,664 Crore, against ₹15,339 Crore at the start of financial year. New orders worth €19.67 Million were secured in the Spanish region

We secured the construction, operation and maintenance of the 14-km long two-lane bi-directional Zojila tunnel with parallel escape (egress) tunnel, excluding approaches on the Srinagar-Leh section, in EPC mode. We have successfully refinanced the debt in the Jorabat-Shillong Road project amounting to ₹883 Crore at 8.3%, which has in turn led to lowering of interest rate by 2-3% and consequent savings in interest cost. For the year ending March 2018, Yuhe Expressway recorded sales of US$ 84.26 Million against US$ 72.56 Million in the previous year

CHALLENGES

While the Government has been doing the needful in providing the right boost to the infrastructure sector, the industry still has some miles to go to overcome its challenges. ITNL, too, has been facing its share of difficulties. For instance, coupled with lower fees, revenue from operations is lower on account of decreased construction income due to the completion of major projects; and the commencement of construction work in new projects as well

As the Government's mode of project delivery has moved from Private-Public Partnership (PPP) to EPC and HAM models, a sector in which we are emerging, we remain cautious while bidding for such projects

We also witnessed considerable cost overruns in the projects as a result of the authority failing in their obligations, such as to provide right of way and forest clearances, among others. Keeping in line with its philosophy of not abandoning any projects, as a principal sponsor, the Company borrowed additional money to fund the cost overruns. However, claims and compensation have been sought by the project companies from the respective authority, the realisation of which is subject to procedural delays. One such case is the award passed by the Arbitration Tribunal in favour of our project company, Pune Sholapur Road Development Company Limited, for an amount of ₹548 Crore on November 30, 2017 after a period of 1.5 years. However, the authority has appealed against this award, which is yet to be finally disposed. In the process, the Company's debt position worsened and, the Company also incurred additional interest cost

With the intent to overcome these hurdles, we plan to critically reassess our project portfolio and take appropriate actions, including stake sale, divestment and refinancing, and shift our focus to EPC and HAM projects

We are hopeful that the current issues the infrastructure sector is grappling with, namely, reluctance of bankers to lend, delays in land acquisition and multiple and delayed dispute resolutions, will be gradually resolved as the Government embarks on its ambitious agenda of infrastructure creation. We have a promising but difficult roadmap given the economic potential of India and the intent of the Government, both at a vision level and the seriousness of implementation from a regulatory standpoint. The Government's large-scale infrastructure development programmes provide significant opportunities for investors and market players to help transform the sector and partner India's socio-economic progress

GOING FORWARD

There are tremendous opportunities in the near and long term for the infrastructure space in India. We will look to build on our EPC project portfolio by bidding both as a single entity for large complex projects and in JVs while aiming to secure feasible HAM projects that meet the Company's criteria

To add to the vast opportunity in this changing scenario is the increase in the number of projects and an expectation to see an additional demand in every aspect of the engineering, manufacturing and construction activities

We will continue to leverage our inherent strengths and expand our horizons to capture a larger share of the infrastructure opportunity and be seen as a preferred infrastructure partner. Our passion, professionalism and perseverance give us an exceptional future outlook. Our objective is to drive innovation across each aspect of our business and make that an integral part of a sustainable approach

Let me end by thanking all our shareholders for their support and encouragement during the year and for the trust and faith you repose in us

Best Regards,
Deepak Dasgupta

BUILDING THE EPC PORTFOLIO

While approving the Bharatmala Pariyojana, the Government had authorised the NHAI Board to appraise and approve projects in EPC mode, which constitute 30% of the Pariyojana

Our integrated approach to project execution involves in-house construction as well as operating and maintaining activities with minimal outsourcing. The large pool of equipment and skilled and experienced manpower help us complete projects within budget and on time. We deliver technological and engineering excellence, building on our core competencies of superior and timely execution. Our innovative design capabilities and technological edge enable us to handle complex infrastructure projects

Going forward, we are looking to build on the EPC project portfolio by bidding both as a single entity for large complex projects and in JVs while aiming to secure feasible HAM projects that meet our criteria. We are looking at EPC projects as another avenue of building our businesses and our portfolio, and will continue with the growth that we have shown in the past. Our EPC projects are worth about ₹5,800 Crore, which includes the Zojila Tunnel

EPC projects are typically of lower durations with an optimum risk spread between the authority and contractor. As the project is funded entirely by the authority, there is no need to raise finances for the project and hence, it doesn't impact the contractor's balance sheet. The changes in the project scope can also be dealt with comparative ease with respect to a BOT project

We secured the construction, operation and maintenance of the 14-km long two-lane bi-directional Zojila Tunnel with Parallel Escape (Egress) Tunnel, excluding approaches on the Srinagar-Leh section in the State of Jammu & Kashmir, on EPC mode. The estimated cost of this project is around ₹4,899 Crore, which is to be constructed over a period of seven years. The foundation stone for the project was laid by the Prime Minister, Mr. Narendra Modi, on May 19, 2018 and once complete, this will be the longest road tunnel in Southeast Asia. We believe this is a significant EPC win for us since we have already completed the Chenani-Nashri Tunnel and we are also constructing the Sonamarg-Srinagar Tunnel in the same geography

INFRASTRUCTURE COMPENDIUM

Barwa Adda Panagarh Road

The development of road infrastructure in India is gaining rapid momentum. Robust demand, higher investments, attractive opportunities and policy support changed the face of the road sector in the country within three years. The Government is implementing various projects across the length and breadth of the country to solve the woes of the common man. MoRTH has introduced notable trends that will make India among the world's best in road infrastructure in the coming times

Various modes of infrastructure financing

Build Operate and Transfer (BOT) Annuity Model

- Under BOT annuity, a developer builds the highway, operates it for a specified duration and transfers it back to the Government
- The private player is more active in the BOT model compared to EPC
- The private player collects toll or fixed annuity payments, which are collected over the operations period. The Government pays the developer the predetermined annuity fee

Engineering, Procurement and Construction (EPC) Model

- Under this model, the cost is completely borne by the Government authority
- The private sector's participation is minimum and is limited to the provision of engineering expertise, procurement and construction activities

Hybrid Annuity Model (HAM)

- HAM is a combination of the EPC and BOT models
- The Government will contribute 40% of the total cost of the project over the construction period as milestone payment. The developer should raise the remaining 60% in the form of equity and/or debt
- Revenue collection would be the responsibility of the Authority and the cost incurred by the private players will be repaid over the remainder of the concession period as annuity payments
- The HAM is a step in the right direction for alleviating the menace of stalled projects. The implementation of projects under this model must be expedited for the revival of the road sector

OPERATING ENVIRONMENT

Trends in the road sector

Here are some trends that are ensuring seamless travel, better infrastructure and connectivity

Electronic toll collection

The NHAI is taking steps such as facilitating online sale of FASTags and offline sale through Common Services Centre (CSC) near toll plazas to ensure availability of FASTags for electronic toll collection, which will enable non-stop movement through the toll plaza

Infrastructure initiatives

Programmes such as Bharat Nirman and Jawaharlal Nehru National Urban Renewal Mission (JNNURM) are designed to pursue nationwide rural connectivity, linking all the unconnected villages with fair-weather roads and upgrading urban infrastructure

Improved awarding momentum

The Government has tried to improve the rate of awarding projects over the years. A significant share of awarding has recently been under HAM, which is expected to increase going forward

Re-emergence of EPC contracts

Given the current financial crux faced by BOT players, the share of EPC/cash contract projects will increase, especially in low-traffic-volume projects under NHDP Phase IV, over the next five years

Other sector favourable policies

These include 100% exit policy for stressed BOT players, providing secured status for PPP projects while lending one-time fund infusion by NHAI in languishing projects, etc

HAM

HAM has gathered steam and is likely to improve private participation in the sector. The model has been successful in bringing a new set of players to the private space by mitigating risks related to traffic, interest rate and inflation, and requiring a smaller equity commitment (only 12-15% of project cost)

ITNL approach

- Our strategy is to consolidate our asset portfolio and focus on executing EPC and HAM projects
- We will continue to leverage our existing technology and adopt newer technology, designs and project management tools to increase productivity and maximise asset utilisation in capital-intensive activities
- We plan to continue enhancing our operational efficiencies to better absorb our fixed costs, reduce our other operating expenses and strengthen our competitive position
- We seek to undertake HAM projects that match our project experience and execution capabilities and offer a risk-and-reward ratio that will be favourable to us in widening our revenue base and expanding our geographical diversification
- The Toll Operate and Transfer (TOT) model provides a huge opportunity for investing in long-term income-generating assets with minimal operational risk, since all TOT assets are operational with no construction risk. In addition, TOT assets will be operational , thereby avoiding any initial traffic discovery risk. Given our current track record with 25 operational projects for which we are providing in-house operation and maintenance activities, we believe that this is a unique opportunity for us to partner with other institutional investors and bid for such TOT assets. In addition, we will be able to further use the expertise of Elsamex whose primary business is the maintenance and development of roads, buildings and other assets

PROJECT DETAILS

Road Projects – Under Operation

1 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

2 North Karnataka Expressway Limited (NKEL)

SCOPE

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

3 West Gujarat Expressway Limited (WGEL)

SCOPE

Four-laning of the existing two-lane Jetpur-Gondal Highway, improvement of the existing four highway 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 NHAI 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

4 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 3,071 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

PROJECT DETAILS

Road Projects – Under Operation

5 Ramky Elsamex Hyderabad Ring Road Limited (REHRRL)

SCOPE

Development of an 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 Tukkuguda 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 a construction period of 30 months). The project commenced operations on November 26, 2009

6 ITNL Road Infrastructure Development Company Limited (IRIDCL)

SCOPE

Development of a 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 Design, Build, Finance, Operate and Transfer (DBFOT) (toll) basis for a period of 11 years (including a construction period of 18 months) and extendable up to 30 years upon four-laning. The project commenced operations on August 26, 2010

7 East Hyderabad Expressway Limited (EHEL)

SCOPE

Development of an 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 Bongulur on the Hyderbad 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 a construction period of 30 months). The project commenced operations on March 1, 2011

8 Hazaribagh Ranchi Expressway Limited (HREL)

SCOPE

Development of a 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 NHAI 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

Road Projects – Under Operation

9 Pune Sholapur Road Development Company Limited (PSRDCL)

SCOPE

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

CONCESSION

Awarded by NHAI 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

10 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

11 Warora Chandrapur Ballarpur Tollway Limited (WCBTRL)

SCOPE

Development of a four-lane highway for an aggregate length of approximately 275 lane-km on the Warora-Chandrapur-Ballarpur-Bamni stretch of SH-264, including the 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

12 Jharkhand Road Projects Implementation Company Limited (JRPICL)

SCOPE

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

CONCESSION

Awarded by the 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

PROJECT DETAILS

Road Projects – Under Operation

13 Moradabad Bareilly Expressway Limited (MBEL)

SCOPE

Development of a 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 NHAI 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

14 Thiruvananthapuram Road Development Company Limited (TRDCL)

SCOPE

Development of roads for an aggregate length of approximately 159 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

15 Sikar Bikaner Highway Limited (SBHL)

SCOPE

Development and operation of the 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

16 Baleshwar Kharagpur Expressway Limited (BKEL)

SCOPE

Construction of new bridges/ structures and repair of the 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 NHAI 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

Road Projects – Under Operation

17 Jorabat Shillong Expressway Limited (JSEL)

SCOPE

Development of a four-lane highway between Jorabat and 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 NHAI on a DBFOT (annuity) basis under Special Accelerated Road Development Programme for North East (SARDP-NE) for a period of 20 years (including an initial construction period of three years) The project commenced operations on January 28, 2016

18 Khed Sinnar Expressway Limited (KSEL)

SCOPE

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

CONCESSION

Awarded by NHAI 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

19 Chenani Nashri Tunnelway Limited (CNTL)

SCOPE

Development of a 9-km-long two-lane tunnel with parallel intermediate lane escape tunnel from Chenani to Nashri section of NH-1A of approximately 38 lane-km in the State of Jammu & Kashmir

CONCESSION

Awarded by NHAI on a 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

20 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) and its operation and maintenance

CONCESSION

Awarded by the Ministry of Public Works, Madrid, Spain on a 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

21 Chongqing Yuhe Expressway Company Limited (Yuhe)

SCOPE

Operations, management and maintenance of YuHe Expressway consisting of a four-lane dual carriageway connecting downtown Chongqing with Hechuan County in Chongqing, China (approximately 232 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 9, 2011

PROJECT DETAILS

Road Projects – Under Construction

22 Kiratpur Ner Chowk Expressway Limited (KNCEL)

SCOPE

Development of a 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 NHAI 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

23 Barwa Adda Expressway Limited (BAEL)

SCOPE

Six-laning of the 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 NHAI 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

24 Srinagar Sonmarg Tunnelway Limited (SSTL)

SCOPE

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

CONCESSION

Awarded by Border Roads Organisation (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

25 Jharkhand Infrastructure Implementation Co Limited (JIICL)

SCOPE

Six-laning of RRR (Section VII) of approximately 161 lane-km in the State of Jharkhand

CONCESSION

Awarded by Road Construction Department (RCD), Government of Jharkhand on a BOT (annuity) basis for a period 17.5 years. The appointed date of the project is February 3, 2016

Road Projects – Under Construction

26 Fagne Songadh Expressway Limited (FSEL)

SCOPE

Development of a four-lane highway between Fagne to the Gujarat/Maharashtra border section of NH-6 of approximately 698 lane-km in Maharashtra

CONCESSION

Awarded by NHAI on a 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

27 Amravati Chikhli Expressway Limited (ACEL)

SCOPE

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

CONCESSION

Awarded by NHAI on a 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

28 GRICL Rail Bridge Development Company Limited (GRBDCL)

SCOPE

Development of eight Rail Over-Bridges (ROB) of approximately 34 lane-km in Gujarat

CONCESSION

Awarded by the Roads and Buildings Department of the Government of Gujarat on a 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

29 Rapid Metro Gurgaon Limited (RMGL)

SCOPE

Development of an 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

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 DETAILS

Non-Road Projects

30 Rapid Metro Rail Gurgaon South Extension Limited (RMGSL)

SCOPE

Development of an 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

31 MP Border Checkpost Development Company Limited (MPBCDCL)

SCOPE

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

CONCESSION

Awarded by Madhya Pradesh Road Development Corporation on a 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

32 Karyavattom Sports Facility Limited (KSFL)

SCOPE

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

CONCESSION

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

33 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

EPC Projects

34 MPRDC - Package 10 & 11

SCOPE

Widening and reconstruction of Bariya Choki-Lugasi-Garhi Malhara Road, Bamitha-Dumra Road, Rajnagar-Bachhon Road, Khaparia Banspahari Road, Chhatarpur-Vikrampur-Rajnagar Road under MPMDRUP on an EPC basis

DETAILS

Length - 284 lane-km

Cost – ₹375.25 Crore

35 MPRDC - Package 2

SCOPE

Widening and reconstruction of Ganj-Rajnagar Road, Laundi-Mahoba Road, Nawgong-Shrinagar Road and Baxwaha-Dalpatpur Road under MPMDRUP on an EPC an basis

DETAILS

Length – 160 lane-km

Cost – ₹186.56 Crore

36 Chennai Metro Rail Limited (CMRL) Phase I Extension

SCOPE

Design, validation and construction of an underground station and associated structures at concourse, platform level, entry / exit, ancillary building, pump house, water tanks, ventilation shafts, plumbing and earthmat etc., and architectural finishes, signages etc. at Sir Thiyagaraya College & Korukkupet station, including cut and cover tunnel and ramp

DETAILS

Length – N.A.

Cost – ₹371.21 Crore

37 Zojila Tunnel

SCOPE

Construction, operation and maintenance of 14-km long two-lane bi-directional Zojila Tunnel with parallel escape (egress) tunnel, excluding approaches on the Srinagar-Leh section in the State of Jammu & Kashmir in EPC mode

DETAILS

Length – 14.15-km-long main and escape tunnel each (29 lane-km)

Cost – ₹4,899 Crore

CORPORATE SOCIAL RESPONSIBILITY

ITNL Group's Corporate Social Responsibility (CSR) activities are focused on livelihood, education, health and highway-safety projects. Through interventions implemented across 11 road projects, the Company touches the lives of 3,50,000 community members across 600 villages. Within this, 2,700 farmers and 700 women have benefited through the various livelihoods initiatives being implemented

Programmes for enhancing livelihood

The following projects, impacting the livelihoods of community members living near road projects, were implemented during the year

Goat rearing for women

730 women participated and were trained for goat rearing. The livelihood activity has generated revenue of ₹75 Lakh for these women, in the last year. In addition, the women now possess livestock worth ₹3 Crore. With the help of few other corporate foundations, a larger goat cluster has been developed in the area, which, over the medium term, may include dairy, meat and leather processing units, a buck breeding centre, veterinary hospital, feed/fodder development etc

A producer company has been formed through which various products in the value chain, such as milk, manure, cheese etc., will be promoted

Fishery near Baleshwar Kharagpur Expressway Project

The intervention has benefited 700+ farmers covering an area of 500+ acres. 120 of these farmers were trained through Central Institute of Freshwater Aquaculture. The total sales realised by these farmers during the last 12 months ending June 2018 was ₹8.5 Crore. Besides fish,the farmers also produced and sold over 200 quintals of vegetables, generating an additional income of ₹6 Lakh

A sum of ₹74 Lakh has been arranged as subsidy by the Government of Odisha for the creation of new ponds for some of the tribal farmers

Agricultural interventions

Various agricultural / farm-based initiatives were undertaken in villages along the Kiratpur Ner Chowk Expressway, Moradabad-Bareilly Expressway and Chenani-Nashri Tunnel. The focus of these projects is to help farmers so that agricultural productivity improves, and incomes increase

The Government of Jammu & Kashmir has taken interest in one of these projects and a subsidy of ₹60 Lakh has been provided to 24 farmers for farm ponds and shade nets. The income per acre of each farmer has been increased by 15% over 2017-18

A watershed project, Jalsamruddhi, which was initiated as part of a holistic development programme for the goatery project villages, has led to the creation of 2 Lakh cubic meters of additional surface water capacity. Use of silt from the structures has also resulted in improvement of soil quality of 35 acres of land, doubling incomes

Road safety programmes

A road safety initiative comprising community awareness programmes and emergency First Responder (FR) systems was instituted along the Ahmedabad-Mehsana, Moradabad-Bareilly and Baleshwar-Kharagpur Road projects, covering 200 villages

So far, 80 First Responders (FRs) have been trained and these FRs responded to 49% of the accidents that took place. The community awareness programmes covered 55,300 rural residents and 180 schools with 32,000 students

Education initiatives

Digital Duniya

The programme is running along the Amravati Chikhli, Chaibasa Kandra Chowka, Khed Sinnar and Moradabad Bareilly Road projects. It is focused on improving digital literacy through a mobile computer bus that gives children access to 21st-century life skills and helps improve academic competencies of the students in English, Mathematics and Science. This programme is currently benefitting about 5,235 students. It includes coding, reading and storytelling components. Through the vehicle, community training sessions have also been provided to 390 people

Health initiatives

The details of various health initiatives being implemented are given below:

- Health programmes were launched along various roads with the intention of providing outreach services to the community and increasing the health awareness of the population. Four Mobile Medical Units (MMUs) are operational, covering a population of 1.4 Lakh in 115 villages
- At the Kiratpur Ner Chowk Expressway catchment, 7,350 men, 11,600 women and 4,100 children were benefited through the MMUs. Further, 238 community awareness sessions were conducted on various topics, viz. family planning, proper diet, mother and child nutrition and health and hygiene, covering 5,200 people
- At the Chenani Nashri Tunnel project, various health programmes, viz. general health check-up, eye test, ENT test, dental check-up and awareness on health and hygiene, were conducted in 10 schools, benefiting 2,000 students
- At the Barwa Adda Expressway, 40 villages with a population of 75,000 were covered by the MMUs with an average daily footfall of 73 patients

Sportseed

The sports training programme in the Kiratpur Ner Chowk Expressway catchment is working across four schools, with 760 students. The programme provides training in archery, taekwondo, jump rope and football, along with techniques of self-defence

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 and a master's degree in Science from the Delhi University. He is a retired Indian Administrative Services officer with over 37 years of experience during which he has headed various departments of the Government of Haryana and the Government of India, including those related to infrastructure development and policy formulation. Mr. Dasgupta 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

Hari Sankaran

Non-executive Director

Mr. Hari Sankaran is a Non-executive, Non-independent Director of our Company. He 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 the IL&FS Group since February, 2016. Mr. Sankaran has over 28 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 the Government of India for policy and legal reforms, including as the Chairman of the FCCI Infrastructure Committee

Ravi Parthasarathy*

Non-executive Director

Mr. Ravi Parthasarathy is a Non-executive, Non-independent Director of our Company. He has been associated with the Company since January 6, 2001 and with 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. Prior to joining the IL&FS Group, Mr. Parthasarathy has served 20th Century Finance Corporation Limited, a financial services company, as its executive director

* Upto July 21, 2018

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

R C 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 and of City Industrial Development Corporation of Maharashtra Limited, and Vice Chairman and Managing Director of Maharashtra State Road Development Corporation Limited, when the MumbaiPune 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

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 postgraduate degree in 'Development Planning' from the School of Planning, Ahmedabad. He has over 31 years of experience in the 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 of Dalal Consultants, Mumbai Metropolitan Region Development Authority and City and Industrial Development Corporation of Maharashtra Limited

Mukund Sapre

Executive Director

Mr. Mukund 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 31 years of experience in the industry. Prior to joining the Company, he was involved with various international projects and was also associated with Engineers India Limited and Gammon India Limited

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

* Up to July 21, 2018
** Up to November 20, 2017

Company Secretary

Krishna Ghag

Auditors

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

Neeru Singh
Chairperson

K Ramchand
Mukund Sapre
H P Jamdar

Environment, Health & Safety Committee

H P Jamdar
Chairman

Deepak Dasgupta
R C Sinha

Committee of Directors

Hari Sankaran
Chairman

Arun K Saha
K Ramchand
Mukund Sapre
Pradeep Puri**

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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CIN: L45203MH2000PLC129790

Registrar & Share Transfer Agent

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MANAGEMENT DISCUSSION AND ANALYSIS

1. Global Economy – A Snapshot

The global economy is experiencing cyclical recovery, reflecting a rebound in investment, manufacturing activity and trade. This improvement comes against the backdrop of benign global financing conditions, largely accommodative policies, rising confidence and firming commodity prices. The upturn is broad-based, with growth picking up in more than half of the world's economies. In particular, the rebound in global investment growth – which accounted for three quarters of the acceleration in global GDP growth from 2016 to 2017 – was supported by favourable financing costs, rising profits and improved business sentiment across both advanced economies and the Emerging Market and Developing Economies (EMDEs). This synchronous, investment-led recovery is providing substantial boost to global exports and imports in the near term

The improvement in economic activity among commodity exporters took place as key economies such as Brazil and the Russian Federation emerged from recession, prices of most commodities rose, confidence improved, the drag from earlier policy tightening diminished and investment growth bottomed out after a prolonged period of weakness

Nonetheless, average per capita incomes continued to stagnate after two consecutive years of contraction. Global growth is projected to edge up to 3.1% in 2018 as the cyclical momentum continues and then slightly moderate to an average of 3% in 2019-20. This broadly steady forecast masks marked differences between the outlook for advanced economies and EMDEs

Growth in advanced economies is projected to slow down as the labour market slack diminishes and monetary policy accommodation is gradually unwound, moving closer to subdued potential growth rates, which remain constrained by ageing populations and weak productivity trends. Conversely, growth in EMDEs is expected to accelerate, reaching 4.5% in 2018 and an average of 4.7% in 2019-20, as the prices of oil and other commodities firm up and the effects of the earlier commodity price collapse dissipate

Within the broader group of EMDEs, growth in low-income countries is projected to rise to 5.4% in 2018 and to 5.6% on average in 2019-20, as conditions gradually improve in oil and metals-exporting economies. Despite the projected firming of activity among EMDEs over the forecast horizon, their underlying potential growth, which has fallen considerably over the past decade, appears likely to further decline over the next decade owing to more subdued pace of capital accumulation, slowing productivity growth and less favourable demographic trends

The US

US GDP growth is expected to rise to 2.7% in 2018, 2.4% in 2019 and 2% in 2020 according to the forecast released at the Federal Open Market Committee meeting on March 20, 2018, taking into account the US President Donald Trump's economic policies. Inflation will be 1.9% in 2018, 2.0% in 2019 and 2.1% in 2020. The core inflation rate strips out the volatile gas and food prices. Production will grow 2.8% in 2018, slow down to 2.6% in 2019 and further to 2% in 2020. These forecasts have not yet taken into account Trump's promises to create more jobs. While 88% of all occupations will experience growth, the fastest growth will occur in healthcare and social assistance (5.7 Million jobs) as the American population ages, with construction infrastructure creating another 1.8 Million jobs

Europe

The current economic momentum in the eurozone will be sustained this year, with another healthy expansion in real GDP of 2.1%. This follows the estimated growth of 2.4% in 2017 – the fastest annual growth rate since 2007. The economic recovery has further to run, partly because it is rooted in factors that will underpin sustainable demand; growth in private consumption will be supported by rising employment and robust gross fixed capital formation should be underpinned by high levels of business sentiment. Domestic demand will also be supported by a continuation of accommodative monetary policy from the European Central Bank (ECB)

The unemployment rate reached its lowest level since 2009 and labour shortages became increasingly prevalent in some countries. However, wage growth remained subdued and the appreciation of the euro during 2017 is likely to further delay a pickup in inflation in 2018, as it puts downward pressure on import prices. The cyclical upturn is expected to continue in 2018, albeit at a more restrained pace, as domestic demand loses some momentum following strong gains in 2017 and policy stimulus is gradually unwound

GDP growth is expected to be 2.1% in 2018, down from the previous year, but notably stronger than previously projected. Over the longer term, growth prospects remain constrained by the shrinking of the working-age population in the majority of eurozone economies and persistent productivity and competitiveness gaps among peripheral members

Asia

Growth in the region is estimated to have picked up slightly to 6.4% in 2017, 0.2 percentage points above the June forecast, amid strengthening expansion of global activity, trade and recovery in commodity prices, against the backdrop of benign financing conditions. The region continued to be a major driver of global growth, accounting for more than a third of it in 2017, mostly because of China's significant contribution. Growth in China inched up in 2017, a deviation from the economy's structural slowdown related to softening in its fundamental drivers. Growth in the region excluding China accelerated slightly to around its potential rate, reflecting a cyclical recovery among large commodity exporters (e.g., Indonesia, Malaysia and Thailand)

In China, economic activity continued to be driven mainly by consumption. The stronger-than-expected growth in 2017 was mainly due to an acceleration in exports on the back of firming global demand. This outweighed a rebound in imports stemming from domestic demand and production cuts in overcapacity sectors, resulting in positive contribution from net exports to GDP growth. Despite some acceleration, consumer price inflation remained below target and credit growth continued to support economic activity. Meanwhile, housing prices eased in response to tighter policies targeting the real estate sector. Tighter capital controls contributed to reduced capital outflows, a reversal of the earlier foreign reserve drawdown and an appreciation of the Renminbi. The modest acceleration of growth in the rest of the region was broad-based. Strong domestic demand was supported by improved confidence, accommodative policies and reversal of capital outflows

Middle East and North Africa

Growth in the region is expected to accelerate to 3% in 2018 and 3.2% in 2019, assuming moderation of geopolitical tensions and modest rise in oil prices. Gulf Cooperation Council (GCC) economies are anticipated to lead stronger growth in the Gulf region, supported by easing fiscal adjustment, infrastructure investment such as the UAE Expo 2020 and reforms to promote non-oil sector activity. Growth among the GCC countries is forecast to pick up to 2% this year from 0.7% in the year just ended

Growth among some oil importers in the region is anticipated to improve in 2018 as business and consumer confidence are boosted by reforms and as external demand improves. Egypt's economy is expected to expand by 4.5% in 2018 as ongoing reforms and improved business climate provide further impetus to industrial activity and exports

2. Indian Economy

India has emerged as the fastest-growing major economy in the world as per the Central Statistics Organisation (CSO) and the International Monetary Fund (IMF) and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6% in 2017-18 and is expected to grow at 7.3% in 2018-19. India's GDP at constant prices grew by 7.2% in the quarter of September-December 2017 according to the CSO

India has retained its position as the third-largest startup base in the world with over 4,750 technology startups – about 1,400 were founded in 2016. India's labour force is expected to touch 160-170 Million by 2020 based on the rate of population growth, increased labour force participation and higher education enrolment, among other factors, according to a study by The Associated Chambers of Commerce and Industry of India (ASSOCHAM) and Thought Arbitrage Research Institute. India's foreign exchange reserves are US$ 422.53 Billion

This year's budget focuses on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically less privileged, infrastructure creation and improvement in the quality of education in the country. As per the budget, the Government is committed towards doubling the farmers' income by 2022. A total of ₹14.34 Lakh Crore (US$ 225.43 Billion) will be spent for creation of livelihood and infrastructure in rural areas. Budgetary allocation for infrastructure is set at ₹5.97 Lakh Crore (US$ 93.85 Billion) for 2018-19. All-time high allocations have been made to the rail and road sectors. Numerous foreign companies are setting up facilities in India on account of various government initiatives such as 'Make in India' and 'Digital India'. The Prime Minister of India has launched the Make in India initiative to boost the manufacturing sector with the aim to take it to 25% GDP from the current 17%. In order to support the initiative, the Government continues to lay emphasis on the development of physical infrastructure. The Digital India initiative, meanwhile, has three main focus areas: create digital infrastructure, deliver services digitally and increase digital literacy

Outlook

India's GDP is expected to reach US$ 6 trillion by 2027 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics and reforms. India is also focusing on renewable sources to generate energy. India is expected to be the third-largest consumer economy as its consumption may triple to US$ 4 trillion by 2025, owing to a shift in consumer behaviour and expenditure pattern. It is estimated to surpass the US to become the second-largest economy in terms of purchasing power parity by 2040

India is witnessing some critical structural shifts that are expected to push growth over the next few years. It is at the edge of a major digital transformation, which will bring immense opportunities. With this, we expect to see a large number of businesses moving into the formal sector. We are also 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 the growth trajectory improves further

3. India's Infrastructure Opportunity

Continuing with the increasing opportunities over the previous years, the infrastructure sector is growing at a high rate and is proving to be the key driver in the development of Indian economy. The Government of India is taking numerous initiatives to boost the infrastructure sector and is expected to invest majorly in highways, renewable energy and urban transport prior to the general elections in 2019

The Government has also announced various measures in the budget to promote growth in the economy, which include focus on infrastructure development by giving infrastructure status to affordable housing, higher allocation to highway construction and focus on coastal connectivity. In the Union Budget 2018-19. The Government of India has given massive push to infrastructure by allocating ₹5.97 Lakh Crore for the sector

Road sector

The financial year 2017-18 was perhaps the most significant in the road sector of the country. The Ministry of Road Transport and Highways (MoRTH) set a target of constructing 41 km/per day of roads and achieved about 28 km/day, less than the target but 20% higher than the last fiscal. The Ministry is hopeful of achieving 40 km/day in 2018-19 by awarding of 7,400 km at an estimated cost of ₹1.22 trillion during 2017-18, resulting in an all-time high and a record achievement by the National Highways Authority of India (NHAI) since its inception in 1995

The Government has also announced the largest ever outlay for road construction to build 83,677 km of roads, highways, greenfield expressways and bridges with investment of ₹6.92 Lakh core in the next five years by 2022 to further optimise efficiency of movement of goods and people across the country. It also includes the first phase of the new umbrella programme Bharatmala Pariyojana that involves construction of 34,800 km of highways by 2022

The Bharatmala project will include economic corridors (9,000 km), inter-corridor and feeder routes (6,000 km), national corridors efficiency improvement (5,000 km), border roads and international connectivity (2,000 km), coastal roads and port connectivity (2,000 km), greenfield expressways (800 km) and corridors remaining under the National Highways Development Project (NHDP). The programme will be implemented through NHAI, the National Highways & Infrastructure Development Corporation Limited (NHIDCL) and State PWDs, apart from MoRTH. The projects under Bharatmala Pariyojana will be implemented on either Public Private Partnership (toll and hybrid annuity) or on EPC mode depending upon their financial viability

The Road Transport & Highways Ministry has fixed a target of awarding works for around 20,000 km of National Highways during 2018-19. This is about 25% more than the 17,055 km awarded during 2017-18, of which 8,652 km were awarded by the Ministry, 7,397 km by NHAI and 1,006 km by NHIDCL

The construction targets for 2018-19 have been set at 16,420 km, of which 9,700 km will be constructed by MoRTH, 6,000 km by NHAI and 720 km by NHIDCL. During 2017-18, 9,829 km of National Highways were constructed

The coming year provides promising opportunity in the form of projects targeted by MoRTH in the Indian road sector, including the Delhi Mumbai Expressway, Char Dham connectivity, roads in the north-eastern states, ring roads around 28 major cities etc.

It is proposed to develop 1,911 km of international connectivity roads and 3,319 km of border roads under the Bharatmala Pariyojana. In its first phase, it is proposed to develop 2,000 km of border and international connectivity roads with an outlay of ₹25,000 Crore over a period of five years from 2017-18 to 2021-22 in a phased manner

The Government is planning to build intermodal stations in 15 cities. Nagpur and Varanasi have been taken on as pilot cities for development. Currently, the Detailed Project Report (DPR) is being prepared for these cities. The other cities are Delhi, Jaipur, Mumbai, Pune, Bengaluru, Madurai, Chennai, Hyderabad, Amaravati, Vishakhapatnam, Bhubaneshwar, Kolkata and Guwahati. The inter-modal stations are proposed to be developed through the Special Purpose Vehicle (SPV) to be established between MoRTH, Ministry of Railways and respective State Governments. Members of the SPV will provide land or paid-up capital as equity in the project

One more initiative by NHAI to monetise operational road assets under the TOT model resulted in huge success through the bidding of the first bundle of road projects. NHAI has planned to roll out more bundles under the TOT model in the coming year, three of them slated in the first quarter

During the year, many States announced and undertook the road construction programme involving State Highways and major district roads (MDRs), mostly under funding from multilateral institutions

Other focus areas of the Government during the year were deployment of e-autorickshaws and electric vehicles, inland waterways, river linking, highways-cum-airstrips, etc. Many state cabinets have approved the policy for electric bus operations in the identified cities. The Centre will provide subsidy for the buses under its flagship scheme Faster Adoption and Manufacturing of hybrid and Electric vehicles in India (FAME India). The tenders for electric bus operations were concluded by few cities in the last quarter

The Government has recently undertaken initiatives for revitalising 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: NHAI 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) TOT Model: In November 2016, NHAI had proposed monetisation of 75 toll highways operated by it for over two years, to be leased out under the new 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 the current financial year

(iv) Financial front: NHAI plans to raise funds from the Life Insurance Corporation of India and the Employees Provident Fund Organisation, who have subscribed to NHAI bonds worth ₹100 Billion. NHAI is hopeful of listing masala bonds worth ₹70 Billion on the London Stock Exchange soon

Railways

The Union Budget for 2018 has put a lot of emphasis on strengthening the railway network and enhancing railways' carrying capacity. The capex is estimated at ₹1.48 Lakh Crore, wherein a large part is allocated to capacity creation. The budget has a proposal to add another 18,000 km to double or triple the line length while it also speaks of gauge conversion of approximately 1,000 km. It further proposes to increase electrification by adding 6,000 km to electrified lines

The Government has recognised 'station redevelopment' as the biggest non-fare revenue generating project for redeveloping railways stations in the country and has included it in the harmonised list of infrastructure subsectors. The station redevelopment programme will be undertaken by leveraging commercial development of the space in and around the railway stations. The stations to be redeveloped will provide world-class amenities and services

Metro rail

Rapid urbanisation has created increased demand of civic facilities and transport infrastructure. Higher capacity rail-based mass transit systems, popularly called metros, are rapidly being accepted across the country as a solution to the problem of urban transportation

As metro rail projects are highly capital intensive, it is difficult to fund them through the Government exchequer alone. To create an ecosystem for proliferation of metro rail in India, the Government of India has notified Metro Rail Policy, 2017, which leans on the learnings from international examples and bridges the much-needed gap for enhancing the feasibility of metro rail projects from economic, social and environmental perspectives. A new emphasis has also been added on including some form of PPP in the new metro projects

The opportunities and policy interventions detailed above set out the growing pace of development of road, rail and metro projects in the country. The Company is cognitive of this fact and has accordingly amended its business plan, duly targeting opportunities in the EPC and HAM segments, to capitalise on its experience and know-how in this sector. The focus will be on large and complex projects where the competition is expected to be significantly lesser. The Company will also look to extend its vast project development experience covering highways, major bridges and structures and tunnels in the furtherance of its objectives

4. Threats

Factors that 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 PPP projects. With commercial banks reaching the sectoral exposure limits and large Indian infrastructure companies being highly leveraged, funding 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 have reached the parent company level. Hence, seeking viable funds is becoming increasingly difficult. Although the new HAM was introduced with an aim to revitalise and bring order to the cash-strapped sector, it has not been entirely successful in achieving its aim as banks and financial institutes remain apprehensive. Nevertheless, some of the projects on HAM have been successful in achieving financial closure and gradually, the banks are trying to keep up with the changing market scenarios

Business environment changes

At the domestic level, the business environment is providing opportunities in the HAM and EPC projects. Keeping this in mind, the Company has ventured into the EPC sector as well. Also, as always, some of the issues during the implementation of the projects, such as shifting of utilities, land acquisition, tightening on mining activities and ban on use of river sand in many states, has the potential to affect the design of the Company's existing projects

Market competition

There is a shift in the mode of delivery of the projects from more of PPP and less of EPC to equal quantum of HAM and EPC. At the same time, the size of the project in terms of duration and project cost has been considerably lowered compared to earlier years. This generates more competition as construction companies operating with smaller turnover are becoming interested and are qualifying to secure these projects. Therefore, the Company has ventured into the EPC sector and will target to bid for large and complex EPC projects, while simultaneously developing an in-house company as a construction contractor in the more active mid-size segment

Dispute resolution and claims settlement

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

5. Operational Performance

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

Domestic operations

There was hectic activity on the construction front. Despite the economic slowdown and a hardened lending scenario, the Company stood firm and ensured construction was progressing as per schedule. The operational highlights for the year are as follows:

(i) The Company, in JV with IL&FS Engineering and Construction Company Ltd. (IECCL), was awarded the contract for widening and reconstruction of major district roads in Madhya Pradesh, aggregating to 160 lane-km Madhya Pradesh Major District Roads Upgradation Project (MPMDRUP Package 2) by Madhya Pradesh Road Development Corporation Limited (MPRDC) on June 16, 2017

(ii) The Company was awarded the project for the construction, operation and maintenance of the 14-km-long two-lane bi-directional Zojila Tunnel with parallel escape (Egress) tunnel, excluding approaches on the Srinagar-Leh section connecting NH-1 at 95 km and at 118 km in Jammu & Kashmir, on EPC mode

(iii) The Company received final completion certificate for the Chenani-Nashri Tunnel project in Jammu & Kashmir

(iv) The Company commenced toll collection at the second toll plaza on the Barwa Adda Road Project in the states of Jharkhand and West Bengal, which has bolstered the toll revenue stream of the Company

(v) During the period under review, claims amounting to ₹547 Crore were declared by the Arbitration Tribunal for Pune Sholapur Road Project, while claim conciliation is in final stages in the Moradabad-Barielly road project, which is expected to be completed during the current financial year

(vi) The Company refinanced the debt in Jorabat-Shillong road project amounting to ₹883 Crore at 8.3%, which has in turn led to lowering of interest rate by 2-3% and consequent savings in interest cost

(vii) The Company was successful in raising long-term bonds worth ₹500 Crore in the domestic market with a maturity period of five and 10 years. This has helped improve the maturity profile of the Company's debt by converting short-term borrowing to long-term borrowing

The following 19 road projects of the Company are under operations and maintenance:

1. Noida Toll Bridge, Uttar Pradesh
2. Belgaum-Maharashtra Border Project, Karnataka
3. Jetpur-Gondal-Rajkot Project, Gujarat
4. Pedda Amberpet-Bongulur (Outer Ring Road) Project, Telangana
5. Mega Highways Road Project, Rajasthan
6. Thiruvananthapuram City Road Improvement Project, Kerala
7. Beawar-Gomti Project, Rajasthan
8. Hyderabad Outer Ring Road Project, Telangana
9. Hazaribagh-Ranchi Project, Jharkhand
10. Jharkhand Accelerated Road Development Programme, Jharkhand
11. Pune-Solapur Project, Maharashtra
12. Narketpally-Medarametla Project, Andhra Pradesh
13. Moradabad-Bareilly Project, Uttar Pradesh
14. Warora-Chandrapur Project, Maharashtra
15. Sikar-Bikaner Project, Rajasthan
16. Baleshwar-Kharagpur Project, Odisha/West Bengal
17. Jorabat-Shillong Project, Assam/Meghalaya
18. Chenani-Nashri Tunnel Project, Jammu & Kashmir
19. Khed-Sinnar Project, Maharashtra

International operations

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

Asia Pacific

After the signing of the agreement for the construction of two-lane, 165-km National Road 1F on a design-and-build basis in the People's Democratic Republic of Laos, the authority is planning to develop the project in a phased manner to distribute the financial requirement and burden

Elsamex Vietnam continues to grow its footprint in the micro-surfacing works of the roads in the country. During the year, it undertook micro-surfacing works in five provinces and two agencies, covering over 200,000 sq mt of road surface. This technology has been evincing large interest from other provinces and agencies due to its cost-effectiveness

ITNL International Pte. Ltd. (IIPL), Singapore is pursuing discussions with the national government of Brunei to explore the possibility of undertaking several deferred financing-based construction projects in the Sultanate of Brunei. IIPL has also initiated discussions with the Government of Myanmar to discuss potential opportunities for road construction on a deferred payment basis in the capital city of Yangon

In Thailand, IIPL is carrying out a preliminary study on the feasibility of undertaking car parking facility-based concession projects for the Airports Authority of Thailand (AOT). Several road construction (with budget) opportunities are also in the pipeline and the Company is engaging with local governments on them

China

For the year ending March 2018, Yuhe Expressway recorded sales of US$ 84.26 Million against US$ 72.56 Million in the previous year. Profit After Tax (PAT) for the year ending March 2018 was US$ 33.36 Million against previous year's US$ 25.48 Million. ITNL holds 49% stake in the project through its subsidiary IIPL. IIPL received a dividend of US$ 16 Million during the year. IIPL has been actively pursuing the proposal to divest its stake in this project and received two bids – one from a Hong Kong-based infrastructure developer and another from a Chinese insurance company

Middle East and Africa

UAE

ITNL Infrastructure Developer LLC (IIDL), a JV in Dubai, signed the concession agreement on May 4, 2016 for the development of Dubai Court Complex and Robotic Car Park Project on a PPP basis. This is the first project awarded on a PPP basis in the UAE region. The concession period for the project is 30 years, including a construction period of 30 months. The project cost is AED 287.66 Million. The Company has successfully achieved financial closure for the project and has commenced the enabling works and currently, the piling work is in progress. The tender process for appointment of the building construction contractor is under process and expression of interest has been received from 18 bidders

In addition to the aforementioned, Abu Dhabi Municipality has issued a tender for design, supply, installation, operations and maintenance of LED Luminaries across the Abu Dhabi City on a PPP basis. IIDL is participating in the tender process. The project structure is based on annuity payment wherein Abu Dhabi Municipality will pay fixed monthly annuity over 10 years of concession period. The bid is due to be submitted on May 15, 2018. Sojitz, the Japanese trading house, has approached IIDL to be its partner for this project

Africa

The Company is looking at an opportunity to be a minority partner in Interurban Bus Terminal in Abidjan, Ivory Coast. The Company has submitted a non-binding term sheet to the existing consortium SA2I for acceptance and execution of the project. Subsequently, the Company will carry out the necessary due diligence to convert the non-binding term sheet to a definitive agreement. In Ghana, the ITNL-IIPL–IIDMCC consortium has submitted the application for prequalification for Accra-Tema Motorway to be implemented on a PPP basis on March 28, 2018. The pre-qualification of bidders is under evaluation and the results are likely to be declared by the authority by mid-July 2018. The consortium is looking for a strategic equity member for the next stage of the bid

United States

The Company's wholly-owned subsidiary, IIPL USA LLC, has completed four contracts in the state of Texas, with contract values aggregating to US$ 5.4 Million and has 19 projects under operation

IIPL USA has been looking for opportunities in Texas, Florida and British Columbia (Canada). It recently submitted a bid in Florida for performance-based maintenance of all primary roads in Indian River County, District 4, Florida. These projects are expected to be awarded by end of June 2018. IIPL USA has also been approached by various funds and organisations to partner them on the O&M aspects of the proposed PPP projects

Spain

Elsamex SA, a wholly-owned subsidiary in Spain, reported revenue of €170.99 Million, which is around 20.83% lower than the plan and 3.63% lower than that of last financial year. The shortfall was on account of lack of new orders in the African region. Consequently, PAT for the reporting period is €6.49 Million, short of the targeted PAT of €8.05 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. From ITNL's standpoint, the situation remains critical in view of the following challenges:

Mode of project delivery

At the domestic level, the mode of project delivery has changed from BOT to EPC and HAM. In the EPC sector, though the Company has successfully secured projects, it remains fairly nascent and is hence cautious. As far as the HAM projects are concerned, the Company is optimistic and expects the mode of delivery to provide the much-needed cashflow stability. However, the projects put to bid under this format, as also the size of the projects, do not meet the business expectations

Size of projects

The shift in focus from EPC to HAM was also coupled with reducing the contract size to medium and small in order to encourage participation. This has led to significant increase in competition in a space where it would not be financially viable for the Company to compete

Delay in decision making

Although the contractual agreements have provisions with a balanced view in favour of both the authority and concessionaire/contractor, the agreement is seldom implemented in practice. Despite valid rights being granted, decisions are passed on to higher echelons, in turn delaying compensation. Claims and demands for compensation have been filed with the authority for the losses and cost overruns faced (for reasons attributable to the authority) in execution of the construction works. However, despite the Government's initiative to resolve all such matters expeditiously and efficiently, procedural delays have become a major challenge in the realisation of such claims

Project financing

Three of the Company's projects, namely the Fagne-Songadh and Amravati-Chikli road projects and the Srinagar Sonamarg Tunnel project are awaiting financial closure even after three years. As a consequence, the funding has been partly done by the Company with the IL&FS Group's support and through bill discounting facilities that has further strained cash flows. In addition to these projects, lack of equity funding for two other projects, namely Gujarat RoB & Ranchi Ring Road, has delayed drawdown of loans sanctioned by the lenders, which has hampered progress

Cost overruns

Progress at many projects, namely Kiratpur Ner Chowk, Khed Sinnar and Barwa Adda, had been affected due to delay in land acquisition, which increased the cost of these projects, thus straining cashflows. In Kiratpur Ner Chowk project, delay on account of land acquisition has resulted in cost overrun, which the bankers are reluctant to fund due to which drawdown of loan has been put on hold

Internal and external credit shortfall

Due to the large debt burden on the Company (both at consolidated and standalone levels) credit availability becomes a major issue as most banks have already exhausted their exposure limits and hence are reluctant to fund projects. The large debt book and low share price of the Company also weaken external investor confidence and hence hinders other means of financing. There is an immediate need for credit enhancement with group support to raise funds for the projects from external sources

Participation of banks
Both the Ministry of Finance and the Reserve Bank of India have expressed concern and initiated remedial measures to tackle the non-performing assets in the banking sector. However, an unintended outcome is a virtual credit freeze for funding infrastructure. Sanctions for new projects take a very long time. There are significant delays in release of limits, even for sanctioned projects. There is an aversion to lending to intermediary Holding Companies (HoldCos) like ITNL, although there is no bar on such lending imposed by RBI. The extended concession period, delays in bank disbursements and a high interest rate regime have adversely affected the RoE of otherwise robust projects. Although RBI initiated a reduction in interest rates, there has been no transmission of reduced rates in lending by banks

Land delays
The main reasons for the time and cost overruns have been attributable to delays in handing over of land by the relevant authority and timely shifting of utilities. There have been many policy initiatives to tackle this problem; however, their enforcement remains weak. As in the case of Barwa Adda project, the public has started demanding higher compensation in accordance with the new Land Acquisition Act. Likewise, in Amaravti Chikli and Fagne Songadh Projects where land has already been acquired by the authority for the project and compensation paid, the owners are agitating and not parting with their land, demanding higher compensation as per the new Act

Environment, Health and Safety (EHS)
EHS compliance is becoming increasingly intertwined with the success and progress of companies all over the world and India is no exception. We have already seen various EHS regulations and policies crystalising in India. However, this growing awareness in the EHS framework within the Country has led to tightening of environmental policies by various state authorities that in turn may affect the construction progress of various assets. Mining/lifting prohibition in various states has negatively affected the work progress

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 and 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 but increases during holiday seasons. The Company tries to maintain a balance between the annuity and toll projects and also looks to securitise future cashflows from toll receipts to reduce risk impact

7. Outlook

In the coming financial year, the Company expects to commission one annuity road project of 160.5 lane-km. The ongoing under-construction projects are progressing well and the Company expects to see them commissioning within the stipulated time in the following financial years. Additionally, the Company expects to earn increased toll from operationalised projects after completing the balance length in two projects (Sikar Bikaner Road Project and Moradabad Bareilly Road Project), which is expected to ease the revenue shortfall and help the Company in servicing its liabilities

The Company will look to build on its EPC project portfolio by bidding both as single entity for large complex projects and in JVs while aiming to secure feasible HAM projects that meet the Company's criteria

The Company expects to refinance its assets, namely Chenani Nashri Tunnelway and Road Infrastructure Development Company of Rajasthan, to lower the fiscal burden. The Company is also considering divestment of equity stake in some of its operational projects which will help cash inflow for investing in ongoing projects

The Company has incurred cost overruns in some of its projects over the past few years due to accumulation of interest during construction and idling of plant and machinery etc. on account of delay in handing over of land for development by the authority. The Company had funded these cost overruns as a sponsor of the project. The Company has therefore filed claims against the authority towards compensation of damages and losses incurred, for which arbitration proceedings were initiated. In the case of the Pune Sholapur Road Project, the arbitration tribunal announced an award of ₹547.96 Crore on November 30, 2017, which has now been appealed by the authority in the Hon' Delhi High Court. In addition to these, the Company expects awards to be declared in the remaining two of its ongoing arbitrations (Jorabat Shillong Road Project and Moradabad Bareilly Road Project) in the coming year

8. Internal Control Systems and their Adequacy

Internal controls are the activities undertaken to mitigate risks and increase the likelihood that established objectives and goals will be achieved and are integral to every aspect of the business. 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. ICF comprises a dedicated Internal Control Cell, a sound ERP system – SAP, a compliance monitoring tool and a quarterly internal audit and reporting system

The Internal Control Cell (IC) is the custodian of the SOPs and assists in drafting, reviewing and implementing the processes and controls in SOPs

The Company has implemented SAP which is an established Enterprise Resource Planning (ERP) and data management programme. Financial accounting in SAP has an inbuilt maker and checker feature enabled for transaction processing

The Company has also implemented a compliance monitoring tool across the Group covering key controls on the basis of the risk control matrices and SOPs of all business functions. This requires a self-assessment of the compliances by the performer (maker) together with documentary support, wherever applicable, which is then confirmed by the reviewer (checker). This also facilitates audit at the corporate and project levels

Additionally, an internal audit is carried out by an Independent Chartered Accountant firms which report findings and 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 each financial year. The plan is modified periodically to meet requirements arising from changes in law, business processes and the review of ICF

Internal audits are conducted every quarter and cover operations, accounting and finance, treasury, secretarial and administration functions. They also review the SOPs and report on the adequacy and effectiveness of internal controls, including internal controls on financial reporting. They also provide 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

Every employee plays a key role in fostering a strong internal control environment of responsibility, accountability and ethical behaviour. The ICF assists the Management and the Audit Committee with an objective view and reassurance of overall control systems. It also offers them perspectives on the adequacy, effectiveness and efficiency of operating controls at pan-organisational level

9. Financial and Operational Performance

Standalone

During 2017-18, the Company's reported gross revenue of ₹4,709.48 Crore compared to ₹4,519.70 Crore, a 4% increase is primarily on account of higher other income

However, earnings before interest, tax, depreciation and amortisation (EBITDA) increased to ₹1,996.22 Crore in 2017-18 compared to ₹1,587.51 Crore in 2016-17 which is attributable to higher interest income and profit on sale of investments. Other expenses increase from ₹198.31 Crore in 2016-17 to ₹286.98 Crore in 2017-18 mainly on account of provision for doubtful receivables and expected credit loss on loans and receivables in 2017-18

Financing cost increased by ₹264.15 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, 2018, stood at 4.46

Profit before tax for 2017-18 is ₹331.79 Crore compared to profit of ₹195.71 Crore in 2016-17. Profit after tax for 2017-18 is ₹251.76 Crore against profit of ₹236.39 Crore in 2016-17

Earnings per share on basic and diluted basis stood at ₹7.65 per share for the year ended March 31, 2018, against ₹7.19 per share for the year ended March 31, 2017, due to lower profit after tax for 2016-17

Consolidated

During 2017-18, consolidated revenue stood at ₹9,778.92 Crore compared to ₹8,401.62 Crore in the previous year

The EBIDTA increased to ₹4,389.53 Crore in 2017-18 compared to ₹3,671.73 Crore in 2016-17, which is a 19.5% escalation due to higher other income. Financing cost increased by ₹662.66 Crore during 2017-18 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 on March 31, 2018, on a consolidated basis stood at 7.21

Profit after tax increased from ₹219.68 Crore in 2016-17 to ₹227.57 Crore in 2017-18, an increase of 3.59% over the previous year

Profit after tax attributable to owners of the Company increased by 17.7% from ₹149.31 Crore in 2016-17 to ₹175.72 Crore in 2017-18

10. Human Resources and Industrial Relations

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

Your Company strongly believes in fostering a culture of trust and mutual respect amongst its employees and seeks to ensure that values and ethos are understood by everyone and are the reference point in all people matters

The Company is forever investing in people and people processes to improve quality and skills of its human capital. It strives to provide a conducive and competitive work environment to help employees excel and create new benchmarks of productivity and efficiency, thereby facilitating the organisation's growth

Your Company continually evaluate its talent needs to develop the competency and capability of its people across levels. The employees' 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

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@ilfsindia.com

6. **Financial Year reported:**
   2017-18

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 of 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):** ₹ 4,709.48 Crore

3. **Total profit after taxes (INR):** ₹ 251.76 Crore

4. **Total Spending on Corporate Social Responsibility (CSR)**
   - In terms of Section 135 of Companies Act, 2013: ₹ 4.95 Crore
   - As percentage of profit after tax (%): 1.97 % *

   * 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 ₹ 247.29 Crore

5. **List the activities as per Schedule VII of Company's Act, 2013 in which expenditure in 3 above has been incurred**
   - Refer information provided for Principle 8 below

Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**
   Yes. The Company has 72 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 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 Director responsible for implementation of the BR policy/policies

1	DIN Number	0000051841
	Name	Mukund Sapre
	Designation	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@ilfsindia.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	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	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	Y	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	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Policies are available in Investor Relations section of the Company's website: http://www.itnlindia.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders except for P7								
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	Y	Y	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 BR Report and Sustainability Report is published annually. Both reports are made available on the Company's website www.itnlindia.com. BRR is published as a part of Annual Report

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?
All the complaints received during the year under review were resolved and nothing was pending

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 prevent accidents on roads developed by the Company

Road safety initiatives across the board were checked for their effectiveness. It was observed that in most of the projects, severity index of accidents is showing decreasing trend indicating that the efforts taken for making our roads safer are yielding good results

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

    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 the use of solar panels on our 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 and self-employment opportunities for local communities in providing transportation services, hiring of vehicles and construction equipment, civic supplies to the camp sites etc.

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 by 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 original equipment manufacturer or scrap dealer

   iv. The Company is committed to recycling of natural resources such as Bitumen. The Company has purchased 2 state of the art technology machines that help in recycling bitumen used for road surface at the end of its economic life. This saves virgin petroleum product (bitumen), saves energy and Carbon emissions

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.
   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 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 is gradually installing solar thermal system at all projects in the states where net energy metering facility has been extended by the state government. 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 tasks 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 carried out by internal Social Inclusion Group and also by the 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 ₹ 4.35 Crore

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, 2018

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 SAU
8	East Hyderabad Expressway Limited
9	Fagne Songadh Expressway Limited
10	Futureage Infrastructure India Limited
11	GRICL Rail Bridge Development Company Ltd.
12	Hazaribagh Ranchi Expressway Limited
13	ITNL Road Infrastructure Development Company Limited
14	IL&FS Rail Limited
15	ITNL International Pte. Ltd., Singapore
16	ITNL Offshore Pte. Ltd., Singapore
17	ITNL Offshore Two Pte. Ltd., Singapore
18	ITNL Offshore Three Pte. Ltd., Singapore
19	Jharkhand Road Projects Implementation Company Ltd
20	Jharkhand Infrastructure Implementation Company Ltd
21	Kiratpur Ner Chowk Expressway Limited
22	Khed Sinnar Expressway Limited
23	Karyavattom Sports Facilities Ltd
24	MP Border Checkposts Development Company Limited
25	Moradabad Bareilly Expressway Limited
26	Pune Sholapur Road Development Company Limited
27	Vansh Nimay Infraprojects Limited
28	Sikar Bikaner Highways Limited
29	West Gujarat Expressway Limited
30	Alcantarilla Fotovoltaica SA, Sociedad Unipersonal
31	Area De Servicio Punta Umbria SL., Sociedad Unipersonal
32	Area De Servicio Coiros, Sociedad Unipersonal
33	Atenea Seguridad Y Medico Ambiente SA, Sociedad Unipersonal
34	Beasolarta S.L., Sociedad Unipersonal
35	CIESM-INTEVIA S.A. Sociedad Unipersonal
36	Control 7, S. A
37	Conservacion De Infraestructuras De Mexico SA DE CV
38	ESM Mantenimiento Integral DE S.A DE C.V
39	Elsamex Portugal-Engheneria E Sistemas DE Gestao, S.A
40	Elsamex India Private Limited
41	Elsamex Internacional, S.L, Sociedad Unipersonal
42	Elsamex Construcao E Manutencao LTDA, Brazil
43	Elsamex Colombia SAS
44	Elsamex Maintenance Services Ltd
45	Grusamar Ingenieria Y Consulting Colombia SAS
46	Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal
47	Grusamar India Ltd
48	Grusamar Albania SHPK
49	Grusumar Engenharia & Consultoria Brasil LTDA
50	ITNL International DMCC, Dubai
51	ITNL Infrastructure Developer LLC
52	ITNL Africa Projects Ltd, Nigeria
53	Intevial-Gestao Integral Rodoviaria S.A
54	IIPL USA LLC
55	Mantenimiento Y Conservacion De Vialidades, SA DE C.V
56	Park Line LLC
57	North Karnataka Expressway Limited
58	Rapid Metro Rail Gurgaon Limited
59	Rapid Metro Rail Gurgaon South Limited
60	Senalizacion Viales E Imagen, Sociedad Unipersonal
61	Sharjah General Services Company LLC
62	Yala Construction Company Private Limited
63	Scheme of ITNL Road Investment Trust (IRIT)
65	Elsamex Vietnam Joint Stock Company
66	ITNL Elsamex JV Nekemte
67	ITNL Elsamex JV Bure
68	ITNL Elsamex JV Bostwana
69	Chhattisgarh Highway Development Co. Ltd.
70	Shrinagar Sonmarg Tunnelway Ltd.
71	ITNL KMB JV (AOP)
72	ITNL IECCL JV (AOP)

DIRECTORS' REPORT

The Members
IL&FS Transportation Networks Limited

Your Directors have pleasure in presenting the Eighteenth Annual Report alongwith the Audited Financial Statements for the year ended March 31, 2018

Financial Results

The Financial performance highlights of the Company are as under:

Particulars	For the year ended 31.03.2018 (₹ in Crore)	For the year ended 31.03.2017 (₹ in Crore)	For the year ended 31.03.2018 (₹ in Crore)	For the year ended 31.03.2017 (₹ in Crore)
	Standalone	Standalone	Consolidated	Consolidated
Total Income	4,709.48	4,519.70	9,778.92	8,401.62
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	1,996.22	1,587.51	4,389.53	3,671.73
Profit / (Loss) Before Tax	331.79	195.71	227.57	219.68
Profit /(Loss) After Tax (Attributable to owners of the Company)	251.76	236.39	175.72	149.31
Balance Brought Forward	83.72	(141.14)	274.86	97.94
Profit available for appropriation	335.48	95.25	450.58	247.25
Appropriation:				
Dividend Proposed/Paid – Equity Shares	-	(65.79)	-	(69.58)
Tax on Dividend – Equity Shares	-	(9.24)	-	(20.90)
Debenture Redemption Reserve	(212.94)	63.50	(196.42)	80.37
Other comprehensive income arising from re-measurement of defined benefit	-	-	-	-
Transfer on partial disposal of stake in subsidiary	-	-	15.08	-
Consolidation Adjustments	-	-	(28.04)	37.72
Balance carried forward	122.55	83.72	241.20	274.86

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: Nil)

Your Directors had declared an interim dividend on Preference Shares of ₹ 48.74 Crore including tax on dividend of ₹ 9.92 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, 2018, it stood at ₹ 328,96,00,270 divided into 32,89,60,027 equity shares of ₹ 10 each

Of the 35,64,50,000 preference shares, outstanding as on April 1, 2017, 12,72,50,000 preference shares were redeemed during the year under review

General Reserve

The Company has not transferred any amount to General Reserve for the Financial Year ended March 31, 2018

During the year under review, ₹ 127.25 Crore was transferred from General Reserve to Capital Redemption Reserve and ₹ 212.94 Crore was transferred from Retained Earnings to Debenture Redemption Reserve

Issue of Debentures / Bonds

During the year under review, the Company raised ₹ 1,114.5 Crore by issue of Non- Convertible Debentures (NCDs) with tenor exceeding 5 years. This has helped the Company in reducing the borrowing cost and also elongate the maturity profile of borrowings by converting short term maturities to long term. The Company proposes to continue its efforts to refinance its short term borrowings through issue of long term NCDs. The previous approval is valid until August 28, 2018 and therefore fresh approval of the Members for issue of NCDs on a private placement basis to the extent of ₹ 3,500 Crore is being sought.
A proposal to this effect is being included in the Notice of the Annual General Meeting

The Company has completed the refinancing of certain special purpose vehicles, namely, Jharkhand Road Projects Implementation Company Limited and Jorabat Shillong Expressway Limited aggregating to ₹ 2,613 Crore which has resulted in reduction of interest cost by approx. 200 - 250 basis points. ITNL Offshore Pte. Ltd., a wholly owned subsidiary has also successfully priced a bond deal for CNH 1,000 Million Senior Unsecured Notes at an annualised yield of 8% due 2021

Acquisition & Divestment

During the year under review, the Company divested its equity stake in Gujarat Road and Infrastructure Company Limited, Moradabad Bareilly Expressway Limited, Pipavav Railway Corporation Limited and Rajasthan Land Holdings Limited at an aggregate consideration of ₹ 514.93 Crore. The details of the transaction are mentioned in Note No. 4 in the Financial Statements for the year ended March 31, 2018

Further, the investments held by Elsamex SA, Spain a wholly owned subsidiary in its subsidiaries in India were acquired by the Company

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 financial year 2017-18 witnessed some very significant achievements in the road sector of the country. Ministry of Road Transport and Highways (MoRTH) set a target of constructing 41 km/per day of road and achieved about 28 km/day, less than the target but 20% higher than last fiscal. The Ministry is hopeful of achieving 40 km /day in FY 2018-19 through the awarding of 7,400 km at an estimated cost of ₹ 122 Crore during the FY 2017-18 resulting in an all-time high and a record achievement by MORTH/NHAI since its inception in 1995. Tendering and awarding has picked up due to the sanction of ambitious Bharatmala programme that involves construction of 34,800 km highways by 2022

The year also witnessed award and completion of some of the biggest projects targeted in the Indian Road Sector which includes the longest tunnel project, Chenani Nashri Tunnel Project in Jammu & Kashmir, constructed by the Company and the longest bridge project, Dhola Sadia Bridge in Assam, that were inaugurated by the Hon'ble Prime Minister. The bidding process and awards for ambitious projects such as Zojila Tunnel project, Delhi Meerut Expressway, Vadodara-Mumbai Expressway and Bangalore-Chennai Expressway were conducted during the year

The operating environment however, is challenging from the Company's perspective. As the government's mode of project delivery has moved from PPP to EPC and HAM models, a sector in which the Company is fairly nascent, the Company remains cautious while bidding for such projects. This shift is coupled with a significant reduction in project sizes to encourage participation, which makes such projects financially unviable for the Company. The Company has witnessed considerable cost overruns in its projects as a result of Authority default, for which appropriate claims and compensation has been sought from the respective Authorities; the realization of which is subject to significant procedural delays. The growing reluctance of the Banking sector to lend to the sector and the banks existing exposure limit has prevented the Company from achieving financial closure in 3 of its ongoing projects, stressing its existing cash flows. With its intent to overcome these hurdles, the Company will critically reassess its portfolio and take appropriate action including stake sale, divestment, refinancing and dedicatedly pursue its claims with the Authorities

The Company's portfolio continues to stand at 33 projects, which comprises of 28 Road projects and 5 Non Road projects. Of these, 25 projects are Operational, 8 projects are under Implementation. Classifying individual projects (considering projects and sub-projects) on the basis of their current phase, the Company has 21 Road projects and 4 Non Road projects that are Operational, 7 Road projects are under Implementation and 1 Non Road project under implementation. Further, as per the Revenue model, 17 are Toll based, 11 are Annuity based and 5 are User Fee based. The total portfolio in terms of length stands at 13,493 lane-km of which 11,026 lane-km are Toll based, and 2,467 lane-km is Annuity based for the reporting period

During the year under review, the Company secured the Construction, Operation and Maintenance of 2-Lane Bi-Directional Zojila Tunnel with Parallel Escape (Egress) Tunnel excluding approaches on Srinagar-Leh section connecting NH-1 at Km 95.00 and at Km 118.00 in the State of Jammu & Kashmir on EPC mode. Further, the Company in JV with IL&FS Engineering Construction Compalny Limited (IECCL) was awarded the Contract for Widening and Reconstruction of Major District roads aggregating to 160 lane-km in Madhya Pradesh (MPMDRUP Package 2) by Madhya Pradesh Road Development Corporation Limited (MPRDC). The Company closed the year with an order book of 3 EPC projects aggregating to ₹ 5,351 Crore

In one of the arbitration petition filed by a subsidiary, Pune Sholapur Road Development Company Limited ("**PSRDCL**") against National Highways Authority of India ("**NHAI**"), the Hon'ble Arbitral Tribunal had passed an award in favour of PSRDCL entitling it to receive a payment of ₹ 547.96 Crore from NHAI

On the International front, ITNL Infrastructure Developer LLC is developing the "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. IIPL USA, LLC a subsidiary also completed four contracts in State of Texas and have 19 projects under operation and maintenance

Environmental, Health & Safety

The Environmental and Social Policy Framework (ESPF) adopted by the Company helps to identify and mitigate Environmental and Social concerns relating to all projects. During the year under review, upgraded Quality, Environment, Health & Safety (EHS) Management systems were implemented and integrated at all the O&M sites. Further, the Surveillance audit for FY 2017-18 was also conducted by TUV Nord, an ISO Certification Agency

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 advises on improving safety aspects and mitigation measures on a quarterly basis to help achieve the EHS objectives. The Company continued to engage with the experts to study the Behavioral characteristics of road users on various road projects of the Company and suggest remedial measures to avoid accidents

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 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, JV's and Associates is given in Form AOC 1 forming part of the Note 36 of the Consolidated Financial Statements

Statutory Auditors

SRBC & Co. LLP, Chartered Accountants, were appointed as the Statutory Auditors of the Company for a term of five consecutive years at the 17th Annual General Meeting held on August 29, 2017. They have confirmed that they are not disqualified from continuing as 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 2018-19

M/s. Chivilkar Solanki & Associates have conveyed their consent and confirmed their eligibility for appointment as Cost Auditors. The Board has recommended to the Members for approval of the remuneration payable to the Cost Auditors for FY 2018-19

Secretarial Audit & Secretarial Audit Report

M/s. Jayshree Dagli & Associates, Practicing 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 2017-18. 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, 2018 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 the 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 at www.itnlindia.com. The remuneration paid to the Directors and Senior Management personnel is as per Managerial Remuneration Policy of the Company. Brief details of the Managerial Remuneration Policy are provided in the Corporate Governance Report

Directors

Mr. Pradeep Puri, Director resigned with effect from November 20, 2017. The Board placed on record its sincere appreciation for the valuable guidance and support during his tenure

Based on the recommendation of the Nomination and Remuneration Committee, the Board has re-appointed following Directors of the Company subject to the approval of the Members at the ensuing Annual General Meeting:

(1) Mr. K. Ramchand (DIN: 00051769) as Managing Director for a period of five years from April 1, 2018 to March 31, 2023

(2) Mr. Mukund Sapre (DIN: 00051841) as Executive Director for a period of five years from April 1, 2018 to March 31, 2023

In compliance with Section 152 of the Companies Act, 2013, Mr. Arun K Saha (DIN: 00002377) was liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment

Your Directors recommend their 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

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 (LODR) 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 Board evaluated its performance, that of its Committees and the Independent Directors. The Independent Directors at a separate meeting evaluated the performance of the Board, the Chairman of the Board and the non-independent Directors. The Nomination & Remuneration Committee at its meeting also evaluated the performance of all the Directors

Corporate Governance

The Company believes in adhering to good governance practices and has 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

Policy on Dividend Distribution

In accordance with Regulation 43A of the SEBI (LODR) 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: http://www.itnlindia.com/application/web_directory/Company%20Policies/2017/Dividend%20Distribution%20Policy.pdf

Transfer of Unpaid/Unclaimed Dividend to Investor Education and Protection Fund Authority

In terms of Section 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), such unclaimed / unpaid dividend lying in the Company's bank account for a consecutive period of seven years amounting to ₹ 1,03,290/- for FY 2009-10 was transferred to Investor Education and Protection Fund (IEPF) on September 20, 2017. Accordingly, the underlying equity shares viz. 514 equity shares were also transferred to the demat account of IEPF, the details of which are available on the weblink: http://www.itnlindia.com/pdffiles/DV/Details_of_Shareholders_dividend_unclaimed_for_7_consecutive_years_2017.pdf

Further, the dividend for FY 2010-11, which has remained unpaid/unclaimed for a consecutive period of seven years are due for transfer to IEPF Account on due date viz. September 11, 2018. The underlying Equity Shares would also be transferred to demat account of IEPF Account on the due date, the details of which can be found at the weblink: http://www.itnlindia.com/pdffiles/DV/Statement of Unclaimed dividend amountconsecutivelyfor7years_2018.pdf

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

All related party transactions entered during the year were in the ordinary course and on an arms' length basis.

Policy for Prevention of Sexual Harassment at Workplace

The Company has provided a safe and dignified work environment for its employees which is 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

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 35 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 ₹ 96.98 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 IV**

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 V**

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 direct benefit 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 350,000 rural population across 600+ villages along its road projects

The Company is firmly committed to bring prosperity to the lives of the people through its 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 ₹ 4.95 Crore. The Company had, however planned projects for a higher amount aggregating to ₹ 5.37 Crore. The actual spent during the year was ₹ 4.35 Crore. Some of the projects meant for the development of village infrastructure could not be implemented on time, during the year due to the delay in getting consensus from the local community and receipt of approvals. The same is proposed to be spent in FY 2018-19. The Report on CSR activities is annexed to this Report as **Annexure VI**

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, 2018, 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, 2018 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 the Government & its various Authorities including National Highways Authority of India, Banks, Financial Institutions and Members of the Company

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

By the Order of the Board

Deepak Dasgupta
Chairman

Mumbai, May 29, 2018

ANNEXURE I TO DIRECTORS' REPORT

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

Subsidiaries

(1) **Amravati Chikhli Expressway Limited** has undertaken the development of four laning of Amravati Chikhli section in Maharashtra. The physical and financial progress achieved as of March 2018 was ₹ 210.64 Crore (9.20%) and ₹ 403.06 Crore, respectively. The gross revenue and profit for FY 2017-18 was ₹ 302.92 Crore and ₹ 35.51 Crore, respectively

(2) **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 as of March 2018 was ₹ 1657.70 Crore (80.03%) and ₹ 2151.46 Crore, respectively. The gross revenue and net profit for FY 2017-18 was ₹ 679.55 Crore and ₹ 150.62 Crore, respectively

(3) **Baleshwar Kharagpur Expressway Limited** has developed the existing four lane road on the Baleshwar-Kharagpur section in Orissa and West Bengal and is currently operating and maintaining the same The gross revenue and loss for FY 2017-18 was ₹ 85.09 Crore and ₹ (74.33) Crore, respectively

(4) **Chenani Nashri Tunnelway Limited** has developed the tunnel between Chenani and Nashri in Jammu & Kashmir and is currently operating and maintaining the same. The gross revenue and loss for FY 2017-18 was ₹ 398.64 Crore and ₹ (209.53) Crore, respectively

(5) **East Hyderabad Expressway Limited** has developed the Eight Lane access controlled expressway from Pedda Amberpet to Bongulur in Telangana and is currently operating and maintaining the same. The gross revenue and loss for FY 2017-18 was ₹ 18.92 Crore and ₹ (13.82) Crore, respectively

(6) **Fagne -Songadh Expressway Limited** has undertaken the development of the four laning of Fagne -Songadh section in Gujarat/Maharashtra. The physical and financial progress achieved as of March 2018 was ₹ 1,112.85 Crore (58.33%) & ₹ 1,257.05 Crore respectively. The gross revenue and net profit for FY 2017-18 was ₹ 1,140.37 Crore and ₹ 83.93 Crore, respectively

(7) **GRICL Rail Bridge Development Company Limited** has undertaken the development of 8 Railway Over Bridges in Gujarat. The physical and financial progress achieved as of March 2018 was ₹ 14.83 Crore (6.96%) and ₹ 24.02 Crore respectively. The gross revenue and net profit for FY 2017-18 was ₹ 17.90 Crore and ₹ 1.20 Crore, respectively

(8) **Hazaribagh Ranchi Expressway Limited** has developed Hazaribagh - Ranchi Road Section in Jharkhand and is currently operating and maintaining the same. The gross revenue and loss for FY 2017-18 was ₹ 67.90 Crore and ₹ (22.23) Crore, respectively

(9) **ITNL Road Infrastructure Development Company Limited** has developed two lanning of Beawer – Gomti road stretch in Rajasthan and is currently operating and maintaining the same. The development of four laning stretch is under implementation. The gross revenue and the loss for FY 2017-18 was ₹ 32.69 Crore and ₹ (81.28) Crore, respectively

(10) **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 loss for FY 2017-18 was NIL and ₹ (26.23) Crore, respectively

(11) **ITNL Offshore Pte Ltd.,** is a wholly owned subsidiary incorporated in Singapore had issued 1,000 Mn RMB denominated bonds equivalent to USD 156 Mn during the current financial year. The gross revenue and loss for FY 2017-18 was ₹ 48.06 Crore and ₹ (11.62) Crore, respectively

(12) **ITNL Offshore Two Pte. Ltd.** is a wholly owned subsidiary incorporated in Singapore had issued RMB 690 million Senior Unsecured Notes, which were redeemed during the current financial year. The gross revenue and loss for FY 2017-18 was ₹ 45.27 Crore and ₹ (8.06) Crore, respectively

(13) **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 loss for FY 2017-18 was ₹ 12.95 Crore and ₹ (0.53) Crore, respectively

(14) **Jharkhand Road Project Implementation Company Limited** has developed 5 road stretches across Jharkhand and is currently operating and maintaining the same. The gross revenue and loss for FY 2017-18 was ₹ 255.52 Crore and ₹ (28.69) Crore, respectively

(15) **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 as of March 2018 was ₹ 324.43 Crore (71.78%) and ₹ 420.84 Crore respectively. The gross revenue and net profit for FY 2017-18 was ₹ 293.91 Crore and ₹ 30.22 Crore, respectively

(16) **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 as of March 2018 was ₹ 1607.26 Crore (56.51%) and ₹ 1947.91 Crore respectively. The gross revenue and net profit for FY 2017-18 was ₹ 423.22 Crore and ₹ 31.19 Crore, respectively

(17) **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 as of March 2018 was ₹ 1772.32 Crore (90.64%) and ₹ 2060.21 Crore respectively. The gross revenue and net profit for FY 2017-18 was ₹ 332.89 Crore and ₹ 56.07 Crore, respectively

(18) **Karyavattom Sports Facility Limited** has developed the multipurpose Greenfield International Stadium at Karyavattom in Kerala and is currently operating and maintaining the same. The gross revenue and loss for FY 2017-18 was ₹ 35.68 Crore and ₹ (27.15) Crore, respectively

(19) **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 gross revenue and loss for FY 2017-18 was ₹ 304.31 Crore and ₹ (92.29) Crore, respectively

(20) **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 gross revenue and loss for FY 2017-18 was ₹ 159.44 Crore and ₹ (189.39) Crore, respectively

(21) **North Karnataka Expressway Limited** had developed Belgaum - Maharashtra Border Road Section in Karnataka and is currently operating and maintaining the same. The gross revenue and net profit for FY 2017-18 was ₹ 30.61 Crore and ₹ 5.58 Crore, respectively

(22) **Pune Sholapur Road Development Co. Limited** has developed the four laning of Pune-Solapur Road Section in Maharashtra and is currently operating and maintaining the same. The gross revenue and loss for FY 2017-18 was ₹ 202.50 Crore and ₹ (25.99) Crore, respectively

(23) **Sikar Bikaner Highways Limited** has developed the two laning of Sikar – Bikaner Section in Rajasthan and is currently operating and maintaining the same. The gross revenue and loss for FY 2017-18 was ₹ 53.51 Crore and ₹ (42.73) Crore, respectively

(24) **Rapid Metro Rail Gurgaon Limited** has developed 5.1 km (approx.) metro link for providing last mile connectivity from Delhi Metro Sikanderpur Station on MG Road to NH 8 in Gurgaon. The gross revenue and loss for FY 2017-18 was ₹ 42.97 Crore and ₹ (124.24) Crore, respectively

(25) **Rapid Metro Rail Gurgaon South Limited** has developed 6.5 km rail Metro Link Extention from Sikanderpur Station to Sector 56, Gurgaon. The project commenced commercial operations with effect from March 31, 2017. The gross revenue and loss for FY 2017-18 was ₹ 20.37 Crore and ₹ (237.92) Crore, respectively

(26) **IL&FS Rail Limited** was incorporated to pursue Metro Rail Projects which gives connectivity in Gurgaon and Haryana. The gross revenue and profit for FY 2017-18 was

₹ 62 Crore and ₹ 1.89 Crore, respectively

(27) **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 gross revenue and loss for FY 2017-18 was ₹ 65.79 Crore and ₹ (1.09) Crore, respectively

(28) **Scheme of ITNL Road Investment Trust** is a sole beneficiary Trust of the Company. The gross revenue and net profit for the year ended March 31, 2018 was ₹ 21.70 Crore and ₹ 21.64 Crore, respectively

(29) **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 2017-18 was ₹ 3.72 Crore and ₹ (17.14) Crore, respectively

(30) **IIPL USA LLC.,** incorporated to source infrastructure business in the United States has undertaken operations and maintenance of some road projects. The gross revenue and loss for FY 2017-18 was ₹ 57.50 Crore and ₹ (28.44) Crore, respectively

(31) **ITNL Infrastructure Developer LLC** has been awarded the concession for developing Dubai Court & Car Parking Project. The gross revenue and profit for FY 2017-18 was ₹ 13.85 Crore and ₹ 0.39 Crore, respectively

(32) **Park Line LLC** has been incorporated to undertake the development of Dubai Court and Car Parking Project in Dubai. The gross revenue and profit for FY 2017-18 was ₹ 67.15 Crore and ₹ 12.36 Crore, respectively

(33) **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 net profit for the year ended December 31, 2017 was ₹ 961.82 Crore and ₹ 91.88 Crore, respectively

(34) **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 of roads. The gross revenue and net profit for FY 2017-18 was ₹ 484.64 Crore and ₹ 10.07 Crore, respectively

(35) **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, 2017 was ₹ 3.79 Crore and ₹ (0.31) Crore, respectively

(36) **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 net profit for the year ended December 31, 2017 was ₹ 4.03 Crore and ₹ 0.35 Crore, respectively

(37) **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 net profit for the year ended December 31, 2017 was ₹ 2.69 Crore and ₹ 0.51 Crore, respectively

(38) **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 net profit for the year ended December 31, 2017 was ₹ 1.46 Crore and ₹ 0.33 Crore, respectively

(39) **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 net profit for the year ended December 31, 2017 was ₹ 20.44 Crore at ₹ 0.22 Crore respectively

(40) **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, 2017 was ₹ 17.05 Crore and ₹ (1.90) Crore, respectively

(41) **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 roads projects. The gross revenue and loss for the year ended December 31, 2017 was ₹ 3.27 Crore and ₹ (17.55) Crore, respectively

(42) **Elsamex Portugal Engheneria e Sistemas,** is in the business of providing consultancy services in Civil Engineering. The gross revenue and net profit for the year ended December 31, 2017 was ₹ 12.78 Crore and ₹ 0.80 Crore, respectively

(43) **ESM Mantenimiento Integral de SA de CV, Mexico** is in the business of purchase, sale, import, export manufacture, maintenance etc. The gross revenue and net profit for the year ended December 31, 2017 was ₹ 8.31 Crore and ₹ 0.16 Crore respectively

(44) **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 net profit for the year ended December 31, 2017 for ₹ 63.77 Crore and ₹ 0.19 Crore respectively

(45) **Intevial Gestao Integral Rodoviaria, S.A, Portugal** is in the business of maintenance of roads. The gross revenue and net profit for at the year ended December 31, 2017 was ₹ 161.25 Crore ₹ 7.98 Crore respectively

(46) **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 net profit for the year ended December 31, 2017 for ₹ 13.65 Crore and ₹ 0.27 Crore, respectively

(47) **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, 2017 for ₹ 15.47 Crore and ₹ (3.80) Crore, respectively

(48) **Atenea Seguridad y Medio ambiente S.A.,** provides all kind of services related to systems audit for labour risk prevention. The gross revenue and net profit for the year ended December 31, 2017 was ₹ 19.76 Crore and ₹ 2.10 Crore, respectively

(49) **Elsamex Vietnam Joint Stock Company** is in the business of repair, maintenance and upgradation of roads. The gross revenue and net profit for the FY 2017-18 was ₹ 18.95 Crore and ₹ 2.71 Crore, respectively

(50) **Srinagar Sonamarg Tunnelway Limited** has undertaken the development of Srinagar Sonmarg Gumri Tunnel in Jammu & Kashmir. The physical and financial progress achieved as of March 2018 was ₹ 391.74 Crore (17.92%) and ₹ 841.80 Crore respectively. The gross revenue and net profit for FY 2017-18 was ₹ 489.10 Crore and ₹ 80.18 Crore, respectively

Joint Ventures

(1) **Jorabat-Shillong Expressway Limited** has developed four laning of the Jorabat to Shillong Road stretch in Meghalaya. The gross revenue and loss for FY 2017-18 was ₹ 294.59 Crore and ₹ (3.72) 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 gross revenue and loss for FY 2017-18 was ₹ 217.20 Crore and ₹ (63.32) 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 net profit for FY 2017-18 was ₹ 495.56 Crore & ₹ 204.72 Crore, respectively

(4) **ITNL Elsamex JVCA, Botswana** is designing, rehabilitation and improvement on roads in Botswana .The gross revenue and the net profit for the year ended December 31, 2017 was ₹ 260.39 Crore and ₹ 46.40 Crore respectively

(5) **ITNL Elsamex JVCA, BURE** is designing and maintaining services for the Nekemte-Bure Road. The gross revenue and the net profit for the year ended December 31, 2017 was ₹ 68.10 Crore and ₹ 16.64 Crore respectively

(6) **ITNL Elsamex JVCA, NEKEMTE** is designing and maintaining services for the Nekemte-Bure Road .The gross revenue and the net profit for the year ended December 31, 2017 was ₹ 56.53 Crore and ₹ 10.83 Crore respectively

(7) ***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 gross revenue and loss for FY 2017-18 was ₹ 446.48 Crore and ₹ (54.58) Crore respectively

(8) ***RIDCOR Infra Projects Limited** is a wholly owned subsidiary of RIDCOR. It has undertaken the development of 180 kms of roads in Rajasthan and is carrying out the operation and maintenance of the same. The gross revenue and loss for FY 2017-18 was ₹ 113.76 Crore and ₹ (9.63) Crore respectively

(9) **Thiruvananthapuram Road Development Company Limited** has developed the 158.50 lane km of roads in Thiruvananthapuram City and is currently maintaining and operating the same. The gross revenue and loss for FY 2017-18 was ₹ 21.67 Crore and ₹ (21.26) Crore, respectively

(10) ⁎**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 nodel agency between the GoJ and the Concessionaire. The total revenue and the net profit for FY 2017-18 respectively was ₹ 0.55 Crore and ₹ 0.14 Crore respectively

(11) **ITNL-IECCL JV** has undertaken the widening and development of Madhya Pradesh District Roads. The gross revenue and net profit for FY 2017-18 was ₹ 44.72 Crore and ₹ 1.24 Crore, respectively

(12) **ITNL KMB JV** has undertaken design, validation and construction of Underground stations in the State of Tamil Nadu by 'Chennai Metro Rail Ltd.' The gross revenue and loss for FY 2017-18 was ₹ 104.94 Crore and ₹ (0.40) Crore, respectively

Associates

(1) **Geotecnia y Control de Qualitat S.A.** is in the business of providing technical and geological services. The gross revenue and the net profit for the year ended December 31, 2017 was ₹ 4.59 Crore and ₹ 0.01 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. 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. However, Noida Toll Bridge Company Limited continues to fulfill its obligations as per the Concession Agreement, including maintenance of Project Assets. The gross revenue and loss for FY 2017-18 was ₹ 17.68 Crore and ₹ (57.87) Crore, respectively

(3) **Warora Chandrapur Ballarpur Toll Road Limited** has developed the WaroraChandrapur-Ballarpur-Bamni Road in Maharashtra and is currently operating and maintaining the same. The gross revenue and net profit for FY 2017-18 was ₹ 53.00 Crore and ₹ 7.01 Crore, respectively

(4) **Pario Developers Private Limited** is an Associate Company engaged in the business of land development. The gross revenue and loss for FY 2017-18 was ₹ 0.54 Crore and ₹ (14.02) Crore respectively

(5) **ITNL Toll Management Service Ltd** continues to handle Operations and Maintenance of the Delhi Noida Direct Flyway The gross revenue and loss of the Company for FY 2017-18 was ₹ 4.80 Crore and ₹ (0.11) Crore, respectively

(6) **CGI8 S.A.** is in the business of analysis of samples. The gross revenue and net profit for the year ended December 31, 2017 was ₹ 1.23 Crore and ₹ 0.10 Crore, respectively

(7) **Sociedad concesionaria Autovía A-4 Madrid S.A.** is maintaining and operating A-4 highway. The gross revenue and the net profit for the year ended December 31, 2017 was ₹ 127.94 Crore and ₹ 19.64 Crore respectively

(8) **Ramky Elsamex Hyderabad Ring Road Limited** undertakes maintenance and operation of Hyderabad outer ring road in Andhra Pradesh. The gross revenue and net profit for FY 2017-18 was ₹39.94 Crore and ₹ 12.68 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 Ltd, (iii) Grusamar Engenharia & Consultoria Brasil LTDA, (v) Grusamar Albania SHPK (vi) Badarpur Tollway Operations Management Ltd, (viii) Elsamex Construçao E Manutençao LTDA, (ix) Consorcio de Obras Civiles, Conciviles S.R.L, (x) Vias y Contrucciones Viacon S.R.L, (xi) Futureage Infrastructure India Limited and (xii) Charminar Robo Park Limited (xiii) Elsamex Colombia SAS (xiv) Grusamar Ingenieria Consulting Colombia SAS (xv) Elsamex Infrastructure Company WLL (xvi) ⁎Chhattisgarh Highway Development Company Limited (xvii) ITNL Africa Projects Ltd (xviii) Vansh Nimay Infraprojects Limited (xviii) Sharjah General Services Company LLC (UAE) (xix) Elsamex India Private Limited (xx) Grusamar India Limited (xxi) Yala Construction Company Private Ltd (xxii) IIPL LAOS Pte. Ltd. and (xxiii) Ranchi Muri Road Development Limited

⁎Entities as per Ind AS

ANNEXURE II

May 29, 2018

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 records 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, 2018

[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, 2018 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, 2018 according to the provisions of:

1. The Companies Act, 2013 (the Act) 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/2017-18/43 dated August 10, 2017 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) as applicable from time to time.

It may please be noted that the compliance of applicable financial laws including Direct and Indirect Tax Laws; maintenance of Financial Records and Books of Accounts etc. by the Company has not been reviewed by us for the purpose of this Audit since the same has been subject matter of review by the Statutory Auditors and / or other designated professionals. Further, we have also relied upon the certificates / reports / legal opinions, as the case may be, issued by the Statutory Auditors and / or other designated professionals, wherever applicable.

During the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned 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 change in the composition of the Board of Directors that took place during the year under review was carried out in compliance with the provisions of the Act.

Adequate notice had been given to all Directors to schedule the Board and Committee 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.

As per Minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board as well as Committees thereof were unanimous as no dissenting views have been recorded.

We further report that based on the review of the Compliance Reports of the Managing Director, Company Secretary and Chief Financial Officer taken on record by the Board of Directors of the Company, in our opinion 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 **Annexure - 1** to this Report having impact on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to hereinabove.

For **Jayshree Dagli & Associates**
Company Secretaries
Unique Code: S1995MH013400

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

Place :Mumbai
Date:29/05/2018

ANNEXURE -1

TABLE SHOWING SPECIFIC EVENTS AND ACTIONS OF IL&FS TRANSPORTATION NETWORKS LIMITED FOR THE F.Y 2017-18

Sr. No	Particulars of the Events and Actions	Date of Board / Committee Resolution	Date of General Meeting/ Postal Ballot Resolution
1	Approval for issue of Non-Convertible Debentures upto amount of ₹ 3,500 Crore	29/05/2017	29/08/2017
2	Appointment of SRBC & Co. LLP, Chartered Accountants, (Firm Registration No. 324982E/E30003) as the Statutory Auditors	29/05/2017	29/08/2017
3	Execution of Deed of Hypothecation on August 16, 2017 for securing the Unsecured, Non Convertible Debentures (NCDs) aggregating to ₹ 1466.3 Crore, for the benefit of the Lenders which shall be shared on paripassu basis with the secured lenders.	10/08/2017 COD	---
4	Allotment of 1,505 Listed Unsecured Non-Convertible Debentures of ₹ 10,00,000 each	Circular Resolution of COD passed on 30/10/2017	29/08/2017
5	Allotment of 1,000 Listed Unsecured Non-Convertible Debentures of ₹ 10,00,000 each and 1,000 Listed Secured Non-Convertible Debentures of ₹ 10,00,000 each	Circular Resolution of COD passed on 30/11/2017	29/08/2017
6	Allotment of 500 Listed Unsecured Non-Convertible Debentures of ₹ 10,00,000 each and 990 Listed Secured Non-Convertible Debentures of ₹ 10,00,000 each	Circular Resolution of COD passed on 15/12/2017	29/08/2017
7	Resignation of Mr. Pradeep Puri w. e. f. 20th November, 2017	18/01/2018	N. A.
8	Approval for issue of: a) Masala Bonds upto ₹ 2,000 Crore b) Rated / unrated secured USD denominated Bonds upto USD 500 Million	18/01/2018	---
9	Allotment of 1,000 Listed Secured Non-Convertible Debentures of ₹ 10,00,000 each	Circular Resolution of COD passed on 01/02/2018	29/08/2017
10	Allotment of 1,000 Listed Secured Non-Convertible Debentures of ₹ 10,00,000 each	Circular Resolution of COD passed on 02/02/2018	29/08/2017
11	Re-appointment of Mr. K. Ramchand as Managing Director for a period of five years from April 1, 2018 to March 31, 2023	09/02/2018	---
12	Re-appointment of Mr. Mukund Sapre as Executive Director for a period of five years from April 1, 2018 to March 31, 2023	09/02/2018	---
13	Allotment of 1,750 Listed Secured Non-Convertible Debentures of ₹ 10,00,000 each	Circular Resolution of COD passed on 28/03/2018	29/08/2017
14	Allotment of 1,400 Listed Secured Non-Convertible Debentures of ₹ 10,00,000 each	Circular Resolution of COD passed on 31/03/2018	29/08/2017

ANNEXURE III
FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

[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	65.67

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
Holding Company					
1.	Infrastructure Leasing & Financial Services Ltd The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	U65990MH1987PLC044571	Holding	71.92	2(46)
Subsidiary / Associate Companies					
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)

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section of the Companies Act, 2013
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)
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	85.50	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 Highways 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	Elsamex India Private Limited	U74140MH1999PTC289580	Subsidiary	100.00	2(87)
23	Elsamex Maintenance Services Limited	U45201MH2013FLC285659	Subsidiary	100.00	2(87)
24	Yala Construction Co Private Limited	U45201MH2000PTC289581	Subsidiary	100.00	2(87)
25	ITNL IECCL JV	NA	Subsidiary	51.00	2(87)
26	Badarpur Tollway Operations Management Limited Toll Plaza, Mayur Vihar Link Road, Delhi – 110092	U45203DL2010PLC210680	Subsidiary	100.00	2(87)
27	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)
28	IL&FS Rail Limited 2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway # 8 Gurgaon – 122001	U63040HR2008PLC039089	Subsidiary	83.25	2(87)
29	Jharkhand Road Projects Implementation Company Limited 443 A, Road No. 5, Ashok Nagar, Ranchi – 834002	U45200JH2009PLC013693	Subsidiary	93.43	2(87)
30	Jharkhand Infrastructure Implementation Co Limited 2nd Floor, 443/A, Road No. 5, Ashok Nagar, Ranchi JH 834001 IN	U45201JH2015PLC003025	Subsidiary	100.00	2(87)
31	GRICL Rail Bridge Development Company Limited 301, Shapath-1 Complex, Opp: Rajpath Club, Nr. Madhur Hotel, Sarkhej Highway, Bodakdev, Ahmedabad Ahmedabad Gj 380015 In	U45203GJ2014PLC078880	Subsidiary	100.00	2(87)
32	Ranchi Muri Road Development Limited 443/A, Road No. 5, Ashok Nagar, Ranchi Ranchi JH 834002	U45309JH2017PLC010398	Subsidiary	100.00	2(87)
33	Rapid MetroRail Gurgaon Limited 2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway#8, Gurgaon – 122001	U60200HR2009PLC039116	Subsidiary	44.12	2(87)
34	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
35	ATENEA SEGURIDAD Y MEDIO AMBIENTE, S.A.U. Calle San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
36	Elsamex, S.A. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
37	ITNL International Pte. Ltd. 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
38	ITNL Offshore Pte. Ltd. 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
39	ITNL Offshore Two Pte. Ltd 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
40	ITNL Offshore Three Pte. Ltd 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
41	IIPL LAOS Pte. Ltd. 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
42	Alcantarilla Fotovoltaica, S.L. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
43	Area De Servicio Coiros S.L.U. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
44	Area De Servicio Punta Umbria, S.L.U San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
45	Beasolarta S. L., Spain San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
46	CISEM-INTEVIA, S.A San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
47	Conservacion De Infraestructuras De Mexico S.A. De C.V Avda. Prolongación Tecnologico nº 950B CO. San Pablo, Queretaro, Mexico- 76130	NA	Subsidiary	96.40	2(87)
48	Control 7, S.A. Poligono Malpica Santa Isabel, calle E parecela 59-61, nave 9. Zaragoza, Spain-50057	NA	Subsidiary	100.00	2(87)
49	Elsamex Construçao E Manutençao LTDA Rua Gonçalves Maia nº 207, Soledade Recife PE.	NA	Subsidiary	99.99	2(87)
50	Elsamex Internacional, S.L, Sociedad Unipersonal San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
51	Elsamex Portugal S.A. Rua Quinta das Romeiras, edifício Eduardo Viana nº104 6 Esqu. 1495-236 Alges	NA	Subsidiary	70.35	2(87)
52	ELSAMEX COLOMBIA SAS Bogota DC, Colombia	NA	Subsidiary	100.00	2(87)
53	ESM Mantenimiento Integral de SA de CV Avda. Prolongación Tecnologico nº 950B CO. San Pablo, Queretaro, Mexico- 76130	NA	Subsidiary	100.00	2(87)
54	Grusamar Albania SHPK Rr.Hik Kolli nº 26/2 Tirana, Albania	NA	Subsidiary	51.00	2(87)
55	GRUSAMAR INGENIERIA CONSULTING COLOMBIA SAS Bogota DC, Colombia	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
56	Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
57	Intevial Gestao Integral Rodoviaria, S.A. Avenida do Brasil nº 43, 5 direito, Lisboa, Portugal-1700-062	NA	Subsidiary	100.00	2(87)
58	ITNL International DMCC – Dubai 608-609, Jumeraih Business Centre, Cluster G, Jumeraih Lake Towers, P O Box no. 309018, Dubai, UAE	NA	Subsidiary	100.00	2(87)
59	ITNL Africa Projects Limited 4th floor, Bank of Industry Bldg, Central Business District, Abuja	NA	Subsidiary	100.00	2(87)
60	ITNL Elsamex JVCA, BURE San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	50.00	2(87)
61	ITNL Elsamex JVCA, Botswana San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	50.00	2(87)
62	ITNL Elsamex JVCA, NEKEMTE San Severo 18 Madrid, Spain-28042	NA	Subsidiary	50.00	2(87)
63	ITNL KMB JV No-1, A.E.Koil Street, New Washermanpet, Cross Road (Opp Periyar Park), Chennai-81	NA	Subsidiary	70.00	2(87)
64	IIPL USA LLC Duke Street, Suite 200, Alexandria, Virginia, 22314, USA	fNA	Subsidiary	100.00	2(87)
65	Mantenimiento y Conservacion de Vialidades S.A. de C.V, Avda. Prolongación Tecnologico nº 950B CO. San Pablo, Queretaro, Mexico- 76130	NA	Subsidiary	64.00	2(87)
66	Senalizacion Viales e Imagen S.U. Poligono Industrial la variante. La Grajera nº 2, Ladero, la Rioja-26140	NA	Subsidiary	100.00	2(87)
67	Grusumar Engenharia & Consultoria Brasil LTDA Rua Gonçalves Maia nº 207, Soledade Recife P.E	NA	Subsidiary	99.99	2(87)
68	Sharjah General Services Company LLC 906- Al Batha Tower, Sharjah, United Arab Emirates	NA	Subsidiary (through Board control)	49.00	2(87)
69	Elsamex Vietnam Joint Stock Company 8001, 8th Floor, No. 2, Ngo Quyen, Ly Thai To word, Hoan Kim, District Hanoi, Vietnam	NA	Subsidiary	65.00	2(87)
70	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)	49.00	2(87)
71	Park Line LLC Unit No. 1001, Boulevard Plaza, Tower No. 2, P O Box 413818, Dubai, UAE	NA	Subsidiary	24.99	2(87)
72	*Chhattisgarh Highway Development Company Limited House No. 705, Sector 2, Avanti Vihar, Telibandha Raipur CT 492006	U45203CT2007PLC020220	Subsidiary	-	2(87)
73	Srinagar Sonamarg Tunnelway Limited	U45400MH2013PLC241828	Associate	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
74	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)
75	Jorabat Shillong Expressway Limited	U45203MH2010PLC204456	Joint Venture	50.00	2(6)
76	Thiruvananthapuram Road Development Company Limited	U45203MH2004PLC144789	Associate	50.00	2(6)
77	Chongqing YuHe Expressway Company Limited No. 66, Yinshan Road, Yubei District, Chongqing, China- 401120	NA	Joint Venture	49.00	2(6)
78	*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	-	-
79	*RIDCOR Infra Projects Limited (Subsidiary of JRIDCOR) LIC New Investment Building 1st Floor, Hall No-2 Near Ambedkar Circle Bhawani Singh Road Jaipur RJ 302005 IN	U45201RJ2013PLC042008	Joint Venture	-	-
80	*Jharkhand Accelerated Road Development Company Limited 443/A, Road No. 5 Ashok Nagar Ranchi Ranchi JH 834002 IN	U45203JH2008PLC013085	Joint Venture	-	-
81.	Noida Toll Bridge Company Limited 2nd Floor, Niryat Bhawan, Rao Tula Ram Marg Opp. Army Hospital Research & Referral, New Delhi Delhi New Delhi DL 110057 IN	L45101DL1996PLC315772	Joint Venture	26.37	2(6)
82.	Geotecnia y Control de Qualitat SA c/Berguedá n0 15, bloque B, nave 11, Polígono Industrial Can Bernadés-Subirá, 08130 Santa Perpetua de la Mogoda (Barcelona)	NA	Joint Venture (Associates)	50.00	2(6)
83.	Vias Y Construcciones Viacon S.R.L Avenida 27 de Febrero n0 272 Edificio J.P., la Julia. Santo Domingo, Distrito Nacional Republica Dominicana	NA	Joint Venture (Associates)	50.00	2(6)
84.	Consorcio de Obras Civiles, Conciviles SRL Avenida 27 de Febrero n0 272 Edificio J.P., la Julia. Santo Domingo, Distrito Nacional Republica Dominicana	NA	Joint Venture (Associates)	34.00	2(6)
85.	Pario Developers Private Limited Flat 2, Gangadhar Chambers, H No 314, Narayan Peth,Off Laxmi Road Pune Pune Mh 411030	U45200PN2013PTC147449	Associate	33.00	2(6)
86.	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)
87.	Warora Chandrapur Ballarpur Toll Road Limited 4th Floor Madhu Madhav Tower, Laxmi Bhuvan Square, Dharampeth, Nagpur - 440010	U45203MH2009PLC196776	Associate	35.00	2(6)
88.	CGI 8 SA Polígono de San Cipria de Viñas de Orense Calle número 6, parcela 33 – 32901 Orense	NA	Associate	49.00	2(6)
89.	Sociedad concessionaria Autovia A-4 Madrid S.A Caballero Andante, número 8 – 28021 (Madrid)	NA	Associate	48.75	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
90.	Ramky Elsamex Hyderabad Ring Road Ltd Ramky House 6-3-1089/G/10&11 Gulmohar Avenue Rajbhavan Road, Somajiguda Hyderabed- 500082, AP	NA	Associate	26.00	2(6)
91.	Elsamex Infrastructure Company WLL Doha, Qatar	NA	Associate	44.00	2(6)
92.	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: (i) Effective holding as given in financial statements

(ii) The Registered Office Address of Companies Listed at Sr. No. 1 to 22, 73, 75 & 76 is, The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051

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		
A. Promoters										
(1) Indian	-	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	240849000	-	240849000	73.22	240849000	-	240849000	73.22	-	-
d) Bank/FI										
e) Any other (PAC)	-	-	-	-	-	-	-	-	-	-
Sub Total:(A) (1)	**240849000**	**-**	**240849000**	**73.22**	**240849000**	**-**	**240849000**	**73.22**	**-**	**-**
(2) Foreign										
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-	-
Sub Total:(A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**240849000**	**-**	**240849000**	**73.22**	**240849000**	**-**	**240849000**	**73.2153**	**-**	**-**
B. Public Shareholding										
(1) Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks/FI	23,40,367	-	23,40,367	0.71	22,05,397	-	22,05,397	0.67	(0.04)	decrease
c) Central govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
i) Foreign Portfolio Investor (Corporate)	2,13,45,870	-	2,13,45,870	6.49	1,57,38,246	-	15,738,246	4.78	(1.70)	decrease
Sub Total:(B) (1)	**2,36,86,237**	**-**	**2,36,86,237**	**7.20**	**1,79,43,643**	**-**	**1,79,43,643**	**5.45**	**(1.76)**	**decrease**

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		
(2) Non Institutions										
a) Bodies corporates	82,14,145	-	82,14,145	2.50	82,47,570	-	82,47,570	2.51	0.01	increase
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹2 lakhs	1,61,12,335	6,732	1,61,19,067	4.90	20,582,657	6,052	2,05,88,709	6.26	1.36	increase
ii) Individuals shareholders holding nominal share capital in excess of ₹ 2 lakhs	1,99,83,820	-	1,99,83,820	6.07	2,06,19,481	-	2,06,19,481	6.27	0.19	increase
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
Clearing Member	19,24,669	-	19,24,669	0.57	13,79,369	-	13,79,369	0.42	(0.17)	decrease
Foreign Company	1,07,11,561	-	1,07,11,561	3.26	1,07,11,561	-	1,07,11,561	3.26	-	-
Non Resident Indians (REPAT)	18,10,684	-	18,10,684	0.55	21,89,763	-	21,89,763	0.67	0.12	increase
Non Resident Indians (NON Repat)	4,66,229	-	4,66,229	0.14	8,25,438	-	8,25,438	0.25	0.11	increase
Hindu Undivided Family	17,87,798	-	17,87,798	0.54	21,98,004	-	21,98,004	0.67	0.12	increase
Trusts	34,06,817	-	34,06,817	1.04	34,06,975	-	34,06,975	1.04	0.00	increase
Any Other	-	-	-	-	-	-	-	-	-	-
SUB TOTAL:(B) (2)	**6,44,18,058**	**6,732**	**6,44,24,790**	**19.58**	**7,01,61,332**	**-**	**7,01,67,384**	**21.33**	**1.74**	**increase**
Total Public Shareholding (B) = (B) (1) + (B) (2)	**8,81,04,295**	**6,732**	**8,81,11,027**	**26.78**	**8,81,04,975**	**6,052**	**8,81,11,027**	**26.78**	**0.00**	**-**
C. Shares held by Custodian for GDRs & ADRs										
Grand Total (A+B+C)	**32,89,53,295**	**6,732**	**32,89,60,027**	**100.0000**	**32,89,53,975**	**6,052**	**32,89,60,027**	**100.00**		

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 Ltd	23,65,82,632	-	23,65,82,632	71.92	23,65,82,632	-	23,65,82,632	71.92	-	-
IL&FS Financial Services Limited	42,66,368	-	42,66,368	1.30	42,66,368	-	4266368	1.30	-	-
Total	**240849000**	**-**	**240849000**	**73.22**	**240849000**	**-**	**240849000**	**73.22**	**-**	**-**

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 (01-04-17 to 31-03-18)	
		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 Ltd	23,65,82,632	71.92	-	-	-	23,65,82,632	71.92
2	IL&FS Financial Services Limited	42,66,368	1.30	-	-	-	42,66,368	1.30

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

Sr No.		Shareholding at the beginning of the year - 2017		Transactions during the year			Cumulative Shareholding at the end of the year - 2018	
	Name & Type of Transaction	No.of Shares Held	% of Total Shares of the Company	Date of Transaction	Increase/ Decrease in Shareholding	Reason	No of Shares Held	% of Total Shares of the Company
1	Standard Chartered IL And FS Asia Infrastructure Growth Fund Company Pte Limited	1,07,11,561	3.26	-	-	-	-	-
	At the End of the Year						1,07,11,561	3.26
2	Government Pension Fund Global	88,00,000	2.68	-	-	-	-	-
	At the End of the Year						88,00,000	2.68

Sr No.		Shareholding at the beginning of the year - 2017		Transactions during the year			Cumulative Shareholding at the end of the year - 2018	
	Name & Type of Transaction	No.of Shares Held	% of Total Shares of the Company	Date of Transaction	Increase/ Decrease in Shareholding	Reason	No of Shares Held	% of Total Shares of the Company
3	Vibhav Ramprakash Kapoor	34,06,784	1.04	-	-	-	-	-
	At the End of the Year						34,06,784	1.04
4	Ashish Rameshkumar Goenka	21,88,800	0.67	-	-	-	2188800	0.67
				23 Feb 2018	(88,826)	Transfer	20,99,974	0.64
	At the End of the Year							0.64
5	Danske Invest Sicav - SIF - Emerging And Frontier Markets Smid II	-	-				-	-
				07 Apr 2017	4,37,000	Transfer	4,37,000	0.13
				05 May 2017	4,71,000	Transfer	9,08,000	0.28
				02 Jun 2017	5,07,100	Transfer	14,15,100	0.43
				30 Jun 2017	100,000	Transfer	15,15,100	0.46
				28 Jul 2017	50,000	Transfer	15,65,100	0.48
				04 Aug 2017	25,000	Transfer	15,90,100	0.48
				09 Mar 2018	77,500	Transfer	16,67,600	0.51
	At the End of the Year						16,67,600	0.51
6	Emerging Markets Core Equity Portfolio (The Portfolio) Of DFA Investment Dimensions Group Inc. (DFAIDG)	6,95,705	0.21				-	-
				07 Apr 2017	23,096	Transfer	7,18,801	0.22
				14 Apr 2017	6533	Transfer	725,334	0.22
				21 Apr 2017	71,892	Transfer	7,97,226	0.24
				28 Apr 2017	84,668	Transfer	8,81,894	0.27
				05 May 2017	18,193	Transfer	9,00,087	0.27
	At the End of the Year						9,00,087	0.27
7	Life Insurance Corporation Of India	8,42,884	0.26	-	-	-	-	-
	At the End of the Year						8,42,884	0.26
8	Danske Invest Sicav-SIF- Emerging And Frontier Markets SMID	20,46,282	0.62				-	-
				05 May 2017	(4,71,000)	Transfer	15,75,282	0.48
				02 Jun 2017	(5,07,100)	Transfer	10,68,182	0.32
				23 Jun 2017	(12,384)	Transfer	10,55,798	0.32
				30 Jun 2017	(100,000)	Transfer	9,55,798	0.29
				28 Jul 2017	25,000	Transfer	9,80,798	0.30
				04 Aug 2017	12,500	Transfer	9,93,298	0.30
				01 Dec 2017	(2,48,000)	Transfer	7,45,298	0.23
				09 Mar 2018	95,000		8,40,298	0.26
	At The End Of The Year						8,40,298	0.26
9	The Emerging Markets Small Cap Series Of The DFA Investment Trust Company	8,07,052	0.25	-	-		-	-
	At The End Of The Year						8,07,052	0.25
10	Veluru Girinatha Prakash	7,19,386	0.22				-	-
				16 Feb 2018	(28,640)	Transfer	6,90,746	0.21
	At the End of the Year						6,90,746	0.21
11	Danske Invest Sicav - Emerging And Frontier Markets	8,12,432	0.25	-	-	-	-	-
				01 Dec 2017	(2,03,000)	Transfer	6,09,432	0.19
	At the End of the Year						6,09,432	0.19

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017 No.of Shares Held	% of Total Shares of the Company	Transactions during the year Date of Transaction	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding at the end of the year - 2018 No of Shares Held	% of Total Shares of the Company
12	Morgan Stanley Mauritius Company Limited	17,30,435	0.53				-	-
				21 Apr 2017	(100,000)	Transfer	16,30,435	0.50
				28 Apr 2017	(80,000)	Transfer	15,50,435	0.47
				12 May 2017	(80,000)	Transfer	14,70,435	0.45
				21 Jul 2017	(1,98,275)	Transfer	12,72,160	0.39
				28 Jul 2017	(2,14,087)	Transfer	10,58,073	0.32
				04 Aug 2017	(3,01,116)	Transfer	7,56,957	0.23
				11 Aug 2017	(2,70,189)	Transfer	4,86,768	0.15
				01 Sep 2017	(1,23,618)	Transfer	3,63,150	0.11
				08 Sep 2017	(3,266)	Transfer	3,59,884	0.11
				15 Sep 2017	(2,35,599)	Transfer	1,24,285	0.04
				29 Sep 2017	(1,148)	Transfer	1,23,137	0.04
				06 Oct 2017	(4,555)	Transfer	1,18,582	0.04
				13 Oct 2017	(4,585)	Transfer	1,13,997	0.03
				27 Oct 2017	(7,939)	Transfer	1,06,058	0.03
				03 Nov 2017	(2,428)	Transfer	1,03,630	0.03
				29 Dec 2017	(1,556)	Transfer	1,02,074	0.03
				21 Apr 2017	(2,414)	Transfer	99,660	0.03
	At the End of the Year						99,660	0.03
13	National Westminster Bank PLC As Trustee Of The Jupiter India Fund	25,06,035	0.76				-	-
				30 Jun 2017	1,51,870	Transfer	26,57,905	0.81
				17 Nov 2017	(1,68,402)	Transfer	24,89,503	0.76
				24 Nov 2017	(1,71,881)	Transfer	23,17,622	0.70
				01 Dec 2017	(2,87,899)	Transfer	20,29,723	0.62
				08 Dec 2017	(5,96,390)	Transfer	14,33,333	0.44
				15 Dec 2017	(1,40,143)	Transfer	12,93,190	0.39
				22 Dec 2017	(7,35,386)	Transfer	5,57,804	0.17
				29 Dec 2017	(5,57,804)		0	0.00
	At the End of the Year						0	0.00
14	Jupiter South Asia Investment Company Limited - South Asia Access Fund	8,44,977	0.26					
				23 Jun 2017	(86,419)	Transfer	7,58,558	0.23
				17 Nov 2017	(48,061)	Transfer	7,10,497	0.22
				24 Nov 2017	(49,055)	Transfer	6,61,442	0.20
				01 Dec 2017	(82,165)	Transfer	5,79,277	0.18
				08 Dec 2017	(1,70,209)	Transfer	4,09,068	0.12
				15 Dec 2017	(39,997)	Transfer	3,69,071	0.11
				22 Dec 2017	(209875)	Transfer	1,59,196	0.05
				29 Dec 2017	(159196)	Transfer	0	0.00
	At the End of the Year						0	0.00

V. Shareholding of Directors:

Sl. No.	Name of Shareholders	Shareholding		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-04-17 to 31-03-18)	
		No. of shares at the beginning of the year / end of the year (31-03-17)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Hari Sankaran Non-Executive Director	6,37,916	0.19	1/4/2017	0	Nil movement during the year	6,37,916	0.19
2	K Ramchand Managing Director	5,85,901	0.18	1/4/2017	0	Nil movement during the year	5,85,901	0.18
3	Ravi Parthasarathy Non-Executive Director	5,33,061	0.16	1/4/2017	0	Nil movement during the year	5,33,061	0.16
5	Arun K Saha Non-Executive Director	4,01,801	0.12	1/4/2017	0	Nil movement during the year	4,01,801	0.12
6	Mukund Sapre Executive Director	1,69,420	0.05	1/4/2017	0	Nil movement during the year	1,69,420	0.05
7	Krishna Ghag Company Secretary	59,144	0.02	1/4/2017	0	Nil movement during the year	59,144	0.02
8	#Pradeep Puri Non-Executive Director	53,597	0.02	1/4/2017	0	Nil movement during the year	53,597	0.02
9	Dilip Bhatia Chief Financial Officer	666	Negligible	1/4/2017	0	Nil movement during the year	666	Negligible
11	Deepak Dasgupta Non-Executive Director	79	Negligible	1/4/2017	0	Nil movement during the year	79	Negligible

**None of the other Directors and Key Managerial Personnel except mentioned above hold shares in the Company
Resigned w.e.f. November 20, 2017

VI. Indebtedness

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

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	4,689	6,827	-	11,516
ii)	Interest due but not paid	-	161	-	161
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		**4,689**	**6,988**	**-**	**11,677**
Change in Indebtedness during the financial year					
●	Addition	5,140	8,915	-	14,055
●	Reduction	1,611	10,455	-	12,066
Net Change		**3,529**	**(1,540)**	**-**	**1,989**
Indebtedness at the end of the financial year					
i)	Principal Amount	8,211	5,287	-	13,498
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	112	120	-	232
Total (i+ii+iii)		**8,323**	**5,407**	**-**	**13,730**

VII. 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	2,64,73,115	1,65,21,827	4,29,94,942
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	34,25,580	33,47,100	67,72,680
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- Other	-	-	-
5.	**Others, please specify**			
	Retirement Benefits	81,61,570	49,84,056	1,31,45,626
	Performance Related Pay	72,50,000	72,50,000	1,45,00,000
	Total (A)	**4,53,10,265**	**3,21,02,983**	**7,74,13,248**
	Ceiling as per the Act	Overall Ceiling limit of ₹ 17.36 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
		Mr. Deepak Dasgupta	Mr. R C Sinha	Mr. H P Jamdar	Ms. Neeru Singh	Mr. Ravi Parthasarathy	Mr. Hari Sankaran	Mr. Arun K Saha	Mr. Pradeep Puri*	
1	Independent Directors									
	- Fee for attending board/ committee meetings	8,00,000	9,00,000	8,50,000	5,50,000	-	-	-	-	31,00,000
	- Commission	12,67,875	12,67,875	12,67,875	905,625	-	-	-	-	47,09,250
	- Others, please specify	-	-	-	-	-	-	-	-	
	Total (1)									**78,09,250**
2	Other Non-Executive Directors									
	- Fee for attending board/ committee meetings	-	-	-	-	2,00,000	8,00,000	12,50,000	2,00,000	24,50,000
	- Commission	-	-	-	-	6,79,875	6,79,875	6,79,875	5,43,900	25,83,525
	- Others, please specify	-	-	-	-	-	-	-	-	
	Total (2)									**50,33,525**
	Total (B)=(1+2)									**1,28,42,775**
	Total Managerial Remuneration (A+B)									**9,02,56,023**
	Overall Ceiling as per the Act	₹ 19.09 Crore (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)								

* Mr. Pradeep Puri resigned from the Board effective November 20, 2017

Note: Siting fees paid to Directors are not included for calculation in overall ceiling on Managerial Remuneration

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		
		Dilip Bhatia CFO	Krishna Ghag Company Secretary	Total
1	Gross Salary			
	a) Salary as per provision contained in Section 17(1) of the Income tax Act, 1961	1,46,17,417	54,04,032	2,00,21,449
	b) Value of perquisites u/s 17(2) Income Tax Act, 1961	61,764	9,32,400	9,94,164
	c) Profit in lieu of salary under section 17(3) Income -Tax Act, 1961		-	-
2	Stock Option	-	-	
3	Sweat Equity	-	-	
4	Commission	-	-	
	- as % of profit	-	-	
	- others, (Performance Related Pay)	72,50,000	11,60,000	84,10,000
5	Other, (Contribution to Providend Fund, Superannuation Fund & Gratuity)	25,99,820	-	25,99,820
	TOTAL	**2,45,29,001**	**74,96,432**	**3,20,25,433**

VIII. Penalties / punishment/ compounding of offences

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

ANNEXURE IV

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 31,2018

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 Yrs)	Age (Yrs)	Date of Joining	Remuneration (₹)	Previous Employment
1.	Bhatia Dilip	Chief Financial Officer	B.Com, ACA (24)	50	24-08-2015	2,45,29,001	Ace Derivatives and Commodity Exchange Limited
2.	Chandwar Ashutosh	Senior Vice President	B.E (Civil) ; M.E (Transp) (30)	50	02-07-2007	97,21,792	National Highways Authority of India
3.	Khan K R	Senior Vice President	BE (Civil); MBA (Fin Mgmt & International Trade Mgmt) (26)	49	01-08-2007	75,57,588	Road Infrastructure Development Company of Rajasthan Limited
4.	Minglani Sanjay	Senior Vice President	B.Sc. (Civil Eng.) (28)	51	28-02-2006	69,96,891	Consulting Engineering Services (India) Private Limited
5.	Malhotra Harsh	Senior Vice President	B. Com, Grad CWA, E-MBA (33)	51	01-10-2016	1,31,20,891	Infrastructure Leasing & Financial Services Limited
6.	Mathur Harish	Technical Director	B.E. (Civil); M.Sc. (Highway Eng.) (42)	64	01-01-2006	1,83,20,333	Road Infrastructure Development Company of Rajasthan Limited
7.	Mittal S.C.	Chief Executive	B.E. (Civil), (32)	59	18-10-2010	1,88,19,920	IL&FS Rail Limited
8.	Karunakaran Ramchand	Managing Director	B.E.(Civil), PGD Planning, DCM (39)	63	19-03-2001	4,53,10,265	Infrastructure Leasing & Financial Services Limited
9.	Sapre Mukund	Executive Director	B. Tech (Civil) DSM (NIIT) (37)	58	01-03-2002	3,21,02,983	Infrastructure Leasing & Financial Services Limited
10.	Agarwal Manish	Senior Vice President	BE (Civil); M.Tech (29)	51	01-08-2007	72,87,692	National Highways Authority of India

Notes:

1. None of the employees mentioned above are related to any of the Directors of the Company wihin the meaning of Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014
2. None of the employees mentioned above hold more than 2% of the shares of the Company, along with their spouse and dependent children
3. All appointments are contractual and terminable by notice on either side
4. Remuneration includes salary, 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, 2018

Deepak Dasgupta
Chairman

ANNEXURE V TO THE DIRECTORS' REPORT

Disclosure of Information in terms of Section 197 of the Companies Act, 2013 read with Rule 5 (i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company is required to disclose the following information as part of the Directors' Report:

Sr. No.	Requirements	Disclosure
1.	The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017-18	Managing Director - 26X Executive Director - 19X
2.	The percentage increase/(decrease) in remuneration of MD, ED, CFO & CS during the financial year 2017-18 *Since PRP payment was made for part of the year in FY 2016-17, the same has not been considered for comparison	(i) MD: (10.86%) (ii) ED: (8.09%) (iii) CFO: 21.52%* (iv) CS: 4.15%
3.	The percentage increase in the median remuneration of employees in the financial year	There was 3.11% increase in the median remuneration of employees during FY 2017-18
4.	The number of permanent employees on the rolls of the Company	There were 302 employees on the rolls of the Company as on March 31, 2018
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 in the last financial year was 5% over the previous year (ii) There was no increase in salaries of the managerial personnel in comparison with the employees
6.	Affirmation that the remuneration is as per the managerial remuneration policy of the Company	Yes, it is confirmed

ANNEXURE VI
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	In an effort to proactively add value, reduce risk and enhance sustainability in its projects, the Company has founded Environmental and Social Policy and Framework, **(ESPF)** the concept of Sustainable Development and thereby recognizes Environmental and Social **(E&S)** considerations in its business operations. The ESPF applies to the business canvas of the Company including subsidiaries and associate companies The endeavor is to see the empowerment of the community along the highways through the various Corporate Social Responsibility **("CSR")** initiatives. The Company strongly believes that while surface transportation infrastructure gives a boost to the overall economy, it should also become roads for the prosperity of the marginalized sections of the society living around the highways and improve their quality of life 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
2.	Composition of the CSR Committee	1) Ms. Neeru Singh - Chairperson 2) Mr. H P Jamdar - Member 3) Mr. K Ramchand - Member 4) Mr. Mukund Sapre - Member
3.	Average net profit of the Company for last three financial years	₹ 247.29 Crore
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	₹ 4.95 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 is detailed below	a) ₹ 4.95 Crore b) ₹ 0.60 Crore The details of amount spent on various activities are annexed as **Annexure A**

Annexure A

Details of the Amount spent by the Company on various CSR Projects

(1) Sr. No	(2) CSR Project or Activity Identified	(3) Sector in which the Project is covered	(4) Projects or Programs (1) Local area or other (2) Specify the State and District where the projects or programs was undertaken	(5) Amount Outlay (budget) project or program-wise (₹ Crore)	(6) Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or programs (₹ Crore)	(7) Cumulative expenditure upto the reporting period (₹ Crore)	(8) Amount spent : Direct or through implementing agency (₹ Crore)
1	Enhancing Education through activity based learning	Item II: Promoting Education	(1) Local Area (2) Balasore District, Odisha State and Pachim Midnapore District, West Bengal State	0.275	0.236	0.236	Through Implementation Agency - Nalanda Foundation
2	Enhancing Computer literacy	Item II: Promoting Education	(1) Local Area (2) Khed, Pune District, Maharashtra State	0.387	0.387	0.387	Through Implementation Agency - Nalanda Foundation
3	Enhancing Computer literacy	Item II: Promoting Education	(1) Local Area (2) Moradabad - Bareilly, Uttar Pradesh State	0.793	0.786	0.786	Through Implementation Agency - Nalanda Foundation
4	Support for income enhancement of the farmers through inland aquaculture	Item II: Livelihood Income Enhancement	(1) Local Area (2) Balasore District, Odisha State	0.510	0.589	0.589	Through Implementation Agency - Nalanda Foundation
5	Improving life schools through sports	Item II: Promoting Education	(1) Local Area (2) Bilaspur District, Himachal Pradesh	0.175	0.175	0.175	Through Implementation Agency - Nalanda Foundation
6	Support for improved health through Mobile Medical Unit	Item I: Promoting preventive healthcare	(1) Local Area (2) Chennani - Nashri, Udhampur District, J&K State	0.357	0.332	0.332	Through Implementation Agency - Nalanda Foundation
7	Promoting awareness on highway safety measures within local community and creating emergency first response system	Item II: Promoting Education	(1) Local Area (2) Moradabad - Bareilly, Uttar Pradesh	0.503	0.381	0.381	Through Implementation Agency - Nalanda Foundation
8	Promoting awareness on highway safety measures within local community and creating emergency first response system	Item II: Promoting Education	(1) Local Area (2) Balasore District, Odisha State and Pachim Midnapore District, West Bengal State	0.254	0.254	0.254	Through Implementation Agency - Nalanda Foundation
9	Providing sanitation facilities	Item I: Creating Sanitation infrastructure	(1) Local Area (2) Village Childaag, Dist. Ranchi, Jharkhand State	0.913	0.0615	0.0615	Through Implementation Agency - Nalanda Foundation

(1) Sr. No	(2) CSR Project or Activity Identified	(3) Sector in which the Project is covered	(4) Projects or Programs (1) Local area or other (2) Specify the State and District where the projects or programs was undertaken	(5) Amount Outlay (budget) project or program-wise (₹ Crore)	(6) Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or programs (₹ Crore)	(7) Cumulative expenditure upto the reporting period (₹ Crore)	(8) Amount spent : Direct or through implementing agency (₹ Crore)
10	Rejuvenating water harvesting structures	Item IV: Conservation of natural resources	(1) Other Area (2) Balangir District, Odisha State	0.2	0.2	0.2	Through Implementation Agency - Nalanda Foundation
11	Providing Sanitation facilities in a School	Item I: Creating Sanitation infrastructure	(1) Local Area (2) Balasore District, Odisha State	0.064	0.064	0.064	Through Implementation Agency - Nalanda Foundation
12	Providing skills training for youths in the areas of agriculture	Item II: Livelihood Income Enhancement	(1) Local Area (2) Nasik District, Maharashtra State	0.009	0.009	0.009	Through Implementation Agency - Nalanda Foundation
13	Protection of regional arts and music culture	Item V: Protection of arts and culture	(1) Local Area (2) Mumbai, Maharashtra State	0.425	0.425	0.425	Through the implementing agency - Banyan Tree Events India Pvt. Ltd
14	Creating solid waste management facilities	Item X; Rural development projects	(1) Local Area (2) Rakhigarhi, Hissar Haryana	0.2	0.2	0.2	Through the implementing agency -Indian Trust for Rural Heritage
15	Support for well-being of senior citizens	Item III: promoting facilities for senior citizens	(1) Local Area (2) Mumbai., Maharashtra State	0.025	0.025	0.025	Through the implementing agency - Dignity Foundation
16	Providing safe drinking water to the community	Item I: Making available safe drinking water	(1) Local Area (2) Pan India	0.15	0.15	0.15	Through the implementing agency - Social Work and Research Centre
17	Promoting education facilities for children from weaker sections of the society	Item II: Promoting Education	(1) Local Area (2) Pan India	0.06	0.06	0.06	Through the implementing agency - Magic Bus India Foundation
18	Supporting facilities for cancer patients	Item I: Promoting healthcare	(1) Local Area (2) Mumbai, Maharashtra State	0.005	0.005	0.005	Through the implementing agency - Social Work and Research Centre
Grand Total				**5.31**	**4.35**	**4.35**	

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

K Ramchand
Managing Director

Neeru Singh
Chairperson, CSR Committee

REPORT ON CORPORATE GOVERNANCE

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 the Companies Act, 2013 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 9 Directors, including 2 Executive and 7 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, 6 meetings were held on the following dates:

(i) May 13, 2017, (ii) May 29, 2017, (iii) August 08, 2017, (iv) November 10, 2017 (v) January 18, 2018, and (vi) February 9, 2018

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 by the Management at the Meetings of the Board of Directors providing status on operations of the projects along with risk matrix, financials, etc.

(ii) Category & Attendance of Directors

The names and categories of the Directors on the Board, their attendance at the Board Meetings held during FY 2017-18, alongwith the number of directorships and committee memberships held by them in other companies as on March 31, 2018 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 29, 2017 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	6	Yes	3	2	1	4
Mr. R. C. Sinha	Independent	6	Yes	-	3	-	-
Mr. H P Jamdar	Independent	4	Yes	-	2	-	-
Ms. Neeru Singh	Independent	4	No	-	-	-	-
Mr. Ravi Parthasarathy	Non-Executive, Non-Independent	3	Yes	6	3	-	1
Mr. Hari Sankaran	Non-Executive, Non-Independent	6	No	1	7	-	1
Mr. Arun K Saha	Non-Executive, Non-Independent	6	Yes	3	6	1	6
Mr. Pradeep Puri*	Non-Executive, Non-Independent	4	No	-	-	-	-
Mr. K Ramchand	Managing Director	6	Yes	-	8	1	1
Mr. Mukund Sapre	Executive Director	5	Yes	-	9	-	3

* Mr. Pradeep Puri resigned effective November 20, 2017

(iii) Directors seeking re-appointment

Details of the Director seeking re-appointment at the forthcoming Annual General Meeting as required under Regulation 36(3) of SEBI (LODR) Regulation, 2015 is 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

(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 thrice during the year viz. (i) April 30, 2017, (ii) August 30, 2017 and (iii) October 8, 2017 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

Pursuant to Regulation 25(7) of the SEBI (LODR) Regulations 2015, various familiarization programmes were carried out viz. Industry outlook, review of Domestic / International Projects, Regulatory updates, Presentations on Internal Control over Financial Reporting, Operational Control over Financial Reporting, framework for Related Party Transactions, Visits to the project sites, Meeting with Senior Executive(s) of the Company at the Audit Committee Meetings etc.

The details required are available on the website of your Company at the weblink: 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
- 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, 5 meetings were held on the following dates:

(i) May 29, 2017, (ii) August 08, 2017, (iii) November 9, 2017, (iv) February 8, 2018 and (v) March 29, 2018

(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	5	5
Mr. Deepak Dasgupta	Member	Independent	5	5
Mr. H P Jamdar	Member	Independent	5	4
Mr. Arun K Saha	Member	Non- Executive, Non-Independent	5	5

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)
(ii) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7)

(II) Stakeholders' Relationship Committee

The Board has constituted 'Stakeholders' Relationship Committee' 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 19, 2017, (ii) July 11, 2017, (iii) October 13, 2017 and (iv) January 11, 2018

(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, Non-Independent	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 2017-18

All the complaints received during the year under review were resolved and nothing was pending

(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 was reconstituted on January 18, 2018 consequent to resignation of Mr. Pradeep Puri effective November 20, 2017. The Committee currently comprises of Mr. Hari Sankaran as Chairman, Mr. Arun K Saha, Director, Mr. K. Ramchand, Managing Director and Mr. Mukund Sapre, Executive Director as Members

(ii) 10 Committee meetings were held during the year under review on the following dates:

(i) April 19, 2017, (ii) June 15, 2017, (iii) July 12, 2017, (iv) August 10, 2017, (v) September 22, 2017, (vi) November 3, 2017, (vii) December 20, 2017, (viii) January 11, 2018, (ix) February 26, 2018 and (x) March 22, 2018

(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, Non-Independent	10	8
Mr. Arun K Saha	Member	Non-Executive, Non-Independent	10	10
Mr. K. Ramchand	Member	Executive	10	10
Mr. Mukund Sapre	Member	Executive	10	10
Mr. Pradeep Puri *	Member	Non-Executive, Non-Independent	6	-

* Number of meetings held till date of his resignation i.e. November 20, 2017

(IV) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Mr. H P Jamdar, as the Chairman and Mr. Ravi Parthasarathy, Mr. Hari Sankaran and Mr. R.C. Sinha as Members. 2 meetings of the Committee were held during the year on May 13, 2017 and February 8, 2018

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

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

The Managing Director, Executive Director, Head - HR and Company Secretary also 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 2017-18 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 (₹)	2,64,73,115	1,65,21,827
Perquisites (₹)	34,25,580	33,47,100
Retirement Benefits (₹)	81,61,570	49,84,056
Performance Linked Incentive (₹)	72,50,000	72,50,000
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	

Note: The above table does not include benefits in the nature of gratuity and leave encashment which are created on actuarial basis for the Company as a whole and not for the individual employee including above managerial personnel

(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) Following are the details of sitting fees and commission entitled to for the year under review:

Sr. No.	Name of Director	Sitting fees (₹)	Commission (₹)	Total (₹)
(a)	Mr. Deepak Dasgupta	8,00,000	1,267,875	20,67,875
(b)	Mr. R. C. Sinha	9,00,000	1,267,875	21,67,875
(c)	Mr. H P Jamdar	8,50,000	1,267,875	21,17,875
(d)	Mr. Ravi Parthasarathy	2,00,000	679,875	8,79,875
(e)	Mr. Hari Sankaran	8,00,000	679,875	14,79,875
(f)	Mr. Arun K Saha	12,50,000	679,875	19,29,875
(g)	Mr. Pradeep Puri*	2,00,000	543,900	7,43,900
(h)	Ms. Neeru Singh	5,50,000	905,625	14,55,625
Total		**55,50,000**	**72,92,775**	**1,28,42,775**

* Mr. Pradeep Puri ceased to be a Director effective November 20, 2017

(iv) Details of shares held by the Non-Executive Directors as on March 31, 2018 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. Arun K Saha	535,734
(e)	Mr. R C Sinha	70
(f)	Ms. Neeru Singh	1,000

(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 Environment, Health and Safety Committee (EHS) has been constituted by the Board comprising of Independent Directors with the following objective:

(a) Review and recommend measures for improving the safety aspects at the Projects to reduce accidents

(b) Advise on mitigation measures related to EHS;

(c) Aid in furtherance of the EHS initiatives

(ii) Meetings of the Committee were held during the year under review on August 7, 2017 and November 27, 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	2	2
Mr. Deepak Dasgupta	Member	Independent	2	2
Mr. R C Sinha	Member	Independent	2	2
Ms. Neeru Singh*	Member	Independent	2	1

* Ms. Neeru Singh was inducted as a Member effective November 10, 2017

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 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) 3 Meetings of the Committee were held during the year under review on (i) April 30, 2017, (ii) August 07, 2017 and (iii) November 27, 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
Ms. Neeru Singh	Chairperson	Independent	3	3
Mr. H P Jamdar	Member	Independent	3	3
Mr. K. Ramchand	Member	Executive	3	3
Mr. Mukund Sapre	Member	Executive	3	2

4. General Meetings

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
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.	-
2016-17	August 29, 2017, 11:00 a.m.	Issue of Non-Convertible Debentures

No approval was sought by way of postal ballot during the year

5. Disclosures

(i) Accounting Policies

The standalone and consolidated financial statements are prepared in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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, 2018

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	http://www.itnlindia.com/application/web_directory/Company%20Policies/code_conduct.pdf
Code of Conduct to Regulate, Monitor and Report Trading by Insiders	http://www.itnlindia.com/application/web_directory/Company%20Policies/insider_trading_code_compl.pdf
Code of Conduct for Independent Directors	http://www.itnlindia.com/application/web_directory/Company%20Policies/Code_of_Independent_Directors.pdf
Corporate Social Responsibility Policy	http://www.itnlindia.com/application/web_directory/Company%20Policies/Corporate%20Social%20Responsibility%20Policy.pdf
Management Remuneration Policy	http://www.itnlindia.com/application/web_directory/Company%20Policies/Managerial%20Remuneration%20Policy.pdf
Policy for Related Party Transactions	http://www.itnlindia.com/application/web_directory/Company%20Policies/ITNL%20RPT%20Policy.pdf
Policy for determining Material Subsidiaries	http://www.itnlindia.com/application/web_directory/Company%20Policies/Material%20Subsidiaries%20Policy.pdf
Policy on Preservation and Archival of documents	http://www.itnlindia.com/application/web_directory/Company%20Policies/2015/Policy%20for%20Preservation%20and%20Archival%20of%20Documents.pdf
Policy for Determination of Materiality and Dissemination of Information	http://www.itnlindia.com/application/web_directory/Company%20Policies/2015/Dec2015/Policy%20for%20Determination%20of%20Materiality%20and%20Dissemination%20of%20Information.pdf
Whistle Blower Policy	http://www.itnlindia.com/application/web_directory/Company%20Policies/Whistle%20Blower%20Policy.pdf
Dividend Distribution Policy	http://www.itnlindia.com/application/web_directory/Company%20Policies/2017/Dividend%20Distribution%20Policy.pdf

(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, 2018 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, 2017 to March 31, 2018

(ix) In terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015, the Managing Director and Chief Financial Officer have periodically furnished the certificates to the Board of Directors certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs

(x) The Company has complied with all the mandatory requirements under the provisions of Regulation 17 to Regulation 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015 relating to Corporate Governance for the period April 1, 2017 to March 31, 2018

(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, 2018

(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.com 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

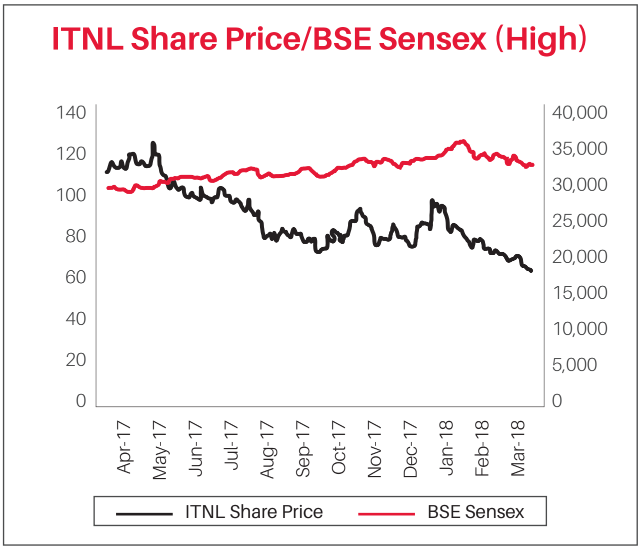
A Management Discussion & Analysis Statement forms a part of this Annual Report

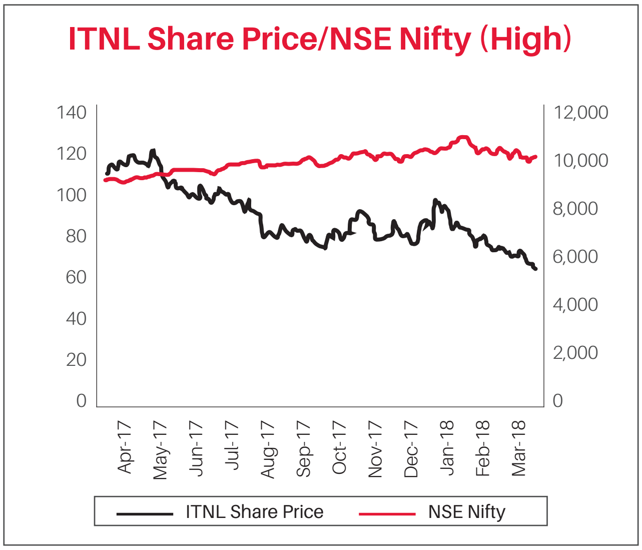
7. General Shareholder Information:

I.	Annual General Meeting(AGM) Day/Date Time Venue	:	Tuesday, September 4, 2018 11.00 am Y. B. Chavan Auditorium, Gen. J. Bhosale Marg, Mumbai 400 021
II.	Financial year	:	1st April, 2017 to 31st March, 2018
III.	Date of Book Closure	:	August 28, 2018 to September 4, 2018 (both days inclusive)
IV.	Dividend Payment Date	:	No dividend recommended by the Board
V.	Listing on Stock Exchanges	:	(i) National Stock Exchange of India Limited (NSE) (ii) BSE Limited (BSE) Listing fees for the financial year 2017-18 have been paid to both the Stock Exchanges
VI.	Scrip Code	:	NSE - IL&FSTRANS EQ BSE - 533177
VII.	Market Price Data (High/Low during each month) on NSE & BSE:		

Month	NSE		BSE	
	High	Low	High	Low
Apr-17	120.65	109.05	120.40	109.15
May-17	124.50	99.45	124.20	99.20
Jun-17	104.55	93.10	104.40	93.65
Jul-17	103.75	89.00	103.60	89.10
Aug-17	92.95	73.40	93.80	73.15
Sep-17	83.40	69.10	83.35	70.00
Oct-17	90.95	71.55	91.00	70.70
Nov-17	92.85	72.70	92.50	73.00
Dec-17	86.95	70.85	86.70	71.25
Jan-18	97.35	77.15	97.35	76.00
Feb-18	81.90	70.00	81.80	70.00
Mar-18	72.75	58.80	72.30	58.40

VIII. Performance of the Company's share price in comparison with NSE NIFTY and BSE SENSEX during the FY 2017-18





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 1020 878
Fax	: +91 22 4918 6060
Email	: mumbai@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, 2018

Number of Equity Share holdings	Number of Shareholders	Percentage of total Shareholders	No. of Shares	Percentage of total Shares
1-5000	50,018	83.38	66,15,891	2.01
5001-10000	4,576	7.63	37,25,088	1.13
10001-20000	2,413	4.02	37,00,834	1.13
20001-30000	904	1.50	23,44,982	0.71
30001- 40000	409	0.68	14,54,124	0.44
40001- 50000	379	0.63	18,02,115	0.55
50001-100000	635	1.06	47,36,123	1.44
100001 & above	657	1.10	30,45,80,870	92.59
Total	**59,991**	**100.00**	**32,89,60,027**	**100.00**

XII. Shareholding Pattern as on March 31, 2018

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	22,05,397	0.67
4	Foreign Portfolio Investors	1,57,38,246	4.78
5	Bodies Corporate	82,48,084	2.50
6	Foreign Bodies Corporate	1,07,11,561	3.26
7	NRI	30,15,201	0.92
8	Individuals	4,12,08,190	12.52
9	Clearing Members	13,79,369	0.42
10	HUF	21,98,004	0.67
11	Trusts	34,06,975	1.03
	TOTAL	**32,89,60,027**	**100**

XIII. Dematerialisation of Shares as on March 31, 2018

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, 2018, 32,89,53,975 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
(i) Number of shareholders who approached the Company and to whom shares were transferred from suspense account during the year*	1
(ii) Number of shares transferred from the suspense account during the year	248
(i) Number of shareholders at the end of the year	-
(ii) Number of outstanding shares in the suspense account at the end of the year	-

* Only 1 Shareholder had approached the Company who was credited with 25 shares and the balance 223 shares were transferred to IEPF

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:

Company

IL&FS Transportation Networks Limited
The IL&FS Financial Centre,
C-22, G-Block, Bandra – Kurla Complex,
Bandra (East), Mumbai 400 051
Telephone: + 91 22 26533333
Fax: + 91 22 2653 3295
Email: itnlinvestor@ilfsindia.com

Registrar

Link Intime India Private Limited
Registrar & Share Transfer Agent
C-11, 247 Park, LBS Marg,
Vikhroli (West) - Mumbai 400 083
Telephone No: +91 22 4918 6200/ 1800 1020 878
Fax: +91 22 4918 6060
Email: mumbai@linkintime.co.in

Debenture Trustees:

(1) IDBI Trusteeship Services Limited
Mr. Subrat Udgata, 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

(2) 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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Members of IL&FS Transportation Networks Limited
Il&Fs Transportation Networks Limited
C-22, G-Block, Bandra – Kurla Complex,
Bandra (East), Mumbai 400 051.

1. The Corporate Governance Report prepared by IL&FS Transportation Networks Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2018. This report is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. 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.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

   i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;

   ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;

   iii. Obtained and read the Directors Register as on March 31, 2018 and verified that atleast one women director was on the Board during the year;

   iv. Obtained and read the minutes of the following committee meetings held from April 1, 2017 to March 31, 2018:

      (a) Board of Directors meeting;
      (b) Audit committee;
      (c) Annual General meeting;
      (d) Nomination and remuneration committee meeting;
      (e) Stakeholders Relationship Committee meeting;
      (f) Independent directors meeting;
      (g) Committee of Directors meeting;
      (h) Corporate Social Responsibility Committee meeting; and
      (i) Environment, Health and Safety Committee meeting.

v. Obtained necessary representations and declarations from directors of the Company including the independent directors ; and

vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 1 above.

Other matters and Restriction on Use

9. This report 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.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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, 2018

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 uploaded on the Company's website, www.itnlindia.com

I hereby confirm that the Company has in respect of the financial year ended March 31, 2018 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 10, 2018

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, 2018, 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 Standalone Ind AS 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 Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility 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 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 standalone 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 standalone Ind AS 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, 2018, its profit including other comprehensive income, 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 (footnote (j)) of the standalone 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.

Our opinion is not modified in respect of this matter.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017, included in these standalone Ind AS financial statements, have been jointly audited by us along with predecessor auditor. We and joint auditor expressed an unmodified opinion on those financial statements on May 29, 2017.

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

(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 35 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 16 and 32.6.2 to the standalone Ind AS financial statements;

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

For **S R B C & CO LLP**
Chartered Accountants
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**
Partner
Membership No. 49365
Place of Signature: Mumbai
Date: May 29, 2018

ANNEXURE 1

Statement of matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) order, 2016

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at the year-end and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted loans to five companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanation given to us, the terms and conditions of the loans are not prejudicial to the interest of the company.

(b) The Company has granted loans to companies covered in the register maintained under section 189 of the Companies Act, 2013. The payment of principle and payment of interest has been stipulated, wherever applicable, and the repayments or receipts of principle amounts and contractual interest have been generally regular as per stipulations.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) The Company has not granted any loans covered under Section 185 of the Companies Act, 2013. Further based on the information and explanation give to us, 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.

(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) (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, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there have been delays in a few cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which 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, duty of custom, duty of excise, value added tax and cess 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)
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal- Mumbai	2008-09	4.39	-
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal- Mumbai	2009-10	4.95	-
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal- Mumbai	2010-11	12.56	-
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)- Mumbai	2011-12	4.19	-
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)- Mumbai	2012-13	12.10	-
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)- Mumbai	2013-14	26.73	-
Finance Act	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 and Entry Tax	MP Commercial Tax Appellate Board / 1st Appellate Authority	2013-14	1.43	0.08
Madhya Pradesh VAT Act	Value Added Tax, Entry Tax and CST	Additional Commissioner	2014-15	0.09	0.07
Madhya Pradesh VAT Act	Value Added Tax and Entry Tax	Deputy Commissioner of Commercial Tax	2015-16	0.37	0.03
Punjab VAT Act	Value Added Tax	Deputy Commissioner Appeal	2013-14	0.37	0.05
Punjab VAT Act	Value Added Tax	Deputy Commissioner Appeal	2014-15	0.34	-

(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 way of term loans for the purposes for which they were raised, other than temporary deployment pending application of proceeds. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer (including debt instruments).

(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 or no 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 section 188 of Act, where applicable and the details have been disclosed in the notes to the financial statements, 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 Act.

(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 **S R B C & CO LLP**
Chartered Accoutants
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**
Partner
Membership No. 49365
Place of Signature: Mumbai
Date: May 29, 2018

ANNEXURE 2

To the Independent Auditor's Report of even date on the Standalone Financial Statements of IL&FS Transportation Networks Limied

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, 2018 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 with reference to these standalone financial statements 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 with reference to these standalone financial statements 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, 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 over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements 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 with reference to these standalone financial statements 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 With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, 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 with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements 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 Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2018, 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
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**
Partner
Membership No. 49365
Place of Signature: Mumbai
Date: May 29, 2018

STANDALONE BALANCE SHEET

₹ in Crore

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	137.49	138.76
(b) Capital Work-In-Progress	2	22.73	12.03
(c) Investment Property Under Development	3	118.93	115.31
(d) Intangible Assets	2	0.69	1.60
(e) Financial Assets			
(i) Investments	4	5,376.90	5,303.95
(ii) Trade receivables	11	64.09	-
(iii) Loans	5	3,871.09	2,238.03
(iv) Other Financial Assets	6	53.57	409.51
(f) Deferred Tax Assets (net)	7	430.01	475.21
(g) Non-Current Tax Assets (net)	8	539.29	457.90
(h) Other Non-Current Assets	9	318.37	326.39
Total Non-Current Assets		**10,933.16**	**9,478.69**
(2) Current Assets			
(a) Inventories	10	19.90	22.59
(b) Financial Assets			
(i) Trade Receivables	11	3,081.19	2,587.20
(ii) Cash and Cash Equivalents	12	175.26	156.96
(iii) Bank Balances other than (ii) above	12	287.67	172.74
(iv) Loans	5	1,810.82	2,955.68
(v) Other Financial Assets	6	1,672.38	641.28
(c) Other Current Assets	9	712.26	271.71
(d) Assets classified as Held for sale	13	701.93	-
Total Current Assets		**8,461.41**	**6,808.16**
Total Assets		**19,394.57**	**16,286.85**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	328.96	328.96
(b) Other Equity	15	2,747.50	2,500.16
Total Equity		**3,076.46**	**2,829.12**
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	8,792.04	8,565.71
(ii) Other Financial Liabilities (other than those specified in item (b) below)	17	275.98	339.77
(b) Provisions	18	3.10	2.70
(c) Other Non-Current Liabilities	19	134.92	161.21
Total Non-Current Liabilities		**9,206.04**	**9,069.39**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,611.56	1,989.73
(ii) Trade Payables	20	1,286.52	762.16
(iii) Other Financial Liabilities (other than those specified in item (c) below)	17	3,801.96	1,182.70
(b) Other Current Liabilities	19	382.45	419.50
(c) Provisions	18	29.58	34.25
Total Current Liabilities		**7,112.07**	**4,388.34**
Total Equity and Liabilities		**19,394.57**	**16,286.85**

Notes 1 to 44 form part of the standalone financial statements.

In terms of our report attached.

For **S R B C & CO LLP**
Chartered Accoutants
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**
Partner
Membership No. 49365
Mumbai, May 29, 2018

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, 2018

STANDALONE STATEMENT OF PROFIT AND LOSS

₹ in Crore

	Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
I	**Revenue from Operations**	21	3,536.83	3,676.35
II	**Other Income**	22	1,172.65	843.35
III	**Total Income (I+II)**		**4,709.48**	**4,519.70**
IV	**Expenses**			
	Cost of Material Consumed	23	12.17	19.16
	Construction Costs	23	2,120.76	2,447.84
	Operating Expenses	24	213.16	192.47
	Employee Benefits Expense	25	80.19	74.41
	Finance Costs	26	1,642.10	1,377.95
	Depreciation and Amortisation Expense	27	22.33	13.85
	Other Expenses	28	286.98	198.31
	Total Expenses (IV)		**4,377.69**	**4,323.99**
V	**Profit Before Tax (III-IV)**		331.79	195.71
VI	**Tax Expense**	29		
	(1) Current Tax		24.85	2.29
	(2) Adjustment of Tax relating to earlier periods		7.59	-
	(3) Deferred Tax		47.59	(42.97)
	Total Tax Expense / (Credit)		**80.03**	**(40.68)**
VII	**Profit for the Year (V-VI)**		**251.76**	**236.39**
VIII	**Other Comprehensive Loss**			
	Items that may be reclassified to profit or loss			
	Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(4.21)	(35.62)
	Income tax relating to items that will be reclassified to Statement of Profit and Loss		1.47	-
	Items that may not be reclassified to profit or loss			
	Actuarial loss on defined benefit plan		(2.60)	(0.03)
	Income tax relating to items that will not be reclassified to Statement of Profit and Loss		0.91	-
	Total Other Comprehensive Loss		**(4.43)**	**(35.65)**
IX	**Total Comprehensive Income for the Year (VII+VIII)**		**247.33**	**200.74**
X	**Earnings per share (of ₹ 10/- each)**	38		
	(a) Basic (In ₹)		7.65	7.19
	(b) Diluted (In ₹)		7.65	7.19
XI	**Paid-up equity share capital (face value - ₹ 10 per share)**		328.96	328.96

Notes 1 to 44 form part of the standalone financial statements.

In terms of our report attached.

For **S R B C & CO LLP**
Chartered Accoutants
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**
Partner
Membership No. 49365
Mumbai, May 29, 2018

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, 2018

STANDALONE CASH FLOW STATEMENT

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) for the Year	251.76	236.39
Adjustments for		
Tax Expenses / (Credit)	80.04	(40.68)
Interest Income	(764.65)	(619.17)
Loss / (Gain) on disposal of property, plant and equipment	0.05	0.11
Foreign exchange fluctuation loss (net)	5.72	-
Profit on sale of investments	(444.22)	(275.69)
Profit on sale of Mutual funds	-	(0.18)
Depreciation and amortisation expense	22.33	13.85
Provision for doubtful receivables	41.15	26.50
(Reversal of Expected Credit Losses) / Expected Credit Losses/ Impairment losses on financial assets (net)	(252.86)	(119.18)
Finance Costs	1,642.10	1,377.95
Dividend Income on non-current investments	(34.40)	(70.98)
Rate and taxes Written off	4.03	-
Operating profit before Working Capital Changes	**551.05**	**528.92**
(Increase) / Decrease in trade receivables	(372.50)	1,022.60
Increase in Inventories	2.68	(17.80)
Increase in other financial assets & other assets (current and non current)	(1,082.61)	(126.09)
Increase / (Decrease) in financial liabilities & other liabilities (current and non current)	542.68	(243.01)
Cash generated from / (used in) from Operations	**(358.70)**	**1,164.62**
Direct Taxes paid (Net)	(113.91)	(135.22)
Net Cash generated from / (used in) Operating Activities (A)	**(472.61)**	**1,029.40**
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for acquiring property, plant and equipment	(64.01)	(20.33)
Payments for acquiring intangible assets	(0.28)	(0.27)
Proceeds from disposal of property, plant and equipment	0.43	0.28
Proceeds against Investment held for Sale	270.00	-
Proceeds from disposal of subsidiary and associate	574.92	235.46
Proceeds from redemption of debentures	-	32.00
Investment in / Purchase of equity shares of subsidiaries	(796.90)	(369.20)
Investment in associates	-	(4.46)
Investment in Mutual funds	-	(360.00)
Redemption of Mutual funds	-	360.18
Long term loans given	(947.86)	(1,246.57)
Long term loans recovered	79.94	700.57
Short term loans recovered / (given) (net)	3,974.00	(2,436.79)
Interest received	137.17	419.37
Dividend received	32.94	65.96
Net Cash used in Investing Activities (B)	**3,260.35**	**(2,623.80)**

STANDALONE CASH FLOW STATEMENT

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOW FROM FINANCING ACTIVITIES		
Redemption of preference shares with premium	(256.37)	-
Proceeds from long term borrowings	8,418.15	4,874.13
Repayment of long term borrowings	(8,794.12)	(2,963.13)
Proceeds from short term borrowings	5,321.24	6,448.96
Repayment of short term borrowings	(5,771.95)	(5,027.25)
Finance Costs paid	(1,450.70)	(1,382.00)
Equity Dividend paid	-	(65.79)
Tax on Equity Dividend paid	-	(9.29)
Preference Dividend paid	(84.72)	(78.86)
Tax on Preference Dividend paid	(10.12)	(12.89)
Fixed deposits matured / (placed) as security against borrowings	(116.42)	(28.24)
Net Cash generated from Financing Activities (C)	**(2,745.01)**	**1,755.64**
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	**42.73**	**161.24**
Cash and Cash Equivalents at the beginning of the year	15.22	(146.02)
Cash and Cash Equivalents at the end of the year	57.95	15.22
Net increase / (decrease) in Cash and Cash Equivalents	**42.73**	**161.24**
Components of Cash and Cash Equivalents		
Balances with Banks		
On current accounts	175.11	156.86
On deposit accounts	0.09	0.09
Cash on hand	0.06	0.01
	175.26	**156.96**
Less – Secured Demand loans from banks (Cash credit) (shown under current borrowings in note 16)	(117.31)	(132.35)
Less – Unsecured Demand loans from banks (Bank overdraft) (shown under current borrowings in note 16)	-	(9.39)
Cash and Cash Equivalents for statement of Cash Flows	**57.95**	**15.22**

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 44 form part of the standalone financial statements.
In terms of our report attached.

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, 2018

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, 2018

STANDALONE STATEMENT OF CHANGES IN EQUITY

₹ in Crore

a. Equity share capital	Year Ended March 31, 2018	Year Ended March 31, 2017
Balance as at the beginning of the year	328.96	328.96
Changes in equity share capital during the year - Share capital issued	-	-
Balance as at end of the year	**328.96**	**328.96**

₹ in Crore

b. Other equity	Reserves and surplus						Items of other comprehensive income		Total
	Debenture Redemption Reserve (note no 15)	Securities Premium Account (note no 15)	Capital Redemptoin Reserve (note no 15)	General Reserve (note no 15)	Retained Earnings (note no 15)	Total	Defined Benefit Plan Adjustment (note no 15)	Cash Flow Hedge Reserve (note no 15)	
Balance as at April 1, 2017	130.37	2,144.97	-	182.37	83.72	**2,541.43**	(1.94)	(39.33)	**2,500.17**
Profit for the year	-	-	-	-	251.76	**251.76**	-	-	**251.76**
Other comprehensive loss	-	-	-	-	-	-	(1.69)	(2.74)	**(4.43)**
Transfer from Retained earnings	212.94	-	-	-	(212.94)	-	-	-	-
Transfer from Gerneral reserve to Capital Redemption Reserve	-	-	127.25	(127.25)	-	-	-	-	-
Dividend and Dividend Tax paid	-	-	-	-	-	-	-	-	-
Debenture issue costs	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	**343.31**	**2,144.97**	**127.25**	**55.12**	**122.54**	**2,793.19**	**(3.63)**	**(42.07)**	**2,747.50**

₹ in Crore

b. Other equity	Reserves and surplus						Items of other comprehensive income		Total
	Debenture Redemption Reserve (Note no 15)	Securities Premium Account (Note no 15)	Capital Redemptoin Reserve (Note no 15)	General Reserve (Note no 15)	Retained Earnings (Note no 15)	Total	Defined Benefit Plan Adjustment (Note no 15)	Cash Flow Hedge Reserve (Note no 15)	
Balance as at April 1, 2016	193.87	2,147.79	-	182.37	(141.14)	**2,382.89**	(1.91)	(3.71)	**2,377.27**
Profit for the year	-	-	-	-	236.39	**236.39**	-	-	**236.39**
Other comprehensive loss	-	-	-	-	-	-	(0.03)	(35.62)	**(35.65)**
Transfer to balance in Retained earnings	(63.50)	-	-	-	63.50	-	-	-	-
Dividend and Dividend Tax paid	-	-	-	-	(75.03)	**(75.03)**	-	-	**(75.03)**
Debenture issue costs	-	(2.82)	-	-	-	**(2.82)**	-	-	**(2.82)**
Balance as at March 31, 2017	**130.37**	**2,144.97**	-	**182.37**	**83.72**	**2,541.43**	**(1.94)**	**(39.33)**	**2,500.16**

Notes 1 to 44 form part of the standalone financial statements.

In terms of our report attached.

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, 2018

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, 2018

NOTES
forming part of the Standalone 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 ("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 though 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.

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 Financial statements have been prepared on going concern basis considering the Company's ability to raise requisite finance/generate cash flows from strategic initiatives in future to meet its obligations, including finance support to its subsidiary companies.

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 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.

Investments in subsidiaries, associates and joint venture are an integral part of business of the Company in their surface transportation business.

The Company regularly evaluates the investment portfolio and as part of monetization plan decides

NOTES

forming part of the Standalone financial statements

to dispose/ sell the investments. Any gain arising out of sale of investments of subsidiary, associates, joint venture are recognized to Statement of Profit and Loss and included as part of Other Operating Income.

In case of losses, it is recognized as other expenses in the Statement of Profit and Loss.

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 32) Quantitative disclosures of fair value measurement hierarchy (note 32)
- Investment property under development (note 3)
- Financial instruments (including those carried at amortised cost) (note 4,5,6,11,12,16,17,20,32)

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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 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 (including as lenders' engineers), 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 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", 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 at 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.

All other borrowing costs are recognized in statement of profit and loss in the period in which they are incurred.

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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 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 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

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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

Following assets are depreciated over a useful life other than the life prescribed under Schedule II of

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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
All categories of assets costing less than ₹ 5000 /- each	Fully depreciated in the year of purchase

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.

An impairment test of such intangible assets is conducted annually or more often if there is an

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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

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.

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).

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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. Interest income is recognized in profit or loss and is included in the "Other income" line item.

B.18.4 Financial assets at FVTPL

Investments in equity instruments (other than group) are classified as at FVTPL, unless the 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.

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A debt instrument that meets the amortized cost or FVTOCI 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. The net gain or loss recognized in profit or loss is included in the "Other income" line item.

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 allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head other income/other expenses 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 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.

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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 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

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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

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

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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 AS18.

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 32.

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.20.1 Embedded derivatives
Derivatives embedded in non-derivative host contracts that are not financial assets within

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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 32 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 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.

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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. Judgements 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. Judgements 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 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

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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. Recent accounting pronouncements

i. Standards issued but not yet effective

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("Amended Rules ") as per which Ind AS 115 "Revenue from Contract with Customers" supersedes Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue" and also MCA has carried out amendments to other existing Ind AS.These amendments shall be applicable to the Company for all accounting periods commencing on or after April 01, 2018.

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2. Property, Plant and Equipment; Intangible assets and Capital Work-In-Progress

Current year:

₹ in Crore

Particulars	Cost or Deemed cost				Accumulated Depreciation and Amortisation				Carrying Amount
	As at April 1, 2017	Additions	Deletions	As at March 31, 2018	As at April 1, 2017	Depreciation / Amortisation for the year	Deletions	As at March 31, 2018	As at March 31, 2018
Property, Plant and Equipment									
Buildings	1.31	8.08	-	9.39	0.05	0.14	-	0.19	9.20
Plant and Machinery	132.61	-	0.10	132.51	5.37	16.31	0.06	21.62	110.89
Furniture and Fixtures	5.04	8.27	0.24	13.07	0.64	1.31	0.23	1.72	11.35
Vehicles	7.04	2.32	0.79	8.57	3.67	1.56	0.38	4.84	3.73
Office Equipment's	3.37	0.72	1.11	2.98	1.82	0.93	1.10	1.65	1.33
Data Processing Equipment's	2.95	0.98	1.75	2.18	2.07	0.89	1.74	1.22	0.96
Leasehold Improvements	0.11	-	-	0.11	0.06	0.01	-	0.08	0.03
Total	**152.43**	**20.37**	**3.99**	**168.81**	**13.68**	**21.15**	**3.51**	**31.32**	**137.49**
Intangible Assets									
Computer Software (Acquired)	6.49	0.28	0.55	6.22	4.89	1.17	0.55	5.51	0.69
Commercial Rights (Acquired) (refer foot note 2)	3.71	-	3.71	-	3.71	-	3.71	-	-
Total	**10.20**	**0.28**	**4.26**	**6.22**	**8.60**	**1.17**	**4.26**	**5.51**	**0.69**
Capital Work-In-Progress	**12.03**	**10.70**	**-**	**22.73**	**-**	**-**	**-**	**-**	**22.73**
Grand Total	**174.66**	**31.35**	**8.25**	**197.74**	**22.28**	**22.32**	**7.77**	**36.83**	**160.91**

Previous year :

₹ in Crore

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	Depreciation / Amortisation for the year	Deletions	As at March 31, 2017	As at March 31, 2017
Property, Plant and Equipment									
Buildings	1.31	-	-	1.31	0.02	0.03	-	0.05	1.26
Plant and Machinery (refer foot note 1)	27.46	105.22	0.07	132.61	1.81	3.57	0.01	5.37	127.24
Furniture and Fixtures	1.24	3.86	0.06	5.04	0.25	0.44	0.06	0.64	4.40
Vehicles	6.43	0.84	0.23	7.04	2.09	1.71	0.13	3.67	3.37
Office Equipments	2.62	1.20	0.45	3.37	1.10	1.06	0.34	1.82	1.55
Data Processing Equipments	2.98	0.52	0.55	2.95	1.26	1.24	0.43	2.07	0.88
Leasehold Improvements	0.24	-	0.13	0.11	0.17	0.02	0.13	0.06	0.05
Total	**42.28**	**111.64**	**1.49**	**152.43**	**6.70**	**8.07**	**1.10**	**13.67**	**138.76**
Intangible Assets									
Computer Software (Acquired)	6.24	0.27	0.02	6.49	2.57	2.34	0.02	4.89	1.60
Commercial Rights (Acquired) (refer foot note 2)	3.71	-	-	3.71	0.27	3.44	-	3.71	-
Total	**9.95**	**0.27**	**0.02**	**10.20**	**2.84**	**5.78**	**0.02**	**8.60**	**1.60**
Capital Work-In-Progress	**7.23**	**4.80**	**-**	**12.03**	**-**	**-**	**-**	**-**	**12.03**
Grand Total	**59.46**	**116.71**	**1.51**	**174.66**	**9.54**	**13.85**	**1.12**	**22.27**	**152.39**

1. Additions to Plant and Machinery for the year ended March, 31, 2017 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 Other Income (refer note 22)
2. The commercial rights have been extinguished as at March, 31, 2017 and accordingly the cost and accumulated amortisations has been adjusted during the year and net balance is Nil.

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3. Investment property under development

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Investment property under development	118.93	115.31
Total	**118.93**	**115.31**

Reconciliation of Carrying Amount

Particulars	As at March 31, 2018	As at March 31, 2017
Carrying Amount at the beginning of the year	115.31	115.31
Add: Stamp duty and other taxes paid during the year	6.75	-
Less: Impairment loss provided during the year (refer note 29)	(3.13)	-
Total	**118.93**	**115.31**

Reconciliation of Impairment during the year

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance at the beginning of the year	-	-
Addition during the year (refer note 29)	(3.13)	-
Reversal during the year	-	-
Closing balance at the end of the year	**(3.13)**	**-**

Footnotes :

a. Investment property consists of 49,555 sq.ft commercial property in Mumbai. The said property has been offered as a secuirty given to one of the lenders of the Company.

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, 2018 and as at March 31, 2017, the property is fair valued based on valuations performed by one of the independent valuer who has relevant valuation experience for similar properties in India.

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

Fair value as per Level 2 ₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Investment property under development	118.93	118.93
Total	**118.93**	**118.93**

Considering the fair value of Investment Property under development as above, the Company has recognised impairment loss of ₹ 3.13 crore.

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4. Investments

₹ in Crore

Particulars	Face value ₹	As at March 31, 2018		As at March 31, 2017	
		Quantity	Amount	Quantity	Amount
i. Investments in Subsidiaries					
Unquoted Investments (all fully paid)					
Investments in Equity Instruments (at deemed cost):					
North Karnataka Expressway Limited	10	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
ITNL International Pte. Ltd., Singapore (Face value US$ 1 each)	Not Applicable	126,632,481	779.92	126,632,481	779.92
ITNL Road Infrastructure Development Company Limited	10	140,000,000	140.00	140,000,000	140.00
Vansh Nimay Infraprojects Limited	10	14,300,000	14.50	14,300,000	14.50
IL&FS Rail Limited(refer note 13)	10	349,231,950	349.23	688,174,376	688.17
Hazaribagh Ranchi Expressway Limited (refer note vii)	10	130,986,900	-	130,986,900	-
Pune Sholapur Road Development Company Limited (refer note 13)	10	-	-	160,000,000	362.86
West Gujarat Expressway Limited	10	14,799,985	10.05	14,799,985	10.05
Moradabad Bareilly Expressway Limited (refer note d.)	10	189,519,309	189.52	221,660,000	221.66
Jharkhand Road Projects Implementation Company Limited (refer note vii)	10	242,448,000	-	242,448,000	-
Jharkhand Infrastructure Implementation Company Limited	10	44,999,940	45.00	44,999,940	45.00
Chenani Nashri Tunnelway Limited (refer note vii)	10	372,000,000	372.00	372,000,000	372.00
MP Border Checkpost Development Company Limited	10	110,278,130	-	110,278,130	-
Badarpur Tollway Operations Management Limited	10	-	-	49,994	0.05
Rapid Metro Rail Gurgaon Limited (refer note vii)	10	18,239,128	29.65	18,239,128	18.24
Futureage Infrastructure India Limited	10	3,000,000	-	3,000,000	-
Charminar Robopark Limited	10	4,680,000	-	4,680,000	-
Karyavattom Sports Facilities Limited	10	43,119,940	43.12	43,119,940	43.12
Kiratpur Ner Chowk Expressway Limited	10	500,810,000	500.81	500,810,000	500.81
ITNL Offshore Pte. Ltd., Singapore (Face value US$ 1 each)	Not Applicable	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
Sikar Bikaner Highway Limited (refer note vii)	10	124,050,000	233.50	124,050,000	124.05
Rapid MetroRail Gurgaon South Limited (refer note vii)	10	230,300,000	248.04	230,300,000	230.30
ITNL Africa Projects Ltd., Nigeria (Face value Nigerian Naira 1 each)	Not Applicable	2,500,000	0.09	2,500,000	0.09
Barwa Adda Expressway Limited	10	230,499,940	451.50	104,999,940	326.00
Khed Sinnar Expressway Limited	10	294,189,994	294.19	294,189,994	294.19
Amravati Chikhli Expressway Limited	10	119,149,994	119.15	18,049,994	18.05
Fagne Songadh Expressway Limited	10	262,499,994	262.56	14,149,994	14.15
ITNL Offshore Two Pte. Ltd. (Face value US$ 1 each)	Not Applicable	50,000	0.31	50,000	0.31
ITNL Offshore Three Pte. Ltd. (Face value US$ 1 each)	Not Applicable	1	0.00	1	0.00
Srinagar Sonamarg Tunnelway Limited	10	5,676,068	195.90	5,676,068	195.90
GRICL Rail Bridge Development Company Limited	10	5,800,000	5.80	4,200,000	4.20
Rajasthan Land Holdings Limited	10	-	-	2,000,000	2.50
Elsamex Maintenance Services Limited	10	49,940	116.55	-	-
Elsamex India private Limited	10	2,100,000	12.01	-	-

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₹ in Crore

Particulars	Face value ₹	As at March 31, 2018		As at March 31, 2017	
		Quantity	Amount	Quantity	Amount
Yala Construction Company Limited	10	6,067,762	11.41	-	-
Grusamar India Limited	10	49,940	0.84	-	-
Ranchi Muri Road Development Limited	10	49,940	0.05	-	-
Covered Warrant - IL&FS					
- In favour of Chhattisgarh Highways Road Development Company Limited	10	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	-
Investments in Preference Shares (at amortised cost) :					
West Gujarat Expressway Limited	10	20,000,000	11.41	20,000,000	10.15
Investments in units (at cost) :					
ITNL Road Investment Trust ("IRIT")	1,000	1,068,955	76.90	1,068,955	76.90
Total Aggregate Unquoted Investments (A)			**4,750.25**		**4,729.41**
Less : Provision for diminution in the value of Investments (B)					
Investments in Equity Instruments					
Vansh Nimay Infraprojects Limited		14,300,000	14.50	14,300,000	14.50
Chenani Nashri Tunnelway Limited (refer note vii)			44.26		
			58.76		**14.50**
Total Investments in Subsidiaries (A) - (B)			**4,691.49**		**4,714.91**
ii. Investments in Associates					
Quoted Investments (all fully paid)					
Investments in Equity Instruments (at cost)					
Noida Toll Bridge Company Limited	10	49,095,007	162.33	49,095,007	162.33
Total Aggregate Quoted Investments (A)			**162.33**		**162.33**
Unquoted Investments (all fully paid)					
Investments in Equity Instruments (at cost)					
Gujarat Road and Infrastructure Company Limited (refer note 13)	10	-	-	14,873,366	14.19
Pario Developers Private Limited	10	3,300	0.33	-	-
ITNL Toll Management Services Limited	10	24,500	0.02	24,500	0.02
Investments in Preference Shares (at amortised cost) :					
Pario Developers Private Limited	10	15,000,000	158.37	-	-
Total Aggregate Unquoted Investments (B)			**158.72**		**14.21**
Total Investments (A) + (B)			**321.05**		**176.54**

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₹ in Crore

Particulars	Face value ₹	As at March 31, 2018		As at March 31, 2017	
		Quantity	Amount	Quantity	Amount
iii. Investments in Joint Ventures					
Unquoted Investments (all fully paid)					
Investments in Equity Instruments (at cost)					
Jorabat Shillong Expressway Limited (refer note vii)	10	42,000,000	42.00	42,000,000	42.00
NAM Expressway Limited	10	116,754,970	116.75	116,754,970	116.75
Thiruvananthapuram Road Development Company Limited	10	17,030,000	-	17,030,000	-
Warora Chandrapur Ballarpur Toll Road Limited	10	61,708,500	61.71	61,708,500	61.71
Covered Warrant - IL&FS					
- In favour of Road Infrastructure Development Company of Rajasthan Limited	10	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
Total Aggregate Unquoted Investments			**390.36**		**390.36**
Less : Provision for diminution in the value of Investments (B)					
Investments in Equity Instruments					
Jorabat Shillong Expressway Limited			26.01		
			26.01		**-**
Total Investments in Associates (A) - (B)			**364.35**		**390.36**
iv. Other Non Current Investments					
Unquoted Investments (all fully paid) (at FVTPL)					
Investments in Equity Instruments					
Indian Highways Management Company Limited	10	5,000	0.01	5,000	0.01
Investments in Equity Instruments					
Pipavav Railway Corporation Limited	10	-	-	12,000,000	17.90
Total Aggregate Unquoted Investments (A)			**0.01**		**17.91**
Add / (Less) : Fair valuation of investment					
Pipavav Railway Corporation Limited (B)			-		4.23
Sub-total (B)			**-**		**4.23**
Total Investments Carrying Value (A) + (B)			**0.01**		**22.14**
Total			**5,376.90**		**5,303.95**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Cost	Market value	Cost	Market value
v. Breakup of investments into quoted and unquoted				
Quoted investments	162.33	59.16	162.33	55.23
Unquoted investments	5,214.57	-	5,141.62	-
Total	**5,376.90**	**59.16**	**5,303.95**	**55.23**

vi. Other investments – as per Ind AS 109 classification

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Financial assets carried at fair value through profit or loss (FVTPL)		
Held for trading non-derivative financial assets	-	22.14
Total	**-**	**22.14**

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vii. Reconciliation

₹ in Crore

Particulars	Cost As at March 31, 2018	Deemed equity contribution	Total as at March 31, 2018	Impairment (Refer viii below)	Net Amount as at March 31, 2018	Net Amount as at March 31, 2017
Hazaribagh Ranchi Expressway Limited	-	175.11	175.11	(175.11)	-	-
Sikar Bikaner Highway Limited	124.05	109.45	233.50	-	233.50	124.05
Jharkhand Road Projects Implementation Company Limited	-	118.17	118.17	(118.17)	-	-
Rapid MetroRail Gurgaon South Limited	230.30	17.74	248.04	-	248.04	230.30
Rapid Metro Rail Gurgaon Limited	18.24	11.41	29.65	-	29.65	18.24
Chenani Nashri Tunnelway Limited	372.00	-	372.00	(44.26)	327.74	372.00
Jorabat Shillong Expressway Limited	42.00	-	42.00	(26.01)	15.99	42.00
Total	**786.59**	**431.89**	**1,218.48**	**(363.56)**	**854.92**	**786.59**

viii. Impairment Of Investments

The Company performed its annual impairment test for year ended 31 March 2018 for its investments in SPVs based on fair value less costs to sell. The Company has prepared cash flow projection models for each SPV for the purpose of testing of impairment of investments made in these SPVs. The Company is following one valuation approach i.e. Discounted Cash Flow (DCF) Method, under which the value of each SPV is derived by discounting the future debt free cash flow accruing to the SPV over remaining life of the project. As at March 31, 2018, the recoverable value of certain SPVs investment is below the carrying amount recorded in books of accounts indicating potential impairment in these investments. As a result of this analysis, the Company has recognised impairment loss of ₹ 363.57 crore as above. The Company has adjusted the impairment losses arising on account of deemed equity contribution in case of HREL and JRPICL of ₹ 293.29 crore with reversal of expected credit loss of ₹ 448.76 crore (refer Note 22). The impairment losses of CNTL and JSEL are included in Other Expenses (refer Note 28).

Key Assumptions Used:

Following are the key assumptions used for the purpose of calculation of value of investment in each SPV and thereby for testing impairment:
Revenue Growth
Operating Expenses
Interest Rate and Repayement Schedule
Discount Rate
Terminal growth Rate

Revenue Growth

The SPVs of the Company operate under the Build, Operate and Transfer (BOT) and Design, Build, Finance, Operate and Transfer (DBFOT) contracts with the government authorities (grantor). Under these Contracts SPVs gets toll collection rights (Toll Projects) or fixed annuity amount (Annuity Projects) from the grantors of Contracts against construction services rendered. For Toll Projects, the Company has considered recent available traffic study for estimating projected revenue growth. For Annuity Projects, the Company has considered the annuity schedules agreed with grantors.

Operating Expenses

The Company has operating and maintainance agreement with its SPVs for all the estimated maintainance expenses during concession period. The operating expenses of the SPVs has been considered basis these agreements.

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Interest Rate and Repayement Schedule

The Company has projected Interest rate and repayment schedule of borrowings based on the existing loan agreements with various lenders of each SPV.

Discount Rates

Discount rates represent the current market assessment of the risks specific to each SPV, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

Terminal growth Rate

The Company has estimated Terminal growth rate based on the inflation of the markets where it is operating.

Sensitivity to changes in key assumption:

Implications of the key assumption for the recoverable amount is discussed below:

Discount rate

Change in market risks and global economic and political scenario may result into increase in the expected discount rate. In such scenario, the Company may have to provide for additional impairment.

ix. Reconciliation of Impairment during the year ₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance at the beginning of the year	-	-
Addition during the year (refer note vii)	(363.56)	-
Closing balance at the end of the year	**(363.56)**	**-**

a. In addition to above impairment loss of ₹ 363.56 crores, the Company has recognised impairment loss of ₹ 3.13 crores on it Investment Properties under development (refer Note 3)

b. During the year ended March 31, 2018, the Company has sold its investment of 2,000,000 equity share held in Rajasthan Land Holding Limited to Pario Developers Private Limited against consideration received by way of preference shares which is included as investment in above schedule.The profit on sale of ₹ 147.50 Crores is included under revenue from operations.

c. During the year ended March 31, 2018, the Company has sold its investment of 14,735,076 equity share held in Gujarat Road and Infrastructure Company Limited to Oriental Tollways Private Limited and IL&FS Financial Services Limited. The profit on sale of ₹ 214.13 Crores from this transaction is included under revenue from operations.

d. During the year ended March 31, 2018, the Company has sold its Investment of 32,140,691 in equity share held in Moradabad Bareilly Expressway Limited to Oriental Tollways Private Limited. The profit on sale of ₹ 48.21 Crores from this transaction is included under revenue from operations.

e. During the year ended March 31, 2018, the Company has sold its investment of 12,000,000 Pipavav Railway Corporation Limited to IL&FS Financial Services Limited. The profit on sale of ₹ 31.88 Crores from this transaction included under revenue from operations.

f. The Company had given sub-debt to its subsidiary, Hazaribagh Ranchi Expressway Limited of ₹ 175.11 crores, Jharkhand Road Projects Implementation Company Limited of ₹ 118.17 crores, Sikar Bikaner Highway Limited of ₹ 109.45 crores, Rapid Metro Rail Gurgaon Limited of ₹ 11.46 crores and Rapid MetroRail Gurgaon South Limited of ₹ 17.74 crores . During the year, the same has been converted into Investments.

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g. The Company has pledged 14,300,000 equity shares aggregating ₹ 14.50 Crores (As at March 31, 2017 - 14,300,000 equity shares aggregating ₹ 14.50 Crores) 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 Debt Obligation Facility ("PMDO").

h. The Company's investment in "Covered Warrants" aggregating to ₹ 177.30 Crores (As at March 31, 2017 ₹ 177.30 Crores) 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.

i. 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").

j. Pursuant to the order of the Hon'ble High Court of Allahabad, the collection of toll at an associate company was suspended since October 26, 2016 and the matter is pending with the Arbitrator. 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 of associate are fully recoverable. Consequently the Company is of the view that it would be appropriate to carry its investment of the associate at ₹ 162.33 crores.

k. 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 ₹ 1,893.30 Crores as at March 31, 2018. (₹ 1,752.15 Crores as at March 31, 2017)

l. During the year the Company has purchased Elsamex Maintenance Services Limited ,Elsamex India Private Limited, Yala Contruction Company Liimited and Grusamar India Limited from Elsamex S.A.

l. 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, 2018	As at March 31, 2017		
Investments in subsidiaries				
Investments in Equity Instruments (at cost / deemed cost) :				
East Hyderabad Expressway Limited	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%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018981	Singapore
ITNL Road Infrastructure Development Company Limited	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%	0.00%	San Severo no. 18 Madrid, Spain-28042	Spain
Vansh Nimay Infraprojects Limited	90.00%	90.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	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, 2018	As at March 31, 2017		
IL&FS Rail Limited	83.25%	83.25%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon – 122001	India
Pune Sholapur Road Development Company Limited	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%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Moradabad Bareilly Expressway Limited	85.50%	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%	443 A, Road No. 5, Ashok Nagar, Ranchi – 834002	India
Chenani Nashri Tunnelway Limited	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%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Badarpur Tollway Operations Management Limited	0.00%	100.00%	Toll Plaza, Mayur Vihar Link Road, Delhi - 110092	India
Rapid MetroRail Gurgaon Limited	23.82%	44.12%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon – 122001	India
Futureage Infrastructure India Limited	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%	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%	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%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
ITNL Offshore Pte. Limited	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018981	Singapore
Baleshwar Kharagpur Expressway Limited	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	62.46%	89.11%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon – 122001	India
ITNL Africa Projects Limited	100.00%	100.00%	4th floor, Bank of Industry Bldg, Central Business District, Abuja	Nigeria
Barwa Adda Expressway Limited	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%	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%	0.00%	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%	0.00%	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%	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%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	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, 2018	As at March 31, 2017		
ITNL Offshore Two Pte. Limited	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018981	Singapore
ITNL Offshore Three Pte. Limited	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018981	Singapore
Srinagar Sonamarg Tunnelway Limited	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	0.00%	100.00%	1st Floor, LIC Jeevan Nidhi Building, Ambedkar Circle, Bhawani Singh Road Jaipur 302005	India
North Karnataka Expressway Limited	93.50%	93.50%	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%	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%	443 A, Road No. 5, Ashok Nagar, Ranchi – 834002	India
Hazaribagh Ranchi Expressway Limited	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%	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%	House No. 705, Sector 2, Avanti Vihar, Telibandha Raipur CT 492006	India
Elsamex Maintenance Services Limited	99.88%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Elsamex India Private Limited	99.15%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Yala Construction Company Limited	98.03%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Grusamar India Limited	99.88%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Ranchi Muri Road Development Limited	100.00%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Investments in associates				
Investments in Equity Instruments (at cost / deemed cost) :				
Noida Toll Bridge Company Limited (at deemed cost)	26.37%	26.37%	DND Flyway Toll Plaza, Noida	India
Gujarat Road and Infrastructure Company Limited	0.25%	26.81%	Office of The Secretary, To The Govt of Gujarat, Roads And Building Department, Gandhinagar	India
ITNL Toll Management Services Limited	49.00%	49.00%	The Toll Plaza, DND Flyway, Noida - 201301	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, 2018	As at March 31, 2017		
Investments in joint ventures				
Investments in Equity Instruments (at cost / deemed cost) :				
Jorabat Shillong Expressway Limited	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%	6-3-1089/G/10&11, Gumohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500082	India
Thiruvananthapuram Road Development Company Limited	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%	1st Floor, LIC Jeevan Nidhi Building, Ambedkar Circle, Bhawani Singh Road Jaipur 302005	India
Jharkhand Accelerated Road Development Company Limited	74.00%	74.00%	443 A, Road No. 5, Ashok Nagar, Ranchi – 834002	India
Warora Chandrapur Ballarpur Toll Road Limited	35.00%	35.00%	4th Floor Madhu Madhav Tower, Laxmi Bhuvan Square, Dharampeth, Nagpur - 440010	India

5. Loans

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non-Current	Current	Non-Current	Current
Loans to related parties				
Unsecured, considered good	4,259.97	1,681.56	2,829.00	2,847.47
Unsecured, considered doubtful	-	85.62	-	83.80
Allowance for doubtful loans	-	(85.62)	-	(83.80)
Allowance for expected credit loss	(219.98)	-	(667.99)	-
Deemed cost of investment	(293.29)	-	-	-
Sub-total (A)	**3,746.70**	**1,681.56**	**2,161.01**	**2,847.47**
Loans to other parties				
Unsecured, considered good	190.71	129.26	144.08	108.21
Unsecured, considered doubtful	-	50.36	-	9.21
Allowance for doubtful loans	-	(50.36)	-	(9.21)
Allowance for expected credit loss	(66.32)	-	(67.07)	-
Sub-total (B)	**124.39**	**129.26**	**77.02**	**108.21**
Total (A+B)	**3,871.09**	**1,810.82**	**2,238.03**	**2,955.68**

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 SPVs 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 SPVs. In respect of other than project SPVs, 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, 2018	As at March 31, 2017
Balance at beginning of the year	735.07	678.11
Expected credit loss allowance on loans given	107.39	242.42
Reversal of Expected credit losses on loans given	(556.16)	(185.46)
Balance at end of the year	**286.30**	**735.07**

As part of normal asset monetisation plan, the company had considered certain SPVs to be transferred to InvIT and fair valued the corresponsing financial asset. In view of invIT not being pursued, during the year the Company has reassessed its busniess plan for these subsidiaries and reversed the expected credit loss (net of impairment of ₹ 293.28 Crore) of ₹ 110.55 Crore recognised on its financial asset and included in other income. The Company has given loans to these InvIT subsidiaries i.e. Hazaribaug Ranchi Expressway Limited, Sikar Bikaner Highways Limited, Jharkhand Road Projects Implementation Company Limited @ zero percent as the Company has committed to senior lenders that it will provide financial support to its subsidiaries in case of cost over runs. Since loans to these subsidiaries are given at zero percent the Company has considered difference between 0% to 8.56%-10.85% as deemed cost of investments. Accordingly the company has recognised deemed equity contribution of ₹ 402.73 Crore. and reversed the expected credit loss of ₹ 403.84 Crore created in earlier years. Further the Company has also considered impairment on deemed equity contribution in Jharkhand Road Projects Implementation Company Limited and Hazaribagh Ranchi Expressway Limited of ₹ 293.29 Crore refer note 4(viii).

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

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non- Current	Current	Non- Current	Current
Security Deposits to related parties	0.25	-	0.25	-
Security Deposits to others	2.61	5.00	3.05	8.00
Retention Money Receivable from related parties (refer note 31)	-	235.65	300.17	-
Balances with Banks in deposit accounts (under lien)	50.70	-	52.64	-
Advance towards Share Application Money receivable from related parties	0.01	-	0.01	-
Interest on trade receivables from related parties	-	202.53	-	48.55
Advances recoverable :				
From related parties	-	132.67	75.00	131.48
Allowance for expected credit loss	-	(5.54)	(21.61)	(1.86)
From related parties considered doubtful	-	22.06	-	23.46
Allowance for doubtful advances	-	(22.06)	-	(23.46)
From others	-	90.55	-	50.80
From others considered doubtful	20.00	-	20.00	-
Allowance for doubtful advances	(20.00)	-	(20.00)	-
Dividend receivable from related parties	-	6.48	-	5.02
Receivable for sale of investment	-	163.55	-	-
Unbilled Revenue from related parties	-	841.48	-	399.29
Total	**53.57**	**1,672.38**	**409.51**	**641.28**

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7. Deferred Tax Assets (Net)

The following is the analysis of Deferred Tax Asset / (Liabilities) presented in the balance sheet:

₹ in Crore

Particulars	As at March 31, 2018	Movement Recognised in statement profit or loss	As at March 31, 2017
Property, plant and equipment	(8.24)	(13.65)	5.42
Unamortised borrowing costs	(64.25)	15.14	(79.39)
Allowance for doubtful loans / Expected credit loss on loans	235.67	(52.12)	287.79
Allowance for doubtful debts / Expected credit loss on receivables	95.56	(37.50)	133.05
Other Comprehensive Income	2.38	2.38	-
Allowance for expected credit loss in other financial assets	-	(7.48)	7.48
Defined benefit obligation	1.79	0.19	1.60
Business loss (refer footnote)	45.68	6.62	39.06
Capital loss (refer footnote)	9.80	(37.52)	47.32
Fair valuation and Expected credit loss in investments (net)	76.90	46.31	30.59
Sub-total	**395.29**	**(77.63)**	**472.92**
MAT Credit Entitlement (refer footnote)	34.72	32.43	2.29
Deferred Tax Asset / (Liabilities) (Net)	**430.01**	**(45.21)**	**475.21**

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.

8. Non-Current Tax Assets (net)

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Advance Payment of taxes	1,404.02	1,290.19
Provision for tax	(864.73)	(832.29)
Total	**539.29**	**457.90**

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

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non-Current	Current	Non-Current	Current
Capital Advances	0.01		-	
Preconstruction and Mobilisation advances paid to contractors and other advances	309.11	506.91	319.77	137.39
Mobilisation advances considered doubtful	-	25.10	-	25.10
Allowance for doubtful advances	-	(25.10)	-	(25.10)
Prepaid expenses	9.24	16.28	6.62	26.97
Indirect tax balances / Receivable credit	-	188.74	-	107.35
Other Current Assets	0.01	0.33	-	-
Total	**318.37**	**712.26**	**326.39**	**271.71**

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

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Stores and spares	19.90	22.59
Total	**19.90**	**22.59**

The inventories are lying at the construction site at the year end.

11. Trade receivables

₹ in Crore

Particulars	As at March 31-, 2018		As at March 31, 2017	
	Non- Current	Current	Non- Current	Current
Unsecured, considered good				
Trade receivables from related parties	115.07	3,108.16	-	2,738.18
Trade receivables from others	-	39.10	-	50.80
Unsecured, considered doubtful				
Trade receivables from others	-	16.54	-	16.54
Allowance for doubtful debts	-	(16.27)	-	(16.54)
Allowance for expected credit loss	(50.98)	(66.34)	-	(201.78)
Total	**64.09**	**3,081.19**	**-**	**2,587.20**

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

b. Trade receivables are generally on terms of 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 SPVs 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 SPVs. In respect of other than project SPVs, 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, 2018	As at March 31, 2017
Balance at beginning of the year	**288.66**	**361.94**
Adjustment for recognising revenue at fair value	20.93	86.88
Expected credit loss allowance on trade receivables	7.86	8.42
Reversal of Expected credit losses on trade receivables (net)	(179.21)	(168.58)
Balance at end of the year	**138.25**	**288.66**
Pertaining to the ECL Adjustments	117.32	201.78
Pertaining to the adjustment for revenue at fair value	20.93	86.88
Total	**138.25**	**288.66**

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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, 2018	As at March 31, 2017
Balances with Banks		
On current accounts	175.11	156.86
On deposit accounts	0.09	0.09
Cash on hand	0.06	0.01
Cash and cash equivalents	**175.26**	**156.96**
Unpaid dividend accounts	0.11	0.11
Balances held as margin money or as security against borrowings	287.56	172.63
Other bank balances	**287.67**	**172.74**

a. Cash at Banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods between one day and three months, depending on the immediate cash requirements fo the Company, and earn interest at the respective short term deposits rates.

b. For the purpose of the statement of cash flows, cash and cash equivalents comprise following :

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents	175.26	156.96
Less – Secured Demand loans from banks (Cash credit)(shown under current borrowings in note 16)	(117.31)	(132.35)
Less – Unsecured Demand loans from banks (Bank overdraft) (shown under current borrowings in note 16)	-	(9.39)
Cash and cash equivalents for statement of cash flows	**57.95**	**15.22**

c. Non-cash transactions excluded from cash flow statement

i. Fixed deposit with IndusInd bank of ₹ 3.42 crore converted into Loan to Jharkhand Road Projects Implementation Company Limited.

ii. During the year , Interest accured from Karyavattom Sports Facilities Limited converted into Loan ₹ 3.32 crore.

iii. During the year , there has been conversion of receivable into loan of ₹ 17.93 crore.

iv. During the year, the short term loan given to certain Group Companies have been assigned to Certain existing lenders of the Company aggregating ₹ 3072.43 crore.

v. The Company had given sub-debt to its subsidiaries, Hazaribagh Ranchi Expressway Limited of ₹ 175.11 crore Jharkhand Road Projects Implementation Company Limited of ₹ 118.17 crore, Sikar Bikaner Highways Limited of ₹ 109.45 crore, Rapid Metro Gurgoan Limited of ₹ 11.46 crore and Rapid Metrorail Gurgoan South Limited of ₹ 17.74 crore. During the year, the same has been converted into Investment

13. Asset Classified as Held for sale

₹ in Crore

Particulars	Face value ₹	As at March 31, 2018		Face value ₹	As at March 31, 2017	
		Quantity	Amount		Quantity	Amount
IL&FS Rail Limited (refer foot note c)	10	338,942,426	338.94	-	-	-
Pune sholapur Road Devlopment Company Limited (refer foot note a)	10	160,000,000	362.86	-	-	-
Gujarat Road and Infrastructure Company Limited (refer foot note b)	10	138,290	0.13	-	-	-
Total			**701.93**			-

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For the above investments in subsidiaries, the Company has entered into letter of intent (LOI)/ Memorandom understanding (MOU) with customer for sale of such investments. The LOI/MOU has certain condition precedence which are outstanding as on March 31, 2018 and accordingly these investments are considered as held for sale and carried at cost or as per market value whichever is lower.

14. Equity Share Capital

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	₹ in Crore	Number of Shares	₹ in Crore
Authorised				
Equity Shares of ₹ 10/- each	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
Total	**328,960,027**	**328.96**	**328,960,027**	**328.96**

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

Equity shares	As at March 31, 2018	As at March 31, 2017
Holding Company - Infrastructure Leasing & Financial Services Limited ("IL&FS")	236,582,632	236,582,632
Fellow subsidiary - IL&FS Financial Services Limited ("IFIN")	4,266,368	4,266,368

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, 2018		Year ended March 31, 2017	
	Number of Shares	₹ in Crore	Number of Shares	₹ in Crore
Shares outstanding at the beginning of the year	328,960,027	328.96	328,960,027	328.96
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**328,960,027**	**328.96**	**328,960,027**	**328.96**

iii. Shareholders holding more than 5% of issued, subscribed and paid up equity share capital :

Equity Shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of Shares	% of total holding	Number of Shares	% of total holding
IL&FS	236,582,632	71.92%	236,582,632	71.92%

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 proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting.

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15 Other equity

₹ in Crore

Reserves and surplus	As at March 31, 2018	As at March 31, 2017
Debenture Redemption Reserve (refer note 1)		
Balance at beginning of the year	130.37	193.87
Transfer (to) / from balance in Statement of Profit and Loss	212.94	(63.50)
Balance at end of the year	**343.31**	**130.37**
Capital Redemption Reserve		
Balance at beginning of the year	-	-
Transfer (to) / from balance in Statement of Profit and Loss	127.25	-
Balance at end of the year	**127.25**	**-**
Securities Premium		
Balance at beginning of the year	2,144.97	2,147.79
Premium utilised towards discount on issue of Non-Convertible Debentures	-	(2.82)
Balance at end of the year	**2,144.97**	**2,144.97**
General Reserve (refer note 2)		
Balance at beginning of the year	182.37	182.37
Transfer from / (to) Capital Redemption Reserve	(127.25)	
Balance at end of the year	**55.12**	**182.37**
Retained Earnings (refer note 3)		
Balance at beginning of the year	83.72	(141.14)
Profit / (loss) attributable to owners of the Company	251.76	236.39
Payment of final dividends on equity shares (including dividend distribution tax)	-	(75.03)
Transfer from / (to) Debenture Redemption Reserve	(212.94)	63.50
Balance at end of the year	**122.55**	**83.72**
Sub-Total	**2,793.19**	**2,541.43**
Items of other comprehensive income		
Cash Flow Hedge Reserve		
Balance at beginning of the year	(39.33)	(3.71)
Gain/(loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges	(4.21)	(35.62)
Income tax relating to items that will be reclassified to Statement of Profit and Loss	1.47	
Balance at end of the year	**(42.07)**	**(39.33)**
Defined Benefit Plan Adjustment		
Balance at beginning of the year	(1.94)	(1.91)
Actuarial loss on defined benefit plan	(2.60)	(0.03)
Income tax relating to items that will be reclassified to Statement of Profit and Loss	0.91	
Balance at end of the year	**(3.63)**	**(1.94)**
Total Other Comprehensive Income	**(45.70)**	**(41.27)**
Total	**2,747.50**	**2,500.16**

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.

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, 2018, the dividend of ₹ Nil per share (₹ Nil including dividend distribution tax of ₹ Nil) was paid to holders of fully paid equity shares. During the year ended March 31, 2017, the dividend paid was ₹ 2 per share (₹ 75.03 crore including dividend distribution tax of ₹ 9.29 crore).

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16. Borrowings

₹ in Crore

Particulars	As at March 31, 2018			As at March 31, 2017		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
Secured (at amortised cost) (Refer footnote a)						
Term Loans from banks	3,094.75	1,715.72	199.08	3,173.29	782.41	185.69
Term Loans from financial institutions	893.45	45.00	-	386.10	22.50	-
Demand loans from banks (Cash credit)	-	-	117.31	-	-	132.35
Debentures						
Redeemable Non-Convertible Debentures [NCDs]	1,654.57	191.30	-	-	-	-
Redeemable NCDs (issued at discount)	300.29	-	-	-	-	-
Sub-total (A)	**5,943.06**	**1,952.02**	**316.39**	**3,559.39**	**804.91**	**318.04**
Unsecured						
Debentures (Refer footnote b)						
Unsecured Redeemable Non-Convertible Debentures [NCDs]	2,153.63	365.00	-	3,375.95	-	-
Unsecured Redeemable NCDs (issued at discount)	-	-	-	286.65	-	-
Term Loans from banks	209.43	697.34	750.00	505.50	70.00	1,160.00
Term Loans from financial institutions	-	-	-	-	-	300.00
Term Loans from related parties	-	-	45.56	75.00	-	31.98
Term Loans from Other Parties	-	-	330.00	-	-	-
Demand loans from banks (Bank Overdraft)	-	-	-	-	-	9.39
Commercial Paper	-	-	169.62	-	-	170.32
Redeemable preference share capital (Refer footnote d)	485.92	80.66	-	763.22	78.86	-
Sub-total (B)	**2,848.98**	**1,142.99**	**1,295.18**	**5,006.32**	**148.86**	**1,671.69**
Less: Current maturities of long term borrowing clubbed under "other financial liabilities" (C)	-	3,095.02	-	-	953.77	-
Total (A+B-C)	**8,792.04**	**-**	**1,611.56**	**8,565.71**	**-**	**1,989.73**

Footnote

₹ in Crore

a. **Security details**	As at March 31, 2018		As at March 31, 2017	
	Long-term	Short-term	Long-term	Short-term
Secured against:				
Investment property under development (refer note 3 a.)	118.93	-	115.31	-
Current assets and receivables	7,728.05	316.39	3,840.66	118.04
Fixed deposits	48.50	-	408.33	200.00
Total	**7,895.48**	**316.39**	**4,364.30**	**318.04**

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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, 2018	No. of NCDs outstanding As at March 31, 2017
ITNL 11.80% 2024	1,000,000	11.80%	Bullet repayment	3-Jan-25	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
ITNL 9.44% 2026	1,000,000	9.44%	Various Dates	25-Oct-24 to 27-Oct-26	2,500	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	1,000
ITNL 9.51% 2026	1,000,000	9.51%	Various Dates	9-Aug-24 to 10-Aug-26	2,000	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	4,500
ITNL, 11.50%, 2024	1,000,000	11.50%	Bullet repayment	21-Jun-24	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
ITNL 9.20% 2022, Series A	1,000,000	9.20%	Bullet repayment	15-Apr-22	3,000	3,000	3,000
ITNL 10.50% 2021	1,000,000	10.50%	Bullet repayment	8-May-18	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	2,000
ITNL 11.70% 2020	1,000,000	11.70%	Bullet repayment	26-May-18	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
NCD Tranche XIII Series B #	500,000	0.00%	Bullet repayment	23-Jun-19	500	500	500
ITNL 9.40% 2020	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	7,300
ITNL,12.00%,2019 Series II *	1,000,000	12.00%	Bullet repayment	18-Mar-19	5,300	363	363
ITNL, 12.00%, 2019 *	1,000,000	12.00%	Bullet repayment	23-Jan-19	4,000	50	50
ITNL 11.70% 2018	1,000,000	11.70%	Bullet repayment	12-Apr-18	1,500	1,500	1,500
ITNL 9.25% 2022 Option I	1,000,000	9.25%	Bullet repayment	28-Oct-22	325	325	
ITNL 9.37% 2027 Option II	1,000,000	9.37%	Various Dates	30-Jan-23 to 29-Oct-2027	1,180	1,180	
ITNL 9.37% 2027 Series 1 Option II	1,000,000	9.37%	Various Dates	28-Feb-23 to 30-Nov-27	1,000	1,000	
ITNL 9.00% 2027 Series 2	1,000,000	9.00%	Various Dates	28-Feb-23 to 30-Nov-27	1,000	1,000	
ITNL 9.25% 2022 Series 1 Option I	1,000,000	9.25%	Bullet repayment	15-Dec-22	500	500	
ITNL 9.00% 2027 Series 2	1,000,000	9.00%	Various Dates	15-Mar-23 TO 15-Dec-27	990	990	
ITNL 9.10% 2023 Series 1A	1,000,000	9.10%	Bullet repayment	2-Feb-23	1,000	1,000	
ITNL 9.10% 2023 - Series 1B	1,000,000	9.10%	Bullet repayment	3-Feb-23	1,000	1,000	
ITNL 9.10 % Series 1	1,000,000	9.10%	Bullet repayment	28-Mar-23	750	750	
ITNL 9.15 % Series 2	1,000,000	9.15%	Various Dates	28-Jun-23 to 28-Mar-25	1,000	1,000	
ITNL 9.20% Series 3	1,000,000	9.20%	Various Dates	30-Jun-23 to 30-Mar-28	1,400	1,400	
Total					**60,745**	**51,858**	**41,713**

" # 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, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	Interest rate range	
	₹ in Crore	₹ in Crore	Frequency of Repayment*	Frequency of Repayment*	As at March 31, 2018	As at March 31, 2017
1-3 Years	2,666.66	2,742.96	QT,Y,B	QT,Y,B	9.10% to 14.00%	9.7% to 16.00%
3-5 Years	1,363.63	1,021.39	QT,Y,B	QT,Y	10.06% to 12.75%	10.46% to 11.95%
> 5 Years	167.34	375.54	Y	Y	10.06%	10.46% to 10.80%
Total	**4,197.63**	**4,139.89**				

* QT = 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	180,000,000	10	10	Refer footnote d.(i) below	20.50% per annum	Refer footnote d.(i) below
10.50% ITNL CNCRPS 2018	19,200,000	10	10	December 23, 2018	21.44% per annum	Redemption at face value plus premium of ₹ 10 per share
11% ITNL CNCRPS 2021	50,000,000	10	10	January 17, 2021	22.32% per annum	

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:

Date of redemption	No of shares to be redeemed (in Crore)	Redemption Amount ₹ in Crore
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
Total	**18.00**	**393.96**

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, 2017 : 1,000,000,000 shares of ₹ 10 each aggregating ₹ 1,000 crore)

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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 ₹ 84.72 Crore (previous year ended March 31, 2017: ₹ 78.86 Crore) was paid to holders of CRPS and CNCRPS.

17. Other financial liabilities

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Derivative liability	64.79	-	55.40	-
Payable on account of Capital Expenditure	-	43.55	1.97	67.80
Retention money payable	211.19	161.92	282.40	-
Interest accrued	-	231.35	-	161.00
Unpaid dividends	-	0.12	-	0.13
Current maturities of long-term debt (refer note 16)	-	3,095.02	-	953.77
Advance received for sale of investment	-	270.00	-	-
Total	**275.98**	**3,801.96**	**339.77**	**1,182.70**

18. Provisions

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Employee benefits	3.10	17.06	2.70	18.20
Provision for tax on Proposed Dividend on preference shares	-	12.52	-	16.05
Total	**3.10**	**29.58**	**2.70**	**34.25**

19. Other liabilities

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Mobilisation Advances Received	134.92	99.94	161.21	100.86
Unearned revenue	-	112.58	-	229.64
Statutory dues	-	112.65	-	89.00
Others		57.28	-	-
Total	**134.92**	**382.45**	**161.21**	**419.50**

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20. Trade payables

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Trade payables other than MSME	-	827.83	-	455.69
Bills payable	-	458.69	-	306.47
Total	**-**	**1,286.52**	**-**	**762.16**

To the extend information is avaiable with 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 (Previous year ₹ Nil) . There were no delays in the payment of dues to Micro, Small and Medium Enterprises.

21. Revenue from operations

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Construction income (net)	2667.93	2,991.00
Operation and maintenance income	210.46	225.38
Advisory, Design and Engineering fees	201.15	157.53
Supervision fees	13.08	26.75
Other operting income :		
Profit on sale of investments	444.22	275.69
Total	**3,536.83**	**3,676.35**

Construction income is net of ₹ 20.93 Crore (previous year ₹ 86.88 Crore) being adjustment for time value for recognising revenue at fair value.

Revenue from Operations includes gain on sale of investment of ₹ 444.22 Crore and ₹ 275.69 Crore for the year ended March 31, 2018 and March 31, 2017 respectively. Up to previous year end, Profit on sale of investments was included in 'Other Income' which has been regrouped accordingly for the previous period reported above.

22. Other Income

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income earned on financial assets that are not designated as at fair value through profit or loss	744.91	604.13
Interest on Bank deposits (at amortised cost)	19.74	15.04
Dividend Income	34.40	70.98
Guarantee Fees Income	17.25	13.24
Insurance claim	2.06	17.37
Reversal of Expected Credit Losses * (Net of impairment Loss of ₹ 293.29 Crore)	323.13	103.20
Lease Rental income	22.46	-
Miscellaneous income	8.70	19.39
Total	**1,172.65**	**843.35**

* Expected Credit Losses (ECL) includes reversal of ECL on account of InvIT entities (Refer Note 5)

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23. Cost of material consumed & Construction Cost

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Inventory at the beginning of the year	22.59	4.79
Add-Purchase of raw material & stores and spares	9.48	38.32
Less- Inventory at the end of the year	19.90	23.95
Cost of Materials consumed	**12.17**	**19.16**
Construction Contract Costs	**2,120.76**	**2,447.84**

24. Other Operating Expenses

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fees for technical services / design and drawings	45.51	47.39
Operation and maintenance expenses	167.65	145.08
Total	**213.16**	**192.47**

25. Employee benefits expense

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and Wages	61.64	53.09
Contribution to provident and other funds	5.59	6.02
Staff Welfare Expenses	7.45	5.77
Deputation Cost	5.51	9.53
Total	**80.19**	**74.41**

26. Finance costs

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest expenses		
Interest on loans	1,333.24	1,085.87
Discount on Commercial Papers	41.93	21.51
Dividend on redeemable preference shares	72.16	96.75
Other borrowing costs		
Upfront fees and other finance charges	194.76	173.82
Loss/Gain arising on derivatives designated as hedging instruments in cash flow hedges	(0.68)	40.32
(Gain)/Loss arising on adjustment for hedged item attributable to the hedged risk in a designated cash flow hedge accounting relationship	0.68	(40.32)
Total	**1,642.10**	**1,377.95**

a. Interest on bank overdraft, loans and debentures is net off ₹ 9.58 Crore (previous year ₹ 14.80 Crore) on account of credit value adjustment/Debit value adjustment (CVA/DVA) on derivative contracts on borrowing.

b. The weighted average rate on funds borrowed generally is 11.57% per annum (previous year : 12.22 % per annum)

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27. Depreciation and amortisation expense

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of property, plant and equipment	21.16	8.06
Amortisation of intangible assets	1.17	5.79
Total	**22.33**	**13.85**

28. Other expenses

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Provision for doubtful receivables /loan	41.15	26.50
Impairment loss on investment property (refer note 3)	3.13	-
Impairment loss on other financial asset	15.66	-
Impairment loss on investments in subsidiary	70.27	-
Electricity	1.08	1.15
Travelling and conveyance	18.04	21.07
Printing and stationery	0.80	0.49
Rent	16.79	18.33
Rates and taxes	1.69	1.05
Repairs and maintenance (other than building and machinery)	3.62	7.81
Communication expenses	1.56	2.44
Insurance	28.67	20.12
Legal and consultation fees	24.48	18.17
Directors' fees	0.56	0.60
Bank commission	7.95	9.81
Loss on sale of fixed assets	0.09	0.11
Foreign exchange fluctuation loss (net)	5.72	1.63
Bid documents	0.34	0.65
Brand Subscription Fees	12.25	15.74
Corporate Social Responsibility expenses	4.35	5.47
Miscellaneous expenses	28.78	47.16
Total	**286.98**	**198.30**

1. 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:

(a) Gross amount required to be spent by the company during the year: ₹ 4.95 crore (previous year ₹ 5.89 Crore)

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(b) Amount spent during the year on:

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(i) Livelihood Development	0.60	0.73
(ii) Education enhancement	2.29	2.48
(iii) Local Area projects	1.46	2.26
Total	**4.35**	**5.47**

2. Miscellaneous expenses includes payment to auditors for the following:

₹ in Crore

Payments to auditors excluding taxes	Year ended March 31, 2018	Year ended March 31, 2017
For audit	1.74	1.92
For tax audit	-	0.17
For other services	1.22	1.55
For out of pocket Expenses	0.03	-
Total	**2.99**	**3.64**

3. Movement in Expected credit losses

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Expected credit loss allowance on trade receivables	7.86	8.42
Reversal of Expected credit losses on trade receivables	(179.21)	(168.58)
a. Reversal of Expected credit losses on trade receivables (net)	(171.35)	(160.16)
Expected credit loss allowance on loans given	107.39	242.42
Reversal of Expected credit losses on loans given(Net of impairment Loss of ₹ 293.29 Crore)	(262.86)	(185.46)
b. Expected credit losses on loans given (net)	(155.47)	56.96
c. Reversal of Expected credit losses on other financial assets (net)	3.69	(15.98)
(Reversal) of Expected Credit Losses) (net) (a+b+c)	(323.13)	(119.18)

29. Tax expenses

Income tax recognised in profit or loss

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current tax		
In respect of the current year	24.85	2.29
In respect of prior year	7.59	-
	32.44	**2.29**
Deferred tax		
In respect of the current year	80.04	(40.69)
MAT Entitlement	(32.44)	(2.29)
	47.59	**(42.97)**
Total	**80.03**	**(40.68)**

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30. Component of other Comprehensive Income(OCI)

The disaggregation of changesto OCI by each type of reserve in equity is shown below :

During the year ended 31 March 2018

₹ in Crore

Particular	Cash Flow Hedge Reserve	Defined benefit plan adjustment
Reclassified to statement of profit or loss	(2.74)	-
Re-measurement gains (losses) on defined benefit plans	-	(1.69)
Total	**(2.74)**	**(1.69)**

During the year ended 31 March 2017

Particular	Cash Flow Hedge Reserve	Defined benefit plan adjustment
Reclassified to statement of profit or loss	(35.62)	-
Re-measurement gains (losses) on defined benefit plans	-	(0.03)
Total	**(35.62)**	**(0.03)**

31. Disclosure in respect of Construction Contracts

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Contract revenue recognised as revenue during the year	2,667.93	2,991.00

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cumulative revenue recognised	11,721.08	17,709.43
Advances received	234.86	262.07
Retention Money receivable	235.65	300.17
Gross amount due from customers for contract work, disclosed as asset (i.e. Unbilled Revenue)	841.48	399.29
Gross amount due to customers for contract work, disclosed as liability (i.e. Unearned Revenue)	112.58	229.64

32. Financial instruments

32.1 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 16 offset by cash and bank balances) and equity of the Company (comprising issued capital, reserves and retained earnings as detailed in note 14 and 15). The capital structure of the Company is reviewed by the management on a periodic basis.

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32.1.1 Gearing ratio

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

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Debt	13,729.97	11,670.20
Less: Cash & cash equivalents; and bank balances	462.93	329.70
Net debt	13,267.04	11,340.50
Total Equity	3,076.46	2,829.12
Net debt to total equity ratio (in times)	4.31	4.01

Formulae used for the computation of the Ratios:

a) Net Debt/Equity Ratio = Net Debt / (Equity Share Capital + Other Equity)

Debt is defined as long-term borrowings(Including Preference share capital), current maturities of long-term borrowings, short-term borrowings and interest accrued thereon (excluding derivative, financial guarantee contracts), as described in note 16.

Equity includes equity share 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.

32.2 Categories of financial instruments

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Financial assets		
Fair value through profit and loss (FVTPL)		
Investments	-	22.13
Derivative instruments designated as cash flow hedge	-	-
At amortised cost		
Trade Receivables	3,145.28	2,587.20
Cash & cash equivalents; and bank balances	462.93	329.70
Loans	5,681.91	5,193.71
Other financial assets	1,725.95	1,050.79
Financial liabilities		
Derivative instruments designated as cash flow hedge	64.79	55.40
At amortised cost		
Borrowings	10,403.60	10,555.43
Trade payables other than MSME	1,286.52	762.16
Other financial liabilities	4,013.16	1,467.08

As at March 31, 2018 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.

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32.3 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.

32.4 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.

32.5 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.

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		Assets	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
USD	-	3.27	8.20	41.24
Euro	17.60	2.91	0.85	1.26
AED	-	-	-	0.06
GBP	-	-	-	-
SGD	-	4.53	0.01	-

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32.6.1 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 unhedged 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, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Impact on Profit and loss	0.82	3.80	(1.68)	(0.17)
Impact on Total Equity	0.82	3.80	(1.68)	(0.17)

₹ in Crore

Particulars	AED		SGD	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Impact on Profit and loss	-	0.01	0.00	(0.45)
Impact on Total Equity	-	0.01	0.00	(0.45)

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.

32.6.2 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 at the end of the reporting period.

Cash flow hedges

Outstanding receive floating pay fixed contracts	USD in Crore		Average contracted exchange rate		Average contracted fixed interest rate	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Upto 1 year	-	3.16	-	63.33	10.50%	10.80%
1 to 3 years	3.06	-	66.57	-	10.49%	-
3 to 5 years	14.86	8.70	66.89	67.30	10.49%	10.66%
More than 5 years	2.58	5.80	64.86	67.30	10.49%	10.66%
Total	**20.50**	**17.66**				

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₹ in Crore

Outstanding receive floating pay fixed contracts	Notional principal value		Fair value assets (liabilities)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Upto 1 year	200.00	200.00	(2.30)	2.66
1 to 3 years	203.71	-	(5.11)	-
3 to 5 years	994.04	585.47	(55.40)	(25.45)
More than 5 years	167.34	390.31	(1.97)	(32.61)
Total	**1,565.09**	**1,175.78**	**(64.79)**	**(55.40)**

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.

32.7 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.

32.7.1 Interest rate sensitivity analysis

The sensitivity analyse 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.

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, 2018	Year ended March 31, 2017
Impact on Profit and loss	23.16	23.45
Impact on Total Equity	23.16	23.45

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.

32.8 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 capped escalation charges) 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.

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32.9 Other price risks

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

32.10 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.

32.10.1 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, 2018, the Company had 9 customers (as at March 31, 2017: 9 customers) that owed the Company more than ₹ 100 crore each and accounted for approximately 92 %(as at March 31, 2017: 82%) of all the receivables outstanding. As at March 31, 2018, the Company had 12 loanees (as at March 31, 2017: 15 loanees) that owed the Company more than crore each and accounted for approximately 77.34% (as at March 31, 2017: 89%,) of all the loans outstanding.

32.11 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.

32.11.1 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, 2018			March 31, 2017		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Weighted average effective interest rate (%)		12.62%	12.27%		12.08%	12.34%
Upto1 year	1,993.46	3,370.77	2,106.26	1,118.24	2,702.44	1,315.41
1-3 years	211.19	1,551.52	2,758.18	182.52	2,203.19	3,071.11
3-5 years	-	424.92	1,894.16	30.10	563.36	1,378.13
More than 5 years	-	-	3,010.50	-	-	2,991.40
Total	**2,204.65**	**5,347.21**	**9,769.10**	**1,330.86**	**5,468.99**	**8,756.05**

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.

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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.

₹ in Crore

Particulars	March 31, 2018			March 31, 2017		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Weighted average effective interest rate (%)			12.82%			13.02%
Upto 1 year	6,344.52	-	1,800.25	4,257.26	-	2,971.04
1-3 years	168.64	-	901.64	306.93	-	492.34
3-5 years	-	-	387.63	33.20	-	426.24
More than 5 years	5,897.34	-	5,461.79	5,542.94	-	4,149.69
Total	**12,410.50**	**-**	**8,551.31**	**10,140.33**	**-**	**8,039.31**

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, 2018	As at March 31, 2017
	Cross currency interest rate swaps	Cross currency interest rate swaps
Upto 1 year	390.17	215.43
1-3 years	963.15	619.99
3-5 years	1,042.81	793.89
More than 5 years	152.63	432.09

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32.12 Fair value measurements

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

32.12.1 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).

₹ in Crore

Financial assets/ financial liabilities	Fair value		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	As at March 31, 2018	As at March 31, 2017			
Cross currency interest rate swap (refer note 6 and 17)	64.79	55.40	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
Investment in equity shares of Pipavav Railway Corporation Limited	-	22.13	Level 3	Net assets value of the investee company based on its audited financial statements	Net assets of the investee company

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

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
At amortised cost				
Trade Receivables	3,145.28	3,145.28	2,587.20	2,587.20
Cash & cash equivalents; and bank balances	462.93	462.93	329.70	329.70
Loans	5,681.91	5,836.65	5,193.71	5,331.54
Other financial assets	1,725.95	1,725.95	1,050.79	1,050.79
Financial liabilities				
At amortised cost				
Borrowings	10,403.60	10,763.21	10,555.43	10,723.39
Trade payables other than MSME	1,286.52	1,286.52	762.16	762.16
Other financial liabilities	4,013.16	4,013.16	1,467.08	1,467.08

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₹ in Crore

Fair value hierarchy	As at March 31, 2018			As at March 31, 2017		
Particulars	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
At amortised cost						
Trade Receivables	-	-	3,145.28	-	-	2,587.20
Cash & cash equivalents; and bank balances	-	-	462.93	-	-	329.70
Loans	-	-	5,836.65	-	-	5,331.54
Other financial assets	-	-	1,725.95	-	-	1,050.79
Financial liabilities						
At amortised cost						
Borrowings	-	-	10,763.21	-	-	10,723.39
Trade payables other than MSME	-	-	1,286.52	-	-	762.16
Other financial liabilities	-	-	4,013.16	-	-	1,467.08

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.

33. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Accounting profit before income tax	331.79	195.71
At India's statutory income tax rate of 34.944% (March 31, 2017 : 34.608%)	115.94	67.73
Dividend Income exempt from tax	(12.02)	(21.65)
MAT	24.85	-
Non deductible expense for tax purpose :		
- Preference dividend accounted as finance cost	27.26	33.48
- CSR expenses	1.52	1.89
- Finance charges alllowed on payment basis	12.58	-
- Provision for doubtful loans and receivables	16.11	-
Profit on sale of Investment Nil tax since capital loss as per Tax	(52.74)	(31.80)
Deferred tax on Capital Loss	(9.80)	(47.32)
Deferred tax on Business Loss	(45.68)	(39.05)
Increase in Tax rate as compared to previous year	1.09	-
Others	0.91	(3.96)
At the effective income tax rate of 24.12% (March 31, 2017 : Nil)	80.03	(40.68)
Income tax expense reported in the statement of profit and loss	80.03	(40.68)

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34. Employee benefit plans

34.1 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 ₹ 5.95 crores (for the year ended March 31, 2017: ₹ 6.02 crore) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

34.2 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. Salary increase rates take into account inflation, seniority, promotion and other relevant factors.

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

Particulars	Valuation as at	
	As at March 31, 2018	As at March 31, 2017
Discount rate(s)	7.53%	6.69%
Rate of increase in compensation#	7%	5%
Mortality rates*	"Indian Assured Lives Mortality (2006-08) Ultimate"	"Indian Assured Lives Mortality (2006-08) Ultimate"
Employee Attrition rate (Past service)	PS: 0 to 40 : 10%	PS: 0 to 40 : 6.1%

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.

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Service cost:		
Current service cost	1.85	1.62
Past service cost and (gain)/loss from settlements		-
Net interest expense	(0.32)	(0.05)
Components of defined benefit costs recognised in profit or loss	**1.53**	**1.57**
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	0.01	(0.02)
Actuarial (gains) / losses arising from changes in demographic assumptions*	-	0.25
Actuarial (gains) / losses arising from changes in financial assumptions	0.95	(0.34)
Actuarial (gains) / losses arising from experience adjustments	1.64	0.15
Components of defined benefit costs recognised in other comprehensive income	**2.60**	**0.03**
Total	**4.13**	**1.60**

* 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.

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Present value of funded defined benefit obligation	16.10	11.81
Fair value of plan assets	20.64	12.62
Funded status	4.54	0.82
Net asset / (liability) arising from defined benefit obligation	**4.54**	**0.82**

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

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Opening defined benefit obligation	11.81	9.70
Current service cost	1.85	1.62
Interest cost	0.76	0.74
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	0.95	(0.34)
Actuarial gains and losses arising from experience adjustments	1.64	0.15
Benefits paid	(0.91)	(0.30)
Others [describe]		
Closing defined benefit obligation	**16.10**	**11.81**

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

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Opening fair value of plan assets	12.62	8.68
Interest income	1.08	0.79
Remeasurement gain (loss):		-
Return on plan assets (excluding amounts included in net interest expense)	-	0.02
Adjustment to Opening Fair Value of Plan Asset	0.03	(0.12)
Contributions from the employer	7.83	3.55
Benefits paid	(0.91)	(0.30)
Other [describe]		
Closing fair value of plan assets	**20.65**	**12.62**

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, 2018	As at March 31, 2017
Cash and cash equivalents	-	-
Gratuity Fund (LIC)	20.64	12.62
Others [describe]	-	-
Total	**20.64**	**12.62**

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 ₹ 1.07 crore (2017: ₹ 0.81 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 ₹ 15.21 crore (decrease by ₹ 0.82 crore as at March 31, 2017) and increase by ₹ 17.08 crore (increase by ₹ 0.93 crore as at March 31, 2017)
- If the salary escalation rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 17.02 crore (increase by ₹ 0.90 crore as at March 31, 2017) and decrease by ₹ 15.24crore (decrease by ₹ 0.81 crore as at March 31, 2017)
- If the Attrition rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 16.09 crore (increase by ₹ 0.07 crore as at March 31, 2017) and decrease by ₹ 16.09 crore (decrease by ₹ 0.08 crore as at March 31, 2017)

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

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

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

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Asset Liability Comparisons

₹ in Crore

Year	As at April 1, 2018	As at March 31, 2017
PVO at end of the year	16.10	11.81
Plan Assets	20.64	12.62
Surplus/(Deficit)	4.54	0.82
Experience adjustments on plan assets	(0.01)	0.02

1. **Analysis of Defined Benefit Obligation**
   The number of members under the scheme have increased by 6.60%. Similarly the total salary increased by 15.59% during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased by 36.33%

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, 2018 is 7.18 years (as at March 31, 2017: 9.87 years)

The expected contributions to the defined benefit plan for the next annual reporting period as at March 31 2018 is ₹ 2.65 Crore (as at March 31 2017 is ₹ 1.64 Crore)

35 Contingent Liabilities and Commitments

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Contingent Liabilities (Refer footnote 1)		
a) Claims against the Company not acknowledged as debts		
- Income tax demands contested by the Company	45.74	10.15
- Indirect tax demands contested by the Company	2.84	4.87
- Claims made by contractors	-	-
b) Guarantees (Refer footnote 2)		
- Guarantees/counter guarantees issued to outsider in respect of group companies(Net)	680.74	1,389.05
- Guarantees/counter guarantees issued to outsider in respect of other than group companies	-	31.72
(ii) Commitments		
Capital Commitments	3.36	8.63
Sub-debt Commitments	771.86	1,134.10
Investment Commitments	1,187.74	1,959.33

Footnotes

1. The Company does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

2. Certain bankers have issued guarantees which have been shown under "Guarantees/counter guarantees issued in respect of group companies" aggregating ₹ 13 Crore (as at March 31, 2017 : ₹ 12.96 Crore) against a first charge on the receivables (including loans and advances) of the Company.

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36. Letter of comfort, letter of awareness and letter of financial support or Guarentees

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 ₹ 2,654.51 Crore as at March 31, 2018 (as at March 31, 2017 ₹ 2,535 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 IIPL 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.

c. Guarantees or counter guarantees issued to outsider in respect of Group companies amounting to ₹ 1,500 Crore which is backed by Parent.

37. 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, 2018	As at March 31, 2017
Future lease rentals :		
Within one year	9.50	4.96
Over one year but less than 5 years	8.86	4.53
More than 5 years	-	-

	Year ended March 31, 2018	Year ended March 31, 2017
Amount charged to the Statement of Profit and Loss for rent in respect of these properties	5.94	6.77

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.

38. Earnings / (loss) per Equity Share

Particulars	Unit	Year ended March 31, 2018	Year ended March 31, 2017
Profit / (loss) after tax	₹ in Crore	251.76	236.39
Weighted average number of equity shares outstanding	Number	328,960,027	328,960,027
Nominal value per equity share	₹	10.00	10.00
Basic / Diluted earnings / (loss) per share	₹	7.65	7.19

39. Related Party Disclosures

(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	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
	Elsamex India Private Limited	ELSAIND
	Elsamex Maintenance Services Limited	EMSL

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Nature of Relationship	Name of Entity	Abbreviation used
	Fagne Songadh Expressway Ltd	FSEL
	Futureage Infrastructure India Limited	FIIL
	GRICL Rail Bridge Development Company Limited	GRBDCL
	Gift Parking Facilities Limited (upto 15th September 2016)	GPFL
	Grusamar India Limited	GIL
	Hazaribagh Ranchi Expressway Limited	HREL
	IL&FS Rail Limited	IRL
	ITNL KMbJV	
	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 (Upto June 30, 2017)	RLHL
	Ranchi Muri Road Development Limited (since August 25, 2017)	RMRDL
	Scheme of ITNL Road Investment Trust	IRIT
	Sikar Bikaner Highways Limited	SBHL
	Srinagar Sonmarg Tunnelway Limited	SSTL
	Vansh Nimay Infraprojects Limited	VNIL
	West Gujarat Expressway Limited	WGEL
	Yala Construction Company Private Limited	YCCPL
	ITNL IECCL JV	
Subsidiaries - Indirect	Alcantarilla Fotovoltaica SA, Sociedad Unipersonal	
	Andhra Pradesh Expressway Limited (upto March 10, 2017)	
	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 (upto June 29, 2017)	
	CIESM-INTEVIA S.A. Sociedad Unipersonal	
	Conservacion de Infraestructuras De Mexico SA DE CV	
	Control 7, S. A	
	Devika Buildestate Private Limited (upto June 29, 2017)	
	Elsamex Colombia SAS	
	Elsamex Construcao E Manutencao LTDA, Brazil	
	Elsamex Internacional, S.L, Sociedad Unipersonal	
	Elsamex Portugal-Engheneria E Sistemas De Gestao, S.A	EPE
	Elsamex Vietnam Joint Stock Company (since May 18, 2016)	
	IIPL LAOS Pte. Ltd. (since April 18, 2017)	
	Park Line LLC (since May 04, 2016)	
	Elsamex S.A. LLC (upto April 18, 2016)	

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Nature of Relationship	Name of Entity	Abbreviation used
	Elsamex S.A.	
	ESM Mantenimiento Integral DE S.A DE C.V	
	Flamingo Landbase Private Limited	
	Grusamar Albania SHPK	
	Grusamar Engenharia & Consultoria Brasil LTDA	
	Grusamar Ingenieria Y Consulting Colombia SAS	
	Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal	
	IIPL USA LLC	
Subsidiaries - Indirect	Intevial 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)	IIJLT
	Mantenimiento Y Conservacion De Vialidades, S.A. de C.V.	
	ITNL Elsamex JVCA, Botswana	EIJVCA
	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	
Fellow Subsidiaries (Only with whom there have been transaction during the period/ there was balance outstanding at the Nine Months year end)	Apptex Marketing Services & Solutions Limited	APMSSL
	Bhopal E-Governance Limited	BEGL
	Gujarat Integrated Maritime Complex Private Limited	GIMCL
	IL&FS Airport Limited	IAL
	IL&FS Cluster Development Initiative Limited	ICDI
	IL&FS Education & Technologies 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 Tamil Nadu Power Company Limited	ITPCL
	IL&FS Water Limited	IWL
	IL&FS Wind Power Services Limited	IWPSL
	IL&FS Infra Assets Management Limited	IIAML
	Kanak Resourses 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
	IL&FS Urban Infrastructure Managers Limited	IUIM
	IIML Asset Advisors Limited	IAAL

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Nature of Relationship	Name of Entity	Abbreviation used
	IL&FS Asian Infrastructure Managers Limited	ISIM
	IL&FS Investment Managers Limited	IIML
	Sabarmati Capital Two Limited	SCTL
	Skill Training Assessment Management Partners Limited	STAMP
	Tierra Enviro Limited	TEL
	IL&FS Engineering & Construction Company limited	IECCL
	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.	
	Consorcio De Obras Civiles, Conciviles, S.R.L	
	Vias Y Construcciones, Viacon, S. R. L.	
	CGI 8 S.A.	CGI-8
	Pario Developers Private Limited (since June 30, 2017)	PDPL
	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
	Thiruvananthpuram 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 Mukund Sapre-Executive Director	
	Mr Krishna Ghag, Company Secretary	
	Mr Dilip Bhatia, Chief Financial Officer	
	Mr Deepak Dasgupta-Non-Executive Director	
	Mr R.C. Sinha-Non-Executive Director	
	Mr H.P Jamdar-Non-Executive Director	
	Mr Ravi Parthasarathy-Non-Executive Director	
	Mr Hari Sankaran-Non-Executive Director	
	Mr Arun K Saha-Non-Executive Director	
	Mr Pradeep Puri-Non-Executive Director (upto November 20, 2017)	
	Ms Neeru Singh-Non-Executive Director	
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)	

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(b) transactions/ balances with above mentioned related parties (Current Year)

₹ in Crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	KMP and their relatives	Total
Equity share Capital							
ILFS	236.58	-	-	-	-	-	236.58
OTHERS	-	-	4.27	-	-	-	4.27
	236.58	**-**	**4.27**	**-**	**-**	**-**	**240.85**
Advances recoverable considered doubtful							
IAL	-	-	22.06	-	-	-	22.06
	-	**-**	**22.06**	**-**	**-**	**-**	**22.06**
Unbilled revenue							
BAEL	-	275.04	-	-	-	-	275.04
KNCEL	-	318.71	-	-	-	-	318.71
OTHERS	-	229.57	-	-	20.42	-	249.99
	-	**823.33**	**-**	**-**	**20.42**	**-**	**843.74**
Unearned revenue							
IRIDCL	-	22.66	-	-	-	-	22.66
MBEL	-	13.10	-	-	-	-	13.10
SSTL	-	76.82	-	-	-	-	76.82
OTHERS	-	0.00	-	-	-	-	0.00
	-	**112.58**	**-**	**-**	**-**	**-**	**112.58**
Investments							
IIPL	-	779.92	-	-	-	-	779.92
OTHERS	-	4,159.05	-	341.65	407.39	-	4,908.10
	-	**4,938.98**	**-**	**341.65**	**407.39**	**-**	**5,688.02**
Investment assets held for sale							
PSRDCL	-	362.86	-	-	-	-	362.86
IRL	-	338.94	-	-	-	-	338.94
	-	**701.80**	**-**	**-**	**-**	**-**	**701.80**
Fair Valuation of Investments - Increase							
BAEL	-	221.00	-	-	-	-	221.00
PSRDCL	-	202.86	-	-	-	-	202.86
	-	**423.86**	**-**	**-**	**-**	**-**	**423.86**
Fair Valuation of Investments - Decrease							
HREL	-	136.26	-	-	-	-	136.26
JRPICL	-	259.45	-	-	-	-	259.45
MPBCDCL	-	110.28	-	-	-	-	110.28
OTHERS	-	101.53	-	29.29	43.04	-	173.86
	-	**607.52**	**-**	**29.29**	**43.04**	**-**	**679.85**
Retention Money Receivable							
JSEL	-	-	-	-	50.47	-	50.47
KSEL	-	72.76	-	-	-	-	72.76
PSRDCL	-	48.68	-	-	-	-	48.68
SBHL	-	36.33	-	-	-	-	36.33
OTHERS	-	27.42	-	-	-	-	27.42
	-	**185.18**	**-**	**-**	**50.47**	**-**	**235.65**

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₹ in Crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	KMP and their relatives	Total
Retention Money Payable							
EMSL	-	6.83	-	-	-	-	6.83
IECCL	-	-	22.92	-	-	-	22.92
OTHERS	-	1.80	1.58	-	-	-	3.38
	-	**8.63**	**24.49**	**-**	**-**	**-**	**33.12**
Mobilisation Advance paid							
IECCL	-	-	42.90	-	-	-	42.90
OTHERS	-	0.59	4.00	-	-	-	4.59
	-	**0.59**	**46.90**	**-**	**-**	**-**	**47.49**
Unamortised Borrowing Cost							
ILFS	0.90	-	-	-	-	-	0.90
IGFSL	-	-	10.70	-	-	-	10.70
IFIN	-	-	49.20	-	-	-	49.20
OTHERS	-	0.06	4.27	-	-	-	4.32
	0.90	**0.06**	**64.16**	**-**	**-**	**-**	**65.12**
Prepaid Expenses							
ILFS	0.26	-	-	-	-	-	0.26
	0.26	**-**	**-**	**-**	**-**	**-**	**0.26**
Investment Commitment							
ACEL	-	285.85	-	-	-	-	285.85
FSEL	-	222.25	-	-	-	-	222.25
IRIDCL	-	401.00	-	-	-	-	401.00
RMRDL	-	129.95	-	-	-	-	129.95
OTHERS	-	250.48	-	-	-	-	250.48
	-	**1,289.53**	**-**	**-**	**-**	**-**	**1,289.53**
Sub debt Commitment							
ACEL	-	266.31	-	-	-	-	266.31
IRIDCL	-	144.22	-	-	-	-	144.22
SSTL	-	315.83	-	-	-	-	315.83
OTHERS	-	23.64	-	-	21.86	-	45.50
	-	**750.00**	**-**	**-**	**21.86**	**-**	**771.86**
Rent Deposit							
Mr K Ramchand-Managing Director	-	-	-	-	-	0.10	0.10
Mr Mukund Sapre-Executive Director	-	-	-	-	-	0.05	0.05
Mrs Rita Ramchand (Wife of Mr K Ramchand)	-	-	-	-	-	0.05	0.05
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	-	0.05	0.05
	-	**-**	**-**	**-**	**-**	**0.25**	**0.25**
Interest on trade receivables from related parties							
BAEL	-	78.21	-	-	-	-	78.21
FSEL	-	25.97	-	-	-	-	25.97
KSEL	-	79.55	-	-	-	-	79.55
OTHERS	-	18.80	-	-	-	-	18.80
	-	**202.53**	**-**	**-**	**-**	**-**	**202.53**

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₹ in Crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	KMP and their relatives	Total
Provision for diminution in the value of Investments							
VNIL	-	14.50	-	-	-	-	14.50
OTHERS	-	0.05	-	-	-	-	0.05
	-	**14.55**	**-**	**-**	**-**	**-**	**14.55**
Trade Receivables.							
CNTL	-	440.82	-	-	-	-	440.82
FSEL	-	401.70	-	-	-	-	401.70
KSEL	-	412.50	-	-	-	-	412.50
SSTL	-	645.90	-	-	-	-	645.90
OTHERS	-	1,095.54	6.59	0.35	219.83	-	1,322.30
	-	**2,996.46**	**6.59**	**0.35**	**219.83**	**-**	**3,223.22**
Fair Value of Investments - Increase							
PDPL	-	-	-	8.37			8.37
	-	**-**	**-**	**8.37**	**-**	**-**	**8.37**
Preconstruction and Mobilisation advance paid to contractors and other advances							
ILFS	1.19	-	-	-	-	-	1.19
IECCL	-	-	91.64	-	-	-	91.64
OTHERS	-	-	10.07	-	-	-	10.07
	1.19	**-**	**101.71**	**-**	**-**	**-**	**102.90**
Trade payables other than MSME							
ILFS	7.31	-	-	-	-	-	7.31
IRL	-	36.23	-	-	-	-	36.23
EMSL	-	54.55	-	-	-	-	54.55
IECCL	-	-	94.42	-	-	-	94.42
IFIN	-	-	28.86	-	-	-	28.86
OTHERS	-	8.02	23.80	0.00	2.89	0.05	34.77
	7.31	**98.81**	**147.07**	**0.00**	**2.89**	**0.05**	**256.14**
Short-term Borrowings							
GIMCL	-	-	12.43	-	-	-	12.43
NKEL	-	6.73	-	-	-	-	6.73
IIML	-	-	5.00	-	-	-	5.00
IUIM	-	-	6.00	-	-	-	6.00
IAAL	-	-	7.50	-	-	-	7.50
OTHERS	-	-	7.90	-	-	-	7.90
	-	**6.73**	**38.83**	**-**	**-**	**-**	**45.56**
Mobilisation Advances Received (Long-term)							
IRIDCL	-	57.90	-	-	-	-	57.90
SSTL	-	64.85	-	-	-	-	64.85
OTHERS	-	9.71	-	-	2.46	-	12.18
	-	**132.46**	**-**	**-**	**2.46**	**-**	**134.92**

NOTES

forming part of the Standalone financial statements

₹ in Crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	KMP and their relatives	Total
Mobilisation Advances Received (Short-term)							
BAEL	-	51.25	-	-	-	-	51.25
SSTL	-	12.73	-	-	-	-	12.73
KNCEL	-	31.97	-	-	-	-	31.97
OTHERS	-	3.99	-	-	-	-	3.99
	-	**99.94**	**-**	**-**	**-**	**-**	**99.94**
Long-Term Borrowings							
IFIN	-	-	206.46	-	-	-	206.46
IMICL	-	-	206.46	-	-	-	206.46
	-	**-**	**412.92**	**-**	**-**	**-**	**412.92**
Loans given - Non current							
BAEL	-	854.53	-	-	-	-	854.53
JRPICL	-	752.82	-	-	-	-	752.82
OTHERS	-	2,209.80	-	-	149.53	-	2,359.33
	-	**3,817.15**	**-**	**-**	**149.53**	**-**	**3,966.68**
Loans given - Current							
MBEL	-	369.72	-	-	-	-	369.72
MPBCDCL	-	364.19	-	-	-	-	364.19
PSRDCL	-	237.50	-	-	-	-	237.50
OTHERS	-	376.48	103.81	19.51	210.37		710.17
	-	**1,347.89**	**103.81**	**19.51**	**210.37**	**-**	**1,681.57**
Interest accrued but not due on borrowings							
NKEL	-	0.14	-	-	-	-	0.14
OTHERS	-	-	0.03	-	-	-	0.03
	-	**0.14**	**0.03**	**-**	**-**	**-**	**0.17**
Allowance for Expected Credit Loss on non current Loans							
BAEL	-	30.53	-	-	-	-	30.53
JSEL	-	-	-	-	33.64	-	33.64
MPBCDCL	-	57.99	-	-	-	-	57.99
VNIL	-	29.10	-	-	-	-	29.10
TRDCL	-	-	-	-	61.15	-	61.15
OTHERS	-	4.27	-	-	3.29	-	7.56
	-	**121.90**	**-**	**-**	**98.08**	**-**	**219.98**
Provision for Doubtful Assets							
VNIL	-	83.80	-	-	-	-	83.80
OTHERS	-	-	1.82	-	-	-	1.82
	-	**83.80**	**1.82**	**-**	**-**	**-**	**85.62**
Dividend receivable							
IRIT	-	6.48	-	-	-	-	6.48
	-	**6.48**	**-**	**-**	**-**	**-**	**6.48**

NOTES

forming part of the Standalone financial statements

₹ in Crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	KMP and their relatives	Total
Allowance for Expected Credit Loss on Receivable							
MPBCDCL	-	28.49	-	-	-	-	28.49
WGEL	-	43.34	-	-	-	-	43.34
OTHERS	-	46.87	-	-	18.91	-	65.78
	-	**118.71**	**-**	**-**	**18.91**	**-**	**137.62**
Advances Recoverable							
ILFS	0.41	-	-	-	-	-	0.41
CNTL	-	43.35	-	-	-	-	43.35
PTMCM	-	-	18.36	-	-	-	18.36
IAL	-	-	27.61	-	-	-	27.61
OTHERS	-	75.34	2.10	-	5.07	0.14	82.65
	0.41	**118.69**	**48.07**	**-**	**5.07**	**0.14**	**172.37**
Allowance for Expected Credit Loss on Advances Recoverable							
PTMCM	-	-	1.99	-	-	-	1.99
	-	**-**	**1.99**	**-**	**-**	**-**	**1.99**
Fair Valuation of Deemed Investments - Decrease							
HREL	-	175.11	-	-	-	-	175.11
JRPICL	-	118.17	-	-	-	-	118.17
SBHL	-	109.45	-	-	-	-	109.45
	-	**402.74**	**-**	**-**	**-**	**-**	**402.74**
Deemed Investment							
HREL	-	175.11	-	-	-	-	175.11
JRPICL	-	118.17	-	-	-	-	118.17
SBHL	-	109.45	-	-	-	-	109.45
OTHERS	-	29.15	-	-	-	-	29.15
	-	**431.89**	**-**	**-**	**-**	**-**	**431.89**
Guarantees received in respect of Group Companies							
ILFS	1,500.00	-	-	-	-	-	1,500.00
	1,500.00	**-**	**-**	**-**	**-**	**-**	**1,500.00**
Guarantees issued to outsider in respect of Group Companies							
IIPL	-	617.92	-	-	-	-	617.92
EIJVCA	-	-	-	-	211.96	-	211.96
IO2PL	-	777.99	-	-	-	-	777.99
IO3PL	-	298.30	-	-	-	-	298.30
OTHERS	-	78.07	1.41	-	58.83	-	138.31
	-	**1,772.28**	**1.41**	**-**	**270.80**	**-**	**2,044.49**
Transaction							
Expected Credit loss on Loans							
BAEL	-	13.97	-	-	-	-	13.97
FSEL	-	12.16	-	-	-	-	12.16
JSEL	-	-	-	-	33.64	-	33.64
VNIL	-	13.75	-	-	-	-	13.75
OTHERS	-	29.51	-	-	2.99	-	32.50
	-	**69.39**	**-**	**-**	**36.63**	**-**	**106.02**

NOTES

forming part of the Standalone financial statements

₹ in Crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	KMP and their relatives	Total
Interest Income on Financial Assets							
BAEL	-	90.41	-	-	-	-	90.41
JRPICL	-	76.12	-	-	-	-	76.12
OTHERS	-	478.07	17.97	1.16	35.35	-	532.54
	-	**644.60**	**17.97**	**1.16**	**35.35**	**-**	**699.07**
Reversal of Expected Credit loss on Loans							
JRPICL	-	144.97	-	-	-	-	144.97
MPBCDCL	-	118.73	-	-	-	-	118.73
SBHL	-	137.57	-	-	-	-	137.57
OTHERS	-	16.95	-	-	16.72	-	33.67
	-	**418.22**	**-**	**-**	**16.72**	**-**	**434.94**
Remuneration to director / KMP*							
Mr Dilip Bhatia-Chief Financial Officer	-	-	-	-	-	2.45	2.45
Mr K Ramchand-Managing Director	-	-	-	-	-	4.19	4.19
Mr Mukund Sapre-Executive Director	-	-	-	-	-	2.88	2.88
OTHERS	-	-	-	-	-	1.95	1.95
	-	**-**	**-**	**-**	**-**	**11.48**	**11.48**
Rent Expense							
Mr K Ramchand-Managing Director	-	-	-	-	-	0.34	0.34
Mr Mukund Sapre-Executive Director	-	-	-	-	-	0.16	0.16
Mrs Rita Ramchand (Wife of Mr K Ramchand)	-	-	-	-	-	0.49	0.49
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	-	0.16	0.16
OTHERS	-	-	-	-	-	0.09	0.09
	-	**-**	**-**	**-**	**-**	**1.25**	**1.25**
Revenue from operations							
BAEL	-	598.75	-	-	-	-	598.75
FSEL	-	847.71	-	-	-	-	847.71
KNCEL	-	368.15	-	-	-	-	368.15
OTHERS	-	1,173.66	-	-	103.03	-	1,276.69
	-	**2,988.28**	**-**	**-**	**103.03**	**-**	**3,091.31**
Borrowings							
ILFS	4,364.35	-	-	-	-	-	4,364.35
OTHERS	-	-	1,159.93	-	-	-	1,159.93
	4,364.35	**-**	**1,159.93**	**-**	**-**	**-**	**5,524.28**
Repayment of borrowings							
ILFS	4,365.18	-	-	-	-	-	4,365.18
OTHERS	-	21.42	1,124.10	-	75.00	-	1,220.52
	4,365.18	**21.42**	**1,124.10**	**-**	**75.00**	**-**	**5,585.70**
Fair Valuation of Investments - Decrease.							
CNTL	-	44.26	-	-	-	-	44.26
JSEL	-	-	-	-	26.01	-	26.01
OTHERS	-	0.05	-	-	-	-	0.05
	-	**44.31**	**-**	**-**	**26.01**	**-**	**70.32**

NOTES

forming part of the Standalone financial statements

₹ in Crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	KMP and their relatives	Total
Miscellaneous Income							
Elsamex SA	-	3.18	-	-	-	-	3.18
IECCL	-	-	23.06	-	-	-	23.06
OTHERS	-	-	0.60	-	-	-	0.60
	-	**3.18**	**23.66**	**-**	**-**	**-**	**26.84**
Dividend							
IRIT	-	20.03	-	-	-	-	20.03
NKEL	-	4.70	-	-	-	-	4.70
	-	**24.73**	**-**	**-**	**-**	**-**	**24.73**
Finance Charges							
ILFS	12.72	-	-	-	-	-	12.72
IFIN	-	-	47.74	-	-	-	47.74
OTHERS	-	1.08	7.33	-	-	-	8.41
	12.72	**1.08**	**55.07**	**-**	**-**	**-**	**68.87**
Expected Credit Loss on Other Financial Assets							
BAEL	-	2.20	-	-	-	-	2.20
KSEL	-	1.35	-	-	-	-	1.35
OTHERS	-	-	0.13	-	-	-	0.13
	-	**3.55**	**0.13**	**-**	**-**	**-**	**3.68**
Interest on loans (Expense)							
ILFS	101.51	-	-	-	-	-	101.51
OTHERS	-	2.02	79.74	-	11.97	-	93.72
	101.51	**2.02**	**79.74**	**-**	**11.97**	**-**	**195.23**
Reversal of Expected Credit Loss on Receivables.							
CNTL	-	117.07	-	-	-	-	117.07
OTHERS	-	49.69	-	-	8.71	-	58.40
	-	**166.76**	**-**	**-**	**8.71**	**-**	**175.47**
Repayment of loans given							
CNTL	-	2,095.00	-	-	-	-	2,095.00
MBEL	-	1,281.75	-	-	-	-	1,281.75
PSRDCL	-	894.05	-	-	-	-	894.05
OTHERS	-	3,009.22	181.47	2.42	788.26	-	3,981.36
	-	**7,280.02**	**181.47**	**2.42**	**788.26**	**-**	**8,252.17**
Operating Expenses (Other than Construction Cost)							
EMSL	-	138.21	-	-	-	-	138.21
	-	**138.21**	**-**	**-**	**-**	**-**	**138.21**
Loans given							
CNTL	-	1,895.34	-	-	-	-	1,895.34
MBEL	-	1,035.69	-	-	-	-	1,035.69
OTHERS	-	4,450.42	185.39	20.57	671.42	-	5,327.80
	-	**7,381.45**	**185.39**	**20.57**	**671.42**	**-**	**8,258.83**

NOTES

forming part of the Standalone financial statements

₹ in Crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	KMP and their relatives	Total
Sale of Investment							
IFIN	-	-	157.80	-	-	-	157.80
	-	**-**	**157.80**	**-**	**-**	**-**	**157.80**
Investment made / purchased							
ACEL	-	101.10	-	-	-	-	101.10
BAEL	-	125.50	-	-	-	-	125.50
Elsamex SA		116.55					116.55
FSEL		248.35					248.35
PDPL	-	-	-	150.00	-	-	150.00
OTHERS	-	25.96	-	-	-	-	25.96
	-	**617.46**	**-**	**150.00**	**-**	**-**	**767.46**
Fair Valuation of Deemed Investments - Decrease.							
HREL	-	175.11	-	-	-	-	175.11
JRPICL	-	118.17	-	-	-	-	118.17
SBHL	-	109.45	-	-	-	-	109.45
	-	**402.74**	**-**	**-**	**-**	**-**	**402.74**
Guarantee Fees Income							
IIPL	-	3.62	-	-	-	-	3.62
EIJVCA	-	-	-	-	2.91	-	2.91
IO2PL	-	7.48	-	-	-	-	7.48
IO3PL	-	2.85	-	-	-	-	2.85
OTHERS	-	0.40	-	-	-	-	0.40
	-	**14.35**	**-**	**-**	**2.91**	**-**	**17.25**
Expected Credit Loss on Receivables.							
KSEL	-	9.73	-	-	-	-	9.73
OTHERS	-	2.48	-	-	0.69	-	3.17
	-	**12.21**	**-**	**-**	**0.69**	**-**	**12.89**
Construction Cost							
IRL	-	58.70	-	-	-	-	58.70
EMSL	-	42.08	-	-	-	-	42.08
IECCL	-	-	265.56	-	-	-	265.56
	-	**100.78**	**265.56**	**-**	**-**	**-**	**366.34**
Fair Value of Investments - Increase							
PDPL	-	-	-	8.37			8.37
	-	**-**	**-**	**8.37**	**-**	**-**	**8.37**
Administrative and general expenses							
ILFS	25.97	-	-	-	-	-	25.97
IMICL	-	-	10.05	-	-	-	10.05
OTHERS	-	0.08	1.49	-	-	-	1.57
	25.97	**0.08**	**11.54**	**-**	**-**	**-**	**37.59**

Footnote :- * Includes Deputation cost of ₹ 5.63 Crores charged by Holding Company "IL&FS" as mentioned below, but excludes benefits in the nature of gratuity and leave encashment which are created on acturial basis for Company as a whole and not for the individual employee including KMP.

Mr K Ramchand-Managing Director	3.47
Mr Mukund Sapre-Executive Director	2.16
	5.63

NOTES

forming part of the Standalone financial statements

(ii) **Previous Year - March 2017**

(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	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	FSEL
	Futureage Infrastructure India Limited	FIIL
	GRICL Rail Bridge Development Company Limited	GRBDCL
	Gift Parking Facilities Limited (upto 15th September 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.	
	Beasolarta S.L.	
	Chattisgarh Highways Development Company Limited	CHDCL
	Chirayu Kath Real Estate Private Limited	
	CIESM-INTEVIA S.A. Sociedad Unipersonal	

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Nature of Relationship	Name of Entity	Abbreviation used
	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-Engheneria E Sistemas De Gestao, S.A	
	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	.
	IIPL USA LLC	
	Intevial 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)	IIJLT
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)	Apptex Marketing Services & Solutions Limited	APMSSL
	Bhopal E-Governance Limited	BEGL
	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
	IL&FS Tamil Nadu Power Company Limited	ITPCL
	IL&FS Water Limited	IWL

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forming part of the Standalone financial statements

Nature of Relationship	Name of Entity	Abbreviation used
	IL&FS Wind Power Limited	IWPL
	Kanak Resourses 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.	
	Consorcio 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
	Thiruvananthpuram 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 Mukund Sapre-Executive Director	
	Mr Krishna Ghag, Company Secretary	
	Mr Dilip Bhatia, Chief Financial Officer	
	Mr Deepak Dasgupta-Non-Executive Director	
	Mr R.C. Sinha-Non-Executive Director	
	Mr H.P Jamdar-Non-Executive Director	
	Mr Ravi Parthasarathy-Non-Executive Director	
	Mr Hari Sankaran-Non-Executive Director	
	Mr Arun K Saha-Non-Executive Director	
	Deepak satwalekar-Non-Executive Director (upto August 9, 2016)	
	Vibhav Kapoor-Non-Executive Director (upto September 12, 2016)	
	Mr Pradeep Puri-Non-Executive Director	
	Ms Neeru Singh-Non-Executive Director	
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)	

NOTES

forming part of the Standalone financial statements

Previous Year - March 2017

(b) transactions/ balances with above mentioned related parties (mentioned in note 39 (i) (a) above)

₹ in Crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Ventures	Key Management personnel and relatives	Total
Balances							
Equity share Capital							
ILFS	236.58	-	-	-	-	-	236.58
OTHERS	-	-	4.27	-	-	-	4.27
	236.58	**-**	**4.27**	**-**	**-**	**-**	**240.85**
Interest accrued but not due on borrowings							
NKEL	-	9.98	-	-	-	-	9.98
OTHERS	-	-	-	-	-	-	-
	-	**9.98**	**-**	**-**	**-**	**-**	**9.98**
Long-Term Borrowings							
IFIN	-	-	200.00	-	-	-	200.00
IMICL	-	-	200.00	-	-	-	200.00
RIPL	-	-	-	-	75.00	-	75.00
OTHERS	-	-	58.56	-	-	-	58.56
	-	**-**	**458.56**	**-**	**75.00**	**-**	**533.56**
Short-term Borrowings							
NKEL	-	25.15	-	-	-	-	25.15
OTHERS	0.83	3.00	3.00	-	-	-	6.83
	0.83	**28.15**	**3.00**	**-**	**-**	**-**	**31.98**
Mobilisation Advance paid							
EMSL	-	1.75	-	-	-	-	1.75
ITL	-	-	4.00	-	-	-	4.00
	-	**1.75**	**4.00**	**-**	**-**	**-**	**5.75**
Mobilisation Advances Received (Long-term)							
IRIDCL	-	57.90	-	-	-	-	57.90
KNCEL	-	18.98	-	-	-	-	18.98
SSTL	-	77.58	-	-	-	-	77.58
OTHERS	-	6.76	-	-	-	-	6.76
	-	**161.22**	**-**	**-**	**-**	**-**	**161.22**
Mobilisation Advances Received (Short-term)							
BAEL	-	59.52	-	-	-	-	59.52
KNCEL	-	28.62	-	-	-	-	28.62
OTHERS	-	4.69	-	-	8.03	-	12.72
	-	**92.83**	**-**	**-**	**8.03**	**-**	**100.86**
Provision for Doubtful Assets							
VNIL	-	83.80	-	-	-	-	83.80
	-	**83.80**	**-**	**-**	**-**	**-**	**83.80**

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
Rent Deposit							
Mr K Ramchand-Managing Director	-	-	-	-	-	0.10	0.10
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	-	0.05	0.05
	-	**-**	**-**	**-**	**-**	**0.15**	**0.15**
Retention Money Payable							
ELSAIND	-	1.03	-	-	-	-	1.03
EMSL	-	4.24	-	-	-	-	4.24
ITL	-	-	1.55	-	-	-	1.55
OTHERS	-	0.78	0.03	-	-	-	0.81
	-	**6.05**	**1.58**	**-**	**-**	**-**	**7.63**
Retention Money Receivable							
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
	-	**259.49**	**-**	**-**	**40.68**	**-**	**300.17**
Trade Receivables							
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
	-	**2,620.62**	**19.74**	**0.12**	**97.73**	**-**	**2,738.21**
Allowance for Expected Credit Loss on Receivables							
CNTL	-	66.39	-	-	-	-	66.39
MPBCDCL	-	38.23	-	-	-	-	38.23
WGEL	-	28.33	-	-	-	-	28.33
OTHERS	-	45.38	-	-	10.50	-	55.88
	-	**178.33**	**-**	**-**	**10.50**	**-**	**188.83**
Unbilled Revenue							
JSEL	-	-	-	-	167.29	-	167.29
KNCEL	-	120.41	-	-	-	-	120.41
RMGSL	-	49.32	-	-	-	-	49.32
OTHERS	-	61.74	-	-	0.53	-	62.27
	-	**231.47**	**-**	**-**	**167.82**	**-**	**399.29**

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
Unearned Revenue							
BAEL	-	48.38	-	-	-	-	48.38
MBEL	-	78.95	-	-	-	-	78.95
MPBCDCL	-	68.77	-	-	-	-	68.77
OTHERS	-	33.56	-	-	-	-	33.56
	-	**229.66**	**-**	**-**	**-**	**-**	**229.66**
Allowance for Expected Credit Loss on Loans							
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
	-	**589.82**	**-**	**-**	**78.17**	**-**	**667.99**
Provision for diminution in the value of Investments							
VNIL	-	14.50	-	-	-	-	14.50
	-	**14.50**	**-**	**-**	**-**	**-**	**14.50**
Dividend receivable							
IRIT	-	5.02	-	-	-	-	5.02
	-	**5.02**	**-**	**-**	**-**	**-**	**5.02**
Trade payables other than MSME							
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
	26.92	**88.98**	**25.02**	**-**	**2.39**	**-**	**143.31**
Other advances to related party							
GRICL	-	-	-	75.00	-	-	75.00
	-	**-**	**-**	**75.00**	**-**	**-**	**75.00**
Advances Recoverable							
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
	0.01	**151.67**	**6.46**	**0.50**	**4.45**	**-**	**163.09**
Advances recoverable considered doubtful							
IAL	-	-	22.06	-	-	-	22.06
OTHERS	-	1.40	-	-	-	-	1.40
	-	**1.40**	**22.06**	**-**	**-**	**-**	**23.46**

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
Allowance for Expected Credit Loss on Advances Recoverables							
PTMCM	-	-	1.86	-	-	-	1.86
	-	**-**	**1.86**	**-**	**-**	**-**	**1.86**
Investments							
IRL	-	688.17	-	-	-	-	688.17
IIPL	-	779.92	-	-	-	-	779.92
OTHERS	-	3,400.66	-	205.83	407.39	-	4,013.88
	-	**4,868.75**	**-**	**205.83**	**407.39**	**-**	**5,481.97**
Investment Commitment							
ACEL	-	668.95	-	-	-	-	668.95
FSEL	-	551.85	-	-	-	-	551.85
IRIDCL	-	401.00	-	-	-	-	401.00
OTHERS	-	337.53	-	-	-	-	337.53
	-	**1,959.33**	**-**	**-**	**-**	**-**	**1,959.33**
Sub debt Commitment							
ACEL	-	349.97	-	-	-	-	349.97
FSEL	-	205.90	-	-	-	-	205.90
IRIDCL	-	144.22	-	-	-	-	144.22
SSTL	-	335.33	-	-	-	-	335.33
OTHERS	-	76.83	-	-	21.86	-	98.69
	-	**1,112.24**	**-**	**-**	**21.86**	**-**	**1,134.10**
Guarantees issued to outsider in respect of Group Companies							
EIJVCA	-	-	-	-	262.94	-	262.94
IO2PL	-	713.10	-	-	-	-	713.10
IO3PL	-	256.21	-	-	-	-	256.21
OTHERS	-	156.80	-	-	-	-	156.80
	-	**1,126.11**	**-**	**-**	**262.94**	**-**	**1,389.05**
Loans given - Non current							
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
	-	**2,729.64**	**-**	**-**	**99.38**	**-**	**2,829.02**
Loans given - Current							
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
	-	**2,477.76**	**55.55**	**0.83**	**313.34**	**-**	**2,847.48**

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
Fair Value Adjustment of Other advances to related party							
GRICL	-	-	-	21.61	-	-	21.61
	-	**-**	**-**	**21.61**	**-**	**-**	**21.61**
Fair Valuation of Investments - Decrease							
JRPICL	-	242.45	-	-	-	-	242.45
MPBCDCL	-	110.28	-	-	-	-	110.28
HREL	-	136.26	-	-	-	-	136.26
OTHERS	-	74.22	-	29.29	17.03	-	120.54
	-	**563.21**	**-**	**29.29**	**17.03**	**-**	**609.53**
Fair Valuation of Investments - Increase							
BAEL	-	221.00	-	-	-	-	221.00
PSRDCL	-	202.86	-	-	-	-	202.86
	-	**423.86**	**-**	**-**	**-**	**-**	**423.86**
Transactions							
Revenue from Operations							
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
	-	**3,243.98**	**-**	**11.34**	**161.78**	**-**	**3,417.10**
Miscellaneous Income							
WGEL	-	0.96	-	-	-	-	0.96
NTBCL	-	-	-	0.66	-	-	0.66
OTHERS	-	-	0.60	-	-	-	0.60
	-	**0.96**	**0.60**	**0.66**	**-**	**-**	**2.22**
Dividend							
IRIT	-	46.09	-	-	-	-	46.09
NKEL	-	12.47	-	-	-	-	12.47
NTBCL	-	-	-	7.36	-	-	7.36
OTHERS	-	-	-	4.46	-	-	4.46
	-	**58.56**	**-**	**11.82**	**-**	**-**	**70.38**
Administrative and general expenses							
ILFS *	26.81	-	-	-	-	-	26.81
IGFSLUK	-	-	4.15	-	-	-	4.15
IGFSL	-	-	4.03	-	-	-	4.03
OTHERS	0.31	0.15	0.82	-	-	-	1.28
	27.12	**0.15**	**9.00**	**-**	**-**	**-**	**36.27**

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
Brand subscription fees (Expense)							
ILFS	15.74	-	-	-	-	-	15.74
	15.74	**-**	**-**	**-**	**-**	**-**	**15.74**
Commission Charges & monitoring fees							
ILFS	21.51	-	-	-	-	-	21.51
OTHERS	-	-	0.15	-	-	-	0.15
	21.51	**-**	**0.15**	**-**	**-**	**-**	**21.66**
Construction Cost							
EMSL	-	51.46	-	-	-	-	51.46
IRL	-	320.50	-	-	-	-	320.50
	-	**371.96**	**-**	**-**	**-**	**-**	**371.96**
Finance Charges							
IFIN	-	-	30.12	-	-	-	30.12
IGFSLUK	-	-	4.54	-	-	-	4.54
OTHERS	-	-	3.14	-	-	-	3.14
	-	**-**	**37.80**	**-**	**-**	**-**	**37.80**
Interest on Loans (Expense)							
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
	6.37	**17.29**	**148.89**	**-**	**2.41**	**-**	**174.96**
Borrowings							
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
	1,180.83	**106.00**	**1,896.60**	**-**	**200.00**	**-**	**3,383.43**
Profit on Sale of Investment							
IIPL	-	140.93	-	-	-	-	140.93
	-	**140.93**	**-**	**-**	**-**	**-**	**140.93**
Investment made / purchased							
IRL	-	138.04	-	-	-	-	138.04
KNCEL	-	84.86	-	-	-	-	84.86
IIPL	-	413.16	-	-	-	-	413.16
OTHERS	-	143.12	-	-	-	-	143.12
	-	**779.18**	**-**	**-**	**-**	**-**	**779.18**
Purchase of Investment							
ILFS	4.52	-	-	-	-	-	4.52
	4.52	**-**	**-**	**-**	**-**	**-**	**4.52**
Sale of Investment							
IIPL	-	272.23	-	-	-	-	272.23
	-	**272.23**	**-**	**-**	**-**	**-**	**272.23**

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
Purchase of Units							
IRIT	-	0.23	-	-	-	-	0.23
	-	**0.23**	**-**	**-**	**-**	**-**	**0.23**
Redemption of Units							
IRIT	-	2.94	-	-	-	-	2.94
	-	**2.94**	**-**	**-**	**-**	**-**	**2.94**
Operating Expenses (Other than Construction Cost)							
EMSL	-	94.52	-	-	-	-	94.52
OTHERS	-	2.32	-	-	-	-	2.32
	-	**96.84**	**-**	**-**	**-**	**-**	**96.84**
Provision for Doubtful Assets							
VNIL	-	47.30	-	-	-	-	47.30
	-	**47.30**	**-**	**-**	**-**	**-**	**47.30**
Remuneration to director / KMP							
Mr K Ramchand-Managing Director	-	-	-	-	-	5.20	5.20
Mr Krishna Ghag-Company Secretary	-	-	-	-	-	0.58	0.58
Mr Mukund Sapre-Executive Director	-	-	-	-	-	3.16	3.16
Mr Dilip Bhatia-Chief Financial Officer	-	-	-	-	-	1.50	1.50
Others	-	-	-	-	-	1.40	1.40
	-	**-**	**-**	**-**	**-**	**11.84**	**11.84**
Rent Expense							
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
Mr Mukund Sapre-Executive Director	-	-	-	-	-	0.16	0.16
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	-	0.16	0.16
	-	**-**	**-**	**-**	**-**	**1.21**	**1.21**
Repayment of Borrowings							
ILFS	1,180.00	-	-	-	-	-	1,180.00
ICDI	-	-	575.10	-	-	-	575.10
OTHERS	-	430.35	2,479.50	-	125.00	-	3,034.85
	1,180.00	**430.35**	**3,054.60**	**-**	**125.00**	**-**	**4,789.95**
Loans given							
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
	-	**5,542.59**	**53.63**	**0.83**	**824.14**	**-**	**6,421.19**

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
Repayment of loans given							
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
	-	**3,856.78**	**15.57**	**-**	**674.10**	**-**	**4,546.45**
Other Interest							
IFIN	-	-	2.32	-	-	-	2.32
	-	**-**	**2.32**	**-**	**-**	**-**	**2.32**
Expected Credit Loss on Other Financial Assets							
PTMCM	-	-	2.02	-	-	-	2.02
	-	**-**	**2.02**	**-**	**-**	**-**	**2.02**
Expected Credit loss on Loans							
JRPICL	-	78.09	-	-	-	-	78.09
SBHL	-	82.74	-	-	-	-	82.74
TRDCL	-	-	-	-	44.66	-	44.66
OTHERS	-	18.91	-	-	0.26	-	19.17
	-	**179.74**	**-**	**-**	**44.92**	**-**	**224.66**
Reversal of Expected Credit loss on Loans							
SSTL	-	63.70	-	-	-	-	63.70
HREL	-	91.36	-	-	-	-	91.36
OTHERS	-	27.51	0.02	-	0.06	-	27.59
	-	**182.57**	**0.02**	**-**	**0.06**	**-**	**182.65**
Expected Credit Loss on Receivables.							
WGEL	-	2.29	-	-	-	-	2.29
NAMEL	-	-	-	-	1.51	-	1.51
CRL	-	3.02	-	-	-	-	3.02
BKEL	-	1.60	-	-	-	-	1.60
	-	**6.91**	**-**	**-**	**1.51**	**-**	**8.42**
Reversal of Expected Credit Loss on Receivables.							
BAEL	-	35.22	-	-	-	-	35.22
SSTL	-	29.23	-	-	-	-	29.23
OTHERS	-	92.72	-	0.09	9.83	-	102.64
	-	**157.17**	**-**	**0.09**	**9.83**	**-**	**167.09**
Interest income on Financial Assets							
BAEL	-	159.88	-	-	-	-	159.88
OTHERS	-	397.54	2.24	-	27.55	-	427.33
	-	**557.42**	**2.24**	**-**	**27.55**	**-**	**587.21**
Guarantee Fees Income							
IO2PL	-	7.45	-	-	-	-	7.45
IO3PL	-	2.22	-	-	-	-	2.22
ELSA	-	3.93	-	-	-	-	3.93

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
OTHERS	-	0.11	-	-	-	-	0.11
	-	**13.71**	**-**	**-**	**-**	**-**	**13.71**
Capital Advance received							
IFIN	-	-	115.00	-	-	-	115.00
	-	**-**	**115.00**	**-**	**-**	**-**	**115.00**
Capital Advance repaid							
IFIN	-	-	115.00	-	-	-	115.00
	-	**-**	**115.00**	**-**	**-**	**-**	**115.00**
Finance Cost							
IFIN	-	-	20.50	-	-	-	20.50
IMICL	-	-	20.50	-	-	-	20.50
OTHERS	-	-	2.50	-	-	-	2.50
	-	**-**	**43.50**	**-**	**-**	**-**	**43.50**
Redemption of Debenture							
RIDCOR	-	-	-	-	32.00	-	32.00
	-	**-**	**-**	**-**	**32.00**	**-**	**32.00**
Reversal of Expected credit losses on other financial assets							
GRICL	-	-	-	5.79	-	-	5.79
PTMCM	-	-	2.02	-	-	-	2.02
APEL	-	7.18	-	-	-	-	7.18
PTMCM	-	1.00	-	-	-	-	1.00
	-	**8.18**	**2.02**	**5.79**	**-**	**-**	**15.99**
Reduction of Investments as per Court's Scheme							
APEL	-	83.00	-	-	-	-	83.00
	-	**83.00**	**-**	**-**	**-**	**-**	**83.00**
Conversion of Investments into Loans as per Court's Scheme							
APEL	-	137.00	-	-	-	-	137.00
	-	**137.00**	**-**	**-**	**-**	**-**	**137.00**
Dividend Paid							
ILFS	47.32	-	-	-	-	-	47.32
IFSL	-	0.85	-	-	-	-	0.85
	47.32	**0.85**	**-**	**-**	**-**	**-**	**48.17**

Footnote : - * Includes Deputation cost of ₹ 6.10 Crores charged by Holding Company "IL&FS" as mentioned below, but excludes benefits in the nature of gratuity and leave encashment which are created on acturial basis for Company as a whole and not for the individual employee including KMP.

Mr K Ramchand-Managing Director	3.68
Mr Mukund Sapre-Executive Director	2.42
	6.10

NOTES

forming part of the Standalone financial statements

40. 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, 2018		March 31, 2017	
	Amount as at March 31, 2018	Maximum amount outstanding during the year	Amount as at March 31, 2017	Maximum amount outstanding during the year
East Hyderabad Expressway Limited	17.12	71.19	9.35	82.86
ITNL Road Infrastructure Development Company Limited	362.57	448.07	439.29	439.29
Vansh Nimay Infraprojects Limited	112.90	112.90	99.15	99.15
West Gujarat Expressway Limited	54.24	80.71	50.31	72.29
Hazaribagh Ranchi Expressway Limited	324.47	328.73	328.73	427.33
Jharkhand Road Projects Implementation Company Limited	805.13	811.69	409.63	409.63
MP Border Checkposts Development Company Limited	330.68	515.32	513.32	513.32
Pune Sholapur Road Development Company Limited	233.52	539.16	539.16	539.16
Moradabad Bareilly Expressway Limited	257.98	728.51	504.04	504.04
Sikar Bikaner Highway Limited	135.01	162.00	149.50	170.14
Baleshwar Kharagpur Expressway Limited	63.41	159.14	61.00	151.00
Barwa Adda Expressway Limited	675.65	675.65	664.35	664.35
Khed Sinnar Expressway Limited	366.28	366.28	271.99	274.49
Chenani Nashri Tunnelway Limited	59.58	508.22	259.24	390.56
Kiratpur Ner Chowk Expressway Limited	304.69	304.69	150.73	226.65
Karyavattom Sports Facility Limited	48.56	48.56	28.00	28.00
Rajasthan Land Holdings Limited	124.48	124.48	121.77	121.77
Rapid MetroRail Gurgaon Limited	5.30	126.64	9.30	55.00
Rapid MetroRail Gurgaon South Limited	36.05	114.92	30.00	30.05
Jharkhand Infrastructure Implementation Company Limited	58.50	58.50	39.50	39.50
ITNL International Pte Ltd.	8.12	580.09	24.63	24.63
Srinagar Sonamarg Tunnelway Limited	197.67	197.67	178.18	178.18
Amravati Chikhli Expressway Ltd	70.20	70.20	-	-
Chattisgarh Highways Development Company Limited	0.85	0.85	-	-
Futureage Infrastructure India Limited	0.05	0.05	-	-
Fagne Songadh Expressway Ltd	331.51	331.51	-	-
IL&FS Airport Limited	1.75	1.75	-	-
IL&FS Engineering & Construction Company limited	33.00	128.14	-	-
IL&FS Maritime Infrastructure Company Limited	22.50	33.50	-	-
IL&FS Tamil Nadu Power Company Limited	0.30	20.13	-	-
Noida Toll Bridge Company Limited	17.38	17.38	-	-
Pario Developers Private Limited	1.60	1.60	-	-

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, 2018		March 31, 2017	
Subsidiaries of Elsamex S.A., Spain	Amount as at March 31, 2018	Maximum amount outstanding during the year	Amount as at March 31, 2017	Maximum amount outstanding during the year
Alcantarilla Fotovoltaica, S.L.U.	NA	NA	NA	NA
Area De Servicio Coiros S.L.U.	NA	NA	NA	NA
Area De Servicio Punta Umbria, S.L.U.	NA	NA	NA	NA
Atenea Seguridad Y Medio Ambiente S.A.U.	NA	NA	NA	NA
Beasolarta S.A.U.	NA	NA	NA	NA
CIESM-INTEVIA, S.A.	NA	NA	NA	NA
Conservacion De Infraestructuras De Mexico S.A. DE C.V.	NA	NA	NA	NA
Control 7, S.A.	NA	NA	NA	NA
Elsamex Brazil LTDA	NA	NA	NA	NA
Elsamex Colombia SAS	NA	NA	NA	NA
Elsamex Construcao E Manutencao LTDA	NA	NA	NA	NA
Elsamex India Private Limited	NA	NA	NA	NA
Elsamex Internacional S.L.	NA	NA	NA	NA
Elsamex LLC	NA	NA	NA	NA
Elsamex Maintenance Services Limited	NA	NA	NA	NA
Elsamex Portugal S.A.	NA	NA	NA	NA
ESM Mantenimiento Integral, SA DE CV	NA	NA	NA	NA
Grusamar Albania SHPK	NA	NA	NA	NA
Grusamar Engenharia y Consultoría Brasil LTDA	NA	NA	NA	NA
Grusamar India Limited	NA	NA	NA	NA
Grusamar Ingenieria Y Consulting Colombia SAS	NA	NA	NA	NA
Grusamar Ingenieria Y Consulting, S.L.	NA	NA	NA	NA
Intevial Gestao Integral Rodoviaria S.A.	NA	NA	NA	NA
Mantenimiento Y Conservacion De Vialidades S.A. DE C.V.	NA	NA	NA	NA
Senalizacion Viales e Imagen S.A.U.	NA	NA	NA	NA
Yala Construction Co Private Limited	NA	NA	NA	NA

Particulars	March 31, 2018		March 31, 2017	
Subsidiaries of ITNL International Pte Ltd.	Amount as at March 31, 2018	Maximum amount outstanding during the year	Amount as at March 31, 2017	Maximum amount outstanding during the year
Elsamex S.A.	526.33	526.33	524.67	524.67
ITNL Africa Projects Limited	17.89	17.89	17.83	17.83
ITNL Intenational DMCC	61.95	61.95	56.46	56.46
Sharjah General Services Co. LLC	0.33	0.33	0.33	0.33
IIPL US LLC	94.96	94.96	38.90	38.90
INTL Infrastructure Developer LLC	6.28	6.28	0.26	0.26
Elsamex Vietnam Joint Stock Company	4.23	4.23	4.21	4.21

NOTES

forming part of the Standalone financial statements

41. 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.

42. Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on May 29, 2018

43. IND-AS issued but not effective yet

On March 28, 2018,the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

(a) **Issue of Ind AS 115 - Revenue from Contracts with Customers**

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

The Compnay continue to evaluate the available transaction method and its contractual arrangments. The ultimate impact on revenue resulting from the application of IND-AS 115 will be subject to asseements that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The company considerations also include, but are not limited to, the comparability of its financials statements and the comparability within its industry from application of the new standard to its contractual arrangements. The company has established an implementation team to implement IND-AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and proccess, and additional disclosure requirement that may be necessary.

(b) **Amendment to Existing issued Ind AS**

The MCA has also carried out amendments of the following accounting standards:

i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
ii. Ind AS 40 - Investment Property
iii. Ind AS 12 - Income Taxes
iv. Ind AS 28 - Investments in Associates and Joint Ventures and
v. Ind AS 112 - Disclosure of Interests in Other Entities Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

44. The figures for the year ended March 31, 2017 have been regrouped and / or re-arranged wherever necessary to conform to the classification adopted in the year ended March 31, 2018.

In terms of our report attached.

For **S R B C & CO LLP**
Chartered Accoutants
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**
Partner
Membership No. 49365
Mumbai, May 29, 2018

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, 2018

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 joint ventures comprising of the consolidated Balance Sheet as at March 31, 2018, 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 Ind AS 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, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated 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 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, 2018, their consolidated profit including other comprehensive income, 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 qualified in respect of this matter.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of fifty six subsidiaries, whose Ind AS financial statements include total assets of ₹ 41,108.07 crore and net assets of ₹ 6,939.33 crore as at March 31, 2018, and total revenues of ₹ 7,812.20 crore and net cash inflows of ₹ 71.09 crore for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which 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 ₹ 56.71 crore for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements, in respect of thirteen associates and 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, associates and joint ventures, 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 six subsidiaries whose financial statements and other financial information reflect total assets of ₹ Nil and net assets of ₹ Nil as at March 31, 2018, and total revenues of ₹ 2.90 crore and net cash outflow ₹ 0.35 crore for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management.
The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 2.62 crore for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of five associates and joint ventures, whose financial statements, other financial information 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 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 statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other 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, 2017 included in these consolidated Ind AS financial statements, are based on the previously issued consolidated Ind AS financial statements prepared in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014 have been jointly audited by us along with the predecessor auditor. We and joint auditor expressed an unmodified opinion on those consolidated Ind AS financial statements on May 29, 2017.

Our above opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, 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 financial statements and other financial information certified by the Management.

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 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 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 maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(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, 2018 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 is disqualified as on March 31, 2018 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 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 43 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, Note 39.5.2 and Note 39.6.2 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, 2018.

For **S R B C & CO LLP**
Chartered Accountants
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**
Partner
Membership No. 49365
Place of Signature: Mumbai
Date: May 29, 2018

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, 2018, 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 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 with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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 ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2018, 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 with reference to these consolidated financial statements of the Holding Company, insofar as it relates to these thirty one 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 incorporated in India.

For **S R B C & CO LLP**
Chartered Accountants
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**
Partner
Membership No. 49365
Place of Signature: Mumbai
Date: May 29, 2018

CONSOLIDATED BALANCE SHEET

₹ in Crore

Particulars	Notes	As at March 31, 2018		As at March 31, 2017	
ASSETS					
Non-current Assets					
(a) Property, plant and equipment	2		479.31		426.69
(b) Capital work-in-progress	2		32.28		15.88
(c) Investment property	3		5.71		2.47
(d) Investment property under development	3		118.93		115.31
(e) Intangible assets					
(i) Goodwill on consolidation	4	156.01		167.86	
(ii) Service concession arrangements (SCA)	5	13,111.73		12,871.96	
(iii) Intangible assets under development	5	9,566.01		8,454.85	
(iv) Others	5	12.43	22,846.18	18.15	21,512.82
(f) Investments in associates	6		434.52		320.17
(g) Investments in joint ventures	7		1,757.34		1,745.83
(h) Financial assets					
(i) Investments	8A		46.18		22.60
(ii) Trade receivables	9		1.77		1.57
(iii) Loans	10		534.15		269.27
(iv) Other financial assets	11		9,709.41		8,623.99
(i) Tax assets					
(i) Deferred Tax Asset (net)	21	216.31		162.65	
(ii) Non Current Tax Asset (Net)	24	634.87	851.18	514.54	677.19
(j) Other non-current assets	14		343.85		377.10
Total Non-current Assets			**37,160.81**		**34,110.89**
Current Assets					
(a) Inventories	12		62.94		116.67
(b) Financial assets					
(i) Investments	8B	276.31		-	
(ii) Trade receivables	9	1,311.04		1,003.00	
(iii) Cash and cash equivalents	13	930.44		841.66	
(iv) Bank balances other than (iii) above	13	803.04		382.08	
(v) Loans	10	414.01		677.68	
(vi) Other financial assets	11	2,475.98	6,210.82	2,240.40	5,144.82
(c) Current tax assets (Net)	24		-		37.52
(d) Other current assets	14		1,121.42		566.86
(e) Assets Classified as held for sale	25		2,641.11		-
Total Current Assets			**10,036.29**		**5,865.87**
Total Assets			**47,197.10**		**39,976.76**
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	15	328.96		328.96	
(b) Other Equity	16	4,032.26		3,855.72	
Equity attributable to owners of the Company			4,361.22		4,184.68
Non-controlling Interests	17		464.94		435.67
Total Equity			**4,826.16**		**4,620.35**
LIABILITIES					
Non-current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	18	27,086.88		23,694.64	
(ii) Trade payables	23	22.92		0.73	
(iii) Other financial liabilities	19	1,791.38	28,901.18	1,397.49	25,092.86
(b) Provisions	20		114.53		85.56
(c) Deferred tax liabilities (Net)	21		116.92		127.60
(d) Other non-current liabilities	22		128.61		133.64
Total Non-current Liabilities			**29,261.24**		**25,439.66**
Current liabilities					
(a) Financial liabilities					
(i) Borrowings	18	2,525.49		3,495.58	
(ii) Trade payables	23	2,065.44		1,164.23	
(iii) Other financial liabilities	19	5,708.64	10,299.57	4,583.61	9,243.42
(b) Provisions	20		73.88		49.87
(c) Current tax liabilities (Net)	24		329.02		202.71
(d) Other current liabilities	22		626.75		420.75
(e) Liabilities classified as held for sale	25		1,780.48		-
Total Current Liabilities			**13,109.70**		**9,916.75**
Total Liabilities			**42,370.94**		**35,356.41**
Total Equity and Liabilities			**47,197.10**		**39,976.76**

Note 1 to 50 forms part of the consolidated financial statements.

In terms of our report attached.

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, 2018

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, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

₹ in Crore

	Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
I.	**Revenue from Operations**	26	8,716.71	8,072.46
II.	**Other income**	27	1,062.21	329.16
III.	**Total Income (I+II)**		**9,778.92**	**8,401.62**
IV.	**Expenses**			
	Cost of material consumed	28	173.28	162.65
	Construction costs	28	3,412.52	2,942.66
	Operating expenses	29	707.32	555.74
	Employee benefits expense	30	578.38	522.03
	Finance costs (net)	31	3,748.99	3,086.33
	Depreciation and amortisation expense	32	412.97	365.72
	Other expenses	33	583.78	641.60
	Total expenses (IV)		**9,617.24**	**8,276.73**
V	**Profit before share of profit/(loss) of an Associate and a Joint Venture and Tax (III-IV)**		161.68	124.89
VI	**Share of profit/(loss) of Associates (net)**		(1.94)	16.25
VII	**Share of profit/ (loss) of Joint Ventures (net)**		67.83	78.54
VIII	**Profit/(Loss) before tax (V+VI+VII)**		**227.57**	**219.68**
IX	**Less: Tax expense**	34		
	(1) Current tax		220.24	144.11
	(2) Adjustment of tax relating to earlier period		7.59	-
	(3) Deferred tax		(65.33)	(70.01)
	Total Tax expenses		**162.50**	**74.10**
X	**Profit after tax (VIII-IX)**		**65.07**	**145.58**
XI	**Other Comprehensive Income / (Expenses)**			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Acturial loss of the defined benefit plans		(1.29)	(0.48)
	(b) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss		0.01	(0.02)
			(1.28)	**(0.50)**
	A (ii) Income tax relating to items that will not be reclassified to profit or loss		(0.32)	0.05
	B (i) Items that may be reclassified to profit or loss			
	(a) Exchange differences in translating the financial statements of foreign operations		25.24	(67.44)
	(b) Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(2.33)	(58.43)
	(c) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss		74.92	(67.03)
	(d) Others		-	(4.46)
			97.83	**(197.36)**
	B (ii) Income tax relating to items that may be reclassified to profit or loss		2.38	20.66
	Total other comprehensive income / (expense) for the year (A (i+ii)+B(i+ii))		**98.61**	**(177.15)**
XII	**Total comprehensive income for the year (X+XI)**		**163.68**	**(31.57)**
	Profit for the year attributable to:			
	- Owners of the Company		175.72	149.31
	- Non-controlling interests		(110.65)	(3.73)
			65.07	**145.58**
	Other comprehensive income for the year attributable to:			
	- Owners of the Company		98.19	(175.05)
	- Non-controlling interests		0.42	(2.10)
			98.61	**(177.15)**
	Total comprehensive income for the year attributable to:			
	- Owners of the Company		273.91	(25.74)
	- Non-controlling interests		(110.23)	(5.83)
			163.68	**(31.57)**
XIII	**Earnings per equity share (face value ₹ 10 per share):**			
	(1) Basic	35	5.35	4.54
	(2) Diluted	35	5.35	4.54

Note 1 to 50 forms part of the consolidated financial statements.

In terms of our report attached.

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, 2018

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, 2018

CONSOLIDATED CASH FLOW STATEMENT

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	65.07	145.58
Adjustments for:		
Income tax expense recognised in profit or loss	162.50	74.10
Share of profit of associates	1.94	(16.25)
Share of profit of joint ventures	(67.83)	(78.54)
Finance costs	3,739.34	3,086.33
Interest income	(149.80)	(140.67)
Rates & taxes written off	4.03	-
Profit on sale of investments (net)	(369.14)	(76.93)
Dividend Income	(6.66)	(6.18)
Profit on sale of fixed assets (net)	(7.14)	(0.37)
Provision for employee benefits (net)	3.32	5.95
Provision for overlay (net)	36.29	19.03
Provision for replacement cost (net)	22.69	11.69
Provision for claims	18.13	-
Provision for bad and doubtful debts and receivables	59.59	27.97
Reversal of ECL on rights under service concession arrangements	(739.40)	-
Unwinding of Discount	(14.86)	-
Expected credit losses on trade receivable (net)	(4.71)	15.62
Expected credit losses on other financial assets (net)	(60.25)	21.66
Expected credit losses on loans (net)	13.67	59.78
Depreciation and amortisation of non-current assets	412.97	365.72
Excess provision written back	(5.97)	(4.35)
Exchange(gain)/ loss	(2.28)	13.35
	3,111.50	**3,523.49**
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(560.46)	(1,056.43)
(Increase)/decrease in inventories	53.73	(32.98)
(Increase)/decrease in other assets	(840.59)	(89.98)
Increase/ (Decrease) in trade and other payables	1,483.47	201.24
	136.15	**(978.15)**
Cash generated from operations	**3,247.65**	**2,545.33**
Direct tax paid (net)	(168.69)	(175.03)
Net cash generated by operating activities (A)	**3,078.96**	**2,370.31**
Cash flows from investing activities		
Payments for property, plant and equipment, Intangible assets	(3,579.25)	(2,969.05)
Proceeds from disposal of property, plant and equipment and intangible assets	59.93	9.00
Increase in receivable against service concession arrangements (net)	(246.56)	(768.36)
Finance income	74.79	225.28
Investments in associates and joint ventures	(150.33)	(4.46)
Proceed from sale of investment in subsidiary and associates	308.45	235.46
Dividend received from associates	4.46	115.90
Dividend received from joint ventures	108.68	-
Purchase of other investments	(45.48)	-
Advance for sale of subsidiary	270.00	-
Sale of other investments	266.37	32.00
Investment in Mutual funds	(276.54)	(360.00)
Redemption of Mutual funds	-	360.18
Long term loans repaid / (given) (net)	(227.65)	4.54
Short term loans repaid / (given) (net)	133.69	(156.90)
Inter-corporate deposits (placed) / matured (net)	-	(7.60)
Dividend received	6.66	0.60
Net cash used in investing activities (B)	**(3,292.78)**	**(3,283.41)**

CONSOLIDATED CASH FLOW STATEMENT

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cash flows from financing activities		
Proceeds from borrowings	25,446.58	15,555.04
Repayment of borrowings	(20,316.65)	(10,341.12)
Redemption of preference shares with premium	(256.37)	-
Finance costs paid	(4,001.75)	(3,584.00)
Equity dividend paid	-	(69.52)
Tax on equity dividend paid	-	(20.90)
Proceeds from minority interest	24.61	1.89
Preference dividend paid	(84.77)	(78.86)
Tax on Preference dividend paid	(10.12)	(12.89)
Movement in other bank balances	(500.54)	(85.11)
Net cash generated in financing activities (C)	**300.99**	**1,364.53**
Net increase in cash and cash equivalents (A+B+C)	**87.17**	**451.43**
Cash and cash equivalents at the beginning of the year	699.92	404.32
Impact of acquisition of subsidiary	(0.26)	(141.00)
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	28.50	(14.83)
Cash and cash equivalents at the end of the year	**815.33**	**699.92**
Components of Cash and Cash Equivalents		
Cash on hand	6.90	5.77
Cheques/ draft on hand	1.14	-
Balances with Banks in current accounts	682.75	675.96
Balances with Banks in deposit accounts	239.65	159.93
Cash and Cash Equivalents	**930.44**	**841.66**
Less - Secured Demand loans from banks (Cash credit) (shown under current borrowings in note 18)	117.34	132.35
Less - Bank overdraft (note 18)	-	9.39
Sub total	**813.10**	**699.92**
Add - Cash and Cash Equivalents classified as held for sale (note 25)	2.23	-
Cash and cash equivalents for statement of cash flows	**815.33**	**699.92**

Footnote: The impact of non-cash transactions have not been given in the 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 **S R B C & CO LLP**
Chartered Accountants
(Firm's Registration No. 324982E/E300003)

per **Ravi Bansal**
Partner
Membership No. 49365
Mumbai, May 29, 2018

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, 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

₹ in Crore

a. Equity share capital	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
Balance as at the beginning of the year	328.96	328.96
Changes in equity share capital during the year	-	-
Balance as at end of the year	**328.96**	**328.96**

Statement of changes in equity for the year ended March 2018

₹ in Crore

b. Other equity	Reserves and surplus									Items of other comprehensive income							
	Capital reserve	Securities premium reserve	General reserve	Capital reserve on consolidation	Debenture redemption reserve	Capital redemption reserve	Foreign currency monetary items translation difference account	Retained earnings	Total	Effective portion of cash flow hedge	Foreign currency translation reserve	Defined benefit plan adjustment	Others	Total	Attributable to owners of the parent	Non-controlling interests	Total
Balance as at April 1, 2017	1,174.57	2,185.98	183.76	36.05	180.30	-	4.76	274.86	4,040.28	(82.48)	(94.10)	(2.18)	(5.80)	(184.56)	3,855.72	435.67	4,291.39
Profit for the year	-	-	-	-	-	-	-	175.72	175.72	-	-	-	-	-	175.72	(110.65)	65.07
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	-	(3.89)	97.55	(1.38)	5.91	98.19	98.19	0.42	98.61
Transfer from retained earnings to Debenture Redemption Reserve	-	-	-	-	196.42	-	-	(196.42)	-	-	-	-	-	-	-	-	-
Reversed during the year	-	-	-	-	-	-	(22.86)	-	(22.86)	-	-	-	-	-	(22.86)	-	(22.86)
Transfer from General Reserve to Capital Redemption Reserve	-	-	(127.25)	-	-	127.25	-	-	-	-	-	-	-	-	-	-	-
Additional shares issued to/ share application money from non controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24.63	24.63
Disposal of partial interest in subsidiary	(63.62)	-	-	-	-	-	-	15.08	(48.54)	-	-	-	-	-	(48.54)	114.87	66.33
Other adjustments	-	-	-	-	-	-	-	(28.04)	(28.04)	-	-	-	2.07	2.07	(28.04)	-	(25.97)
Balance as at March 31, 2018	**1,110.95**	**2,185.98**	**56.51**	**36.05**	**376.72**	**127.25**	**(18.10)**	**241.20**	**4,116.56**	**(86.37)**	**3.45**	**(3.56)**	**2.18**	**(84.30)**	**4,032.26**	**464.94**	**4,497.20**

Statement of changes in equity for the year ended March 2017

₹ in Crore

b. Other equity	Reserves and surplus									Items of other comprehensive income							
	Capital reserve	Securities premium reserve	General reserve	Capital reserve on consolidation	Debenture redemption reserve	Capital redemption reserve	Foreign currency monetary items translation difference account	Retained earnings	Total	Effective portion of cash flow hedge	Foreign currency translation reserve	Defined benefit plan adjustment	Others	Total	Attributable to owners of the parent	Non-controlling interests	Total
Balance as at April 1, 2016	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)	(134.50)	(0.38)	(4.46)	(175.05)	(175.05)	(2.10)	(177.15)
Payment of final dividends (including dividend tax)	-	-	-	-	-	-	-	(90.48)	(90.48)	-	-	-	-	-	(90.48)	-	(90.48)
Transfer from debenture redemption reserve 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)
Additional non-controlling interests arising on acquisition (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
Balance as at March 31, 2017	**1,174.57**	**2,185.98**	**183.76**	**36.05**	**180.30**	**-**	**4.76**	**274.86**	**4,040.28**	**(82.48)**	**(94.10)**	**(2.18)**	**(5.80)**	**(184.56)**	**3,855.72**	**435.67**	**4,291.38**

Note 1 to 50 forms part of the consolidated financial statements.

In terms of our report attached.

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, 2018

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, 2018

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 though 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.

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 Financial statements have been prepared on going concern basis considering the Group's ability to raise requisite finance/generate cash flows from strategic initiatives in future to meet its obligations.

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;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and

NOTES

forming part of the Consolidated Financial Statements

- 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). 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.

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forming part of the Consolidated Financial Statements

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 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

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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 groups 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 B.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 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

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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

The Group regularly evaluates the investment portfolio and as part of monetization plan decides to dispose/ sell the investments. Any gain arising out of sale of investments of associates, joint venture are recognized to Statement of Profit and Loss and included as part of Other Operating Income.

In case of losses, it is recognized as other expenses in the Statement of Profit and 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.

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The Group accounts for the assets, liabilities, revenues, and expenses relating to its interest 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.

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- Quantitative disclosures of fair value measurement hierarchy (Note 39)
- 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 39)
- 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 ("SCAs"), which is an arrangement between the "grantor" (a public sector entity/authority) and the "operator" (a private sector entity) to provide services that give the public access to major economic and social facilities utilizing private-sector funds and expertise. The infrastructures accounted for by the 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 SCAs including the construction, upgradation, restoration of infrastructure and future services associated with the operation and maintenance of assets in the concession period. Revenue recognition, as well as, the main characteristics of these contracts 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 &

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maintenance services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The 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, Connectivity charges, Lease rent, etc.) in accordance with the provisions of Ind AS 38 and is amortized based on projected traffic count, revenue or over concession period 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.

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 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

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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 SCAs*

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 / 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

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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. With respect to Rail assets, the amortization of such intangible rights is based on straight line method over period concession.

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 is 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.

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.

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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 April 1, 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.

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 Group's general policy on borrowing costs (see note 36). Contingent rentals are recognized as expenses in 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 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.

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.

B.10.2 Group as lessor

1. Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from 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 Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group'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.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

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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;

- 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 of development of assets requiring a substantial period of time to prepare for

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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.

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 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

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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.

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.

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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 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
All categories of assets costing less than ₹ 5,000/- each	Fully depreciated in the year of purchase

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

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independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

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
General software	4 years

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

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the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the 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.22.1Classification 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 FVTOCI 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 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 are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

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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.

On derecognition of a financial asset in its entirety,

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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.

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

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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 recognised less, when appropriate, the cumulative amount of income recognised 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 operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

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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.

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

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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 Group 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 Group 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 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 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.

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2. Property, plant and equipment and Capital work-in- progress

₹ in Crore

Particulars	Cost							Accumulated Depreciation							Carrying Amount	
	Balance as at April 1, 2017	Opening Adjustments	Additions	Deductions	Derecognised on disposal of a subsidiary	Effect of foreign currency exchange differences	Balance at March 31, 2018	Balance as at April 1, 2017	Opening Adjustments	Deductions	Eliminated on disposal of a Subsidiary	Depreciation expense	Effect of foreign currency exchange differences	Balance at March 31, 2018	As at March 31, 2018	As at April 1, 2017
Property plant and equipment														-		
Land	2.49	-	-	-	-	0.20	2.69	-	-	-	-	-	-	-	2.69	2.49
Building and structures	140.92	-	20.16	(0.75)	-	7.36	167.69	28.49	-	(0.21)	-	15.35	0.31	43.94	123.75	112.43
Vehicles	31.10	-	7.11	(2.97)	-	5.94	41.18	4.32	-	(2.51)	-	8.23	6.47	16.51	24.67	26.78
Data processing equipments	4.09	-	2.00	(2.14)	-	0.53	4.48	2.30	-	(2.02)	-	1.72	0.57	2.57	1.91	1.79
Office premises (Refer Foot note 1)	4.27	-	-	(4.03)	-	0.19	0.43	0.15	-	-	-	0.07	0.21	0.43	-	4.12
Office equipments	3.60	-	1.72	(2.64)	-	1.21	3.89	1.44	-	(2.55)	-	1.55	0.58	1.02	2.87	2.16
Leasehold improvements	1.53	-	-	-	-	(0.05)	1.48	0.90	-	-	-	0.48	(0.06)	1.32	0.16	0.63
Furniture and fixtures	15.65	-	14.75	(0.55)	-	0.89	30.74	2.66	-	(0.51)	-	4.02	2.10	8.27	22.47	12.99
Electrical installations	20.86	-	7.73	(0.29)	-	20.12	48.42	5.75	-	(0.12)	-	4.52	4.00	14.15	34.27	15.11
Plant and machinery	203.73	-	58.49	(16.64)	-	20.64	266.22	1.03	-	(3.01)	-	25.47	28.04	51.53	214.69	202.70
Property plant and equipment taken on lease :																
Plant and machinery	10.87	-		-	-	4.89	15.76	(0.87)	-	-	-	3.88	0.09	3.10	12.66	11.74
Vehicles	10.97	-	11.01	(0.24)	-	2.56	24.30	2.87	-	(0.15)	-	2.61	0.35	5.68	18.62	8.10
Furniture and fixtures	0.05	-	1.15	-	-	(0.05)	1.15	0.00	-	-	-	-	0.00	0.00	1.15	0.05
Building and structures	22.47	-	-	-	-	(12.17)	10.30	1.17	-	-	-	1.71	(1.50)	1.38	8.92	21.30
Land	4.30	-	5.47	-	-	0.72	10.49	-	-	-	-	-	-	-	10.49	4.30
Subtotal (a)	**476.90**	**-**	**129.59**	**(30.25)**	**-**	**52.98**	**629.22**	**50.21**	**-**	**(11.08)**	**-**	**69.61**	**41.16**	**149.90**	**479.32**	**426.69**
Less: Assets classified as held for sale (b)	**1.51**	**-**	**-**	**-**	**-**	**-**	**1.51**	**1.29**	**-**	**-**	**-**	**0.21**	**-**	**1.50**	**0.01**	**-**
Capital work-in-progress (c)	**15.88**	**-**	**34.21**	**(18.44)**	**-**	**0.63**	**32.28**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**32.28**	**15.88**
Total (a-b+c)	**491.27**	**-**	**163.80**	**(48.69)**	**-**	**53.61**	**659.99**	**48.92**	**-**	**(11.08)**	**-**	**69.40**	**41.16**	**148.40**	**511.59**	**442.57**

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₹ in Crore

Particulars	Cost							Accumulated Depreciation							Carrying Amount	
	Balance as at April 1, 2016	Opening Adjustments	Additions	Deductions	Derecognised on disposal of a subsidiary	Effect of foreign currency exchange differences	Balance at March 31, 2017	Balance as at April 1, 2016	Opening Adjustments	Deductions	Eliminated on disposal of a Subsidiary	Depreciation expense	Effect of foreign currency exchange differences	Balance at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Property plant and equipment																
Land	2.61	-	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)	(0.05)	10.43	(5.22)	4.32	26.78	34.18
Data processing equipments	4.69	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)	(0.03)	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)	(0.02)	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 taken 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
Subtotal (a)	**312.38**	**4.76**	**230.85**	**(32.02)**	**(0.20)**	**(38.87)**	**476.90**	**30.46**	**(0.89)**	**(20.62)**	**(0.10)**	**67.34**	**(25.98)**	**50.21**	**426.69**	**281.92**
Capital work-in-progress (b)	66.20	(5.10)	11.73	(52.50)	-	(4.45)	15.88	-	-	-	-	-	-	-	15.88	66.20
Total (a+b)	**378.58**	**(0.34)**	**242.58**	**(84.52)**	**(0.20)**	**(43.32)**	**492.78**	**30.46**	**(0.89)**	**(20.62)**	**(0.10)**	**67.34**	**(25.98)**	**50.21**	**442.57**	**348.12**

Footnote :

1. Deductions from Office premises, for the current year, includes transfer to investment property of ₹ 4.03 crore.
2. Additions to Plant and Machinery for the year ended March 31, 2017 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 Other Income (refer Note 37.2)

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3. Investment property

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Investment property	5.71	2.47
Investment property under development	118.93	115.31
Total	**124.64**	**117.78**

a) Investment property

₹ in Crore

Cost	As at March 31, 2018	As at March 31, 2017
Balance at beginning of year	3.10	3.31
Transfer from Property, plant and equipement	4.03	-
Disposals	(1.05)	-
Effect of foreign currency exchange differences	0.32	(0.21)
Balance at end of the year (A)	**6.40**	**3.10**

₹ in Crore

Accumulated depreciation and impairment	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	0.63	0.53
Additions	0.09	0.14
Disposals	(0.23)	-
Transferred from property, plant and equipment	0.14	-
Effect of foreign currency exchange differences	0.06	(0.04)
Balance at end of the year (B)	**0.69**	**0.63**
Carrying Value (A) - (B)	**5.71**	**2.47**

Information regarding income and expenditure of Investment property

₹ in Crore

	Year ended March 31, 2018	Year ended March 31, 2017
Rental income derived from investment properties	0.09	-
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	0.09	-
Less - Depreciation	(0.09)	(0.14)
Profit arising from investment properties before indirect expenses	(0.00)	(0.14)

b) Investment property under development

₹ in Crore

Carrying Amount	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	115.31	115.31
Add: Stamp duty and other taxes paid during the year	6.75	-
Less: Impairment loss provided during the year	(3.13)	-
Balance at end of the year	**118.93**	**115.31**

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₹ in Crore

Impairment during the year	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	-	-
Addition during the year (refer note 29)	(3.13)	-
Reversal during the year	-	-
Balance at end of the year	**(3.13)**	-

Footnote:

a) The Group has an investment property held by its subsidiaries in Spain and UAE.

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 Group.

c) All of the Group's investment properties are held under freehold interests.

3.1 Fair value measurement of the Group's investment properties

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

₹ in Crore

Particulars	Fair value as per Level 2	
	As at March 31, 2018	As at March 31, 2017
Investment property	6.78	3.92
Investment property under development (Refer Footnote)	118.93	118.93
Total	**125.71**	**122.85**

Footnote

1. Fair value of investment property is determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices,significantly adjusted for difference in nature,location or condition of the specific property.
2. Fair value of investment property under development is determined by using market comparable method. This means that valuations performed by the valuer are based on active market prices,significantly adjusted for difference in nature, location or condition of the specific property. As at March 31, 2018 and March 31, 2017 the property is fair valued based on valuations performed by one of the independent valuer who has relevant valuation experience for similar properties in India.
3. Considering the fair value of Investment Property under development as above, the Group has recognised impairment loss of ₹ 3.13 crore.

4. Goodwill on consolidation

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Cost	156.01	167.86
Total	**156.01**	**167.86**

₹ in Crore

Cost	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	167.86	179.95
Derecognised on disposal of a subsidiary (refer Note 40.2.3)	(12.01)	(11.11)
Effect of foreign currency exchange differences	0.16	(0.98)
Balance at end of year	**156.01**	**167.86**

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.

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₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
- Operation and maintenance	156.01	155.85
- Others	-	12.01
Total	**156.01**	**167.86**

4.2 Impairment Testing

The Group performed its annual impairment test for year ended 31 March 2018 for its goodwill on consolidation of subsidiaries. The Group has prepared cash flow projection models for subsidiaries to which goodwill relates for the purpose of testing of impairment. The Group is following one valuation approach i.e. Discounted Cash Flow (DCF) Method, under which the value of each subsidiary is derived by discounting the future debt free cash flow accruing to the subsidiaries over remaining life of the project. As the March 31, 2018, the recoverable value of its investment in subsidiaries to which goodwill relates is higher than the carrying amount of such investment, hence, above Goodwill is not considered to be impaired.

Key Assumptions Used:

Following are the key assumptions used for the purpose of calculation of value of each subsidiary and thereby for testing impairment:

Revenue Growth
Operating Expenses
Interest Rate and Repayement Schedule
Discount Rate
Terminal growth Rate

Revenue Growth

The subsidiary of the Group operate under the Build, Operate and Transfer (BOT) and Design, Build, Finance, Operate and Transfer (DBFOT) contracts with the government authorities (grantor). Under these Contracts SPVs gets toll collection rights (Toll Projects) or fixed annuity amount (Annuity Projects) from the grantors of Contracts against construction services rendered. For Toll Projects, the Group has considered recent available traffic study for estimating projected revenue growth. For Annuity Projects, the Group has considered the annuity schedules agreed with grantors.

Operating Expenses

The Group has operating and maintainance agreement with its subsidiaries for all the estimated maintainance expenses during concession period. The operating expenses of the subsidiaries has been considered basis these agreements.

Interest Rate and Repayement Schedule

The Group has projected Interest rate and repayment schedule of borrowings based on the existing loan agreements with various lenders of each Subsidiary.

Discount Rates

Discount rates represent the current market assessment of the risks specific to each subsidiary, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

Terminal growth Rate

The Group has estimated Terminal growth rate based on the inflation of the markets where it is operating.

Sensitivity to changes in key assumption:

Implications of the key assumption for the recoverable amount is discussed below:

Discount rate

Change in market risks and global economic and political scenario may result into increase in the expected discount rate. In such scenario, the Group may have to provide for additional impairment.

Revenue growth rate

The subsidiary of the Group has considered revenue growth rate ranging between 3 to 5%, based on recent available traffic study or previous trend on order book or management estimates for new orders. In case of reduction in growth rate by 1- 2%, the Group may have to provide for additional impairment.

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5. Intangible assets

₹ in Crore

Particulars	Cost						Accumulated Amortisation						Carrying Amount	
	Balance as at April 1, 2017	Opening Adjustments	Additions / Adjustments	Deductions	Effect of foreign currency exchange differences	Balance as at March 31, 2018	Balance as at April 1, 2017	Opening Adjustments	Amortisation expense	Deductions	Effect of foreign currency exchange differences	Balance as at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Software / Licences acquired	8.80	-	0.70	(0.06)	2.83	12.27	5.19	-	2.27	(0.06)	2.26	9.66	2.61	3.61
Commercial rights acquired	7.39	-	-	(7.39)	-	-	7.39	-	-	(7.39)	-	-	-	-
Others	30.94	-	-	-	10.20	41.14	16.40	-	7.77	-	7.15	31.32	9.82	14.54
Subtotal (a)	**47.13**	**-**	**0.70**	**(7.45)**	**13.03**	**53.41**	**28.98**	**-**	**10.04**	**(7.45)**	**9.41**	**40.98**	**12.43**	**18.15**
Rights under service concession arrangements (Refer Foot Note 4)	13,457.12	-	2,521.71	-	17.67	15,996.50	585.15	-	319.78	-	3.60	908.53	15,087.97	12,871.96
Less :Classified as Asset Held for Sale	**2,131.00**	**-**	**15.44**	**(52.93)**	**-**	**2,093.51**	**72.27**	**-**	**45.00**	**-**	**-**	**117.27**	**1,976.24**	**-**
Subtotal (b)	**11,326.12**	**-**	**2,506.27**	**52.93**	**17.67**	**13,902.98**	**512.88**	**-**	**274.78**	**-**	**3.60**	**791.26**	**13,111.73**	**12,871.96**
Intangible assets under development (c)	8,454.85	-	3,375.39	(2,251.64)	0.86	9,579.46	-	-	13.45	-	-	13.45	9,566.01	8,454.85
Total (a+b+c)	**19,828.10**	**-**	**5,882.36**	**(2,206.16)**	**31.56**	**23,535.86**	**541.86**	**-**	**298.27**	**(7.45)**	**13.01**	**845.69**	**22,690.17**	**21,344.96**

₹ in Crore

Particulars	Cost						Accumulated Amortisation						Carrying Amount	
	Balance as at April 1, 2016	Opening Adjustments	Additions	Deductions	Effect of foreign currency exchange differences	Balance as at March 31, 2017	Balance as at April 1, 2016	Opening Adjustments	Amortisation expense	Deductions	Effect of foreign currency exchange differences	Balance as at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Software / Licences acquired	8.83	(0.28)	1.82	(0.06)	(1.51)	8.80	3.38	(0.15)	3.38	(0.06)	(1.36)	5.19	3.61	5.45
Commercial rights acquired	7.39	-	-	-	-	7.39	2.71	-	4.68	-	-	7.39	-	4.68
Others	23.07	12.07	-	-	(4.20)	30.94	10.38	0.53	8.76	-	(3.27)	16.40	14.54	12.69
Subtotal (a)	**39.29**	**11.79**	**1.82**	**(0.06)**	**(5.71)**	**47.13**	**16.47**	**0.38**	**16.82**	**(0.06)**	**(4.63)**	**28.98**	**18.15**	**22.82**
Rights under service concession arrangements (b)	9,673.46	(6.48)	3,832.55	(30.71)	(11.70)	13,457.12	315.68	1.78	281.42	(12.26)	(1.47)	585.15	12,871.96	9,357.78
Intangible assets under development (c)	8,704.44	(8.94)	3,715.50	(3,955.28)	(0.87)	8,454.85	-	-	-	-	-	-	8,454.85	8,704.44
Total (a+b+c)	**18,417.19**	**(3.63)**	**7,549.87**	**(3,986.05)**	**(18.28)**	**21,959.10**	**332.15**	**2.16**	**298.24**	**(12.32)**	**(6.10)**	**614.13**	**21,344.97**	**18,085.04**

Impairment testing of Rights under service concession arrangements (SCA)

The Group performed its annual impairment test for year ended 31 March 2018 for Rights under service concession arrangements by comparing value in use Vis a vis Carrying value. The Group has prepared cash flow projection models of its respective projects for the purpose of impairment testing. The Group is following one valuation approach i.e. Discounted Cash Flow (DCF) Method, under which value in use is derived by discounting the future cash inflows as reduced by future committed cash outflows accruing to the project over remaining life of the project. As at March 31, 2018, the value in use of rights under SCA is not below the carrying amount recorded in books of accounts hence, above asset is not considered to be impaired.

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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:

   ₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Cumulative Margin on construction in respect of Intangible Assets / Intangible Assets under development	2,323.92	2,015.26

₹ in Crore

Particulars	Year ended	
	March 31, 2018	March 31, 2017
Amortisation charge in respect of intangible assets	319.78	281.42

2. The commercial rights have been extinguished as at March, 31, 2017 and accordingly the cost and accumulated amortisation has been adjusted during the year and net balance is Nil.
3. Additions in Rights under service concession arrangements represents projects capitalised during the respective years as reduced by claims and grants accounted post capitalisation.
4. In accordance with the Ind AS 109 on Financial Instruments, the Group has recognised gross financial liabilities (related to Connectivity Charges and Land License Fee) and corresponding Intangible Assets as per Service Concession Arrangement as per Appendix C of Ind AS 11, these were netted off in earlier years. Effect of the same amounting to ₹ 299.24 crore is shown under additions/ adjustments to Rights under service concession arrangements.

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, 2018		As at March 31, 2017	
	Qty	Amount	Qty	Amount
Quoted Investments (all fully paid)				
Investments in Equity Instruments				
Noida Toll Bridge Company Limited (Refer Footnote 1)	49,095,007	223.63	49,095,007	238.89
Total aggregate quoted investments (A)		**223.63**		**238.89**

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₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Qty	Amount	Qty	Amount
Unquoted Investments (all fully paid)				
Investments in Equity Instruments (at cost)				
Pario Development Private Limited	3,300	-	-	-
Gujarat Road and Infrastructure Company Limited	-	-	14,873,366	45.71
ITNL Toll Management Services Limited	24,500	-	24,500	-
Ramky Elsamex Hyderabad Ring Road Ltd.	5,200,000	16.42	5,200,000	15.10
CGI-8 S.A	491	0.46	491	0.34
Sociedad Concesionaria Autovía A-4 Madrid, S.A.	917,804	25.05	917,804	9.98
Geotecnia y Control de Qualitat, S.A.	1,000	0.78	1,000	0.59
Consorcio de Obras Civiles, Conciviles S.R.L	34	9.58	34	9.22
Vías y Construcciones Viacon S.R.L	500	0.05	500	0.19
Elsamex Roads and Infrastructure Company WLL	8,800	0.18	8,800	0.15
Investments in Prefernce Shares (at amortised cost)				
Pario Development Private Limited	15,000,000	158.37	-	-
Total aggregate unquoted investments (B)		**210.89**		**81.28**
Total investments carrying value (A) + (B)		**434.52**		**320.17**

Particulars	As at March 31, 2018		As at March 31, 2017	
	Cost	Market value	Cost	Market value
Aggregate market value of quoted investments	223.63	59.16	238.89	55.23

Footnote:

1. Pursuant to the order of the Hon'ble High Court of Allahabad, the collection of toll at an associate company was suspended since October 26, 2016 and the matter is pending with the Arbitrator. 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 of associate are fully recoverable. Consequently the Company is of the view that it would be appropriate to carry its investment of the associate at ₹ 223.63 crore.

2. During the year ended March 31, 2018, the Company has sold its investment of 14,735,076 equity share held in Gujarat Road and Infrastructure Company Limited. The profit on sale of ₹ 182.39 crore from this transaction is included under revenue from operations.

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, 2018	Year ended March 31, 2017
The Group's share of profit / (loss)	(1.94)	16.25
The Group's share of other comprehensive income	0.01	(0.09)
The Group's share of total comprehensive income	**(1.93)**	**16.16**

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Aggregate carrying amount of the Group's interests in these associates	434.52	320.17

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Unrecognised share of losses of an associate

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Share of profit / (loss) for the year	(4.35)	0.32

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Cumulative share of loss of an associate	(5.18)	(0.83)

7. Investments in joint ventures

7.1 Break-up of investments in joint ventures (carrying amount determined using the equity method of accounting)

₹ in Crore

	Particulars	As at March 31, 2018		As at March 31, 2017	
		Qty	Amount	Qty	Amount
Unquoted Investments (all fully paid)					
(a)	Investments in Equity Instruments (at cost)				
	Jorabat Shillong Expressway Limited	42,000,000	68.94	42,000,000	70.81
	NAM Expressway Limited	116,754,970	358.30	116,754,970	391.48
	Thiruvananthapuram Road Development Company Limited	17,030,000	-	17,030,000	-
	Warora Chandrapur Ballarpur Toll Road Limited	61,708,500	113.31	61,708,500	110.86
	Chongqing Yuhe Expressway Co. Ltd.	77,166	1,234.69	77,166	1,164.68
(b)	Investments in covered warrant				
	In favour of Jharkhand Accelerated Road Development Company Limited	7,400,000	8.11	7,400,000	8.00
	In favour of Road Infrastructure Development Company of Rajasthan Limited	162,500,000	-	162,500,000	-
Total Aggregate Unquoted Investments			**1,783.35**		**1,745.83**
Less : Provision for diminution in the value of Investments					
Jorabat Shillong Expressway Limited (Refer 7.4 below)			26.01		
Total investments carrying value			**1,757.34**		**1,745.83**

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, 2018	As at March 31, 2017
Chongqing Yuhe Expressway Co. Ltd.	Surface transportation	China	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.

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₹ in Crore

Chongqing Yuhe Expressway Co. Ltd.	As at March 31, 2018	As at March 31, 2017
Non-current assets	3,412.16	2,949.67
Current assets	73.04	165.63
Non-current liabilities	1,581.35	1,530.59
Current liabilities	267.39	84.08

The above amounts of assets and liabilities include the following:

₹ in Crore

Chongqing Yuhe Expressway Co. Ltd.	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents	3.44	30.53
Current financial liabilities (excluding trade payables and provisions)	168.96	55.90

₹ in Crore

Chongqing Yuhe Expressway Co. Ltd.	Year ended March 31, 2018	Year ended March 31, 2017
Revenue	517.13	499.16
Profit for the year	204.72	175.31
Other comprehensive income for the year	152.90	(135.93)
Total comprehensive income for the year	357.62	39.39
Dividends received from the joint venture during the year	108.68	94.39

₹ in Crore

The above profit / (loss) for the year include the following:	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation and amortisation	133.76	137.92
Interest income	6.17	2.39
Interest expense	75.19	80.30
Income tax expense / (income)	(36.16)	30.98

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, 2018	As at March 31, 2017
Net assets of the joint venture	1,636.46	1,500.64
Proportion of the Group's ownership interest in the joint venture (49%) (A)	801.87	735.31
Goodwill (B)	268.60	249.55
Exchange differences arising on translating the foreign operations (C)	164.22	179.82
Carrying amount of the Group's interest in the joint venture (A+B+C)	**1,234.69**	**1,164.68**

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7.3 Aggregate information of joint ventures that are not individually material

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
The Group's share of profit / (loss)	(32.48)	(7.36)
The Group's share of other comprehensive income	-	-
The Group's share of total comprehensive income	(32.48)	(7.36)

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Aggregate carrying amount of the Group's interests in these joint ventures	522.65	581.15

7.4 Unrecognised share of losses of joint ventures

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Share of profit / (loss) for the year	(42.74)	12.34

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Cumulative share of loss of joint ventures	(169.37)	(126.63)

7.4 Impairment of Investments

The Group performed its annual impairment test for year ended 31 March 2018 for its investments based on fair value less costs to sell. The Group has prepared cash flow projection models for investment for the purpose of testing of impairment of investments. The Group is following one valuation approach i.e. Discounted Cash Flow (DCF) Method, under which the value of each SPV is derived by discounting the future debt free cash flow accruing to the SPV over remaining life of the project. As at March 31, 2018, the recoverable value of one investment is below the carrying amount recorded in books of accounts indicating potential impairment in these investments. As a result of this analysis, the Group has recognised impairment loss of ₹ 26.01 crore as above.

Key Assumptions Used:

Following are the key assumptions used for the purpose of calculation of value of investment in each SPV and thereby for testing impairment:

Revenue Growth
Operating Expenses
Interest Rate and Repayement Schedule
Discount Rate
Terminal growth Rate

Revenue Growth

The SPVs of the Group operate under the Build, Operate and Transfer (BOT) and Design, Build, Finance, Operate and Transfer (DBFOT) contracts with the government authorities (grantor). Under these Contracts SPVs gets toll collection

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rights (Toll Projects) or fixed annuity amount (Annuity Projects) from the grantors of Contracts against construction services rendered. For Toll Projects, the Group has considered recent available traffic study for estimating projected revenue growth. For Annuity Projects, the Group has considered the annuity schedules agreed with grantors.

Operating Expenses

The Group has operating and maintainance agreement with its SPVs for all the estimated maintainance expenses during concession period. The operating expenses of the SPVs has been considered basis these agreements.

Interest Rate and Repayement Schedule

The Group has projected Interest rate and repayment schedule of borrowings based on the existing loan agreements with various lenders of each SPV.

Discount Rates

Discount rates represent the current market assessment of the risks specific to each SPV, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.

Terminal growth Rate

The Group has estimated Terminal growth rate based on the inflation of the markets where it is operating.

Sensitivity to changes in key assumption:

Implications of the key assumption for the recoverable amount is discussed below:

Discount rate

Change in market risks and global economic and political scenario may result into increase in the expected discount rate. In such scenario, the Group may have to provide for additional impairment.

8. Investments

8A. Non Current Investments

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Unquoted Investments (all fully paid)		
Investments in Equity Instruments	0.70	22.60
Investments in Debentures	45.48	-
Total Investments	**46.18**	**22.60**

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Financial assets carried at fair value through profit or loss (FVTPL)		
Held for trading non-derivative financial assets	-	22.13
Sub-total (a)	**-**	**22.13**
Financial assets carried at amortised cost		
Debentures	45.48	-
Sub-total (b)	**-**	**-**
Grand total (a+b)	**45.48**	**22.13**

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8B. Current Investments

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Qty	Amount	Qty	Amount
Investment in Mutual funds (Fair value through profit or loss- FVTPL)*	1,017,510.60	276.31		
Total Investments (A)		**276.31**		-

* Non-derivative financial assets held for trading

9. Trade receivables

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Trade receivables from related parties (refer note 44)				
-Unsecured, considered good	-	235.12	-	133.37
Less : Allowance for expected credit loss	-	(18.92)	-	(23.88)
Trade receivables from others				
-Unsecured, considered good	1.77	1,128.80	1.57	927.13
Less : Allowance for expected credit loss	-	(33.96)		(33.62)
-Unsecured, considered doubtful	-	86.02	-	80.22
Less : Allowance for bad and doubtful debts	-	(86.02)	-	(80.22)
Total	**1.77**	**1,311.04**	**1.57**	**1,003.00**

Footnotes:

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

b. Trade receivables are generally on terms of 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 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 weighted average cost of borrowings of the Group.

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 March 31, 2018	As at March 31, 2017
Balance at beginning of the year	57.50	41.88
Expected credit loss allowance on trade receivables	10.63	27.73
Reversal of Expected credit losses on trade receivables	(15.25)	(12.11)
Balance at end of the year	**52.88**	**57.50**

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10. Loans

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
a) Loans to related parties (Refer note 43)				
-Unsecured, considered good	220.82	369.77	159.52	437.51
Less : Allowance for expected credit loss	(98.08)	-	(55.48)	(22.69)
Subtotal (a)	**122.74**	**369.77**	**104.04**	**414.82**
b) Loans to other parties				
-Unsecured, considered good	472.25	44.24	167.72	327.45
Less : Allowance for expected credit loss	(60.84)	-	(2.49)	(64.59)
-Unsecured, considered doubtful	-	50.36	-	9.21
Less : Allowance for bad and doubtful debts	-	(50.36)	-	(9.21)
Subtotal (b)	**411.41**	**44.24**	**165.23**	**262.86**
Total (a+b)	**534.15**	**414.01**	**269.27**	**677.68**

Footnotes:

a. Expected credit loss ("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 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 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

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	145.25	85.47
Expected credit loss allowance on loans given	40.25	62.68
Reversal of Expected credit losses on loans given	(26.58)	(2.90)
Balance at end of the year	**158.92**	**145.25**

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

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Receivable under service concession arrangements	9,224.76	643.54	7,635.40	1,237.29
Claim receivable from authority	354.54	1,380.62	812.69	765.65
Derivative assets	1.84	-	-	-
Advances recoverable :				
From related parties (Refer Note 43)	-	67.84	75.00	-
Allowance for expected credit loss	-	-	(21.61)	-
From related parties considered doubtful	-	22.06	-	22.06
Allowance for doubtful advances	-	(22.06)	-	(22.06)
From others	-	-	-	56.52
From others considered doubtful	20.00	-	20.00	-
Allowance for doubtful advances	(20.00)	-	(20.00)	-
Interest accrued - Related Party	-	-	-	0.07
Interest accrued - Others	-	-	0.01	-
Receivable for sale of investment		163.55	-	-
Call Option Premium Assets	3.67	-	3.67	-
Retention money receivable - Related Party (Refer Note 43)	54.38	-	40.68	-
Retention money receivable - Others	1.36	-	15.51	-
Security Deposits - Related Party (Refer Note 43)	1.27	-	0.15	-
Security Deposits - Others	16.66	7.57	9.62	10.56
Grant receivable	-	-	-	0.21
Unbilled Revenue	-	179.16	-	168.69
Balances with Banks in deposit accounts (under lien)	50.93	-	52.87	-
Interest Accrued on fixed deposits	-	9.80	-	1.41
Other Financial Assets	-	23.81	-	-
Inter-corporate deposits	-	0.09	-	-
Total	**9,709.41**	**2,475.98**	**8,623.99**	**2,240.40**

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 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 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

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The key elements have been tabulated below:

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Cumulative Margin on construction and operation & maintenance and renewal services recognised in respect of Financial Assets	842.98	838.29
Future Operation and maintenance and renewal services considered in respect of Financial Assets	1,827.61	2,661.97
Revenue recognised on Receivables against Service Concession Arrangement on the basis of effective interest method	4,855.84	4,090.85

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

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Raw materials	23.32	13.03
Work-in-progress	0.18	68.09
Stock-in-trade	-	12.84
Stores and spares	39.44	22.71
Total	**62.94**	**116.67**

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, 2018	As at March 31, 2017
Balances with Banks		
In current accounts	682.75	675.96
In deposit accounts	239.65	159.93
Cash on hand	6.90	5.77
Cheques/ draft on hand	1.14	-
Cash and cash equivalents	**930.44**	**841.66**
Unpaid dividend accounts	0.11	0.11
Balances held as margin money or as security against borrowings	802.93	381.97
Other bank balances	**803.04**	**382.08**

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 Group, and earn interest at the respective short-term deposit rates.

The Group has pledged a part of its short-term deposits to fulfil collateral requirements. Refer to Footnote 1 to Note 18 for further details.

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b. For the purpose of the statement of cash flows, cash and cash equivalents comprise the following :

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Cash and cash equivalents	**930.44**	**841.66**
Less – Secured Demand loans from banks (Cash credit) (shown under current borrowings in note 18)	117.34	132.35
Less – Unsecured Demand loans from banks (Bank overdraft) (shown under current borrowings in note 18)	-	9.39
Cash and cash equivalents for statement of cash flows	**813.10**	**699.92**

C. Non-cash transactions excluded from cash flow statement

i. During the current year, the short term loans given to certain Group Companies have been assigned to certain existing lenders of the Company aggregating ₹ 100 crore.

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

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Capital Advances				
-Secured, considered good	0.01	-	11.30	-
-Unsecured, considered good	7.24	-	14.67	-
Other advances	0.70	155.86	7.60	117.53
Prepaid expenses	23.21	135.11	23.77	132.62
Preconstruction and Mobilisation advances paid to contractors and other advances	308.52	555.16	319.76	173.45
Mobilisation advances considered doubtful	-	25.10	-	25.10
Allowance for doubtful advances	-	(25.10)	-	(25.10)
Indirect tax balances / Receivable credit	-	207.29	-	107.35
Others assets	4.17	68.00	-	35.91
Total	**343.85**	**1,121.42**	**377.10**	**566.86**

15. Equity Share Capital

Particulars	As at March 31, 2018		As at March 31, 2017	
	Number of shares	₹ in Crore	Number of shares	₹ in Crore
Authorised				
Equity Shares of ₹ 10/- each fully paid	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
	328,960,027	**328.96**	**328,960,027**	**328.96**

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

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	Number of shares	₹ in Crore	Number of shares	₹ in Crore
Shares outstanding at the beginning of the year	328,960,027	328.96	328,960,027	328.96
Shares issued during the year			-	-
Shares outstanding at the end of the year	328,960,027	328.96	328,960,027	328.96

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

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Holding Company - Infrastructure Leasing & Financial Services Limited ("IL&FS")	236,582,632	236,582,632
Fellow subsidiary - IL&FS Financial Services Limited ("IFIN")	4,266,368	4,266,368

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

Equity Shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
IL&FS	236,582,632	71.92%	236,582,632	71.92%
Total	**236,582,632**	**71.92%**	**236,582,632**	**71.92%**

15.4 The Company has one class of equity shares with face value of ₹ 10 each fully paid-up. Each shareholder has a voting right in proportion to his holding in the paid-up equity share capital of the Company.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Where final dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the Annual General Meeting.

16. Other Equity (excluding non-controlling interests)

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Capital Reserve		
Balance at beginning of the year	1,174.57	1,175.26
Adjustments during the year on partial disposal of subsidiary	(63.62)	(0.69)
Balance at end of the year	**1,110.95**	**1,174.57**
Securities premium reserve		
Balance at beginning of the year	2,185.98	2,188.83
Premium utilised towards discount on issue of Non-Convertible Debentures	-	(2.85)
Balance at end of the year	**2,185.98**	**2,185.98**
General reserve (Refer Footnote 2)		
Balance at beginning of the year	183.76	183.76
Transfer from / (to) Capital Redemption reserve	(127.25)	-
Balance at end of the year	**56.51**	**183.76**
Capital Reserve on consolidation		
Balance at beginning of the year	36.05	36.05
Addition during the year	-	-
Balance at end of the year	**36.05**	**36.05**
Capital redemption reserve		
Balance at beginning of the year	-	-
Transfer from / (to) General Reserve	127.25	-
Adjustment during the year for cessation of a subsidiary	-	-
Balance at end of the year	**127.25**	-

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₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Debenture redemption reserve (Refer Footnote 1)		
Balance at beginning of the year	180.30	309.71
Transfer from / (to) balance in the Statement of Profit and Loss	196.42	(80.37)
Adjustment during the year for cessation of a subsidiary	-	(49.04)
Balance at end of the year	**376.72**	**180.30**
Foreign currency monetary item translation reserve		
Balance at beginning of the year	4.76	11.00
Addition during the year	(22.86)	(6.24)
Balance at end of the year	**(18.10)**	**4.76**
Retained earnings		
Balance at beginning of year	274.86	97.94
Profit attributable to owners of the Company	175.72	149.31
Payment of dividends on equity shares	-	(90.48)
Transfer (to) / from debenture redemption redemption reserve	(196.42)	80.37
Transfer on partial disposal of stake in subsidiary	15.08	-
Consolidated adjustments	(28.04)	37.72
Balance at end of the year	**241.20**	**274.86**
Sub-Total	**4,116.56**	**4,040.28**
Items of other comprehensive income		
Cash flow hedging reserve		
Balance at beginning of year	(82.48)	(50.07)
Gain/(loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges	(3.89)	(32.41)
Balance at end of the year	**(86.37)**	**(82.48)**
Foreign currency translation reserve		
Balance at beginning of year	(94.10)	24.10
Exchange differences arising on translating the foreign operations	97.55	(118.20)
Balance at end of the year	**3.45**	**(94.10)**
Defined benefit plan adjustment		
Balance at beginning of the year	(2.18)	(1.80)
Other comprehensive income arising from re-measurement of defined benefit	(1.38)	(0.38)
Balance at end of the year	**(3.56)**	**(2.18)**
Others		
Balance at beginning of the year	(5.80)	(1.34)
Adjustments during the year	7.98	(4.46)
Balance at end of the year	**2.18**	**(5.80)**
Sub-Total	**(84.30)**	**(184.56)**
Total	**4,032.26**	**3,855.72**

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 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.

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. The Group has issued preference shares. In terms Section 69 of The Companies Act, 2013, Group is required to transfer a sum equal to nominal value of the shares redeemed to Capital Redemption Reserve.

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4. Capital Reserve represents the capital grant received by the Group upto March 31, 2015.
5. During the year ended March 31, 2018, the dividend of ₹ Nil per share (₹ Nil crore including dividend distribution tax of ₹ Nil crore) was paid to holders of fully paid equity shares. During the year ended March 31, 2017, the dividend paid was ₹ 2 per share (₹ 75.03 crore including dividend distribution tax of ₹ 9.29 crore).
6. The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.
   No (gains)/ losses arising on changes in fair value of designated portion of hedging instruments have been reclassified from cash flow hedging reserve into profit or loss during the year.
7. Securities premium account includes the difference between the face value of equity shares and the consideration received in respect of shares issued. The issue expense of securities are written off against securities premium account.

17. Non-controlling interests

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at beginning of year	435.67	445.70
Share of profit for the year	(110.23)	(5.83)
Non-controlling interests arising on the acquisition of / additional investment in a subsidiary (net)	24.63	1.89
Reduction in non-controlling interests on disposal of a subsidiary	-	(4.47)
Additional shares issued to/ share application money from non controlling interests	114.87	(1.62)
Total	**464.94**	**435.67**

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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 Group 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, 2018	As at March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017	As at March 31, 2018	As at March 31, 2017
Moradabad Bareilly Expressway Limited	India	14.50%	0.00%	(3.83)	-	111.04	-
Rapid MetroRail Gurgaon Limited	India	55.88%	55.88%	(69.42)	(63.93)	58.43	127.43
IL&FS Rail Limited	India	16.75%	16.75%	0.32	0.46	156.50	156.17
Total (a)				**(72.93)**	**(63.47)**	**325.97**	**283.60**
Individually immaterial subsidiaries with non-controlling interests (b)				(37.30)	57.64	138.97	152.07
Total (a+b)				**(110.23)**	**(5.83)**	**464.94**	**435.67**

17.2 Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

₹ in Crore

Particulars	Moradabad Bareilly Expressway Limited		Rapid MetroRail Gurgaon Limited		IL&FS Rail Limited	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Non-current assets	2,960.74	3,451.82	1,313.72	1,287.10	801.21	758.35
Current assets	586.24	41.87	19.70	32.56	164.84	243.11
Non-current liabilities	(2,031.83)	(1,043.69)	(845.79)	(822.15)	(0.12)	(0.13)
Current liabilities	(756.72)	(1,599.28)	(289.41)	(175.81)	(59.15)	(96.40)
Equity attributable to owners of the Group	(647.38)	(850.72)	(139.79)	(194.28)	(750.28)	(748.76)
Non-controlling interests	(111.04)	-	(58.43)	(127.43)	(156.50)	(156.17)

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₹ in Crore

Particulars	Moradabad Bareilly Expressway Limited		Rapid MetroRail Gurgaon Limited		IL&FS Rail Limited	
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
Total Income	300.16	427.14	43.92	92.80	71.21	332.93
Total Expenses	392.45	412.18	168.16	203.95	69.32	330.48
Profit (loss) for the year	(92.29)	14.96	(124.24)	(111.15)	1.89	2.45
Profit (loss) attributable to owners of the Group	(88.45)	14.96	(54.82)	(47.22)	1.57	1.99
Profit (loss) attributable to the non-controlling interests	(3.83)	-	(69.42)	(63.93)	0.32	0.46
Profit (loss) for the year	(92.29)	14.96	(124.24)	(111.15)	1.89	2.45
Other comprehensive income attributable to owners of the Group	-	-	0.34	(0.93)	0.02	(0.04)
Other comprehensive income attributable to the non-controlling interests	-	-	0.42	(1.18)	0.00	(0.01)
Other comprehensive income for the year	-	-	0.76	(2.12)	0.03	(0.05)
Total comprehensive income attributable to owners of the Group	(88.45)	14.96	(54.48)	(48.15)	1.59	1.94
Total comprehensive income attributable to the non-controlling interests	(3.83)	-	(69.00)	(65.12)	0.32	0.45
Total comprehensive income for the year	(92.29)	14.96	(123.48)	(113.27)	1.92	2.40
Dividends paid to non-controlling interests	-	-	-	-	-	-

₹ in Crore

Particulars	Moradabad Bareilly Expressway Limited		Rapid MetroRail Gurgaon Limited		IL&FS Rail Limited	
	Year ended March 31, 2018	Year ended March 31, 2017	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	(487.19)	59.09	70.61	17.51	(3.10)	(0.46)
Net cash inflow (outflow) from investing activities	58.00	(223.72)	(43.78)	320.46	17.39	(136.02)
Net cash inflow (outflow) from financing activities	441.67	166.65	(34.30)	(334.12)	(1.78)	138.04
Net cash inflow (outflow)	12.48	2.02	(7.47)	3.85	12.51	1.56

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18. Borrowings

₹ in Crore

Particulars	As at March 31, 2018			As at March 31, 2017		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
Secured - at amortised cost (refer Footnore 1)						
(i) Bonds / debentures (refer Footnore 3)						
- from other parties	4,273.14	426.75	-	1,109.62	114.69	-
(ii) Term loans						
- from banks	11,659.19	2,140.26	490.55	13,914.20	1,166.99	238.17
- from financial institutions	3,258.47	265.74	100.00	2,158.28	22.91	-
- from related parties (Refer note 43)	35.71	0.30	34.99	104.07	0.10	88.58
- from other parties	-	88.48	-	43.37	12.82	-
(iii) Other loans						
-Demand loans from banks (Cash credit)	-	-	117.34	-	-	132.35
Unsecured - at amortised cost						
(i) Bonds / debentures (refer Footnore 3)						
- from related parties (Refer note 43)	3.60	3.60	-	7.20	3.60	-
- from other parties	3,481.23	356.19	-	3,788.51	1,187.84	-
(ii) Term loans						
- from banks	1,466.22	1,388.78	857.35	1,346.77	1,320.38	1,948.47
- from financial institutions	202.43	168.81	-	-	-	300.00
- from related parties (Refer note 43)	1,874.73	-	325.64	355.79	75.00	597.91
- from other parties	319.00	-	430.00	82.96	79.27	10.39
(iii) Finance lease obligations (Refer Note 32.1)	27.24	12.29	-	20.65	10.92	-
(iv) Commercial paper			169.62			170.32
(v) Other loans						
-Redeemable preference share capital (refer Footnote 4)	485.92	80.66	-	763.22	-	-
-Demand loans from banks (Bank overdraft)	-	-	-	-	-	9.39
Total	**27,086.88**	**4,931.86**	**2,525.49**	**23,694.64**	**3,994.52**	**3,495.58**
Less: Current maturities of long term debt clubbed under "other current liabilities"	-	4,931.86	-	-	3,994.52	-
Total	**27,086.88**	**-**	**2,525.49**	**23,694.64**	**-**	**3,495.58**

Footnotes :

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 resepective Entities.

   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 name of the Borrower or in its own name or otherwise any proceedings against any Person in respect of any breach of, the Projects resepective Entities.

   iii) 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 resepective Entities.

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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 March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	Interest rate range	
	₹ in Crore	₹ in Crore	Frequency of Repayment*	Frequency of Repayment*	As at March 31, 2018	As at March 31, 2017
1-3 Years	6,709.70	5,794.72	QT,HY, Y,B	QT,HY, Y,B	8.00% to 16.50%	8.00% to 16.50%
3-5 Years	3,899.17	3,160.75	QT,HY, Y,B	QT,HY, Y,B	8.00% to 16.50%	8.00% to 16.50%
> 5 Years	8,234.13	9,070.62	QT,HY, Y,B	QT,HY, Y,B	8.00% to 16.50%	8.00% to 16.50%
Total	**18,843.00**	**18,026.09**				

* 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, 2018	As at March 31, 2017
Secured-From Others							
Series 19	1,000,000	9.20%	Semi Annually	15-01-2020	141	141	141
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
Series 14	1,000,000	9.20%	Semi Annually	15-07-2017	186	-	186
Debentures	100,000	9.20%	Quarterly	30-09-2033	10,500	10,497.90	10,498.95
Debentures	100,000	9.20%	Quarterly	30-09-2033	25,000	24,995.00	24,997.50
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	2,000
Series BIII	100,000	8.75%	Bullet Repayment	13-04-2018	450	450	450
Series AII	100,000	8.50%	Bullet Repayment	13-04-2018	2,000	2,000	2,000
Series BIIII	100,000	8.75%	Bullet Repayment	12-10-2018	550	550	550
Series AIV	100,000	8.50%	Bullet Repayment	12-04-2019	2,000	2,000	2,000
Series BIV	100,000	8.75%	Bullet Repayment	12-04-2019	700	700	700
Series AV	100,000	8.50%	Bullet Repayment	14-10-2019	2,000	2,000	2,000
Series BV	100,000	8.75%	Bullet Repayment	14-10-2019	800	800	800
Series AVI	100,000	8.50%	Bullet Repayment	14-04-2020	2,000	2,000	2,000
Series BVI	100,000	8.75%	Bullet Repayment	14-04-2020	900	900	900
Series AVII	100,000	8.50%	Bullet Repayment	14-10-2020	2,500	2,500	2,500
Series BVII	100,000	8.75%	Bullet Repayment	14-10-2020	550	550	550
Series AIX	100,000	8.50%	Bullet Repayment	14-10-2021	2,500	2,500	2,500
Series BVIII	100,000	8.75%	Bullet Repayment	14-04-2021	550	550	550
Series AVIII	100,000	8.50%	Bullet Repayment	14-04-2021	2,600	2,600	2,600
Series BXI	100,000	8.75%	Bullet Repayment	14-10-2021	750	750	750
Series AX	100,000	8.50%	Bullet Repayment	14-04-2022	2,400	2,400	2,400

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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, 2018	No. of NCDs outstanding As at March 31, 2017
Series BX	100,000	8.75%	Bullet Repayment	14-04-2022	950	950	950
Series AXI	100,000	8.50%	Bullet Repayment	14-10-2022	2,500	2,500	2,500
Series BXI	100,000	8.75%	Bullet Repayment	14-10-2022	1,000	1,000	1,000
Series AXII	100,000	8.50%	Bullet Repayment	14-04-2023	2,500	2,500	2,500
Series BXIII	100,000	8.75%	Bullet Repayment	13-10-2023	800	800	800
Series AXIII	100,000	8.50%	Bullet Repayment	13-10-2023	2,900	2,900	2,900
Series BXII	100,000	8.75%	Bullet Repayment	14-04-2023	1,100	1,100	1,100
Series AXIV	100,000	8.50%	Bullet Repayment	12-04-2024	2,600	2,600	2,600
Series BXV	100,000	8.75%	Bullet Repayment	14-10-2024	700	700	700
Series AXV	100,000	8.50%	Bullet Repayment	14-10-2024	3,000	3,000	3,000
Series BXIV	100,000	8.75%	Bullet Repayment	12-04-2024	1,000	1,000	1,000
Series AXVI	100,000	8.50%	Bullet Repayment	14-04-2025	3,000	3,000	3,000
Series BXVI	100,000	8.75%	Bullet Repayment	14-04-2025	850	850	850
Series AXVII	100,000	8.50%	Bullet Repayment	14-10-2025	3,000	3,000	3,000
Series BXVII	100,000	8.75%	Bullet Repayment	14-10-2025	1,000	1,000	1,000
Series AXIX	100,000	8.50%	Bullet Repayment	14-10-2026	3,500	3,500	3,500
Series BXVIII	100,000	8.75%	Bullet Repayment	14-04-2026	1,050	1,050	1,050
Series AXVIII	100,000	8.50%	Bullet Repayment	14-04-2026	3,100	3,100	3,100
Series BXIX	100,000	8.75%	Bullet Repayment	14-10-2026	850	850	850
Series AXX	100,000	8.50%	Bullet Repayment	14-04-2027	3,700	3,700	3,700
Series BXX	100,000	8.75%	Bullet Repayment	14-04-2027	750	750	750
Series A	100,000	10.20%	Quarterly	30 April / July / Oct / Jan	5,250	4,253	4,620
Series B	100,000	11.05%	Quarterly	30 April / July / Oct / Jan	976	956	961
Series C	100,000	8.00%	Quarterly	30 April / July / Oct / Jan	7,900	7,742	7,782
Unsecured							
From related parties							
Series-INE475I08014	1,000,000	14.00%	Quarterly	30 June / Sep / Dec / Mar	360	72	108
From others							
ITNL 11.80% 2024	1,000,000	11.80%	Bullet repayment	03-01-2025	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
ITNL 9.44% 2026	1,000,000	9.44%	Various Dates	25-Oct-24 to 27-Oct-26	2,500	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	1,000
ITNL 9.51% 2026	1,000,000	9.51%	Various Dates	9-Aug-24 to 10-Aug-26	2,000	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	4,500

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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, 2018	As at March 31, 2017
ITNL, 11.50%, 2024	1,000,000	11.50%	Bullet repayment	21-06-2024	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
ITNL 9.20% 2022 - A	1,000,000	9.20%	Bullet repayment	15-04-2022	3,000	3,000	3,000
ITNL 10.50% 2021	1,000,000	10.50%	Bullet repayment	08-05-2018	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	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
NCD Tranche XIII Series B #	500,000	0.00%	Bullet repayment	23-06-2019	500	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	0.00%	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	363
ITNL, 12.00%, 2019 *	1,000,000	12.00%	Bullet repayment	23-01-2019	4,000	50	50
ITNL 11.70% 2018	1,000,000	11.70%	Bullet repayment	12-04-2018	1,500	1,500	-
ITNL 9.25% 2022 Option I	1,000,000	9.25%	Bullet repayment	28-10-2022	325	325	1,500
ITNL 9.37% 2027 Option II	1,000,000	9.37%	Various Dates	30-Jan-23 to 29-Oct-2027	1,180	1,180	-
ITNL 9.37% 2027 Series 1 Option II	1,000,000	9.37%	Various Dates	28-Feb-23 to 30-Nov-27	1,000	1,000	-
ITNL 9.00% 2027 Series 2	1,000,000	9.00%	Various Dates	28-Feb-23 to 30-Nov-27	1,000	1,000	-
ITNL 9.25% 2022 Series 1 Option I	1,000,000	9.25%	Bullet repayment	15-12-2022	500	500	-
ITNL 9.00% 2027 Series 2	1,000,000	9.00%	Various Dates	15-Mar-23 TO 15-Dec-27	990	990	-
ITNL 9.10% 2023 Series 1A	1,000,000	9.10%	Bullet repayment	02-02-2023	1,000	1,000	-
ITNL 9.10% 2023 - Series 1B	1,000,000	9.10%	Bullet repayment	03-02-2023	1,000	1,000	-
ITNL 9.10 % Series 1	1,000,000	9.10%	Bullet repayment	28-03-2023	750	750	-
ITNL 9.15 % Series 2	1,000,000	9.15%	Various Dates	28-Jun-23 to 28-Mar-25	1,000	1,000	-
ITNL 9.20% Series 3	1,000,000	9.20%	Various Dates	30-Jun-23 to 30-Mar-28	1,400	1,400	-
INE746N07010	100,000	9.31%	Quarterly part parymen form each NCD	Start from July 17 and ending on July 2027	15,917	15,917	-
INE746N07028	100,000	9.31%	Quarterly part parymen form each NCD	Start from July 17 and ending on July 2027	39,083	39,083	-
INE746N07069	100,000	9.51%	Quarterly	20-04-2018	392	392	-
INE746N07077	100,000	9.51%	Quarterly	20-07-2018	474	474	-
INE746N07085	100,000	9.51%	Quarterly	20-10-2018	420	420	-
INE746N07093	100,000	9.51%	Quarterly	20-01-2019	475	475	-
INE746N07101	100,000	9.51%	Quarterly	20-04-2019	437	437	-

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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, 2018	As at March 31, 2017
INE746N07119	100,000	9.51%	Quarterly	20-07-2019	583	583	-
INE746N07127	100,000	9.51%	Quarterly	20-10-2019	565	565	-
INE746N07135	100,000	9.51%	Quarterly	20-01-2020	666	666	-
INE746N07143	100,000	9.51%	Quarterly	20-04-2020	617	617	-
INE746N07150	100,000	9.51%	Quarterly	20-07-2020	662	662	-
INE746N07168	100,000	9.51%	Quarterly	20-10-2020	620	620	-
INE746N07176	100,000	9.51%	Quarterly	20-01-2021	684	684	-
INE746N07184	100,000	9.51%	Quarterly	20-04-2021	638	638	-
INE746N07192	100,000	9.51%	Quarterly	20-07-2021	738	738	-
INE746N07200	100,000	9.51%	Quarterly	20-10-2021	728	728	-
INE746N07218	100,000	9.51%	Quarterly	20-01-2022	711	711	-
INE746N07226	100,000	9.51%	Quarterly	20-04-2022	699	699	-
INE746N07234	100,000	9.51%	Quarterly	20-07-2022	779	779	-
INE746N07242	100,000	9.51%	Quarterly	20-10-2022	812	812	-
INE746N07259	100,000	9.51%	Quarterly	20-01-2023	871	871	-
INE746N07267	100,000	9.51%	Quarterly	20-04-2023	836	836	-
INE746N07275	100,000	9.51%	Quarterly	20-07-2023	811	811	-
INE746N07283	100,000	9.51%	Quarterly	20-10-2023	758	758	-
INE746N07291	100,000	9.51%	Quarterly	20-01-2024	765	765	-
INE746N07309	100,000	9.51%	Quarterly	20-04-2024	769	769	-
INE746N07317	100,000	9.51%	Quarterly	20-07-2024	695	695	-
INE746N07325	100,000	9.51%	Quarterly	20-10-2024	637	637	-
INE746N07333	100,000	9.51%	Quarterly	20-01-2025	748	748	-
INE746N07341	100,000	9.51%	Quarterly	20-04-2025	768	768	-
INE746N07358	100,000	9.51%	Quarterly	20-07-2025	816	816	-
INE746N07366	100,000	9.51%	Quarterly	20-10-2025	734	734	-
INE746N07374	100,000	9.51%	Quarterly	20-01-2026	797	797	-
INE746N07382	100,000	9.51%	Quarterly	20-04-2026	506	506	-
INE746N07390	100,000	9.51%	Quarterly	20-07-2026	986	986	-
INE746N07408	100,000	9.51%	Quarterly	20-10-2026	972	972	-
INE746N07416	100,000	9.51%	Quarterly	20-01-2027	950	950	-
INE746N07424	100,000	9.51%	Quarterly	20-07-2027	1,057	1,057	-
INE746N07432	100,000	9.51%	Quarterly	20-01-2028	1,152	1,152	-
INE746N07440	100,000	9.51%	Quarterly	20-07-2028	1,152	1,152	-
INE746N07457	100,000	9.51%	Quarterly	20-01-2029	689	689	-
INE746N07465	100,000	9.51%	Quarterly	20-10-2017	1,034	-	-
INE746N07473	100,000	9.51%	Quarterly	20-01-2018	1,239	-	-
INE746N07481	100,000	9.51%	Quarterly	20-04-2018	1,122	1,122	-
INE746N07499	100,000	9.51%	Quarterly	20-07-2018	1,358	1,358	-
INE746N07507	100,000	9.51%	Quarterly	20-10-2018	1,203	1,203	-
INE746N07515	100,000	9.51%	Quarterly	20-01-2019	1,360	1,360	-
INE746N07523	100,000	9.51%	Quarterly	20-04-2019	1,252	1,252	-

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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, 2018	No. of NCDs outstanding As at March 31, 2017
INE746N07531	100,000	9.51%	Quarterly	20-07-2019	1,670	1,670	-
INE746N07549	100,000	9.51%	Quarterly	20-10-2019	1,618	1,618	-
INE746N07556	100,000	9.51%	Quarterly	20-01-2020	1,911	1,911	-
INE746N07564	100,000	9.51%	Quarterly	20-04-2020	1,771	1,771	-
INE746N07572	100,000	9.51%	Quarterly	20-07-2020	1,900	1,900	-
INE746N07580	100,000	9.51%	Quarterly	20-10-2020	1,778	1,778	-
INE746N07598	100,000	9.51%	Quarterly	20-01-2021	1,961	1,961	-
INE746N07606	100,000	9.51%	Quarterly	20-04-2021	1,831	1,831	-
INE746N07614	100,000	9.51%	Quarterly	20-07-2021	2,119	2,119	-
INE746N07622	100,000	9.51%	Quarterly	20-10-2021	2,089	2,089	-
INE746N07630	100,000	9.51%	Quarterly	20-01-2022	2,040	2,040	-
INE746N07648	100,000	9.51%	Quarterly	20-04-2022	2,005	2,005	-
INE746N07655	100,000	9.51%	Quarterly	20-07-2022	2,234	2,234	-
INE746N07663	100,000	9.51%	Quarterly	20-10-2022	2,329	2,329	-
INE746N07671	100,000	9.51%	Quarterly	20-01-2023	2,497	2,497	-
INE746N07689	100,000	9.51%	Quarterly	20-04-2023	2,398	2,398	-
INE746N07697	100,000	9.51%	Quarterly	20-07-2023	2,324	2,324	-
INE746N07705	100,000	9.51%	Quarterly	20-10-2023	2,174	2,174	-
INE746N07713	100,000	9.51%	Quarterly	20-01-2024	2,194	2,194	-
INE746N07721	100,000	9.51%	Quarterly	20-04-2024	2,203	2,203	-
INE746N07739	100,000	9.51%	Quarterly	20-07-2024	1,991	1,991	-
INE746N07747	100,000	9.51%	Quarterly	20-10-2024	1,827	1,827	-
INE746N07754	100,000	9.51%	Quarterly	20-01-2025	2,144	2,144	-
INE746N07762	100,000	9.51%	Quarterly	20-04-2025	2,202	2,202	-
INE746N07770	100,000	9.51%	Quarterly	20-07-2025	2,342	2,342	-
INE746N07788	100,000	9.51%	Quarterly	20-10-2025	2,106	2,106	-
INE746N07796	100,000	9.51%	Quarterly	20-01-2026	2,285	2,285	-
INE746N07804	100,000	9.51%	Quarterly	20-04-2026	1,451	1,451	-
INE746N07812	100,000	9.51%	Quarterly	20-07-2026	2,829	2,829	-
INE746N07820	100,000	9.51%	Quarterly	20-10-2026	2,787	2,787	-
INE746N07838	100,000	9.51%	Quarterly	20-01-2027	2,726	2,726	-
INE746N07846	100,000	9.51%	Half yearly	20-07-2027	3,034	3,034	-
INE746N07853	100,000	9.51%	Half yearly	20-01-2028	3,304	3,304	-
INE746N07861	100,000	9.51%	Half yearly	20-07-2028	3,304	3,304	-
INE746N07879	100,000	9.51%	Half yearly	20-01-2029	1,971	1,971	-
Bonds	CNY 1,000,000	8.00%	Bullet repayment	17-07-2017	575	-	575
Series HK0000242708	CNY 1,000,000	7.50%	Bullet repayment	29-03-2018	690	-	690
RMB Bonds	NA	7.50%	Bullet repayment	18-01-2021	Equivalent to RMB 1 Billion	1,000	-

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	180,000,000	10	10	Refer footnote d.(i) below	20.50% per annum	Refer footnote 4.1 below
10.50% ITNL CNCRPS 2018	19,200,000	10	10	December 23, 2018	21.44% per annum	Redemption at face value plus premium of ₹ 10 per share
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-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
Total	**18.00**	**393.96**

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, 2017 : 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 ₹ 84.72 Crore (previous year ended March 31, 2017 : ₹ 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, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Current maturities of long-term debt	-	4,919.57	-	3,983.60
Current maturities of finance lease obligations	-	12.29	-	10.92
Interest accrued	4.97	246.72	-	183.32
Income received in advance	-	4.53	-	3.38
Payable for purchase of capital assets	-	76.60	-	213.17
Retention Money Payable	359.35	34.78	279.43	-
Derivative liability	100.09	-	82.72	71.14
Security Deposit from customer	9.92	-	4.32	-
Connectivity Charges Payable	283.06	-	27.04	-
Unpaid dividends	-	0.12	-	0.13
Advance received for sale of investment	-	270.00	-	-
Premium payable to authority	986.03	128.09	994.21	105.43
Unearned Revenue	-	1.85	-	0.07
Other Financial Liabilities	-	0.20	-	-
Financial guranatee contracts	47.96	13.89	9.77	12.45
Total	**1,791.38**	**5,708.64**	**1,397.49**	**4,583.61**

20. Provisions

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Provision for Employee benefits.	7.05	38.09	4.77	33.82
Provision for overlay (Refer footnote 1a)	28.62	22.73	45.52	-
Provision for replacement cost (Refer footnote 1b)	61.64	0.54	35.27	-
Provision for claims (Refer footnote 2)	17.22	-	-	
Provision for dividend tax on dividend on preference shares	-	12.52	-	16.05
Total	**114.53**	**73.88**	**85.56**	**49.87**

Footnotes :

1. **Provision for overlay/ replacement cost in respect of service concession assets**

   Provision for overlay in respect of toll roads and provision for replacement with respect to rail asset 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 and replacement cost with respect to service concession agreements are based on such assumptions..

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1a. Movement in Provision for Overlay

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Balance at the beginning of the year	45.52	26.70
Provision made during the year	26.77	27.95
Utilised for the year	(6.89)	(10.19)
Adjustment for foreign exchange fluctuation during the year	0.42	(0.21)
Unwinding of discount and effect of changes in the discount rate	1.42	1.27
Less Liabilities classified as held for sale	(15.89)	-
Balance at the end of the year	**51.35**	**45.52**
Provision for overlay current	22.73	-
Provision for overlay non current	28.62	45.52

1b. Movement in provision for replacement cost

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Balance at the beginning of the year	35.27	23.58
Provision made during the year	22.69	9.23
Unwinding of discount and effect of changes in the discount rate	4.22	2.46
Balance at the end of the year	**62.18**	**35.27**
Provision for replacement cost current	0.54	-
Provision for replacement cost non current	61.64	35.27

2. Movement in provision for claims

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Balance at the beginning of the year	-	-
Provision made during the year	17.22	-
Balance at the end of the year	**17.22**	**-**

21. Deferred tax balances

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

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred tax assets	216.31	162.65
Deferred tax liabilities	116.92	127.60
Deferred Tax Asset / (Liabilities) (Net)	**99.39**	**35.05**

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₹ in Crore

Particulars	March-17	Recognised in profit or loss	Recognised in other comprehensive income	Disposal of Subsidaries	Exchange diff	March -2018
Deferred tax (liabilities)/assets in relation to:						
Cash flow hedges	20.66	-	1.47	-	-	22.13
Property, plant and equipment	44.68	422.99	-	0.24	-	467.91
Finance leases	1.19	(3.28)	-	-	(0.22)	(2.31)
Intangible assets	(376.16)	(571.38)	-	-	1.05	(946.49)
Unamortised borrowing costs	(90.72)	0.13	-	-	(1.07)	(91.66)
Provision for doubtful loans	43.83	6.34	-	-	-	50.17
Provision for doubtful receivables	44.06	11.73	-	-	-	55.79
Impairment in investments	-	(9.78)	-	-	-	(9.78)
Defined benefit obligation	1.87	0.15	1.00	(0.47)	-	2.55
Unbilled Revenue	-	(16.55)	-	-	-	(16.55)
Others	(8.46)	(0.56)	(0.41)	(0.21)	1.31	(8.33)
Expected credit loss in investments	6.96	45.22	-	-	(0.11)	52.07
Expected credit loss in financial assets	7.48	(7.48)	-	-	-	-
Total (A)	**(304.61)**	**(122.47)**	**2.06**	**(0.44)**	**0.96**	**(424.50)**
Business loss	37.70	19.62	-	(2.23)	(1.33)	53.76
Capital loss	47.32	(37.52)	-	-	-	9.80
Unabsorbed Depreciation	252.35	168.18	-	-	-	420.53
Total (B)	**337.37**	**150.28**	**-**	**(2.23)**	**(1.33)**	**484.09**
Sub total	**32.76**	**27.81**	**2.06**	**(2.67)**	**(0.37)**	**59.59**
MAT Credit Entitlement (refer footnote 1)	2.29	37.52	-	-	-	39.80
Deferred Tax Asset / (Liabilities) (Net)	**35.05**	**65.33**	**2.06**	**(2.67)**	**(0.37)**	**99.39**

Footnotes :

1 The management of the Group expects that the Group will earn sufficient taxable profit (both business gains and capital gains) in future periods against which deferred tax assets on business loss, capital loss and MAT credit entitlement will be utilised and hence deferred tax assets on these amounts has been recognised.

22. Other liabilities

₹ in Crore

Particulars		As at March 31, 2018		As at March 31, 2017	
		Non Current	Current	Non Current	Current
(a)	Mobilisation Advance Received	124.46	285.17	131.67	181.25
(b)	Other Advance received	-	-	-	18.52
(c)	Others				
	Statutory dues	-	163.65	-	174.34
	Other Liabilities	4.15	177.93	1.97	46.64
Total		**128.61**	**626.75**	**133.64**	**420.75**

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23. Trade payables

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Trade payables other than MSME	22.92	1,605.31	0.73	874.26
Bills payable		460.13	-	289.97
Total	**22.92**	**2,065.44**	**0.73**	**1,164.23**

Footnote :
To the extend information is available with the Group 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 (Previous year ₹ Nil) . There were no delays in the payment of dues to Micro, Small and Medium Enterprises.

24. Current tax assets and liabilities

₹ in Crore

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non Current	Current	Non Current	Current
Current tax assets				
Advance payment of taxes	634.87		514.54	37.52
Total	**634.87**	-	**514.54**	**37.52**
Current tax liabilities				
Provision for tax		329.02	-	202.71
Total	-	**329.02**	-	**202.71**

25. Assets and Liabilities classified as held for sale

The Group has entered into MOU with customer for sale of Pune Sholapur Road Development Company Limited (PSRDCL). The MOU has certain conditions precedent which are outstanding as on March 31, 2018 and accordingly these investment are considered as 'held for sale'.

The major classes of assets and liabilities of PSRDCL classified as held for sale as at 31 March 2018 are, as follows:

Asset classified as held for sale

₹ in Crore

Particulars	As at March 31, 2018
Property, plant and equipment	0.01
Service Concession Arrangements (SCA)	1,976.25
Other non-current assets	2.14
Trade receivables	1.40
Cash and cash equivalents	2.23
Bank balances	82.05
Other financial assets	572.15
Current tax assets (Net)	3.34
Other current assets	1.54
Total	**2,641.11**

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Liabilities classified as held for sale

₹ in Crore

Particulars	As at March 31, 2018
Non current Borrowings	690.49
Other financial liabilities	8.70
Non Current Provisions	15.89
Current Borrowings	842.30
Trade payables	5.17
Other financial liabilities	217.24
Other current liabilities	0.69
Total	**1,780.48**

The Results of PSRDCL for the year are as below

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Revenue	323.58	289.41
Expenses	29.85	88.26
Finance costs	222.63	149.15
Profit/(loss) before tax	**71.10**	**52.00**
Tax (expenses)/income:	-	-
Profit/(loss) for the year	**71.10**	**52.00**

The net cash flows incurred by PSRDCL are, as follows

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Operating	61.75	(617.04)
Investing	(73.31)	297.25
Financing	6.62	324.21

26. Revenue from operations

₹ in Crore

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
(a)	Advisory, Design and Engineering fees	24.41	21.71
(b)	Supervision fees	2.18	2.31
(c)	Operation and maintenance income	1,303.38	1,061.89
(d)	Toll revenue	821.40	518.58
(e)	User fee income	115.08	147.84
(f)	Finance income	764.99	710.61
(g)	Construction income		
	Claim from authority	73.72	721.56
	Others	4,900.89	4,661.04
(h)	Sales (net of sales tax)	20.85	16.61
(i)	Other operating income:		
	Interest on Claim	148.07	-
	Claim from authority	172.60	122.27
	Profit on sale of investment (net) (refer Footnote)	369.14	88.04
Total		**8,716.71**	**8,072.46**

Footnote :
Revenue from Operations includes gain on sale of investment of ₹ 369.14 Crore and ₹ 88.04 Crore for the year ended March 31, 2018 and March 31, 2017 respectively. Up to previous year end, Profit on sale of investments was included in 'Other Income' and have been regrouped to make it comparable with current year classification.

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27. Other Income

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income earned on financial assets that are not designated as at fair value through profit or loss		
Interest on loans granted	89.09	97.68
Interest on debentures	4.24	0.61
Interest on bank deposits (at amortised cost)	71.25	35.42
Interest on short term deposit	0.07	6.96
Dividend Income on non-current investments	6.66	6.18
Gain on disposal of property, plant and equipment	7.14	0.37
Excess provisions written back	5.97	4.35
Exchange rate fluctuation (Gain)	17.85	53.47
Insurance claim received / receivable	2.06	18.53
Miscellaneous income	65.20	94.16
Other gains and losses		
Net gain/(loss) arising on financial assets designated as at FVTPL	1.99	11.00
Net gain / (loss) on derecognition of financial assets measured at amortised cost	-	0.43
Expected credit losses on trade receivables (net) (Refer Note 33.1)	4.71	-
Expected credit losses on loans given (net) (Refer Note 33.1)	(13.67)	-
Expected credit losses on other financial assets (net) (Refer Note 33.1)	799.65	-
Total	**1,062.21**	**329.16**

28. Cost of Material Consumed & Construction Cost

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Material consumption	227.01	170.96
Changes in inventories of finished goods, work-in-progress and stock-in-trade.	(53.73)	(8.31)
Total (a)	**173.28**	**162.65**
Construction contract costs (b)	3,412.52	2,942.66
Total (a+b)	**3,585.80**	**3,105.31**

29. Operating Expenses

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Fees for technical services / design and drawings	52.04	56.43
Diesel and fuel expenses	0.67	27.49
Operation and maintenance expenses	500.77	423.95
Provision for overlay expenses (refer Note 20)	26.77	27.95
Provision for replacement cost (refer Note 20)	22.69	9.23
Toll plaza expenses	90.94	1.64
Other Operating Expenses	13.44	9.05
Total	**707.32**	**555.74**

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30. Employee benefits expense

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and Wages	462.50	425.49
Contribution to provident and other funds (refer Note 38.1)	88.01	73.69
Staff welfare expenses	20.18	12.41
Deputation Cost	7.69	10.44
Total	**578.38**	**522.03**

31. Finance costs

₹ in Crore

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
(a)	Interest costs		
	Interest on bank overdrafts and loans and debentures		
	Interest on loans for fixed period (refer Footnote)	2,390.90	2,319.31
	Interest on debentures	681.75	349.52
	Discount on commerical paper	41.93	21.51
	Other interest expense	263.98	69.98
(b)	Dividend on redeemable preference shares	72.16	96.75
(c)	Other borrowing costs		
	Guarantee commission	3.63	0.78
	Finance charges	293.59	224.83
	Upfront fees on performance guarantee	1.05	3.65
(d)	Others		
	Loss / (gain) arising on derivatives designated as hedging instruments in cash flow hedges	(0.68)	40.32
	(Gain) / Loss arising on adjustment for hedged item attributable to the hedged risk in a designated cash flow hedge accounting relationship	0.68	(40.32)
Total (a+b+c+d)		**3,748.99**	**3,086.33**

Footnote :

Interest on bank overdrafts, loans and debentures is net off ₹ 9.58 Crore (previous year ₹ 14.80 crore) on account of Credit Value Adjustment / Debit Value Adjustments (CVA / DVA) on derivative contracts on borrowings.

32. Depreciation and amortisation expense

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of property, plant and equipment (refer Note 2)	69.61	67.34
Depreciation of investment property (refer Note 3)	0.09	0.14
Amortisation of intangible assets (refer Note 5)	343.27	298.24
Total depreciation and amortisation	**412.97**	**365.72**

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33. Other expenses

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Legal and consultation fees	97.57	80.31
Travelling and conveyance	46.02	50.44
Rent (refer Note 37.2)	94.97	109.49
Rates and taxes	15.22	14.84
Repairs and maintenance	25.16	23.52
Bank commission	11.28	17.75
Registration expenses	4.54	2.34
Communication expenses	7.92	9.94
Insurance	44.53	33.98
Printing and stationery	4.40	4.70
Electricity charges	11.36	4.67
Directors' fees	2.86	2.30
Loss on sale of fixed assets (net)	0.16	2.77
Brand Subscription Fee	13.80	17.28
Corporate Social Responsibility Exp. (Refer Note 33.3)	7.85	6.62
Business promotion expenses	4.92	7.10
Payment to auditors (Refer Note 33.2)	8.23	9.21
Provision for doubtful debts and receivables	59.59	27.97
Expected credit losses on trade receivables (net) (Refer Note 33.1)	-	15.62
Expected credit losses on loans given (net) (Refer Note 33.1)	-	59.78
Expected credit losses on other financial assets (net) (Refer Note 33.1)	-	21.66
Miscellaneous expenses	123.40	119.31
Total	**583.78**	**641.60**

33.1 Movement in Expected credit losses

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Expected credit loss allowance on trade receivables	10.63	27.73
Reversal of Expected credit losses on trade receivables	(15.25)	(12.11)
Reversal of Expected credit losses on trade receivables (net)	**(4.62)**	**15.62**
Expected credit loss allowance on loans given	40.25	62.68
Reversal of Expected credit losses on loans given	(26.58)	2.90
Expected credit losses on loans given (net)	**13.67**	**59.78**
Expected credit losses on other financial assets	26.01	29.01
Reversal of expected credit losses on other financial assets (Refer footnote below)	(825.66)	(7.35)
Expected credit losses on other financial assets (net)	**(799.65)**	**21.66**

Footnote:

As part of normal asset monetisation plan, the Group had considered certain subsidiaries to be transferred to InvIT and fair valued the corresponding financial asset. In view of InvIT not being pursued, during the year the Group has reassessed its business plan for these subsidiaries and reversed the expected credit loss of ₹ 739.40 crore recognised on its financial asset and included in other income.

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33.2 Payments to auditors

₹ in Crore

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
a)	For audit	5.85	5.56
b)	For taxation matters	0.10	0.07
c)	For other services	2.24	2.95
d)	For reimbursement of expenses	0.04	0.02
Total		**8.23**	**8.60**

33.3 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.

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:

₹ in Crore

Particulars			Year ended March 31, 2018	Year ended March 31, 2017
(a)	**Gross amount required to be spent by the company during the year:**		**9.86**	**7.36**
(b)	**Amount spent during the year on:**			
	(i)	Skilling for employment	-	0.14
	(ii)	Livelihood Development	1.05	0.90
	(iii)	Education enhancement	3.23	2.72
	(iv)	Local Area projects	1.46	2.86
	(v)	Others	**2.11**	-
Total			**7.85**	**6.62**

34. Income taxes

34.1 Income tax recognised in profit or loss

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Current tax		
In respect of the current period	220.24	144.11
Adjustment of tax pertaining to previous period	7.59	-
	227.83	**144.11**
Deferred tax		
In respect of the current period	(27.80)	(84.69)
MAT credit entitlement	(37.53)	14.68
	(65.33)	**(70.01)**
Total income tax expense recognised in the current period	**162.50**	**74.10**

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

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit before tax	161.68	124.89
Income tax expense calculated at 17% to 34.608% (Group includes few International subsidiaries having tax rate Nil as per local authorities)	21.58	59.97
Income tax expense reported in the statement of profit and loss	162.50	74.10
Movement to be explained	**140.92**	**14.13**
Deferred tax on fair value adjustments	85.10	23.46
Effect of income that is exempt from taxation	(8.28)	(35.13)
Effect of expenses that are not deductible in determining taxable profit	62.93	17.16
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	291.82	232.88
Foreign withholding tax	5.96	5.31
Preference dividend accounted as finance cost in IndAS	25.22	33.48
Difference in tax rate on Capital Loss, Minimum Alternate Tax, etc. compared to normal tax rates	(294.43)	(233.20)
Effect on deferred tax balances due to the change in income tax rate	-	(0.26)
Profit on sale of Investment. No tax as Capital loss under tax books	(51.74)	(29.57)
Others	24.34	-
Total movement explained	**140.92**	**14.13**

35. Earnings per share

Particulars	Unit	Year ended March 31, 2018	Year ended March 31, 2017
Profit for the year attributable to owners of the Company	₹ in Crore	175.72	149.31
Weighted average number of equity shares	Number	328,960,027	328,960,027
Nominal value per equity share	₹	10.00	10.00
Basic / Diluted earnings per share	₹	**5.35**	**4.54**

36. Subsidiaries

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

	Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group (%)	
				As at March 31, 2018	As at March 31, 2017
1.	**Held directly:**				
	Scheme of ITNL Road Investment Trust	Investment Holding	India	100.00	100.00
	East Hyderabad Expressway Limited	Surface Transportation	India	74.00	74.00
	ITNL Road Infrastructure Development Company Limited	Surface Transportation	India	100.00	100.00
	IL&FS Rail Limited	Investment Holding	India	83.25	83.25
	ITNL International Pte. Ltd.	Investment Holding	Singapore	100.00	100.00
	Vansh Nimay Infraprojects Limited	Surface Transportation	India	90.00	90.00
	West Gujarat Expressway Limited	Surface Transportation	India	74.00	74.00

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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, 2018	As at March 31, 2017
Hazaribagh Ranchi Expressway Limited	Surface Transportation	India	99.99	99.99
Pune Sholapur Road Development Company Limited	Surface Transportation	India	90.91	90.91
Moradabad Bareilly Expressway Limited (Refer Foot note 4)	Surface Transportation	India	85.50	100.00
Jharkhand Road Projects Implementation Company Limited	Surface Transportation	India	99.98	99.98
Chenani Nashri Tunnelway Limited	Surface Transportation	India	100.00	100.00
MP Border Checkpost Development Company Limited	Surface Transportation	India	74.00	74.00
Badarpur Tollway Operations Management Limited (Refer Foot note 5)	Surface Transportation	India	100.00	100.00
Futureage Infrastructure India Limited	Investment Holding	India	58.48	58.48
Charminar RoboPark Limited	Car Park development	India	89.20##	89.20##
ITNL Offshore Pte. Ltd.	Investment Holding	Singapore	100.00	100.00
Karyavattom Sports Facility Limited	Stadium develoment	India	100.00	100.00
Kiratpur Ner Chowk Expressway Limited	Surface Transportation	India	100.00	100.00
Baleshwar Kharagpur Expressway Limited	Surface Transportation	India	100.00	100.00
Sikar Bikaner Highway Limited	Surface Transportation	India	100.00	100.00
Khed Sinnar Expressway Limited	Surface Transportation	India	100.00	100.00
Barwa Adda Expressway Limited	Surface Transportation	India	100.00	100.00
ITNL Offshore Two Pte. Ltd.	Investment Holding	Singapore	100.00	100.00
ITNL Offshore Three Pte. Ltd.	Investment Holding	Singapore	100.00	100.00
Amravati Chikhli Expressway Limited	Surface Transportation	India	100.00	100.00
Fagne Songadh Expressway Limited	Surface Transportation	India	100.00	100.00
Jharkhand Infrastructure Implementation Company Limited	Surface Transportation	India	100.00	100.00
Rajasthan Land Holdings Limited (upto June 30, 2017) (Refer Footnote 2)	Land Development	India	0.00	100.00
Elsamex India Private Limited (Refer Footnote 3)	Surface Transportation	India	100.00	100.00
Yala Construction Co Private Limited (Refer Footnote 3)	Surface Transportation	India	100.00	100.00
Grusamar India Limited (Refer Footnote 3)	Surface Transportation	India	100.00	100.00
Elsamex Maintenance Services Limited (Refer Footnote 3)	Surface Transportation	India	100.00	100.00
ITNL-IECCL JV (unincorporated subsidiary) (From April 1, 2017)	Surface Transportation	India	51.00	0.00
ITNL-KMB JV (unincorporated subsidiary) (From April 1, 2017)	Surface Transportation	India	70.00	0.00
Ranchi Muri Road Development Limited (From August 25, 2017)	Surface Transportation	India	100.00	0.00
GRICL Rail Bridge Development Company Limited	Surface Transportation	India	100.00	100.00
Chattisgarh Highways Development Company Limited (considered through invetment in covered warrant)	Surface Transportation	India	74.00	74.00
Srinagar Sonamarg Tunnelway Limited (control through composition of Board of Directors)	Surface Transportation	India	49.00	49.00

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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, 2018	As at March 31, 2017
2.	**Held through subsidiaries:**				
	North Karnataka Expressway Limited	Surface Transportation	India	93.50@	93.50@
	Elsamex SA (refer footnote 1)	Surface Transportation	Spain	100.00$	100.00$
	Atenea Seguridad Y Medio Ambiente S.A.U.	Surface Transportation	Spain	100.00 $	100.00 $
	Senalizacion Viales e Imagen S.A.U.	Surface Transportation	Spain	100.00 $	100.00 $
	Elsamex Internacional S.L.	Surface Transportation	Spain	100.00 $	100.00 $
	Grusamar Ingenieria Y Consulting, S.L.	Surface Transportation	Spain	100.00 $	100.00 $
	Elsamex Portugal S.A.	Surface Transportation	Portugal	70.35 $	70.35 $
	Intevial Gestao Integral Rodoviaria S.A.	Surface Transportation	Portugal	100.00 $	100.00 $
	Mantenimiento Y Conservacion De Vialidades S.A. DE C.V.	Surface Transportation	Mexico	64.00 $	64.00 $
	ESM Mantenimiento Integral, SA DE CV	Surface Transportation	Mexico	100.00 $	100.00 $
	CIESM-INTEVIA, S.A.	Surface Transportation	Spain	100.00 $	100.00 $
	Control 7, S.A.	Surface Transportation	Spain	100.00 $	100.00 $
	Grusamar Albania SHPK (Refer Foot note 5)	Surface Transportation	Albania	51.00 $	51.00 $
	Rapid MetroRail Gurgaon Limited	Surface Transportation	India	44.12#	44.12#
	Area De Servicio Coiros S.L.U.	Surface Transportation	Spain	100.00 $	100.00 $
	Conservacion De Infraestructuras De Mexico S.A. DE C.V.	Surface Transportation	Mexico	96.40 $	96.40 $
	Alcantarilla Fotovoltaica, S.L.U.	Surface Transportation	Spain	100.00 $	100.00 $
	Area De Servicio Punta Umbria, S.L.U.	Surface Transportation	Spain	100.00 $	100.00 $
	ITNL International DMCC	Investment Holding	UAE	100.00	100.00
	Beasolarta S.A.U.	Surface Transportation	Spain	100.00 $	100.00 $
	Rapid MetroRail Gurgaon South Limited	Surface Transportation	India	89.11###	89.11###
	ITNL Africa Projects Ltd.	Surface Transportation	Nigeria	100.00^	100.00^
	Elsamex Construcao E Manutencao LTDA	Surface Transportation	Brazil	99.99 $	99.99 $
	Sharjah General Services Company LLC	Surface Transportation	UAE	49.00**	49.00**
	IIPL LAOS Pte. Limited (from April 6th, 2017)	Surface Transportation	Singapore	100.00	0.00
	IIPL USA LLC	Surface Transportation	USA	100.00	100.00
	Elsamex LLC	Operation & Maintenance	USA	100.00 $	100.00 $
	Grusamar Engenharia y Consultoría Brasil LTDA	Surface Transportation	Brazil	99.99 $	99.99 $
	ITNL Infrastructure Developer LLC	Car Park Development	UAE	49.00 ***	49.00 ***
	Elsamex Colombia SAS	Surface Transportation	Colombia	100.00 $	100.00 $
	Grusamar Ingenieria Y Consulting Colombia SAS	Surface Transportation	Colombia	100.00 $	100.00 $
	Flamingo Landbase Private Limited (upto June 30, 2017) (Refer Footnote 2)	Land Development	India	0.00	100.00
	Devika Buildestate Private Limited (upto June 30, 2017) (Refer Footnote 2)	Land Development	India	0.00	100.00
	Chirayu Kath Real Estate Private Limited (upto June 30, 2017) (Refer Footnote 2)	Land Development	India	0.00	100.00
	Park Line LLC (from May 4, 2016)	Car Park Development	UAE	24.99 @@	24.99 @@
	Elsamex Vietnam Joint Stock Company (from May 18, 2016)	Operation & Maintenance	Vietnam	65.00	65.00

$ Proportion of Group's Interest as at December 31, 2017 and December 31, 2016 respectively

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Out of the above 74.00% is directly held by the Company and balance 15.20% through FIIL (As at 31st March 2017: 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 2017: 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 2017: 2.89% held by Company and balance effective 41.23% 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 2017: 35% held by Company and balance effective 54.11% 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 2017: 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 70% and other shareholders 30%. IIPL controls IIDL through composition of Board of Directors and accordingly is a subsidiary of IIPL.

@@ 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 :

1. 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 by the said subsidiary in Singapore. The said transaction is done pursuant to the disclosure made by the wholly owned subsidiary company in their International Bond offering document.
2. During the year ended March 31, 2018, the Group has sold its investment of 2,000,000 equity share held in Rajasthan Land Holding Limited to Pario Developers Private Limited. Consequently the Group lost its control over step down subsidiaries Chirayu Kath Real Estate Private Limited, Devika Buildestate Private Limited and Flamingo Landbase Private Limited.
3. During the year ended March 31, 2018, the Company purchased equity shares of entire shareholdings of Elsamex Maintenance Services Limited, Elsamex India Private Limited, Grusamar India Limited and Yala Construction Co Private Limited from its subsidiary Elsamex S.A. These subsidiaries were upto previous year classified as indirect subsidiaries and have now been classified as direct subsidiaries.
4. During the year ended March 31, 2018, the Company has sold its Investment of 32,140,691 in equity share, representing 14.5% stake, held in Moradabad Bareilly Expressway Limited.
5. Grusamar Albania SHPK and Badarpur Tollway Operations Management Limited are under liquidation.

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

Name of joint operation	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group (%)	
			As at March 31, 2018	As at March 31, 2017
Held Directly :				
Thiruvananthapuram Road Development Company Limited	Surface Transportation	India	50.00	50.00
Warora Chandrapur Ballarpur Toll Road Limited	Surface Transportation	India	35.00	35.00
N.A.M. Expressway Limited	Surface Transportation	India	50.00	50.00
Jorabat Shillong Expressway Limited	Surface Transportation	India	50.00	50.00
Jharkhand Accelerated Road Development Company Limited (considered through invetment in covered warrant)	Surface Transportation	India	74.00	74.00
Road Infrastructure Development Company of Rajasthan Limited (considered through invetment in covered warrant)	Surface Transportation	India	50.00	50.00
Held through Subsidiaries :				
Chongqing Yuhe Expressway Co. Ltd.	Surface Transportation	China	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 31, 2018 $	As at March 31, 2017 $
Api Conservacion -Elsamex UTE Teruel II	50.00	50.00
Asfaltos Uribe-Norte Industrial-Construcciones Eder-Elsamex UTE Durango BI	28.00	28.00
Atenea-Consulnima UTE Consultea	50.00	50.00
Atenea- Iz Ingenieros UTE Atda Embalse De Flix	50.00	50.00
Betancourt-Grusamar UTE Linares	50.00	50.00
Betancourt-Grusamar UTE Rio Alhama	50.00	50.00
Corsan Corviam-Elsamex UTE Corelsa	50.00	50.00
Dair-Intevia	50.00	50.00
Elsamex-Martin Casillas UTE Conservacion Cadiz	50.00	50.00
Elsamex-Asfaltos Uribe Este Senal UTE Durango II	45.00	45.00
Elslamex-Cauchil UTE Elsamex -Cauchill Jaen	80.00	80.00
Elsamex-Ibersenal UTE Senalizacion Madrid	60.00	60.00
Elsamex-Oca UTE Conservacion Orense III	50.00	50.00
Elsamex-Oca UTE Coruna III	70.00	70.00
Elsamex- Rubau UTE Argentona	50.00	50.00
Elsamex-Velasco UTE Polideportivos Latina	50.00	50.00
Elsan Pacsa -Elsamex UTE Navalvillar De Pela II	50.00	50.00
Epsilon	35.00	35.00
Geoteyco -Cgs-Ciesm-Enmacosa 2/2008	24.00	24.00
Grusamar – Progescan UTE Areas De Servicio	100.00	100.00
Grusamar-Elsamex-Atenea	30.00	30.00
Grusamar-Elsamex-Atenea UTE Seguridad Vial Murcia	70.00	70.00
Grusamar -Ineco-Inastecan UTE Arucas	40.00	40.00
Intevia-Grusamar-Dair UTE Seguridad Vial Bizkaia	70.00	70.00
UTE Abedul Caceres	25.00	25.00
UTE Abedul Orihuela	25.00	25.00
UTE Abedul Ponferrada	25.00	25.00
UTE Abedul Villavidel	25.00	25.00
UTE Abedul Zamora	25.00	25.00
UTE Almanzora	65.00	65.00
UTE AP-7 Ondara	60.00	60.00
UTE Arona	60.00	60.00
UTE Atenea-Paymacotas	40.00	40.00
UTE Atenea-Prevecons	55.00	55.00
Ute Autovia de Santiago	50.00	50.00
UTE Bizcaya Bi	37.50	37.50
UTE CAP 1	50.00	50.00
UTE Cican Ciesm	50.00	50.00
UTE Conservacion Almeria	70.00	70.00
UTE Conservacion Asturias	50.00	50.00
UTE Conservacion Caceres	50.00	50.00
UTE Cordoba	50.00	50.00
UTE Dallas	0.00	50.00
UTE Elsamex-Lujan Alicante	50.00	50.00
UTE Grusamar -OHS Ingenieria UTE Travesia De Hermigua	50.00	50.00
UTE Grusamar-Eyser	50.00	50.00

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Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)	
	As at March 31, 2018 $	As at March 31, 2017 $
UTE Grusamar-Intecsa-Inarsa-Atenea	60.00	60.00
UTE Grusumar – Inserco Rambla Retamar	50.00	50.00
UTE Mantenimient De Cuenca	50.00	50.00
UTE SG-2/2011	24.00	24.00
UTE Sur Sevilla	50.00	50.00
UTE Tren Mallorca	80.00	80.00
UTE Parking Estacion Intermodal	50.00	50.00
UTE Elsamex-Pulido	50.00	50.00
UTE AP-7 Ondara 2	60.00	60.00
UTE Prointec-Intevia -Gestinsa	33.00	33.00
UTE Ciesm- Intevia-Conurma-Esmovilidad	40.00	40.00
UTE Elsamex-ITNL	100.00	100.00
UTE Intevia-Getinsa-Ciesa	34.00	34.00
UTE Etiopia 35	100.00	100.00
UTE Sistema tarifario	50.00	50.00
UTE Elsamex-Rebogar	60.00	60.00
UTE Servicios Energeticos de Antequera	30.00	30.00
UTE Burgos Sur	86.00	86.00
UTE Alumbrado Tegueste	50.00	50.00
UTE Avda. de Daganzo	50.00	50.00
UTE Servicios Energeticos las Palmas	50.00	50.00
UTE Jaen Sur	70.00	70.00
UTE Ciesm- Intevia-Dair-Itsak	42.50	42.50
UTE Elsgroup	90.00	90.00
UTE Santiago AP-9	50.00	50.00
UTE Sevilla Este	70.00	70.00
UTE Málaga Norte	70.00	70.00
UTE Arbrat Badalona	50.00	50.00
UTE Acceso Norte	60.00	60.00
UTE Piscinas Zamora	60.00	60.00
UTE Elsamex - Lujan Alicante II	50.00	50.00
UTE Seguridad Vial Murcia II	100.00	100.00
UTE Instalaciones Deportivas	60.00	60.00
UTE STM Terres del LEbre	30.00	30.00
UTE Red Viaria Sevilla	70.00	70.00
UTE Asistencia Molinar	52.00	52.00
UTE Inspeccion Autobuses Lineas Urbanas Murcia	20.00	20.00
UTE Auditorias Fis Granada	33.33	33.33
UTE Piscina Cubierta	50.00	50.00
UTE Servicios Mantenimiento Las Palmas	50.00	50.00
UTE Etiopia Bure	50.00	50.00
UTE Etiopia Nekemte	50.00	50.00
UTE Bialdeko	34.50	34.50
UTE LCA- Grusamar	50.00	50.00
UTE EIS Batalla	80.00	80.00
UTE Piscinas Zamora II	50.00	50.00
UTE ES Mercadal	50.00	50.00

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Name of the Jointly Controlled Operations	Proportion of Group's Interest (%)	
	As at March 31, 2018 $	As at March 31, 2017 $
UTE Instalaciones del Cloro	50.00	50.00
UTE Parque Tentengorra	50.00	50.00
UTE Mar Menor	50.00	50.00
UTE Osuna	50.00	50.00
UTE Ecija	50.00	50.00
UTE Recloracion	50.00	50.00
Con Interanino	50.00	50.00
Cons.Carreteras del Sur	60.00	60.00
Cons.Jose Saldis	34.00	34.00
UTE Dallas	50.00	50.00
Consorcio Elsamex Grusamar Ecuador	100.00	100.00
JV Elsamex - Ascon	50.00	50.00
UTE Control 7 Geoplaning	50.00	50.00
UTE Grusumar Valmia (from December 31, 2017)	75.00	0.00
UTE CIESM Intevia Gike (from October 31, 2017)	50.00	0.00
UTE Aena Almeria (from May 31, 2017)	50.00	0.00
UTE Albatera (from October 31, 2017)	50.00	0.00
UTE Huetor Vega (from December 31, 2017)	70.00	0.00
UTE Abastecimiento Melila (from December 31, 2017)	50.00	0.00
UTE Bodegi (from December 31, 2017)	50.00	0.00
UTE Asistencia Camposol (from August 31, 2017)	60.00	0.00

$ Proportion of Group's Interest as at December 31, 2017.

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

Name of joint operation	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group (%)	
			As at March 31, 2018	As at March 31, 2017
1. Held directly :				
Noida Toll Bridge Company Limited	Surface Transportation	India	26.37	26.37
ITNL Toll Management Services Limited	Operation & Maintenance	India	49.00	49.00
Pario Developers Private Limited (from June 30, 2017)	Land Development	India	33.00	0.00
Gujarat Road and Infrastructure Company Limited (Foot Note 1)	Surface Transportation	India	0.25	26.81
2. Held through Subsidiaries :				
Consorcio De Obras Civiles S.R.L	Surface Transportation	R.Dominicana	34.00 $	34.00 $
Geotecnia y Control De Qualitat, S.A.	Surface Transportation	Spain	50.00 $	50.00 $
Vias Y Construcciones S. R. L.	Surface Transportation	R.Dominicana	50.00 $	50.00 $
CGI 8 S.A.	Surface Transportation	Spain	49.00 $	49.00 $
Sociedad Concesionaria Autovía A-4 Madrid S.A	Surface Transportation	Spain	48.75 $	48.75 $
Ramky Elsamex Hyderbad Ring Road Limited	Surface Transportation	India	26.00 $	26.00 $
Elsamex Infrastructure Company WLL	Surface Transportation	Qatar	44.00 $	44.00 $
Elsamex Road Technology Company Limited (Foot Note 2)	Surface Transportation	China	23.44 $	23.44 $

$ Proportion of Group's Interest as at December 31, 2017 respectively

Foot notes :

1. During the year ended March 31, 2018, the Company sold its Investment of 14, 735,076 equity shares held in Gujarat Road and Infrastructure Company Limited.
2. Elsamex Road Technology Company Limited is under liquidation.

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36.3 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 Ranchi Muri Road Development Limited, ITNL-KMB JV and ITNL-IEECL JV which became subsidiaries during the year ended March 31, 2018 are given below:

₹ in Crore

Particulars	RMRL	ITNL-KMB JV	ITNL-IECCL JV
Assets as at March 31, 2018			
Non-current assets	-	0.07	0.00
Current assets	0.04	77.68	78.39
Total	**0.04**	**77.75**	**78.39**
Equity and Liability as at March 31, 2018			
Total Equity	0.03	(0.40)	1.24
Current liabilities	0.01	78.15	77.15
Total	**0.04**	**77.75**	**78.39**
Income for the period (from the date of incorporation / acquisition to March 31, 2018)			
Operating income	-	104.94	44.72
Other income	-	-	-
Total Income	**-**	**104.94**	**44.72**
Expenses for the period (from the date of incorporation / acquisition to March 31, 2018)			
Operating expenses	-	104.94	1.08
Depreciation	-	-	-
Interest cost	-	0.00	0.01
Other administrative expenses	0.02	0.40	0.03
Total Expenses	**0.02**	**105.34**	**1.12**
Profit / (Loss) for the period before tax	(0.02)	(0.40)	43.60
Taxes	-	-	0.55
Profit / (Loss) for the period after tax	**(0.02)**	**(0.40)**	**43.05**
Other Comprehensive Income / (loss)	-	-	-
Total other comprehensive Income / (loss)	**(0.02)**	**(0.40)**	**43.05**

b. 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:

₹ in Crore

Particulars	PLL	Elsamex Vietnam JSC
Assets as at March 31, 2017		
Non-current assets	39.28	3.54
Current assets	0.15	5.87
Total	**39.43**	**9.41**
Equity and Liability as at March 31, 2017		
Total Equity	(0.09)	(2.87)
Non-current liabilities	19.24	2.02
Total	**19.15**	**(0.85)**
Income for the period (from the date of incorporation / acquisition to March 31, 2017)		
Operating income	40.37	2.45
Other income	-	0.00
Total Income	**40.37**	**2.45**

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Expenses for the period (from the date of incorporation / acquisition to March 31, 2017)		
Operating expenses	20.20	0.30
Depreciation	-	0.05
Interest cost	-	0.00
Other administrative expenses	0.16	4.54
Total Expenses	**20.36**	**4.89**
Profit / (Loss) for the period before tax	20.01	(2.44)
Taxes	-	-
Profit / (Loss) for the period after tax	**20.01**	**(2.44)**
Other Comprehensive Income / (loss)	(0.01)	0.09
Total other comprehensive Income / (loss)	**20.00**	**(2.35)**

c. During the year ended March 31, 2018, the Group has sold its investment of 2,000,000 equity share held in Rajasthan Land Holding Limited to Pario Developers Private Limited. Consequently the Group lost its control over step down subsidiaries Chirayu Kath Real Estate Private Limited, Devika Buildestate Private Limited and Flamingo Landbase Private Limited. (Refer Note 40)

d. 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.

37. Leases

37.1 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, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Not later than one year	13.55	11.77	12.29	10.92
Later than one year and not later than five years	28.85	21.47	27.24	20.65
Later than five years	-	-	-	-
	42.40	**33.24**	**39.53**	**31.57**
Less: Future Finance charges	2.87	1.67	-	-
Present value of minimum lease payments	**39.53**	**31.57**	**39.53**	**31.57**

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Included in the financial statements as:		
- Non-current borrowings (note 18)	27.24	20.65
- Current maturities of finance lease obligations (note 18)	12.29	10.92
Total	**39.53**	**31.57**

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37.2 Operating lease arrangements

The Group 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, 2018	As at March 31, 2017
Not later than 1 year	20.95	49.63
Later than 1 year and not later than 5 years	42.67	6.88
Later than 5 years	-	-
Total	**63.62**	**56.51**

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Amount charged to the Statement of Profit and Loss for rent	16.73	67.74
Total	**16.73**	**67.74**

The lease terms do not contain any exceptional / restrictive covenants nor are there any options given to Group 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 Group 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:

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Not later than 1 year	0.76	23.24
Later than 1 year and not later than 5 years	4.63	38.16
Later than 5 years	1.55	2.58
Total	**6.94**	**63.98**

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Amount credited to the Statement of Profit and Loss for rent	0.82	0.82
Total	**0.82**	**0.82**

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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38. Employee benefit plans

38.1 Defined contribution plans

The Group 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 of Indian entities. Contributions are paid during the year into separate funds under certain statutory / fiduciary-type arrangements. While both the employees and the Group pay predetermined contributions into the provident fund and pension fund, contributions to superannuation fund are made only by the Group. 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 Group in funds under the control of Regional provident fund office and third party fund manager.

The total expense recognised in profit or loss of ₹ 88.01 crores (for the year ended March 31, 2017: ₹ 73.69 crore) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

38.2 Defined benefit plans

The Group offers its employees of Indian entities 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 Group 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 factor

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

Particulars	Valuation as at	
	As at March 31, 2018	As at March 31, 2017
Discount rate(s)	7.42% to 7.72%	6.69% to 8.06%
Rate of increase in compensation#	5% to 7%	5% to 6.50%
Mortality rates*	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Employee Attrition rate (Past service)	PS: 0 to 40 : 10% to 5%	PS: 0 to 40 : 6.1% to 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.

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Service cost:		
Current service cost	3.14	2.62
Past service cost and (gain)/loss from settlements	0.01	-
Net interest expense	0.17	0.11
Components of defined benefit costs recognised in profit or loss	**3.32**	**2.73**
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	0.02	(0.02)
Actuarial (gains) / losses arising from changes in demographic assumptions*	-	0.25
Actuarial (gains) / losses arising from changes in financial assumptions	0.57	(0.34)
Actuarial (gains) / losses arising from experience adjustments	0.70	0.15
Components of defined benefit costs recognised in other comprehensive income	**1.29**	**0.04**
Total	**4.61**	**2.77**

** 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 Group's obligation in respect of its defined benefit plans is as follows.

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Present value of funded defined benefit obligation	19.47	13.84
Fair value of plan assets	26.19	14.66
Funded status	6.72	0.83
Net asset /(liability) arising from defined benefit obligation	**6.72**	**0.83**

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

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Opening defined benefit obligation	13.84	13.61
New Subsidiary opening balance	1.96	
Current service cost	3.14	2.62
Interest cost	1.04	1.04
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	0.59	(0.31)
Actuarial gains and losses arising from experience adjustments	0.41	0.59
Benefits paid	(1.90)	(3.91)
Others -Transfer outs	0.39	(0.05)
Closing defined benefit obligation	**19.47**	**13.84**

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

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Opening fair value of plan assets	14.66	10.31
Add: New Subsidiary Added	1.32	-
Interest income	1.21	0.79
Remeasurement gain (loss):	(0.07)	(0.06)
Return on plan assets (excluding amounts included in net interest expense)	0.22	0.16
Adjustment to Opening Fair Value of Plan Asset	(0.03)	(0.12)
Contributions from the employer	10.40	7.49
Benefits paid	(1.90)	(3.91)
Others	0.38	-
Closing fair value of plan assets	**26.19**	**14.66**

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, 2018	As at March 31, 2017
Cash and cash equivalents	-	-
Gratuity Fund (LIC)	26.19	14.66
Total	**26.19**	**14.66**

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 ₹ 1.35 crore (March 31, 2017: ₹ 0.90 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.

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If the discount rate is 100 basis points higher/(lower), the defined benefit obligation would decrease by ₹1.62 crore (decrease by ₹1.16 crore as at March 31, 2017) and increase by ₹1.46 crore (increase by ₹ 1.31 crore as at March 31, 2017).

If the salary escalation rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 1.68 crore (increase by ₹1.29 crore as at March 31, 2017) and decrease by ₹1.38 crore (decrease by ₹1.12 crore as at March 31, 2017).

If the Attrition rate increases (decreases) by 1%, the defined benefit obligation would increase by ₹ 0.02 crore (increase by ₹ 0.07 crore as at March 31, 2017) and decrease by ₹ 0.02 crore (decrease by ₹ 0.08 crore as at March 31, 2017) .

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

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

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

The average duration of the benefit obligation at March 31, 2018 is 7.18 years (as at March 31, 2017: 9.87 years).

1. **Analysis of Defined Benefit Obligation**
   The number of members under the scheme have increased by 6.60%. Similarly the total salary increased by 15.59% during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased by 36.33%

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, 2018 is 7.18 years (as at March 31, 2017: 9.87 years).

The expected contributions to the defined benefit plan for the next annual reporting period as at March 31 2018 is ₹ 2.65 crore (as at March 31 2017 is ₹ 1.48 Crore)

39. Financial instruments

39.1 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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39.1.1 Gearing ratio

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

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Debt (i)	36,545.80	31,368.07
Cash and bank balances (including cash and bank balances in a disposal company held for sale)	1,786.63	1,276.61
Net debt	**34,759.17**	**30,091.46**
Total Equity (ii)	**4,826.16**	**4,620.35**
Net debt to total equity ratio	7.20	6.51

Footnotes:

(i) Debt is defined as long- term (including current portion of long- term borrowing) 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 and Non Controlling Interest.

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.

39.2 Categories of financial instruments

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Financial assets		
Fair value through profit and loss (FVTPL)		
Investment in equity instruments	-	22.13
Investment in Mutual Funds	276.31	
Derivative instruments designated as cash flow hedge		-
At amortised cost		
Investment in debt instruments	45.48	-
Investment in equity instruments	0.70	0.47
Loans	948.16	871.35
Trade receivables	1,312.81	1,004.57
Cash & cash equivalents; and bank balances (including Balances with Banks in deposit accounts under lien)	1,733.48	1,276.61
SCA receivable	9,868.30	8,872.69
Other financial assets (excluding Balances with Banks in deposit accounts under lien)	2,317.09	2,014.43
Financial liabilities		
Derivative instruments designated as cash flow hedge	100.09	153.86
At amortised cost		
Borrowings (including interest accrued)	34,795.92	31,368.07
Trade payables	2,088.36	1,164.96
Other financial liabilities (excluding interest accrued)	2,216.38	1,649.39

39.3 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.

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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.

39.4 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.

39.5 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.

₹ in Crore

Particulars	Liabilities as at (INR)		Assets as at (INR)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
USD	431.09	435.61	232.28	175.04
Euro	1,027.63	973.89	796.75	787.64
CNY	1,043.15	1,197.34	38.41	23.22
AED	69.17	0.29	52.35	113.86
VND	4.22	1.61	11.78	4.10
SGD	4.79	-	0.27	-
Botswana Pula	104.77	88.57	292.53	172.51
Dominican Peso	20.94	28.58	79.05	94.96
Ethiopian Birr	45.99	22.66	257.65	227.41
NGN	0.91	-	1.11	-
Mexican Peso	0.52	1.13	2.51	7.57
COP	0.81	0.92	5.83	4.51
KZT	0.66	0.73	1.11	1.53
BOB	1.75	0.78	3.90	2.96
PEN	0.05	0.02	0.62	0.59
BRL	0.20	0.20	0.78	0.78
CLP	-	0.00	-	0.01
HNL	-	0.03	-	0.01
ALL	-	0.23	-	0.26

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39.5.1 Foreign currency sensitivity analysis

The Group is mainly exposed to the US Dollars, Euro, Chinese Yuan, Arab Emarites Dirham, Botswana Pula and Ethiopian Birr

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

	USD		Euro		CNY		AED	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Profit or loss	19.88	26.06	23.09	18.62	100.47	117.41	1.68	(11.36)
Equity	19.88	26.06	23.09	18.62	100.47	117.41	1.68	(11.36)

	COP		KZT		BOB		PEN	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Profit or loss	(0.50)	(0.36)	(0.05)	(0.08)	(0.21)	(0.22)	(0.06)	(0.06)
Equity	(0.50)	(0.36)	(0.05)	(0.08)	(0.21)	(0.22)	(0.06)	(0.06)

	BWP		DOP		BIRR		MXN	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Profit or loss	1.62	(8.39)	(5.81)	(6.64)	(21.17)	(20.48)	(0.20)	(0.64)
Equity	1.62	(8.39)	(5.81)	(6.64)	(21.17)	(20.48)	(0.20)	(0.64)

	CLP		HNL		ALL		BRL	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Profit or loss	-	(0.00)	-	0.00	-	(0.00)	(0.06)	(0.06)
Equity	-	(0.00)	-	0.00	-	(0.00)	(0.06)	(0.06)

	SGD		VND		NGN	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Profit or loss	0.45	-	(0.76)	(0.25)	(0.02)	-
Equity	0.45	-	(0.76)	(0.25)	(0.02)	-

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.

Note: DOP = Dominican Pesos, COP = Colombian Pesos, PEN = Peruvian Sol, USD = US Dollar, ALL = Albanian Lek, EUR = Euro, MXN = Mexican Pesos, BRL = Brazilian Real, AED = Arab Emirates Dirham, HNL = Honduran Lempira, BWP = Botswanan Pula, BOB = Bolivian Boliviano, BIRR = Birr, CLP = Peso Chileno, SGD = Singapore Dollar, KZT =Kazakhstani Tenge, VND = Vietnamese dong, NGN = Nigerian Naira, CNY = Chinese Yuan

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39.5.2 Cross currency swap contracts

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

The Group has tested the hedge effectiveness through critical term matching (CTM) approach. Hedge Effectiveness Testing is assessed at designation date of the hedging relationship, and on an ongoing basis till the maturity of the hedging instrument and hedge item. The ongoing assessment is performed at a minimum at each reporting date or upon a significant change in circumstances affecting the hedge effectiveness requirements, whichever comes first. Any change in the critical terms of the hedge item and Hedge instrument over the life of hedge will lead to discontinuation of the hedging relationship. As the critical terms of the hedged item and the hedging instrument (notional, start date, , strike / contracted rate) are matching and cashflows are offsetting, hence economic relationship exists.

This also confirms that the hedging instrument and hedged item have values that generally move in the opposite direction because of the same hedged risk.The Group's intention is to keep currency risk hedged all the time and will keep rolling forwards or enter in to new swap till maturity of the hedged item.

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

Outstanding receive floating pay fixed contracts	Foreign currency-CNY		Average exchange rate		Average contracted fixed interest rate		Notional principal value		Fair value assets (liabilities)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Buy US Dollar										
Less than 1 year	-	69.00	-	9.29		4.50%		640.87		(57.50)
1 to 3 years	-	-	-					-		-
3 to 5 years	-	-	-					-		-
5 years +	-	-	-					-		-
Total	**-**	**69.00**					**-**	**640.87**	**-**	**(57.50)**

Outstanding receive floating pay fixed contracts	Foreign currency-USD		Average exchange rate		Average contracted fixed interest rate		Notional principal value		Fair value assets (liabilities)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Upto 1 year	0.42	3.43	65.74	63.63	10.50%-12.40%	10.80%-12.40%	228.02	218.01	(3.84)	(0.54)
1 to 3 years	6.30	2.48	65.49	64.76	10.49%-12.40%	11.20%-12.40%	412.59	158.99	(11.21)	(10.73)
3 to 5 years	19.16	13.10	66.85	67.21	10.49%-11.23%	10.66%-11.23%	1,280.64	878.66	(69.25)	(47.78)
More than 5 years	4.91	6.08	65.74	67.27	10.49%-10.49%	10.66%-11.23%	322.54	408.99	(13.95)	(36.33)
Total	**30.79**	**25.09**					**2,243.79**	**1,664.65**	**(98.25)**	**(95.38)**

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The interest portion in cross currency swaps is settled on a quarterly basis. The floating rate on the interest rate swaps is the 3 months LIBOR. The Group 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 Group'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.

One of Group's subsidiary hedged its exposure in USD by enterering into cross currency swaps which is settled during current financial year.

39.6 Interest rate risk management

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

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

39.6.1 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 Group's:

i) profit for the year ended March 31, 2018 would decrease/increase by ₹ 159.26 crores (March 31, 2017: decrease/increase by ₹ 56.82 crores). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings; and

The Group's sensitivity to interest rates has increased during the current year mainly due to the increase in variable rate debt instruments.

39.6.2 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 group 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.

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₹ in Crore

Outstanding receive floating pay fixed contracts	Average contracted fixed interest rate		Notional principal value		Fair value assets (liabilities)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Less than 1 year				-		-
1 to 3 years				-		-
3 to 5 years	2.99%	3.05%	19.95	17.14	0.68	0.98
5 years +				-		-
Total			**19.95**	**17.14**	**0.68**	**0.98**

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 group 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 group'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.

Cash flow hedges

The Group has entered into Cross Currency Swap and interest rate swaps in order to reduce the Group's cashflow exposure resulting from variable interest rate and foreign currency with underlying borrowings. These contracts are measured at fair value through OCI, ₹ 2.33 crores for the year ended March 31, 2018. (March 31, 2017: ₹ 58.43 crores)

39.7 Other price risks

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

39.8 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- ₹ 7,527.47crore (March 31, 2017 ₹ 7,393.50 crores)
2. State Government Authorities - ₹ 4,075.99 crore (March 31, 2017 ₹ 3,057.53 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.

39.9 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.

39.9.1 Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities

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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, 2018			March 31, 2017		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Upto 1 year	8,206.15	6,204.15	4,854.59	1,347.37	5,665.98	2,946.00
1-3 years	276.95	6,165.59	8,436.65	526.02	6,800.39	3,628.89
3-5 years	48.64	4,989.29	4,180.41	70.58	4,397.29	2,023.02
More than 5 years	79.14	14,483.31	9,127.76	1,391.22	10,837.13	5,337.86
Total	**8,610.88**	**31,842.34**	**26,599.41**	**3,335.19**	**27,700.79**	**13,935.77**

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

The following table details the company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

₹ in Crore

Particulars	March 31, 2018			March 31, 2017		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Upto 1 year	11,823.79	877.45	2,415.64	2,228.69	167.49	816.33
1-3 years	559.45	1,263.55	2,134.91	895.94	679.22	1,073.45
3-5 years	1,142.79	1,192.75	1,585.32	427.49	45.46	1,245.31
More than 5 years	5,900.85	5,178.66	8,633.72	348.36	5,353.74	3,814.60
Total	**19,426.88**	**8,512.41**	**14,769.59**	**3,900.48**	**6,245.91**	**6,949.69**

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 Group'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.

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₹ in Crore

Particulars	March 31, 2018		March 31, 2017	
	Interest rate swaps	Cross Currency Swaps	Interest rate swaps	Cross Currency Swaps
Upto 1 year	-	(3.84)	-	(58.04)
1-3 years	-	(11.21)	-	(10.73)
3-5 years	0.68	(69.25)	0.98	(47.78)
More than 5 years	-	(13.95)	-	(36.33)

39.10 Fair value measurements

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

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

Some of the Group'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, 2018	As at March 31, 2017				
1) Interest rate swaps (see notes 11 and 19)	0.68	0.98	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)	(98.25)	(152.88)	Level 2	Discounted cash flow. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.	None	None
3) Investment in equity shares of Pipavav Railway Corporation Limited	-	22.13	Level 3	Net assets value of the investee Group based on its audited financial statements	Net assets of the investee company	Direct

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

₹ in Crore

	As at March 31, 2018		As at March 31, 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
At amortised cost				
Investment in debt instruments	45.48	45.48	-	-
Investment in equity instruments	0.70	0.70	0.47	0.47
Loans	948.16	950.88	871.35	871.38
Trade receivables	1,312.81	1,312.81	1,004.57	1,004.57
Cash & cash equivalents; and bank balances	1,733.48	1,733.48	1,276.61	1,276.61
SCA receivable	9,868.30	9,868.30	8,872.69	9,090.98
Other financial assets	2,317.09	2,317.09	2,014.43	2,014.43
Financial liabilities				
At amortised cost				
Borrowings	34,795.92	35,152.24	31,368.07	31,507.06
Trade payables	2,088.36	2,088.36	1,164.96	1,164.96
Other financial liabilities	2,216.38	2,216.38	1,649.39	1,627.18

In case of financial assets and liabilities measured at amortised cost, the carrying amount in the financial statements are reasonable approximation of their fair values since the group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

₹ in Crore

Fair value hierarchy	As at March 31, 2018			As at March 31, 2017		
Particulars	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Fair value through profit and loss (FVTPL)						
Investment in equity instruments	-	-	-	-	-	22.13
Investment in Mutual Funds	-	276.31	-	-	-	-
Financial Assets measured at amortised cost						
Investment in debt instruments	-	-	45.48	-	-	-
Investment in equity instruments	-	-	0.70	-	-	0.47
Loans	-	-	950.88	-	-	873.71
Trade receivables	-	-	1,312.81		-	1,004.57
Cash & cash equivalents; and bank balances	-	-	1,733.48	-	-	1,276.61
SCA receivable	-	-	9,868.30	-	-	9,090.98
Other financial assets	-	-	2,317.09	-	-	2,014.43
Financial liabilities						
Derivative instruments designated as cash flow hedge	-	100.09	-	-	153.86	-
At amortised cost						
Borrowings	-	-	35,152.24	-	-	31,507.06
Trade payables	-	-	2,088.36	-	-	1,164.96
Other financial liabilities	-	-	2,216.38	-	-	1,627.18

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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40. Business combinations

40.1.1 Business combinations

During the year ended March 31, 2018, the Group has not acquired any subsidiary

40.2 Disposal of a subsidiary

On June 30, 2017, the Group disposed of Rajashan Land Holdings Limited which carried out land development business.

40.2.1 Consideration received

₹ in Crore

Particulars	As at June 30, 2017
Consideration received in cash and cash equivalents	150.00
Total consideration received	**150.00**

40.2.2 Analysis of asset and liabilities over which control was lost

₹ in Crore

Particulars	As at June 30.2017
Current assets	
Cash and cash equivalents	0.26
Other Current Financial assets	55.08
Current tax assets (Net)	0.17
Inventories (Land)	71.93
Other assets	1.15
Non-current assets	
Property, plant and equipment and Investment property	-
Other Non Current Financial assets	-
Other assets	0.31
Total (A)	**128.90**
Current liabilities	
Borrowings	
Other financial liabilities	55.52
Provisions	-
Other current liabilities	0.79
Non-current liabilities	-
Borrowings	70.24
Other Liabilities	-
Other financial liabilities	16.49
Total (B)	**143.04**
Net liabilities disposed of (A-B)	**(14.14)**

40.2.3 Loss on disposal of a subsidiary

₹ in Crore

Particulars	Year ended March 31, 2018
Consideration received	**150.00**
Less : Net liabilities disposed of	(14.14)
Less : Goodwill	12.01
Profit on disposal	**152.13**

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

₹ in Crore

Particulars	Year ended March 31, 2018
Consideration received in cash and cash equivalents	150.00
Less: cash and cash equivalent balances disposed of	0.26
Total	**149.74**

41. Disclosure in respect of Construction Contracts

₹ in Crore

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Contract revenue recognised as revenue during the year	4,974.61	5,382.60

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Cumulative revenue recognised	28,072.54	30,145.54
Advances received	409.63	312.92
Retention Money receivable	55.74	56.19
Gross amount due from customers for contract work, disclosed as asset (i.e. Unbilled Revenue)	179.16	168.69
Gross amount due to customers for contract work, disclosed as liability (i.e. Unearned Revenue)	1.85	0.07

42. Commitments for expenditure

₹ in Crore

Particulars	As at March 31, 2018	As at March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances paid aggregate ₹ 243.51 crore (as at March 31, 2017 ₹ 278.49 crore)	7,793.79	9,363.89
Total	**7,793.79**	**9,363.89**

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

43.1 Contingent liabilities

₹ in Crore

	Particulars	As at March 31, 2018	As at March 31, 2017
(a)	Claims against the group not acknowledged as debt	253.42	92.07
(b)	Other money for which the group is contingently liable		
	- Income tax demands contested by the group	62.97	63.67
	- Other tax liability	69.22	79.08
	- Royalty to Nagpur Municipal Corporation	1.07	1.07
	- Others	45.40	6.48
(c)	Guarantees/ counter guarantees issued in respect of other companies	977.87	888.30
	- Contingent liabilities incurred by the group arising from its interests in joint ventures (refer Footnote i)	38.29	38.69
	- Contingent liabilities incurred by the group arising from its interests in associates (refer Footnote ii)	353.37	357.37

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43.2 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 the Group's 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 was 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 denying the interim stay and, sought assistance of CAG to verify whether the Total Cost of the Project in terms of the Concession Agreement has been recovered or not by the Group's Associate Company. CAG has submitted its report to Hon'ble Supreme Court in a sealed cover on March 22, 2017.

At the last hearing on April 03, 2018, the Hon'ble Supreme Court bench has directed that the Report submitted by CAG be kept in a sealed cover and that the case be listed for hearing on merits in July 2018.

The Group's Associate Company has also notified the NOIDA Authority that the Judgement of the Hon'ble Allahabad High Court read with Interim Order of the Hon'ble Supreme Court of India constitute a Change in Law under the Concession Agreement and sought to be placed in substantially the same legal, commercial and economic position as it was prior to the said Change in Law as provided in the Concession Agreement. The Group's Associate Company thereafter sent Notice of Arbitration to Noida Authority.

The Arbitral Tribunal has been constituted and Group's Associate Company has submitted its Statement of Claim. Noida too has submitted a Counter claim on the Group's Associate Company and filed application on the maintainability of the arbitration proceedings. The Group's Associate Company has challenged the application. At the hearing held on May 19, 2018, the Arbitral Tribunal heard the arguments of the legal counsel of Noida Authority in respect of their application on maintainability of the arbitration proceedings. As the arguments could not be concluded, the Arbitral Tribunal will decide on a date for the next hearing to continue with the arguments.

(ii) During the previous years, Income Tax Department has raised demands aggregating ₹ 359.56 crores u/s 143(3)/147 of the Income tax Act, 1961, in respect of Assessment Years 2007-2008 to 2014-2015 which are primarily on account of the addition of arrears of designated returns to be recovered in future from toll revenue and subsidy on account of allotment of land . Consequent upon the receipt of order from CIT(A) Noida on April 25, 2018, the Group's Associate Company is in the process of filing an appeal with the Income Tax Appellate Tribunal (ITAT) and based on a legal opinion, the Group's Associate Company believes that the outcome of the same will be in favour of the Company.

Earlier, 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 an Group's Associate Company which is primiarly 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, Group's Associate Company 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.

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(iii) In one of the projects of an Group's 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 Group's 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 the Group's 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 Group's associate company has obtained permission to display advertisement against payment of monthly license fees @ 25% of total income or 25% of zonal rate (whichever is higher).

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 Group's Associate Company 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 Group's associate Company has initiated legal action and is in process of amicable settlement with MCD.

In December 2017 a Settlement Agreement has been executed between South Delhi Municipal Corporation (SDMC) and the Group's Associate Company for resolving the disputes between SDMC and the Group's Associate Company. SDMC has granted approval to display Outdoor Advertisement for maximum display area of 31000 sq.ft. on the South Delhi side of DND Flyway, for an initial period of 5 years which may be extended by another 2 years period, on the terms and conditions as agreed between SDMC and the Group's Associate Company. This settles the dispute between the Group's Associate Company and SDMC relating to display of Outdoor Advertisement within SDMC jurisdiction.

(v) The Group's 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.

(vi) During 2017, the Group's Subsidiary Company received unfavorable rulings, including the unfavorable judgment as a result of the litigation maintained with a construction company through the Belate UTE for an amount of Euro 7M.

The Management team is being advised by external lawyers that consider that there are many possibilities to win the appeal of the previous demand and that the insurance Company covers the amount demanded and avoid an outflow of cash from the Group's Subsidiary Company. Also the final resolution could last one or two years, so the

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Management Team considers that the provisions recorded are sufficient to cover the litigations. Management Team does not expect that future resolutions of disputes that could generate a material cash outflows.

43.3 Others

(i) 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 one of the Group' s Joint Venture Company. In the suit the Group's Joint Venture Company 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 Group's Joint Venture Company and its insurance company were made liable to pay ₹ 0.24 crore plus interest @ 6% per annum from 29.04.2008. As the Group's Joint Venture Company 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 Group's Joint Venture Company's liability may persist as a respondent, being the owner of the car/vehicle. The amount claimed under the case is ₹ 0.24 crore plus interest @ 6% per annum from 29.04.2008 onwards.

(ii) There are certain land acquisition cases pending against Group's Joint Venture Company 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. if Group's Joint Venture Company looses the case, Group's Joint Venture Company will leave the land as presently all the toll plazas are operational and as such there is no requirement of additional land for the purpose of toll collection.

(iii) Due to Sinhasth 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 Group's Joint Venture Company 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 Group's Joint Venture Company claim from GOR.

(iv) 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 Tolll Plaza of Lalsot-Kota (LJ-1) during the previous year. In this regard toll agency had submitted a claim of ₹ 0.02 crore for the period during which such exemption was given. The Group's Joint Venture Company has requested PWD, GOR to reimburse this amount. The payment of contractor's claim is subject to receipt of Group's Joint Venture Company's claim from GOR.

(v) 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 Group's Joint Venture Company had submitted claim of ₹ 12.93 crore to PWD, GOR to compensate for the toll revenue loss for this period which includes toll collection establishment charges and Toll agency's profit margin. In this respect Toll agency of Package LJ-1 and AS had submitted a claim towards revenue loss of ₹ 0.13 crore (net of liability already provided for). Group's Joint Venture Company's claim for cash compensation has not been entertained by PWD, GOR and instead, concession period has been increased by 22 days. The contractors have not paid the due amount for demonetisation period and only issue is regarding operation charges which is already provided for, hence there is nothing payable. However, Group's Joint Venture Company has decided to contiune with the disclosure of liability

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(vi) M/s Shiv Shakti Supplier (Toll agency of Package LJ-2) had filed the writ in the Hon'ble High Court, Jaipur to claim extension of the toll period for further 24 days as the toll had been suspended for 24 days in November 2016 due to demonetisation. The High Court had heard the matter on March 31, 2017 and directed both the parties to submit the figure of collection of toll tax of each month leaving the month of November 2016 based on which the Court would decide on the amount of compensation to be paid to the contractor. Toll agency had claimed toll operation expenses amount to ₹ 0.05 crore out of which ₹ 0.02 crore has already been accounted for during previous year and rest is payable subject to court decision

(vii) A PIL has been filed against the Group's Joint Venture Company for installation of illegal toll plaza on the RNB road and collection of illegal toll without the permission of state Govt. and against the Rajasthan State Highway Fee Rules, 2015. The court had asked the Group's Joint Venture Company to file a reply, which was filed on 13th July, 2017. The next date of hearing is on 3rd May, 2018. The Group's Joint Venture Company does not expect any financial liability in this case.

(viii) The contract of M/S Chaudhary Builders was terminated due to non deposition of 5 weekly installments inspite of good collection of user fee. The agency has filed a civil writ for termination of the contract for collection of user fee of GB Road at toll plaza Nawadiya. The court had asked the Group's Joint Venture Company to file a reply, which was filed on 24th January, 2018. The next date of hearing is on 25th May, 2018. The Group's Joint Venture Company does not expect any financial liability in this case.

(ix) The Service Tax authorities had conducted audits for the years 2009-10 to 2013-14 pursuant to which the Group's Subsidiary Company had received demand cum show cause notices from the office of Commissioner of Service Tax asking the Group's Subsidiary Company as to why it should not pay service tax plus interest and penalty. The Group's Subsidiary Company had filed an appeal to the Customs Excise and Service Tax Appellate Tribunal (CESTAT) against the said order including the application for stay of demand. No provision has been made in the books of account as the Group's Subsidiary Company is of the view that based on the facts of the case it is unlikely that any liability would arise on the Group.

(x) During the year ended March 31, 2018, Income Tax department has carried out search operation under section 132 of the Income Tax Act, 1961 in the office premises of the Group's Subsidiary Company. During the search procedings, the Income Tax authorities have sezied certain documents and electronic data on phones and laptop of senior management of the Group's Subsidiary Company.
We are informed that the sezied documents and electronic data are still in the custody of the Income Tax authorities and there has been no communication from the Income Tax Department till date.
The management is of the view that no liability is expected to arise on the Group's Subsidiary Company in this matter as the Group's Subsidiary Company has complied with all laws and regulations.

43.4 Letter of awareness and letter of financial support

a. Letter of financial support has been issued to Thiruvananthapuram Road Development Company Limited to enable them to continue their operations and meet their financial obligations as and when they fall due.

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.

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44 Related Party Disclosure

Current year - March 2018

(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	BEGL
	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 Resourses 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
	IL&FS Urban Infrastructure Managers Limited	IUIM
	ISSL CPG BPO Private Limited	ISCPBL
	IIML Asset Advisors Limited	IAAL
	IL&FS Asian Infrastructure Managers Limited	ISIM
	IL&FS Investment Managers Limited	IIML
	IL&FS Maritime offsore Pte. Limited	IMOPL
	IL&FS Tamil Nadu Power Company Limited	ITPCL
	Nana Layja Power Company Limited	NLGPCL
	Sabarmati Capital Two Limited	SCTL
	IL&FS Infra Assets Management Limited	IIAML
	IL&FS Engineering Construction Company Limited	IECCL
	IL&FS Global Financial Services (ME) Limited	IGFSL(ME)

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Nature of Relationship	Name of Entity	Abbreviation used
	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
	Pario Developers Private Limited (since June 30, 2017)	PDPL
	Geotecnia y Control De Qualitat, S. A.	
	Consorcio De Obras Civiles, Concíviles, S.R.L.	
	Vias Y Construcciones, Viacon, S.R.L.	
	Sociedad Concesionaria Autovía A-4 Madrid S.A	A4 CONCESSION
	Hill Country Property Limited	HCPL
	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
	Thiruvananthpuram 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 Dilip Bhatia - Chief Financial Officer	
	Mr Deepak Dasgupta-Non-Executive Director	
	Mr R.C. Sinha-Non-Executive Director	
	Mr H.P Jamdar-Non-Executive Director	
	Mr Ravi Parthasarathy-Non-Executive Director*	
	Mr Hari Sankaran-Non-Executive Director*	
	Mr Arun K Saha-Non-Executive Director*	
	Mr Pradeep Puri-Non-Executive Director (upto November 20, 2017)	
	Ms Neeru Singh-Non-Executive Director	
	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)	

* Represents Key Managerial Personnel of the Holding Company

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(b) Current year balances / transactions with above mentioned related parties

₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Balances						
Advances Recoverable						
ILFS	0.41	-	-	-	-	0.41
IAL	-	27.61	-	-	-	27.61
PTMCM	-	18.36	-	-	-	18.36
OTHERS	-	2.45	-	5.09	0.14	7.68
	0.41	**48.42**	**-**	**5.09**	**0.14**	**54.06**
Allowance for Expected Credit Loss on non current Loans						
JSEL	-	-	-	33.64	-	33.64
TRDCL	-	-	-	61.15	-	61.15
OTHERS	-	-	-	3.29	-	3.29
	-	**-**	**-**	**98.08**	**-**	**98.08**
Equity share Capital						
ILFS	236.58	-	-	-	-	236.58
IFIN	-	4.27	-	-	-	4.27
	236.58	**4.27**	**-**	**-**	**-**	**240.85**
Inter-corporate deposits						
IFIN	-	1.39	-	-	-	1.39
	-	**1.39**	**-**	**-**	**-**	**1.39**
Investments						
NAMEL	-	-	-	116.75	-	116.75
RIDCOR	-	-	-	162.50	-	162.50
NTBCL	-	-	191.62	-	-	191.62
PDPL	-	-	150.00	-	-	150.00
OTHERS	-	-	52.37	128.14	-	180.51
	-	**-**	**393.99**	**407.39**	**-**	**801.38**
Loans given - Current						
IFIN	-	45.01	-	-	-	45.01
JSEL	-	-	-	115.18	-	115.18
RIDCOR	-	-	-	63.00	-	63.00
OTHERS	-	58.80	54.20	32.19	-	145.19
	-	**103.81**	**54.20**	**210.37**	**-**	**368.38**
Loans given - Non current						
RIDCOR	-	-	-	59.40	-	59.40
TRDCL	-	-	-	90.13	-	90.13
A4 CONCESSION	-	-	71.24	-	-	71.24
OTHERS	-	-	0.05	-	-	0.05
	-	**-**	**71.29**	**149.53**	**-**	**220.82**

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₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Long-Term Borrowings						
ILFS	88.60	-	-	-	-	88.60
IFIN	-	180.00	-	-	-	180.00
IMICL	-	180.00	-	-	-	180.00
LIL	-	101.00	-	-	-	101.00
OTHERS	-	113.30	49.30	-	-	162.60
	88.60	**574.30**	**49.30**	**-**	**-**	**712.20**
Short-term Borrowings						
ILFS	1,775.92	-	-	-	-	1,775.92
OTHERS	-	1,468.00	7.75	-	-	1,475.75
	1,775.92	**1,468.00**	**7.75**	**-**	**-**	**3,251.67**
Interest accrued but not due on borrowings						
LIL	-	0.99	-	-	-	0.99
ITUAL	-	1.74	-	-	-	1.74
OTHERS	-	0.34	-	-	-	0.34
	-	**3.07**	**-**	**-**	**-**	**3.07**
Mobilisation Advance paid						
IECCL	-	42.90	-	-	-	42.90
OTHERS	-	4.00	-	-	-	4.00
	-	**46.90**	**-**	**-**	**-**	**46.90**
Mobilisation Advances Received (Long-term)						
NAMEL	-	-	-	2.46	-	2.46
	-	**-**	**-**	**2.46**	**-**	**2.46**
Mobilisation Advances Received (Short-term)						
IECCL	-	14.77	-	-	-	14.77
OTHERS	-	-	-	-	-	-
	-	**14.77**	**-**	**-**	**-**	**14.77**
Option Premium (Net of provision)						
ILFS	3.67	-	-	-	-	3.67
	3.67	**-**	**-**	**-**	**-**	**3.67**
Other Current Liabilities						
ILFS	0.98	-	-	-	-	0.98
SCOL	-	0.25	-	-	-	0.25
OTHERS	-	0.04	-	-	-	0.04
	0.98	**0.29**	**-**	**-**	**-**	**1.27**
Prepaid Expenses						
ILFS	0.26	-	-	-	-	0.26
IGFSL(ME)	-	6.02	-	-	-	6.02
IGFSPL	-	2.96	-	-	-	2.96
	0.26	**8.98**	**-**	**-**	**-**	**9.24**
Provision for Doubtful Assets						
IAL	-	1.82	-	-	-	1.82
	-	**1.82**	**-**	**-**	**-**	**1.82**

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₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Rent Deposit						
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	0.05	0.05
Mr Mukund Sapre-Executive Director	-	-	-	-	0.05	0.05
Mr K Ramchand-Managing Director	-	-	-	-	0.10	0.10
Mrs Rita Ramchand (Wife of Mr K Ramchand)	-	-	-	-	0.05	0.05
	-	**-**	**-**	**-**	**0.25**	**0.25**
Trade payables other than MSME						
ILFS	44.44	-	-	-	-	44.44
IFIN	-	28.86	-	-	-	28.86
IECCL	-	94.42	-	-	-	94.42
OTHERS	-	95.04	0.01	7.67	0.04	102.76
	44.44	**218.32**	**0.01**	**7.67**	**0.04**	**270.48**
Retention Money Payable						
IECCL	-	22.92	-	-	-	22.92
OTHERS	-	1.58	-	-	-	1.58
	-	**24.50**	**-**	**-**	**-**	**24.50**
Retention Money Receivable						
JSEL	-	-	-	50.47	-	50.47
OTHERS	-	1.07	-	5.66	-	6.73
	-	**1.07**	**-**	**56.13**	**-**	**57.20**
Unbilled Revenue						
JSEL	-	-	-	19.89	-	19.89
IECCL	-	26.66	-	-	-	26.66
OTHERS	-	-	-	0.65	-	0.65
	-	**26.66**	**-**	**20.54**	**-**	**47.20**
Other Financial Liabilities						
ILFS	0.03	-	-	-	-	0.03
	0.03	**-**	**-**	**-**	**-**	**0.03**
Capital Creditors						
IECCL	-	3.60	-	-	-	3.60
SCOL	-	4.33	-	-	-	4.33
ITUAL	-	10.75	-	-	-	10.75
	-	**18.68**	**-**	**-**	**-**	**18.68**
Unamortised Borrowing Cost						
ILFS	11.29	-	-	-	-	11.29
IFIN	-	68.87	-	-	-	68.87
IGFSL	-	10.70	-	-	-	10.70
OTHERS	-	4.28	-	-	-	4.28
	11.29	**83.85**	**-**	**-**	**-**	**95.14**

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₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Trade Receivables.						
ILFS	-	-	-	-	-	-
JSEL	-	-	-	152.63	-	152.63
NAMEL	-	-	-	34.68	-	34.68
TRDCL	-	-	-	25.77	-	25.77
OTHERS	-	10.50	4.29	7.25	-	22.04
	-	**10.50**	**4.29**	**220.33**	**-**	**235.12**
Sub debt Commitment						
RIDCOR	-	-	-	21.86	-	21.86
	-	**-**	**-**	**21.86**	**-**	**21.86**
Preconstruction and Mobilisation advance paid to contractors and other advances						
ILFS	1.19	-	-	-	-	1.19
OTHERS	-	16.28	-	-	-	16.28
IECCL	-	91.64	-	-	-	91.64
	1.19	**107.92**	**-**	**-**	**-**	**109.11**
Fair Valuation of Investments - Decrease						
JSEL	-	-	-	26.01	-	26.01
TRDCL	-	-	-	17.03	-	17.03
NTBCL	-	-	29.29	-	-	29.29
	-	**-**	**29.29**	**43.04**	**-**	**72.33**
Advances recoverable considered doubtful						
IAL	-	22.06	-	-	-	22.06
	-	**22.06**	**-**	**-**	**-**	**22.06**
Allowance for Expected Credit Loss on Receivable						
JSEL	-	-	-	10.35	-	10.35
NAMEL	-	-	-	3.76	-	3.76
TRDCL	-	-	-	4.81	-	4.81
	-	**-**	**-**	**18.92**	**-**	**18.92**
Allowance for Expected Credit Loss on Advances Recoverables						
PTMCM	-	1.99	-	-	-	1.99
	-	**1.99**	**-**	**-**	**-**	**1.99**
Guarantees issued to outsider in respect of Group Companies						
EIJVCA	-	-	-	211.96	-	211.96
OTHERS	-	1.41	-	-	-	1.41
	-	**1.41**	**-**	**211.96**	**-**	**213.37**
Guarantees received in respect of Group Companies						
ILFS	1,500.00	-	-	-	-	1,500.00
	1,500.00	**-**	**-**	**-**	**-**	**1,500.00**
Interest accrued and Due						
ITUAL	-	3.51	-	-	-	3.51
	-	**3.51**	**-**	**-**	**-**	**3.51**

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₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Capital Work in Progress						
IGFSL(ME)	-	0.86	-	-	-	0.86
IGFS(UK)L	-	3.07	-	-	-	3.07
	-	**3.93**	**-**	**-**	**-**	**3.93**
Fair Valuation of Investments - Increase.						
PDPL	-	-	8.37	-	-	8.37
	-	**-**	**8.37**	**-**	**-**	**8.37**
Transactions						
Administrative and general expenses						
ILFS	37.21	-	-	-	-	37.21
IFIN	-	19.97	-	-	-	19.97
IMICL	-	10.05	-	-	-	10.05
OTHERS	-	13.21	0.01	-	-	13.22
	37.21	**43.23**	**0.01**	**-**	**-**	**80.45**
Borrowings						
ILFS	7,068.28	-	-	-	-	7,068.28
OTHERS	-	3,484.78	10.00	-	-	3,494.78
	7,068.28	**3,484.78**	**10.00**	**-**	**-**	**10,563.06**
Construction Cost						
ILFS	-	-	-	-	-	-
IECCL	-	307.18	-	-	-	307.18
OTHERS	-	-	-	-	-	-
	-	**307.18**	**-**	**-**	**-**	**307.18**
Expected Credit loss on Loans						
JSEL	-	-	-	33.64	-	33.64
OTHERS	-	-	-	2.99	-	2.99
	-	**-**	**-**	**36.63**	**-**	**36.63**
Finance Charges						
ILFS	41.95	-	-	-	-	41.95
IFIN	-	47.74	-	-	-	47.74
OTHERS	-	20.25	-	-	-	20.25
	41.95	**67.99**	**-**	**-**	**-**	**109.94**
Guarantee Fees Income						
EIJVCA	-	-	-	2.91	-	2.91
	-	**-**	**-**	**2.91**	**-**	**2.91**
Inter-corporate deposits - matured						
IFIN	-	35.18	-	-	-	35.18
OTHERS	-	1.30	-	-	-	1.30
	-	**36.48**	**-**	**-**	**-**	**36.48**
Inter-corporate deposits - placed						
IFIN	-	27.68	-	-	-	27.68
OTHERS	-	1.39	-	-	-	1.39
	-	**29.07**	**-**	**-**	**-**	**29.07**

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₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Interest on loans (Expense)						
ILFS	223.45	-	-	-	-	223.45
OTHERS	-	316.65	1.39	11.97	-	330.01
	223.45	**316.65**	**1.39**	**11.97**	**-**	**553.46**
Investment made / purchased						
PDPL	-	-	150.00	-	-	150.00
OTHERS	-	-	0.18	-	-	0.18
	-	**-**	**150.18**	**-**	**-**	**150.18**
Loans given						
JSEL	-	-	-	408.38	-	408.38
RIDCOR	-	-	-	103.00	-	103.00
TRDCL	-	-	-	160.04	-	160.04
IECCL	-	161.14	-	-	-	161.14
OTHERS	-	24.25	20.57	-	-	44.82
	-	**185.39**	**20.57**	**671.42**	**-**	**877.38**
Miscellaneous Income						
IECCL	-	25.82	-	-	-	25.82
OTHERS	-	1.20	-	-	-	1.20
	-	**27.02**	**-**	**-**	**-**	**27.02**
Rent Expense						
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	0.16	0.16
Mr Mukund Sapre-Executive Director	-	-	-	-	0.16	0.16
Mr K Ramchand-Managing Director	-	-	-	-	0.34	0.34
Mrs Rita Ramchand (Wife of Mr K Ramchand)	-	-	-	-	0.49	0.49
OTHERS	-	-	-	-	0.09	0.09
	-	**-**	**-**	**-**	**1.24**	**1.24**
Repayment of borrowings						
ILFS	5,264.39	-	-	-	-	5,264.39
OTHERS	-	2,951.20	-	75.00	-	3,026.20
	5,264.39	**2,951.20**	**-**	**75.00**	**-**	**8,290.59**
Repayment of loans given						
JSEL	-	-	-	509.26	-	509.26
TRDCL	-	-	-	239.00	-	239.00
IECCL	-	128.14	-	-	-	128.14
OTHERS	-	53.33	2.42	65.00	-	120.75
	-	**181.47**	**2.42**	**813.26**	**-**	**997.15**
Revenue from Operations						
JSEL	-	-	-	78.34	-	78.34
RIDCOR	-	-	-	52.78	-	52.78
IECCL	-	45.40	-	-	-	45.40
OTHERS	-	9.66	2.59	0.47	-	12.72
	-	**55.06**	**2.59**	**131.59**	**-**	**189.24**

NOTES

forming part of the Consolidated Financial Statements

₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Reversal of Expected Credit loss on Loans						
TRDCL	-	-	-	16.72	-	16.72
	-	**-**	**-**	**16.72**	**-**	**16.72**
Sale of Investment						
IFIN	-	157.80	-	-	-	157.80
	-	**157.80**	**-**	**-**	**-**	**157.80**
Operating Expenses						
ILFS	102.68	-	-	-	-	102.68
RIDCOR	-	-	-	77.17	-	77.17
OTHERS	-	10.58	-	-	-	10.58
	102.68	**10.58**	**-**	**77.17**	**-**	**190.43**
Purchase of Asset						
IECCL	-	2.77	-	-	-	2.77
OTHERS	-	0.02	-	-	-	0.02
	-	**2.79**	**-**	**-**	**-**	**2.79**
Sale of Asset						
IECCL	-	0.58	-	-	-	0.58
	-	**0.58**	**-**	**-**	**-**	**0.58**
Remuneration to director / KMP*						
Mr Mukund Sapre-Executive Director	-	-	-	-	2.88	2.88
Mr K Ramchand-Managing Director	-	-	-	-	4.19	4.19
Mr Dilip Bhatia-Chief Financial Officer	-	-	-	-	2.57	2.57
OTHERS	-	-	-	-	1.95	1.95
	-	**-**	**-**	**-**	**11.59**	**11.59**
Interest Income on Financial Assets						
ILFS	2.62	-	-	-	-	2.62
JSEL	-	-	-	17.82	-	17.82
RIDCOR	-	-	-	8.55	-	8.55
TRDCL	-	-	-	8.22	-	8.22
IECCL	-	14.81	-	-	-	14.81
OTHERS	-	3.65	5.52	1.73	-	10.90
	2.62	**18.46**	**5.52**	**36.32**	**-**	**62.92**
Fair Valuation of Investments - Decrease.						
JSEL	-	-	-	26.01	-	26.01
	-	**-**	**-**	**26.01**	**-**	**26.01**
Expected Credit Loss on Other Financial Assets						
PTMCM	-	0.13	-	-	-	0.13
	-	**0.13**	**-**	**-**	**-**	**0.13**
Reversal of Expected Credit Loss on Receivables.						
TRDCL	-	-	-	8.71	-	8.71
	-	**-**	**-**	**8.71**	**-**	**8.71**

NOTES

forming part of the Consolidated Financial Statements

₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Expected Credit Loss on Receivables.						
JSEL	-	-	-	0.45	-	0.45
NAMEL	-	-	-	0.24	-	0.24
	-	**-**	**-**	**0.69**	**-**	**0.69**
Dividend Income						
ILFS	1.62	-	-	-	-	1.62
Yuhe	-	-	-	108.68	-	108.68
	1.62	**-**	**-**	**108.68**	**-**	**110.30**
Fair Valuation of Investments - Increase.						
PDPL	-	-	8.37	-	-	8.37
	-	**-**	**8.37**	**-**	**-**	**8.37**

Footnote : - * Includes Deputation cost of ₹ 5.63 Crores charged by Holding Company "IL&FS" as mentioned below, but excludes benefits in the nature of gratuity and leave encashment which are created on acturial basis for Company as a whole and not for the individual employee including KMP.

Mr K Ramchand-Managing Director	3.47
Mr Mukund Sapre-Executive Director	2.16
	5.63

Previous year - March 2017

(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	BEGL
	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

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forming part of the Consolidated Financial Statements

Nature of Relationship	Name of Entity	Abbreviation used
	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 Resourses 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.	
	Consorcio 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 Brdige Company Limited	NTBCL
	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
	RIDCOR Infraprojects Private Limited	RIPL
	Jharkhand Accelerated Road Development Company Limited	JARDCL
	Thiruvananthpuram 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

NOTES
forming part of the Consolidated Financial Statements

Nature of Relationship	Name of Entity	Abbreviation used
Key Management Personnel ("KMP")	Mr K Ramchand-Managing Director	
	Mr Mukund Sapre-Executive Director	
	Mr Krishna Ghag, Company Secretary	
	Mr Dilip Bhatia, Chief Financial Officer	
	Mr Deepak Dasgupta-Non-Executive Director	
	Mr R.C. Sinha-Non-Executive Director	
	Mr H.P Jamdar-Non-Executive Director	
	Mr Ravi Parthasarathy-Non-Executive Director*	
	Mr Hari Sankaran-Non-Executive Director*	
	Mr Arun K Saha-Non-Executive Director*	
	Deepak satwalekar-Non-Executive Director (upto August 9, 2016)	
	Vibhav Kapoor-Non-Executive Director (upto September 12, 2016)	
	Mr Pradeep Puri-Non-Executive Director	
	Ms Neeru Singh-Non-Executive Director	
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)	

* Represents Key Managerial Personnel of the Holding Company

(b) Previous year balances / transactions with above mentioned related parties

₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Balances						
Advances Recoverable						
GRICL	-	-	75.00	-	-	75.00
	-	**-**	**75.00**	**-**	**-**	**75.00**
Allowance for Expected Credit Loss on Advances Recoverables						
GRICL	-	-	21.61	-	-	21.61
	-	**-**	**21.61**	**-**	**-**	**21.61**
Equity share Capital						
IFIN	-	4.27	-	-	-	4.27
ILFS	236.58	-	-	-	-	236.58
	236.58	**4.27**	**-**	**-**	**-**	**240.85**
Investments						
NAMEL	-	-	-	116.75	-	116.75
NTBCL	-	-	191.62	-	-	191.62
RIDCOR	-	-	-	162.50	-	162.50
OTHERS	-	-	39.78	138.14	-	177.92
	-	**-**	**231.40**	**417.39**	**-**	**648.79**

NOTES

forming part of the Consolidated Financial Statements

₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Fair Valuation of Investments - Decrease						
NTBCL	-	-	29.29	-	-	29.29
TRDCL	-	-	-	17.03	-	17.03
	-	**-**	**29.29**	**17.03**	**-**	**46.32**
Long-Term Borrowings						
FIN	-	500.62	-	-	-	500.62
IMICL	-	200.00	-	-	-	200.00
OTHERS	7.20	120.73	32.41	75.00	-	235.34
	7.20	**821.35**	**32.41**	**75.00**	**-**	**935.96**
Short-term Borrowings						
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
	49.83	**627.97**	**0.77**	**7.92**	**-**	**686.49**
Current Maturities of Long Term Borrowings						
NLGPCL	-	75.00	-	-	-	75.00
OTHERS	3.60	0.10	-	-	-	3.70
	3.60	**75.10**	**-**	**-**	**-**	**78.70**
Interest accrued but not due on borrowings						
IFIN	-	7.05	-	-	-	7.05
ITUAL	-	3.72	-	-	-	3.72
OTHERS	-	0.33	-	-	-	0.33
	-	**11.10**	**-**	**-**	**-**	**11.10**
Mobilisation Advance paid						
ITL	-	4.00	-	-	-	4.00
	-	**4.00**	**-**	**-**	**-**	**4.00**
Mobilisation Advances Received (Short-term)						
JSEL	-	-	-	5.57	-	5.57
NAMEL	-	-	-	2.46	-	2.46
	-	**-**	**-**	**8.03**	**-**	**8.03**
Option Premium (Net of provision)						
ILFS	3.67	-	-	-	-	3.67
	3.67	**-**	**-**	**-**	**-**	**3.67**
Payable on account of Capital Expenditure						
SCOL	-	3.33	-	-	-	3.33
	-	**3.33**	**-**	**-**	**-**	**3.33**
Retention Money Payable						
ITL	-	1.55	-	-	-	1.55
RIDCOR	-	-	-	6.41	-	6.41
OTHERS	-	0.03	-	-	-	0.03
	-	**1.58**	**-**	**6.41**	**-**	**7.99**

NOTES

forming part of the Consolidated Financial Statements

₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Retention Money Receivable						
JSEL	-	-	-	40.67	-	40.67
OTHERS	-	-	0.01	-	-	0.01
	-	**-**	**0.01**	**40.67**	**-**	**40.68**
Trade Receivables						
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
	-	**20.92**	**9.12**	**103.35**	**-**	**133.39**
Sub debt Commitment						
RIDCOR	-	-	-	21.86	-	21.86
	-	**-**	**-**	**21.86**	**-**	**21.86**
Guarantees issued to outsider in respect of Group Companies						
EIJVCA	-	-	-	262.94	-	262.94
	-	**-**	**-**	**262.94**	**-**	**262.94**
Allowance for Expected Credit Loss on Receivables						
NAMEL	-	-	-	3.52	-	3.52
TRDCL	-	-	-	18.50	-	18.50
OTHERS	-	1.86	-	-	-	1.86
	-	**1.86**	**-**	**22.02**	**-**	**23.88**
Unbilled Revenue						
JSEL	-	-	-	167.29	-	167.29
OTHERS	-	-	-	0.53	-	0.53
	-	**-**	**-**	**167.82**	**-**	**167.82**
Loans given - Current						
JSEL	-	-	-	219.55	-	219.55
TRDCL	-	-	-	78.20	-	78.20
OTHERS	-	55.60	0.87	70.48	-	126.95
	-	**55.60**	**0.87**	**368.23**	**-**	**424.70**
Loans given - Non current						
A4 CONCESSION	-	-	60.10	-	-	60.10
TRDCL	-	-	-	99.08	-	99.08
OTHERS	-	-	-	0.34	-	0.34
	-	**-**	**60.10**	**99.42**	**-**	**159.52**
Allowance for Expected Credit Loss on non current Loans						
TRDCL	-	-	-	55.48	-	55.48
	-	**-**	**-**	**55.48**	**-**	**55.48**
Allowance for Expected Credit Loss on current Loans						
TRDCL	-	-	-	22.39	-	22.39
OTHERS	-	-	-	0.30	-	0.30
	-	**-**	**-**	**22.69**	**-**	**22.69**

NOTES

forming part of the Consolidated Financial Statements

₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Inter Corporate Deposits						
IFIN	-	8.80	-	-	-	8.80
	-	**8.80**	**-**	**-**	**-**	**8.80**
Other Current Liabilities						
IFIN	-	2.31	-	-	-	2.31
OTHERS	0.13	0.02	-	-	-	0.15
	0.13	**2.33**	**-**	**-**	**-**	**2.46**
Other Financial Assets						
GIMCl	-	0.06	-	-	-	0.06
TEL	-	0.02	-	-	-	0.02
ICDI	-	0.01	-	-	-	0.01
	-	**0.09**	**-**	**-**	**-**	**0.09**
Prepaid Expenses						
IFIN	-	57.32	-	-	-	57.32
IGFSL	-	8.77	-	-	-	8.77
OTHERS	-	3.26	-	-	-	3.26
	-	**69.35**	**-**	**-**	**-**	**69.35**
Security Deposit						
Mr K Ramchand-Managing Director	-	-	-	-	0.10	0.10
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	0.05	0.05
	-	**-**	**-**	**-**	**0.15**	**0.15**
Other Advances						
IAL	-	5.39	-	-	-	5.39
RIDCOR	-	-	-	4.40	-	4.40
OTHERS	0.01	1.14	0.50	0.05	-	1.70
	0.01	**6.53**	**0.50**	**4.45**	**-**	**11.49**
Trade payables						
IFIN	-	42.06	-	-	-	42.06
ILFS	26.92	-	-	-	-	26.92
ITUAL	-	17.95	-	-	-	17.95
OTHERS	0.11	17.42	-	2.39	-	19.92
	27.03	**77.43**	**-**	**2.39**	**-**	**106.85**
Provision for Doubtful Advance						
IAL	-	22.06	-	-	-	22.06
	-	**22.06**	**-**	**-**	**-**	**22.06**
Revenue from Operations						
GRICL	-	-	38.92	-	-	38.92
JSEL	-	-	-	100.80	-	100.80
OTHERS	-	1.07	12.14	77.28	-	90.49
	-	**1.07**	**51.06**	**178.08**	**-**	**230.21**

NOTES

forming part of the Consolidated Financial Statements

₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Other Income						
A4 CONCESSION	-	-	4.19	-	-	4.19
JSEL	-	-	-	29.52	-	29.52
OTHERS	-	0.11	-	-	-	0.11
	-	**0.11**	**4.19**	**29.52**	**-**	**33.82**
Borrowings						
ILFS	1,180.83	-	-	-	-	1,180.83
ICDI	-	575.10	-	-	-	575.10
OTHERS	13.15	3,456.48	-	200.00	-	3,669.63
	1,193.98	**4,031.58**	**-**	**200.00**	**-**	**5,425.56**
Brand subscription fees (Expense)						
ILFS	15.74	-	-	-	-	15.74
	15.74	**-**	**-**	**-**	**-**	**15.74**
Capital Advance received						
IFIN	-	115.00	-	-	-	115.00
	-	**115.00**	**-**	**-**	**-**	**115.00**
Capital Advance repaid						
IFIN	-	115.00	-	-	-	115.00
	-	**115.00**	**-**	**-**	**-**	**115.00**
Commission Charges & monitoring fees						
ILFS	21.51	-	-	-	-	21.51
OTHERS	-	0.15	-	-	-	0.15
	21.51	**0.15**	**-**	**-**	**-**	**21.66**
Dividend Paid						
ILFS	3.73	-	-	-	-	3.73
	3.73	**-**	**-**	**-**	**-**	**3.73**
Finance Cost						
IFIN	-	70.32	-	-	-	70.32
IMICL	-	20.50	-	-	-	20.50
OTHERS	-	29.34	-	-	-	29.34
	-	**120.16**	**-**	**-**	**-**	**120.16**
Intangible assets under development						
IFIN	-	65.03	-	-	-	65.03
OTHERS	0.31	0.41	-	-	-	0.72
	0.31	**65.44**	**-**	**-**	**-**	**65.75**
Interest income on Financial Assets						
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
	5.42	**3.18**	**-**	**27.55**	**-**	**36.15**

NOTES

forming part of the Consolidated Financial Statements

₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Interest on Debentures						
ILFS	1.83	-	-	-	-	1.83
	1.83	**-**	**-**	**-**	**-**	**1.83**
Interest on Loans (Expense)						
ILFS	321.00	-	-	-	-	321.00
OTHERS	26.81	384.06	0.15	2.41	-	413.43
	347.81	**384.06**	**0.15**	**2.41**	**-**	**734.43**
Loans given						
JSEL	-	-	-	643.37	-	643.37
TRDCL	-	-	-	121.77	-	121.77
OTHERS	-	53.63	0.83	59.00	-	113.46
	-	**53.63**	**0.83**	**824.14**	**-**	**878.60**
Miscellaneous Income						
NTBCL	-	-	0.66	-	-	0.66
OTHERS	-	0.60	-	-	-	0.60
	-	**0.60**	**0.66**	**-**	**-**	**1.26**
Operating Expenses (Other than Construction Cost)						
IAL	-	7.01	-	-	-	7.01
ITL	-	12.78	-	-	-	12.78
OTHERS	-	0.16	-	-	-	0.16
	-	**19.95**	**-**	**-**	**-**	**19.95**
Other Interest						
IFIN	-	2.32	-	-	-	2.32
	-	**2.32**	**-**	**-**	**-**	**2.32**
Purchase of Investment						
ILFS	4.52	-	-	-	-	4.52
	4.52	**-**	**-**	**-**	**-**	**4.52**
Redemption / Repayments						
ILFS	3.60	-	-	-	-	3.60
	3.60	**-**	**-**	**-**	**-**	**3.60**
Redemption of Debenture						
RIDCOR	-	-	-	32.00	-	32.00
	-	**-**	**-**	**32.00**	**-**	**32.00**
Remuneration to director / KMP						
Mr K Ramchand-Managing Director	-	-	-	-	5.20	5.20
Mr Krishna Ghag-Company Secretary	-	-	-	-	0.58	0.58
Mr Mukund Sapre-Executive Director	-	-	-	-	3.16	3.16
Mr Dilip Bhatia-Chief Financial Officer	-	-	-	-	1.50	1.50
Others	-	-	-	-	1.40	1.40
	-	**-**	**-**	**-**	**11.84**	**11.84**

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forming part of the Consolidated Financial Statements

₹ in Crore

Particulars	Holding Company	Fellow Subsidiaries	Associates	Joint Venture	Key Management personnel and relatives	Total
Rent Expense						
Mr K Ramchand-Managing Director	-	-	-	-	0.34	0.34
Mrs Rita Ramchand (wife of Mr K Ramchand)	-	-	-	-	0.45	0.45
Mr Mukund Sapre-Executive Director	-	-	-	-	0.16	0.16
Mrs Sangeeta Sapre (wife of Mr Mukund Sapre)	-	-	-	-	0.16	0.16
OTHERS	-	-	-	-	0.10	0.10
	-	**-**	**-**	**-**	**1.21**	**1.21**
Repayment of Borrowings						
ILFS	1,180.00	-	-	-	-	1,180.00
OTHERS	337.00	5,474.58	-	125.00	-	5,936.58
	1,517.00	**5,474.58**	**-**	**125.00**	**-**	**7,116.58**
Repayment of loans given						
JSEL	-	-	-	486.82	-	486.82
TRDCL	-	-	-	128.28	-	128.28
OTHERS	-	15.57	-	59.00	-	74.57
	-	**15.57**	**-**	**674.10**	**-**	**689.67**
Reversal of Expected Credit Loss on Receivables						
TRDCL	-	-	-	5.76	-	5.76
		-	**-**	**5.76**	**-**	**5.76**
Dividend Received						
GRICL	-	-	4.46	-	-	4.46
NTBCL	-	-	7.36	-	-	7.36
	-	**-**	**11.82**	**-**	**-**	**11.82**
Inter corporate deposits placed						
IFIN	-	129.53	-	-	-	129.53
OTHERS	-	2.56	-	-	-	2.56
	-	**132.09**	**-**	**-**	**-**	**132.09**
Inter corporate deposits received back						
IFIN	-	122.03	-	-	-	122.03
OTHERS	-	2.46	-	-	-	2.46
	-	**124.49**	**-**	**-**	**-**	**124.49**
Other Expenses						
ILFS	26.81	-	-	-	-	26.81
OTHERS	3.63	17.21	2.01	0.24	-	23.09
	30.44	**17.21**	**2.01**	**0.24**	**-**	**49.90**
Dividend Paid						
ILFS	47.32	-	-	-	-	47.32
IFIN	-	0.85	-	-	-	0.85
	47.32	**0.85**	**-**	**-**	**-**	**48.17**

Footnote : - * Includes Deputation cost of ₹ 6.10 Crores charged by Holding Company "IL&FS" as mentioned below, but excludes benefits in the nature of gratuity and leave encashment which are created on acturial basis for Company as a whole and not for the individual employee including KMP.

Mr K Ramchand-Managing Director	3.68
Mr Mukund Sapre-Executive Director	2.42
	6.10

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forming part of the Consolidated Financial Statements

45. Segment Reporting

₹ in Crore

	Surface Transportation Business		Others		Total	
	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
Revenue						
External	8,026.79	7,669.17	320.86	315.25	8,347.65	7,984.42
Inter-Segment		-		-		-
Segment Revenue	8,026.79	7,669.17	320.86	315.25	8,347.65	7,984.42
Segment expenses	5,599.98	4,889.47	236.03	255.12	5,836.01	5,144.59
Segment results	2,426.81	2,779.69	84.83	60.14	2,511.64	2,839.83
Unallocated income (excluding interest income) (Refer Footnote 3)					1,244.60	276.53
Unallocated expenditure (Refer Footnote 4)					32.24	45.81
Finance cost					3,748.99	3,086.33
Interest Income unallocated					186.67	140.67
Tax expense (net)					162.50	74.10
Share of profit / (loss) of Joint ventures (net)					67.83	78.54
Share of profit / (loss) of Associates (net)					(1.94)	16.25
Profit for the year					65.07	145.58

₹ in Crore

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Segment assets	40,857.52	35,040.26	517.74	397.61	41,375.26	35,437.87
Unallocated Assets (Refer Footnote 1)					5,821.84	4,538.89
Total assets					**47,197.10**	**39,976.76**
Segment liabilities	4,725.28	3,311.08	210.54	160.50	4,935.82	3,471.58
Unallocated Liabilities (Refer Footnote 2)					37,435.12	31,884.83
Total liabilities					**42,370.94**	**35,356.41**

₹ in Crore

	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
Capital Expenditure for the year	6,034.08	7,785.53	12.08	6.92	163.80	7,792.45
Depreciation and amortisation expense					412.97	365.72
Non cash expenditure other than depreciation for the year					(681.65)	162.21

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forming part of the Consolidated Financial Statements

(II) Secondary - Geographical Segments:

₹ in Crore

Particulars	India Year ended March 31, 2018	Outside India Year ended March 31, 2018	India Year ended March 31, 2017	Outside India Year ended March 31, 2017
Revenue - External	6,944.79	1,402.86	6,843.89	1,140.53
Capital Expenditure	5,883.63	162.53	7,672.79	1,199.66

₹ in Crore

	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017	As at March 31, 2017
Segment Assets	39,289.73	2,085.54	33,819.86	1,618.01

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.

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	26.93	3,076.46	(56.16)	251.76	(4.58)	(4.43)	(70.37)	247.33
Subsidiaries								
Indian								
East Hyderabad Expressway Limited	0.45	51.09	3.08	(13.82)	-	-	3.93	(13.82)
ITNL Road Infrastructure Development Company Limited	(0.61)	(69.93)	18.13	(81.28)	-	-	23.12	(81.28)
IL&FS Rail Limited	7.94	906.78	(0.42)	1.89	(0.03)	(0.03)	(0.53)	1.86
Rapid MetroRail Gurgaon Limited	1.74	198.22	27.71	(124.24)	0.78	0.76	35.13	(123.48)
Rapid MetroRail Gurgaon South Limited	5.08	580.35	53.07	(237.92)	0.84	0.81	67.46	(237.11)
Vansh Nimay Infraprojects Limited	(0.75)	(85.67)	0.69	(3.11)	0.08	0.08	0.86	(3.03)
Scheme of ITNL Road Investment Trust	0.77	87.88	(4.83)	21.64	-	-	(6.16)	21.64
West Gujarat Expressway Limited	(0.66)	(75.11)	0.24	(1.09)	-	-	0.31	(1.09)
Hazaribagh Ranchi Expressway Limited	0.61	69.11	4.96	(22.23)	-	-	6.32	(22.23)
Pune Sholapur Road Development Company Limited	4.26	486.62	5.80	(25.99)	-	-	7.39	(25.99)

NOTES
forming part of the 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)
Moradabad Bareilly Expressway Limited	6.64	758.42	20.59	(92.29)	-	-	26.26	(92.29)
Jharkhand Road Projects Implementation Company Limited	2.62	298.98	6.40	(28.69)	-	-	8.16	(28.69)
Chenani Nashri Tunnelway Limited	2.15	246.03	46.74	(209.53)	2.11	2.04	59.03	(207.49)
MP Border Checkpost Development Company Limited	(3.06)	(349.90)	42.25	(189.39)	-	-	53.88	(189.39)
North Karnataka Expressway Limited	1.05	120.04	(1.24)	5.58	-	-	(1.59)	5.58
Kiratpur Ner Chowk Expressway Limited	6.35	725.48	(6.96)	31.19	-	-	(8.87)	31.19
Baleshwar Kharagpur Expressway Limited	0.86	98.29	16.58	(74.33)	-	-	21.15	(74.33)
Sikar Bikaner Highway Limited	4.18	477.92	9.53	(42.73)	-	-	12.16	(42.73)
Khed Sinnar Expressway Limited	4.57	522.31	(12.51)	56.06	-	-	(15.95)	56.06
Barwa Adda Expressway Limited	5.94	678.81	(33.60)	150.62	-	-	(42.85)	150.62
Karyavattom Sports Facilities Limited	0.15	16.91	6.06	(27.15)	-	-	7.73	(27.15)
Futureage Infrastructure India Limited	0.01	0.70	0.01	(0.02)	-	-	0.01	(0.02)
Charminar RoboPark Limited	-	(0.01)	0.01	(0.02)	-	-	0.01	(0.02)
Amravati Chikhli Expressway Limited	1.36	155.84	(7.92)	35.51	-	-	(10.10)	35.51
Fagne Songadh Expressway Limited	3.31	378.41	(18.72)	83.92	-	-	(23.88)	83.92
Jharkhand Infrastructure Implementation Company Limited	0.82	93.68	(6.74)	30.22	-	-	(8.60)	30.22
Rajasthan Land Holdings Limited (upto June 30, 2017)	-	-	0.06	(0.28)	-	-	0.08	(0.28)
Flamingo Landbase Private Limited (upto June 30, 2017)	-	-	(0.01)	0.03	-	-	(0.01)	0.03
Devika Buildestate Private Limited (upto June 30, 2017)	-	-	(0.00)	0.01	-	-	-	0.01
Chirayu Kath Real Estate Private Limited (upto June 30, 2017)	-	-	(0.02)	0.07	-	-	(0.02)	0.07
Gujarat Road Bridge Development Company Limited	0.06	6.89	(0.27)	1.20	-	-	(0.34)	1.20
Chattisgarh Highways Development Company Limited	0.07	7.84	0.10	(0.43)	-	-	0.12	(0.43)
Srinagar Sonamarg Tunnelway Limited	1.35	154.52	(17.89)	80.18	-	-	(22.81)	80.18
Ranchi Muri Development Limited	-	0.03	0.01	(0.02)	-	-	0.01	(0.02)
Elsamex India Pvt Limited	0.10	11.83	(0.00)	-	-	-	-	-
Yala Construction Company Pvt Limited	0.10	11.92	0.00	(0.00)	-	-	-	-
Grusamar India Limited	0.01	0.86	-	-	-	-	-	-
Elsamex Maintenance Services limited	0.41	46.36	(1.96)	8.80	1.32	1.27	(2.87)	10.07

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forming part of the 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)
ITNL- IECCL JV (from April 1, 2017)	0.01	1.24	(0.28)	1.24	-	-	(0.35)	1.24
ITNL-KMB JV (from April 1, 2017)	-	(0.40)	0.09	(0.40)	-	-	0.11	(0.40)
Foreign								-
ITNL International Pte. Limited	4.90	559.33	5.85	(26.23)	1.66	1.61	7.00	(24.62)
ITNL Offshore Pte. Limited	(0.20)	(22.94)	2.59	(11.62)	(0.09)	(0.08)	3.33	(11.70)
ITNL Offshore Two Pte. Limited	(0.14)	(15.70)	1.80	(8.06)	(0.10)	(0.10)	2.32	(8.16)
ITNL Offshore Three Pte. Limited	(0.01)	(0.81)	0.12	(0.53)	(0.01)	(0.01)	0.15	(0.54)
ITNL International DMCC	(0.12)	(13.44)	3.82	(17.14)	(0.50)	(0.48)	5.01	(17.62)
ITNL Africa Projects Ltd	(0.02)	(2.39)	0.34	(1.52)	1.36	1.31	0.06	(0.21)
Sharjah General Services Company LLC	(0.08)	(8.71)	0.11	(0.49)	(0.01)	(0.01)	0.14	(0.50)
IIPL USA LLC	0.30	33.90	6.34	(28.44)	(0.16)	(0.16)	8.14	(28.60)
ITNL Infrastructure Developer LLC	-	0.27	(0.09)	0.39	-	-	(0.11)	0.39
Park Line LLC	0.55	63.07	(2.76)	12.36	0.09	0.08	(3.54)	12.44
Elsamex Vietnam JSC	0.04	4.91	(0.61)	2.71	0.01	0.01	(0.78)	2.72
Elsamex SA	5.28	603.32	(20.33)	91.12	19.84	19.20	(31.39)	110.32
Atenea Seguridad Y Medio Ambiente S.A.U	0.20	23.27	(0.46)	2.08	-	-	(0.59)	2.08
Senalizacion Viales e Imagen S.A.U	0.19	22.09	0.84	(3.77)	-	-	1.07	(3.77)
Elsamex Internacional S.L	(0.29)	(32.92)	3.88	(17.41)	-	-	4.95	(17.41)
Grusamar Ingeniería y Consulting S.L	0.32	36.13	(0.04)	0.19	-	-	(0.05)	0.19
Elsamex Portugal S.A	0.12	13.64	(0.18)	0.79	-	-	(0.22)	0.79
Intevial Gestao Integral Rodoviaria S.A	0.39	44.74	(1.77)	7.91	-	-	(2.25)	7.91
Mantenimiento Y Conservacion De Vialidades S.A De CV	0.04	4.90	(0.06)	0.26	-	-	(0.08)	0.26
ESM Mantenimiento Integral S.A De CV	0.02	2.78	(0.04)	0.16	-	-	(0.05)	0.16
CIESM-INTEVIA S.A.	0.09	10.01	(0.05)	0.22	-	-	(0.06)	0.22
Control 7 S.A.	0.01	0.66	0.42	(1.88)	-	-	0.53	(1.88)
Area de Servicio Coiros S.L.U	0.21	24.12	(0.08)	0.35	-	-	(0.10)	0.35
Conservacion De Infraestructuras De Mexico S.A. De CV	-	-	-	-	-	-	-	-
Alcantarilla Fotovoltaica S.L.U	0.03	3.27	0.07	(0.30)	-	-	0.09	(0.30)
Area de Servicio Punta Umbría S.L.U	0.05	5.52	-	0.01	-	-	-	0.01
Beasolarta S.A.U	0.15	16.88	-	-	-	-	-	-
Elsamex Construcao E Manutencao LTDA	-	(0.09)	-	-	-	-	-	-
Elsamex LLC USA	-	-	-	-	-	-	-	-
Grusamar Engenharia y Consultoría Brasil LTDA	-	-	-	-	-	-	-	-
Elsamex Colombia SAS	-	-	-	-	-	-	-	-

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forming part of the 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)
Grusamar Ingenieria Y Consulting Colombia SAS	-	-	-	-	-	-	-	-
Associates (Investment as per the equity method)								
Indian								
Noida Toll Bridge Company Limited	0.54	61.30	3.40	(15.26)	0.01	0.01	4.34	(15.25)
ITNL Toll Management Services Limited	-	(0.02)	-	-	-	-	-	-
Pario Development Private Limited	-	(0.33)	0.07	(0.33)	-	-	0.09	0.33
Gujarat Road and Infrastructure Company Limited	-	-	(1.22)	5.46	-	-	(1.55)	5.46
Ramky Elsamex Hyderbad Ring Road Limited	0.09	10.79	-	-	-	-	-	-
Foreign								
CGI 8 S.A.	-	(0.09)	(0.01)	0.05	-	-	(0.01)	0.05
Sociedad Concesionaria Autovía A-4 Madrid S.A	(0.06)	(6.73)	(1.84)	8.27	-	-	(2.35)	8.27
Elsamex Infrastructure Company WLL	-	0.03	-	-	-	-	-	-
Consorcio De Obras Civiles S.R.L	0.08	9.58	-	-	-	-	-	-
Geotecnia y Control De Qualitat, S.A.	-	0.16	-	0.01	-	-	-	0.01
Vias Y Construcciones S. R. L.	-	0.05	0.03	(0.13)	-	-	0.04	(0.13)
Joint Ventures (as per the equity method)								
Indian								
Thiruvananthapuram Road Development Company Limited	(0.15)	(17.03)	-	-	-	-	-	-
Warora Chandrapur Ballarpur Toll Road Limited	0.45	51.60	(0.55)	2.45	-	-	(0.70)	2.45
Jorabat Shillong Expressway Limited	0.24	26.94	0.42	(1.86)	-	-	0.53	(1.86)
N.A.M. Expressway Limited	2.11	241.54	7.40	(33.18)	-	-	9.44	(33.18)
Jharkhand Accelerated Road Development Company Limited	0.01	0.71	(0.02)	0.11	-	-	(0.03)	0.11
Road Infrastructure Development Company of Rajasthan Limited	(1.42)	(162.50)	-	-	-	-	-	-
Foreign								
Chongqing Yuhe Expressway Co. Ltd.	1.24	141.54	-	-	77.40	74.92	(21.32)	74.92
Total	**100.00**	**11,422.15**	**100.00**	**(448.29)**	**100.01**	**96.80**	**100.00**	**(351.49)**
Consolidated adjustment and elimination		(6,131.05)		402.71		2.23		404.94
Minority Interest in all subsidiaries	(0.10)	(464.94)	1.70	110.65	-	(0.42)	0.67	110.23
Consolidated Net Assets / Profit		**4,826.16**		**65.07**		**98.61**		**163.68**

Footnote :

The above figures have been taken from the financial statement of the respective entities.

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forming part of the Consolidated Financial Statements

46 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

₹ in Crore

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	21.78	292.03	240.94	-	21.07	(13.82)	-	(13.82)	-	74.00
2	ITNL Road Infrastructure Development Company Limited	INR	1.00	140.00	(209.93)	916.80	986.73	-	33.74	(81.28)	-	(81.28)	-	100.00
3	IL&FS Rail Limited	INR	1.00	826.69	80.09	966.05	59.27	785.71	71.21	3.05	1.16	1.89	-	83.25
4	Rapid MetroRail Gurgaon Limited	INR	1.00	631.00	(432.78)	1,333.42	1,135.20	-	43.92	(134.74)	(10.50)	(124.24)	-	44.12
5	Rapid MetroRail Gurgaon South Limited	INR	1.00	658.00	(77.65)	2,835.06	2,254.71	-	20.88	(249.34)	(11.42)	(237.92)	-	89.11
6	Vansh Nimay Infraprojects Limited	INR	1.00	15.89	(101.56)	92.91	178.58	-	12.11	(3.11)	-	(3.11)	-	90.00
7	Scheme of ITNL Road Investment Trust	INR	1.00	106.90	(19.02)	87.89	0.01	77.53	21.70	21.64	-	21.64	-	100.00
8	West Gujarat Expressway Limited	INR	1.00	40.00	(115.11)	351.95	427.06	-	67.02	(1.09)	-	(1.09)	-	74.00
9	Hazaribagh Ranchi Expressway Limited	INR	1.00	131.00	(61.89)	980.46	911.35	-	72.01	(22.23)	-	(22.23)	-	99.99
10	Pune Sholapur Road Development Company Limited	INR	1.00	176.00	310.62	2,595.64	2,109.02	-	308.13	(25.99)	-	(25.99)	-	90.91
11	Moradabad Bareilly Expressway Limited	INR	1.00	221.66	536.76	3,546.98	2,788.55	-	242.57	(97.38)	(5.09)	(92.29)	-	85.50
12	Jharkhand Road Projects Implementation Company Limited	INR	1.00	259.50	39.48	2,649.21	2,350.23	-	276.12	(28.69)	-	(28.69)	-	99.98
13	Chenani Nashri Tunnelway Limited	INR	1.00	372.00	(125.97)	5,568.08	5,322.05	276.31	404.40	(209.53)	-	(209.53)	-	100.00
14	MP Border Checkpost Development Company Limited	INR	1.00	149.02	(498.92)	1,213.14	1,563.04	-	167.89	(189.39)	-	(189.39)	-	74.00
15	North Karnataka Expressway Limited	INR	1.00	59.39	60.65	244.44	124.40	-	38.68	8.38	2.80	5.58	-	93.50
16	Kiratpur Ner Chowk Expressway Limited	INR	1.00	500.81	224.67	2,563.89	1,838.41	-	423.36	42.82	11.63	31.19	-	100.00
17	Baleshwar Kharagpur Expressway Limited	INR	1.00	178.59	(80.30)	1,296.23	1,197.93	-	87.50	(74.33)	-	(74.33)	-	100.00
18	Sikar Bikaner Highway Limited	INR	1.00	124.05	353.87	965.26	487.33	-	54.07	(42.73)	-	(42.73)	-	100.00
19	Khed Sinnar Expressway Limited	INR	1.00	294.19	228.12	2,410.33	1,888.02	-	332.89	69.19	13.12	56.06	-	100.00
20	Barwa Adda Expressway Limited	INR	1.00	230.50	448.31	3,404.02	2,725.21	-	679.55	200.69	50.08	150.62	-	100.00
21	Karyavattom Sports Facilities Limited	INR	1.00	43.12	(26.21)	341.16	324.24	-	35.68	(27.90)	(0.74)	(27.15)	-	100.00
22	Futureage Infrastructure India Limited	INR	1.00	5.13	(4.43)	0.93	0.23	-	-	(0.02)	-	(0.02)	-	58.48
23	Charminar RoboPark Limited	INR	1.00	6.32	(6.33)	0.06	0.07	-	-	(0.02)	-	(0.02)	-	89.20
24	ITNL International Pte. Limited	USD	65.04	758.49	(199.16)	2,076.67	1,517.35	1,787.24	117.25	(20.79)	5.43	(26.23)	-	100.00
25	ITNL Offshore Pte. Limited	USD	65.04	20.84	(43.78)	1,034.86	1,057.79	-	52.68	(11.62)	-	(11.62)	-	100.00
26	ITNL Offshore Two Pte. Limited	USD	65.04	0.32	(16.02)	38.82	54.52	-	45.71	(8.06)	0.00	(8.06)	-	100.00
27	ITNL Offshore Three Pte. Limited	USD	65.04	0.00	(0.81)	312.55	313.36	-	13.02	0.00	0.53	(0.53)	-	100.00
28	ITNL International DMCC	AED	17.65	58.98	(72.42)	25.36	38.80	-	4.85	(17.14)	-	(17.14)	-	100.00
29	ITNL Africa Projects Ltd	NGN	0.18	14.68	(17.07)	1.12	3.50	-	-	(1.52)	-	(1.52)	-	100.00
30	Sharjah General Services Company LLC	AED	17.65	0.51	(9.22)	0.31	9.02	-	-	(0.49)	-	(0.49)	-	49.00
31	IIPL USA LLC	USD	65.04	92.85	(58.96)	47.86	13.96	-	57.56	(28.44)	-	(28.44)	-	100.00

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₹ in Crore

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
32	ITNL Infrastructure Developer LLC	AED	17.65	0.54	(0.27)	31.93	31.65	0.27	15.78	0.39	-	0.39	-	49.00
33	Park Line LLC	AED	17.65	0.54	62.52	116.72	53.65	-	67.15	12.36	-	12.36	-	24.99
34	Elsamex Vietnam JSC	VND	0.00	6.59	(1.68)	18.82	13.91	-	19.00	2.71	-	2.71	-	65.00
35	Amravati Chikhli Expressway Limited	INR	1.00	119.15	36.69	491.02	335.18	-	302.92	45.14	9.63	35.51	-	100.00
36	Fagne Songadh Expressway Limited	INR	1.00	262.50	115.91	1,447.80	1,069.39	-	1,140.37	106.70	22.77	83.92	-	100.00
37	Jharkhand Infrastructure Implementation Company Limited	INR	1.00	45.00	48.68	498.35	404.67	-	294.18	38.41	8.20	30.22	-	100.00
38	Rajasthan Land Holdings Limited	INR	1.00	2.00	(13.92)	130.76	142.68	9.53	2.90	(0.14)	0.14	(0.28)	-	-
	(upto June 30, 2017)													
39	Flamingo Landbase Private Limited	INR	1.00	0.01	2.22	11.94	9.70	-	-	(0.00)	(0.03)	0.03	-	-
	(upto June 30, 2017)													
40	Devika Buildestate Private Limited	INR	1.00	0.01	1.01	8.21	7.19	-	-	(0.00)	(0.02)	0.01	-	-
	(upto June 30, 2017)													
41	Chirayu Kath Real Estate Private Limited	INR	1.00	0.01	4.94	29.05	24.10	-	-	(0.00)	(0.07)	0.07	-	-
	(upto June 30, 2017)													
42	GRICL Rail Bridge Development Company Limited	INR	1.00	5.80	1.09	26.44	19.55	-	17.90	1.50	0.31	1.20	-	100.00
43	Chattisgarh Highways Development Company Limited	INR	1.00	10.00	(2.16)	10.80	2.96	-	-	(0.43)	-	(0.43)	-	74.00
44	Srinagar Sonamarg Tunnelway Limited	INR	1.00	11.58	142.93	1,077.85	923.33	-	489.10	104.24	24.06	80.18	-	49.00
45	Ranchi Muri Road Development Limited	INR	1.00	0.05	(0.02)	0.04	0.01	-	-	(0.02)	-	(0.02)	-	100.00
46	ITNL-IECCL (JV (from April 1, 2017)	INR	1.00	-	1.24	80.25	79.01	-	44.72	1.79	0.55	1.24	-	51.00
47	ITNL-KMB JV (JV (from April 1, 2017)	INR	1.00	-	(0.40)	92.36	92.76	-	104.94	(0.40)	-	(0.40)	-	70.00
48	Elsamex SA #	Euro	80.62	163.38	439.95	2,227.97	1,624.65	300.28	953.88	129.03	37.91	91.12	-	100.00
49	Atenea Seguridad Y Medio Ambiente S.A.U #	Euro	80.62	1.05	22.22	29.26	5.98	-	19.60	2.81	0.73	2.08	-	100.00
50	Senalización Viales e Imagen S.A.U #	Euro	80.62	5.55	16.55	47.49	25.40	-	15.34	(3.04)	0.73	(3.77)	-	100.00
51	Elsamex Internacional S.L #	Euro	80.62	115.37	(148.29)	200.77	233.69	24.17	3.25	(22.51)	(5.10)	(17.41)	-	100.00
52	Grusamar Ingenieria y Consulting S.L #	Euro	80.62	28.18	7.96	92.76	56.63	3.60	63.24	0.39	0.21	0.19	-	100.00
53	CIESM-INTEVIA S.A. #	Euro	80.62	0.48	9.53	87.65	77.64	6.81	20.27	0.60	0.39	0.22	-	100.00
54	Area de Servicio Coiros S.L.U #	Euro	80.62	8.09	16.03	40.70	16.59	-	4.00	0.46	0.12	0.35	-	100.00
55	Area de Servicio Punta Umbria S.L.U #	Euro	80.62	0.67	4.85	17.74	12.22	-	2.67	0.67	0.17	0.50	-	100.00
56	Alcantarilla Fotovoltaica S.L.U #	Euro	80.62	0.34	2.92	36.19	32.93	-	3.76	(0.40)	(0.10)	(0.30)	-	100.00
57	Beasolarta S.A.U #	Euro	80.62	0.33	16.55	17.18	0.30	-	1.45	0.44	0.11	0.33	-	100.00
58	Conservacion De Infraestructuras De Mexico S.A. De CV #	Euro	80.62	0.02	(0.02)	0.03	0.02	-	-	-	-	-	-	96.40
59	Elsamex India Pvt Limited	INR	1.00	2.12	9.71	14.53	2.70	-	-	-	-	-	-	100.00
60	Yala Construction Company Pvt Limited	INR	1.00	6.32	5.60	13.10	1.18	-	-	-	-	-	-	100.00
61	Elsamex Construcao E Manutencao LTDA #	Euro	80.62	0.27	(0.36)	0.82	0.90	-	-	-	-	-	-	99.99
62	Elsamex Maintenance Services limited #	INR	1.00	0.05	46.31	250.68	204.32	0.55	484.74	13.29	4.49	8.80	-	100.00

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₹ in Crore

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
63	Elsamex LLC USA #	Euro	80.62	-	-	-	-	-	-	-	-	-	-	100.00
64	Elsamex Portugal S.A #	Euro	80.62	2.82	10.82	17.63	3.99	-	12.67	1.06	0.27	0.79	-	70.35
65	ESM Mantenimiento Integral S.A De CV #	Euro	80.62	2.79	(0.01)	3.56	0.78	-	8.24	0.22	0.06	0.16	-	100.00
66	Intevial Gestao Integral Rodoviaria S.A #	Euro	80.62	11.29	33.45	65.52	20.78	-	159.92	10.68	2.76	7.91	-	100.00
67	Mantenimiento Y Conservacion De Vialidades S.A De CV #	Euro	80.62	4.79	0.11	6.67	1.77	-	13.53	0.36	0.09	0.26	-	64.00
68	Control 7 S.A. #	Euro	80.62	4.44	(3.78)	16.22	15.56	0.73	16.91	(2.74)	(0.86)	(1.88)	-	100.00
69	Grusamar India LTD	INR	1.00	0.05	0.81	0.97	0.11	-	-	-	-	-		100.00
70	Grusamar Engenharia y Consultoria Brasil LTDA #	Euro	80.62	-	-	-	-	-	-	-	-	-	-	99.99
71	Elsamex Colombia SAS #	Euro	80.62	-	-	-	-	-	-	-	-	-	-	100.00
72	Grusamar Ingenieria Y Consulting Colombia SAS #	Euro	80.62	-	-	-	-	-	-	-	-	-	-	100.00

Footnotes :

1. "#" Subsidiaries having December 31, 2017 as a reporting date
2. The above figures have been taken from the financial statement of the respective entities.
3. The above statement also indicates performance and financial position of each of the subsidiaries.
4. 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 are yet to commence operations

1 IIPL Laos Pte. Limited

Names of subsidiaries which have been liquidated / under liquidation during the year

1 Badarpur Tollway Operations Management Limited

2 Grusamar Albania SHPK

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Part "B": Associates and Joint Ventures

₹ in crore

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			Networth 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	Amount of Investment in Associates/ Joint Venture	Extend of Holding %		Considered in Consolidation	Not Considered in Consolidation		
	Joint Ventures:								There is significant influence due to percentage (%) of Share Capital	Not Applicable
1	Thiruvananthapuram Road Development Company Limited	March 31, 2018	17,030,000	17.03	50.00	-	-	(10.63)		
2	Warora Chandrapur Ballarpur Toll Road Limited #	March 31, 2018	61,708,500	61.71	35.00	113.31	2.45	-		
3	Jorabat Shillong Expressway Limited	March 31, 2018	42,000,000	42.00	50.00	68.94	(1.86)	-		
4	N.A.M. Expressway Limited #	March 31, 2018	116,754,970	116.75	50.00	358.30	(33.18)	-		
5	Jharkhand Accelerated Road Development Company Limited	March 31, 2018	7,400,000	7.40	74.00	8.11	0.11	-		
6	Road Infrastructure Development Company of Rajasthan Limited	March 31, 2018	162,500,000	162.50	50.00	-	-	(32.11)		
7	Chongqing Yuhe Expressway Co. Ltd.	March 31, 2018	77,166	1,093.16	49.00	1,234.69	100.31	-		
	Associates:									
1	Noida Toll Bridge Company Limited	March 31, 2018	49,095,007	162.33	26.37	223.63	(15.26)	-		
2	ITNL Toll Management Services Limited	March 31, 2018	24,500	0.02	49.00	-	-	(0.06)		
3	Pario Development Private Limited (From June 30, 2018)	March 31, 2018								
	- Equity Shares		3,000	0.33	33.00	-	(0.33)	(4.30)		
	- Preference Shares		15,000,000	158.37		158.37	-	-		
4	Gujarat Road and Infrastructure Company Limited (upto September 30, 2017)	March 31, 2018	-	-	-	-	5.46			
5	CGI 8 S.A. #	December 31, 2017	491	0.54	49.00	0.46	0.05			
6	Sociedad Concesionaria Autovia A-4 Madrid S.A	December 31, 2017	917,804	31.78	48.75	25.05	8.27			
7	Ramky Elsamex Hyderbad Ring Road Limited	December 31, 2017	5,200,000	5.62	26.00	16.42	-			
8	Elsamex Infrastructure Company WLL #	December 31, 2017	8,800	0.15	44.00	0.18	-			
9	Consorcio De Obras Civiles S.R.L	December 31, 2017	34	-	34.00	9.58	(0.00)			
10	Geotecnia y Control De Qualitat, S.A #	December 31, 2017	1,000	0.63	50.00	0.78	0.01			
12	Vias Y Construcciones S. R. L.	December 31, 2017	500	-	50.00	0.05	(0.13)			

Footnotes :

1. The above figures have been taken from the financial statement of the respective entities.
2. The above statement also indicates performance and financial position of each of the joint ventures and associates.
3. In case of Associates, loss in excess of investments in Associates are not considered in CFS and are disclosed as not considered in Consolidation
4. Information of Companies marked "#" is from unaudited Financial Statements

Names of associates which have been liquidated / under liquidation during the year

1 Elsamex Road Technology Company Limited

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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 Kharagpur Expressway Limited	Charminar Robo Park Limited	N.A.M Expressway Limited	Chongqing Yuhe Expressway Company Limited	West Gujarat Expressway Limited	MP Border Checkpost Development Company Limited	Rapid Metrorail Gurgaon Limited	Rapid Metrorail Gurgaon South Limited	Barwa Adda Expressway Limited	Noida Toll Bridge Company Limited	Road Infrastructure Development Company of Rajasthan Limited
2	Project	The Beawar Gomti Road Project (Refer Footnote 1)	Baleshwar Kharagpur Road	Charminar Robo Park Project	Narketpally Addanki Project	Chongqing Yuhe Expressway China	Jetpur-Rajkot-GondalRoad Project	MP Border Checkpost Project	Gurgaon Metro Rail Link	Gurgaon Metro Rail South Extension	Barwa Adda Expressway project	Delhi Noida Bridge Project	Mega Highway Raod 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 majure 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

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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	Karyavattam Sports Facilities Limited	Kiratpur Ner Chowk Expressway Limited	Moradabad Bareilly Expressway Limited	Pune Sholapur Road Development Company Limited	Sikar Bikaner Highway Limited	Warora Chandrapur Ballarpur Toll Road Limited	Khed Sinnar Expressway Limited	Gujarat Road and Infrastructure Company Limited		Park Line LLC
2	Project	Amravati Chikhli Road Project	Fagne Songadh Road Project	Karyavattam Sports Facilities Project	Kiratpur Ner Chowk Project	Moradabad Bareilly Road Project	Pune Sholapur Road Project	Sikar Bikaner Highway Project	Warora Chandrapur Ballarpur Road Project	Khed Sinnar Expressway project	Vadodara Halol Road Project	Ahmedabad Mehsana Road Project	Car Parking Project
3	Nature of Asset	Intangible	Intangible	Intangible/ Financial	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible
4	Year when SCA Granted	2015	2015	2012	2012	2010	2009	2012	2010	2013	1998	1999	2016
5	Period	19 Years	19 Years	15 years	28 Years	25 years	19 years and 295 days	25 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	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	PCOD received w.e.f. 31/1/2017 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 majure event or parties defaulting on their obligations	On force majure 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	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	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

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(II) The following are 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	GRICL 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	Financial	Financial	Financial	Financial	Financial	Financial	Financial	Financial	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 majure event or parties defaulting on their obligations	On force majure event or parties defaulting on their obligations	On force majure event or parties defaulting on their obligations	On force majure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majure event or parties defaulting on their obligations	On force majeure event or parties defaulting on their obligations	On force majure event or parties defaulting on their obligations	On force majure event or parties defaulting on their obligations
9	Special Terms	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Footnote 2

Projects	Ranchi Ring Road Project	Ranchi Patratu Dam Road Project	Patratu Dam Ramgarh Road Project	Adityapur Kandra Road Project	Chaibasa Kandra Chowka Road Project
Year when SCA granted	2009	2009	2009	2011	2011
Period	17 year 6 months	17 year 6 months	17 year 6 months	15 Years 9 months	17 year 6 months
Extension of period	At the discretion of grantor	At the discretion of grantor	Extended upto June 30,2014	Extended upto January 31,2013	Extended upto March 31,2015
Completed / Under Construction	Completed	Completed	Completed	Completed	Completed

Footnote 3

Projects	Phase I	Phase II	Phase III
Year when SCA granted	2004	2004	2009
Period	17 year 6 months	17 year 6 months	17 year 6 months

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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 Approval of financial statements

The consolidated financial statements were approved for issue by the Board of Directors on May 29, 2018

49 IND-AS issued but not effective yet

On March 28, 2018,the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Group from April 01, 2018.

(a) Issue of Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

The Group continue to evaluate the available transaction method and its contractual arrangments. The ultimate impact on revenue resulting from the application of IND-AS 115 will be subject to assesments that are dependent on many variables, including, but not limited to, the terms of the contractual arrangements and the mix of business. The company considerations also include, but are not limited to, the comparability of its financials statements and the comparability within its industry from application of the new standard to its contractual arrangements. The Group has established an implementation team to implement IND-AS 115 related to the recognition of revenue from contracts with customers and it continues to evaluate the changes to accounting system and proccess, and additional disclosure requirement that may be necessary.

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(b) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
ii. Ind AS 40 - Investment Property
iii. Ind AS 12 - Income Taxes
iv. Ind AS 28 - Investments in Associates and Joint Ventures and
v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

50 The figures for the year ended March 31, 2017 have been regrouped and / or re-arranged wherever necessary to conform to the classification adopted in the year ended March 31, 2018.

In terms of our report attached.

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, 2018

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, 2018

NOTICE

Notice is hereby given that the Eighteenth 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, September 4, 2018 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, 2018 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, 2018

(2) To confirm the payment of interim dividend as final dividend on Preference Shares

(3) To appoint a director in place of Mr. Arun K Saha (DIN:00002377), who retires by rotation and being eligible offers himself for re-appointment as a director and in this regard, pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Arun K Saha (DIN:00002377), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation"

SPECIAL BUSINESS:

(4) To consider and, if thought fit, to give assent or dissent to the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and subject to approval of Central Government and such other approvals, as may be necessary, consent of the Company be and is hereby accorded to the appointment of Mr. K Ramchand (DIN: 00051769) as Managing Director, not liable to retire by rotation for a period of five years from April 1, 2018 to March 31, 2023, at a remuneration and upon the terms, conditions and remuneration set out hereunder:

(i) Consolidated Salary: In the bandwidth of ₹ 19,00,000/- to ₹ 35,00,000/- per month with annual increments as may be decided by the Board of Directors or Nomination and Remuneration Committee ("NRC") of the Board of Directors of the Company ("Board"), effective April 1 each year

(ii) Performance Related Pay/Incentive: Such remuneration by way of Performance based rewards/ incentives, in addition to the above salary and perquisites as may be decided by NRC or Board from time to time

(iii) Perquisites:

(a) Housing: The Company shall provide Mr. K. Ramchand, fully furnished accommodation. In case no accommodation is provided, he shall be entitled to House Rent Allowance as may be decided by the NRC or Board or as per the rules of the Company and maintenance of accommodation / support services required thereto

(b) Allowances: Mr. K. Ramchand shall be entitled to allowances as per the rules of the Company or as may be approved by the NRC or Board from time to time

(c) Medical Reimbursement: Expenses incurred for Mr. K. Ramchand and his family as per the rules of the Company, subject to a ceiling of one month's consolidated salary. He shall be entitled for reimbursement of unclaimed medical expenses for any particular year(s), during any or all the succeeding 5 (five) years until expiry of his tenure of appointment, whichever is later

(d) Leave Travel Allowance: For Mr. K. Ramchand and his family once in a year to any destination in India by air and / or rail / road as per rules of the Company, subject to a ceiling of one month's consolidated salary. In the event Mr. K. Ramchand is unable to undertake the travel, he shall be entitled to a lump sum allowance once a year, subject to deduction of tax at source as applicable, as per the rules of the Company

(e) Car: Mr. K. Ramchand shall be provided with a chauffeur driven car for use on Company's business. The use of car for private purposes will be billed to him as per the rules of the Company

(f) Club Fees: Fees of club memberships subject to a maximum of 3 (three) clubs. This will not include life membership fees

(g) Mediclaim Insurance: For Mr. K. Ramchand and his family, as per the rules of the Company or as may be approved by the NRC or Board from time to time

Explanation: For the purpose of (c), (d) and (g), "Family" means spouse, dependent children and dependent parents

(h) Telephone/ Fax: Mr. K. Ramchand shall be provided with telephone(s) at his residence. Personal long distance calls will be billed as per the rules of the Company

(i) Electricity: Mr. K. Ramchand shall be entitled to reimbursement of residential electricity bills at actuals

(j) Retirement Benefits: Contribution to Provident Fund, Superannuation Fund and Gratuity Fund as per the rules of the Company. Gratuity payable shall not exceed a month's salary for each completed year of service or as per the rules of the Company. These will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under Income Tax Act, 1961

(k) Leave Encashment: Encashment of leave, as per the rules of the Company, subject to deduction of tax at source, as applicable. This will also not be included in the computation of the ceiling on perquisites

(iv) Minimum Remuneration: Notwithstanding anything to the contrary herein contained where in any financial year, during the currency of tenure of Mr. K. Ramchand, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and performance related pay/incentive shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013, or any other law or enactment for the time being or from time to time in force subject to approval of the members / Central Government, if required

(v) General Conditions:

(a) Mr. K. Ramchand shall be entitled to such other privileges, facilities and amenities in accordance with the Company rules and regulations as may be applicable to other employees of the Company as may be decided by NRC or Board, within the overall limits prescribed under the Companies Act, 2013 and Rules framed thereunder

(b) Mr. K. Ramchand shall not be liable to retire by rotation

(c) Mr. K. Ramchand shall not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committees of the Board) shall, in accordance with the statutory limits /approvals as may be applicable for the time being in force, be at full liberty to revise/ alter/ modify/ amend the terms and conditions of the appointment from time to time as may be agreed to by the Board and Mr. K. Ramchand"

(5) To consider and, if thought fit, to give assent or dissent to the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and subject to approval of Central Government and such other approvals, as may be necessary, consent of the Company be and is hereby accorded to the appointment of Mr. Mukund Sapre (DIN: 00051841) as the Executive Director, not liable to retire by rotation for a period of five years from April 1, 2018 to

March 31, 2023, at a remuneration and upon the terms, conditions and remuneration set out hereunder:

(i) Consolidated Salary: In the bandwidth of ₹ 12,00,000/- to ₹ 25,00,000/- per month with annual increments as may be decided by the Board of Directors or the Nomination and Remuneration Committee ("NRC) of the Board of Directors of the Company ("Board"), effective April 1 each year

(ii) Performance Related Pay/Incentive: Such remuneration by way of Commission / Performance based rewards/ incentives, in addition to the above salary and perquisites as may be decided by NRC or Board from time to time

(iii) Perquisites:

(a) Housing: The Company shall provide Mr. Mukund Sapre with furnished accommodation. In case no accommodation is provided, he shall be entitled to House Rent Allowance as may be decided by NRC or Board or as per the rules of the Company and maintenance of accommodation / support services required thereto

(b) Allowances: Mr. Mukund Sapre shall be entitled to allowances as per the rules of the Company or as may be approved by NRC or Board from time to time

(c) Medical Reimbursement: Expenses incurred for Mr. Mukund Sapre and his family as per the rules of the Company, subject to a ceiling of one month's consolidated salary. He shall be entitled for reimbursement of unclaimed medical expenses for any particular year(s), during any or all the succeeding 5 (five) years until expiry of his tenure of appointment, whichever is later

(d) Leave Travel Allowance: For Mr. Mukund Sapre and his family once in a year to any destination in India by air and / or rail / road as per the rules of the Company, subject to a ceiling of one month's consolidated salary. In the event Mr. Mukund Sapre is unable to undertake the travel, he shall be entitled to a lump sum allowance once a year, subject to deduction of tax at source as applicable, as per rules of the Company

(e) Car: Mr. Mukund Sapre shall be provided with a chauffeur driven car for use on Company's business. The use of car for private purposes will be billed to him as per the rules of the Company

(f) Club Fees: Fees of club memberships subject to a maximum of 2 (two) clubs. This will not include life membership fees

(g) Mediclaim Insurance: For Mr. Mukund Sapre and his family, as per the rules of the Company or as may be approved by NRC or Board from time to time

Explanation: For the purpose of (c), (d) and (g), "Family" means spouse, dependent children and dependent parents

(h) Telephone/ Fax: Mr. Mukund Sapre shall be provided with telephone(s) at his residence. Personal long distance calls will be billed as per the rules of the Company

(i) Electricity: Mr. Mukund Sapre shall be entitled to reimbursement of residential electricity bills at actuals

(j) Retirement Benefits: Contribution to Provident Fund, Superannuation Fund and Gratuity Fund as per the rules of the Company. Gratuity payable shall not exceed a month's salary for each completed year of service or as per the rules of the Company. These will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under Income Tax Act, 1961

(k) Leave Encashment: Encashment of leave, as per the rules of the Company, subject to deduction of tax at source, as applicable. This will also not be included in the computation of the ceiling on perquisites

(iv) Minimum Remuneration: Notwithstanding anything to the contrary herein contained where in any financial year, during the currency of tenure of Mr. Mukund Sapre, the Company has no profits or its profits are inadequate, remuneration by way of salary, perquisites and performance related pay/incentive shall not exceed the aggregate of the annual remuneration as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013, or any other law or enactment for the time being or from time to time in force subject to approval of the members / Central Government, if required

(v) General Conditions:

(a) Mr. Mukund Sapre shall be entitled to such other privileges, facilities and amenities in accordance with the Company Rules and Regulations as may be applicable to other employees of the Company as may be decided by NRC or Board, within the overall limits prescribed under the Companies Act, 2013 and Rules framed thereunder

(b) Mr. Mukund Sapre shall not be liable to retire by rotation

(c) Mr. Mukund Sapre shall not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committees of the Board) shall, in accordance with the statutory limits /approvals as may be applicable for the time being in force, be at full liberty to revise/ alter/ modify/ amend the terms and conditions of the appointment from time to time as may be agreed to by the Board and Mr. Mukund Sapre"

(6) 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 modifications(s) / re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, the remuneration payable to M/s. Chivilkar Solanki & Associates, Cost Accountants, Mumbai (Firm Registration No.: 000468) appointed as Cost Auditors of the Company to conduct the cost audit of the records of the Company for FY 2018-19, 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"

(7) 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"

(8) To consider, and if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 5 and 14 of the Companies Act, 2013 (the Act), and any other applicable provisions of the Act, read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Members be and is hereby accorded to insert Article 14(3), 77(4) & (5) in the Articles of Association as detailed below:

14(3) The Board or Committee(s) thereof have power to consolidate or reissue securities including debentures, bonds or any debt instrument issued and /or to be issued from time to time, upon such terms and conditions and in such manner and for such consideration as the Board or Committee(s) thereof shall consider beneficial for the Company

77(4) In case the Company obtains any loans / other facilities from financial institutions and it is a term thereof that the said financial institution shall have right to nominate one or more directors, then subject to such terms and conditions as may be agreed upon the said financial institutions shall be entitled to nominate one or more directors as the case may be, on the Board of Directors of the Company and to remove from office any such director so appointed and to nominate another in his place or in place of the director so appointed who resigns or otherwise vacates his office. Any such nomination or removal shall be made in writing and by a resolution of the Board of Directors of such financial institution or by any person duly authorized by it

77(5) The Nominee Directors appointed under the last preceding Article shall be entitled to hold office until retired by the person, firm or body corporate who may have appointed them. A Nominee Director shall not require any qualification Shareholding. As and when a Nominee Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or body corporate who appointed such Nominee Director may appoint another Director in his place. Every nomination, appointment or removal of a Nominee Director or other notification under this Article shall be in writing and shall in the case of a Company under the hand of a Director of such Company duly authorised in that behalf by a resolution of the Board of Directors. Subject as aforesaid, a Nominee Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution"

(9) To consider, and if thought fit, to give assent or dissent to the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules prescribed thereunder, consent of the Company be and is hereby accorded to charge a fee from a Member in advance, a sum equivalent to the estimated expenses of delivery of the documents through a particular mode if a request has been received from the Member of the Company for delivery of any document through a particular mode, provided such request alongwith the such fee has been duly realised by the Company at least one week in advance of the dispatch of the document(s) by the Company

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees to be paid in advance for delivery of the document(s)"

(10) **Increase in Authorised Share Capital of the Company**

To consider and, if thought fit, to give assent or dissent to the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 16, 94 and all other applicable provisions of the Companies Act, 2013 (the "Act"), if any read with Companies (Share Capital and Debentures) Rules, 2014, including any amendment/ modification to or re-enactment thereof, the Authorised Share Capital of the Company be increased from the existing ₹ 1,500,00,00,000 (Rupees One Thousand Five Hundred Crore only) comprising of Equity Share Capital of ₹ 500,00,00,000 (Rupees Five Hundred Crore only) divided into 50,00,00,000 (Fifty Crore) Equity Shares of ₹ 10/- each and Preference Share Capital of ₹1000,00,00,000 (One Thousand Crore) divided into 100,00,00,000 (One Hundred Crores) Preference Shares of ₹ 10/- each to ₹ 2,500,00,00,000 (Rupees Two Thousand Five Hundred Crore only) comprising of Equity Share Capital of ₹ 2,000,00,00,000 (Rupees Two Thousand Crore Only) divided into 200,00,00,000 (Two Hundred Crore) Equity Shares of ₹ 10/- each and Preference Share Capital of ₹ 500,00,00,000 (Five Hundred Crore) divided into 50,00,00,000 (Fifty Crore) Preference Shares of ₹ 10/- each by reclassifying the un-issued Authorized Preference Share Capital of the Company to the extent of ₹ 500,00,00,000/- (Five Hundred Crore Only) divided into 50,00,00,000 (Fifty Crore) Preference Shares of ₹ 10/- each as Equity Share Capital by way of cancellation of the said Authorized Preference Share Capital and by further creation of additional capital of 117,10,39,973 (One Hundred Seventeen Crore Ten Lakhs Thirty Nine Thousand Nine Hundred Seventy Three) Equity Shares of ₹ 10/- each ranking pari passu with the existing equity shares and consequently the existing Clause V of the Memorandum of Association of the Company, relating to share capital, be substituted by the following new Clause V:

Clause V:

(i) The Authorised Share Capital of the Company is ₹ 2,500,00,00,000 (Rupees Two Thousand Five Hundred Crore only) comprising of Equity Share Capital of ₹ 2,000,00,00,000 (Rupees Two Thousand Crore Only) divided into 200,00,00,000 (Two Hundred Crore) Equity Shares of ₹ 10/- each and Preference Share Capital of ₹ 500,00,00,000 (Five Hundred Crore) divided into 50,00,00,000 (Fifty Crore) Preference Shares of ₹ 10/- each

(ii) The paid up share Capital of the Company shall be minimum of ₹ 5,00,000/- (Rupees Five Lakhs Only):

(a) Any shares of the original or increased capital may from time to time be issued with any such guarantee or any such right of preference, whether in respect of dividend or of repayment of capital, or both, or any such other special privilege or advantage over any shares previously issued or then about to be issued, or with such deferred or qualified rights as compared with any shares previously issued, or then about to be issued, or subject to any such provisions or conditions and with any special right or limited rights or without any right of voting, and generally on such terms as the Company may from time to time determine

(b) The right of the holders of any class of shares for the time being forming part of the Capital of the Company, may be modified, affected, varied, extended by the Company or surrendered either with the consent in writing of the holders of three-fourth of the issued shares of the class or with the sanction of a special resolution passed at the separate meeting of holders of these shares

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee(s) and/or any of the Director(s)/Person(s) authorized by the Board of Directors of the Company to exercise powers conferred by this Resolution to the extent permitted by law) be and are hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the purpose of giving effect to this resolution and to settle any questions and difficulties that may arise in this regard"

By Order of the Board
For **IL&FS Transportation Networks Limited**

Krishna Ghag
Vice President & Company Secretary
Membership No. 4489

Mumbai, July 27, 2018

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. 4 to 10 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 (SEBI (LODR) Regulations, 2015) and Secretarial Standard 2 (SS-2) for persons seeking Appointment/ Re-appointment as Director under Item No. 3 to 5 of the Notice is also annexed

3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the business under Item Nos. 4 to 10 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 (SEBI (LODR) Regulations, 2015) and Secretarial Standard 2 (SS-2) for persons seeking Appointment/ Re-appointment as Director under Item No. 3 to 5 of the Notice is also annexed

4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 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

5. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from August 28, 2018 to September 4, 2018 (both days inclusive)

6. The Register of Directors and Key Managerial Persons and their shareholding, maintained under Section 170 of the Companies Act, 2013, 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 Companies Act, 2013, 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

    According to SEBI Circular, except in case of transmission or transposition of securities, request for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form. Accordingly, the members holding shares in physical form are requested to dematerialise their shares

11. In terms of Section 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), such unclaimed / unpaid dividend lying in the Company's bank account for a consecutive period of seven years amounting to ₹ 1,03,290/- for FY 2009-10 was transferred to Investor Education and Protection Fund (IEPF) on September 20, 2017. Accordingly, the underlying equity shares viz. 514 equity shares were also

transferred to the demat account of IEPF, the details of which are available on the weblink: http://www.itnlindia.com/pdffiles/DV/Details_of_Shareholders_dividend_unclaimed_for_7_consecutive_years_2017.pdf

Further, the dividend for FY 2010-11, which has remained unpaid/unclaimed for a consecutive period of seven years are due for transfer to IEPF Account on due date viz. September 11, 2018. The underlying Equity Shares would also be transferred to demat account of IEPF Account on the due date, the details of which can be found at the weblink: http://www.itnlindia.com/pdffiles/DV/StatementofUnclaimed dividendamountconsecutivelyfor 7years_2018.pdf

The Members may claim the shares/dividend transferred to IEPF by making an application to IEPF in Form IEPF-5 as per the IEPF Rules. The said form is available on the website of IEPF viz. http://www.iepf.gov.in/IEPFA/corporates.html

In case the Members have any queries on the subject matter and the Rules, they may contact the Company's RTA, M/s Link Intime India Private Limited, Unit – IL&FS Transportation Networks Limited, C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai 400 083; Tel. No.:+91-22-49186270; Fax No.: +91-22-49186060; E-Mail: iepf.shares@linkintime.co.in

12. The Notice of the AGM along with the Annual Report for FY 2017-18 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

13. Members intending to require information or clarifications about the Financial Statements, 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

14. Members are requested to bring their copy of the Annual Report to the Meeting

15. A Route-map showing directions to reach the venue of the 18th Annual General Meeting of the Company is enclosed with the notice

16. Process and manner for voting through electronic means:

i. In compliance with provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (LODR), Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the 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 AGM ("remote e-voting") will be provided by NSDL

ii. Mrs. Jayshree S. Joshi (FCS: 1451; CP No.: 487), Proprietress 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 Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again

v. The remote e-voting period commences on Saturday, September 1, 2018 (9.00 am IST) and ends on Monday, September 3, 2018 (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 28, 2018, 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

vi. 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. August 28, 2018

vii. 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

viii. **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

    a) Click on "Forgot User Details/ Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

    b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

    c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for members

1 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jayshreedagli@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

ix. 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

x. At the end of discussion on the resolutions on which voting is to be held. The Chairman will allow the Members present at the meeting to cast their vote with the assistance of scrutinizer, by use of "Ballot Paper" who have not cast their votes by availing the remote e-voting facility

xi. 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

xi. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company 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. 4 & 5

At the Annual General Meeting held on August 8, 2013, the Members had approved the re-appointment of Mr. K. Ramchand as Managing Director and Mr. Mukund Sapre as Executive Director of the Company for a period of 5 (five) years with effect from April 1, 2013. Both of them have been instrumental for development of all the projects of the Company from the conceptualisation stage to completion/ operations which has enabled the Company to become the largest BOT Road operator in the Country

The term of their appointment was valid upto March 31, 2018, however, the Board of Directors at their meeting held on February 9, 2018 decided to re-appoint Mr. K. Ramchand as Managing Director and Mr. Mukund Sapre as Executive Director for a further period of 5 (five) years effective April 1, 2018 subject to the approval of the Members

Brief Profile of Mr. K. Ramchand, Managing Director and Mr. Mukund Sapre, Executive Director in terms of Regulation 36 of SEBI (LODR) Regulations 2015 and Secretarial Standard 2 (SS-2), is provided in the Annexure to this Notice

The terms and conditions of re-appointment of Mr. K. Ramchand, Managing Director and Mr. Mukund Sapre, Executive Director as provided in the resolution attached to this notice shall be treated as an abstract pursuant to Section 190(2) of the Companies Act, 2013

The Board of Directors of the Company recommends the Resolution to be passed as an Ordinary Resolution as set out in the accompanying Notice for approval of the Members

None of the Directors except Mr. K. Ramchand, Managing Director and Mr. Mukund Sapre, Executive Director 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

Item no. 6

The Board of Directors on the recommendation of the Audit Committee, had approved the appointment of M/s. Chivilkar Solanki & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for FY 2018-19

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 2018-19 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, 2019, as set out in the said Resolution of the Notice

The Board of Directors recommends the Resolution to be passed as a Ordinary 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

Item no. 7

Pursuant to the provisions of Section 42, and 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 Special Resolution passed by the Members on August 29, 2017 authorizing the Board of Directors to issue Non-Convertible Debentures to the extent of ₹ 3,500 Crore shall be valid until August 28, 2018. The Company had raised only an amount of ₹ 1,114.50 Crore during the previous year. These NCDs had been a major source of funding plan for FY 17-18 and has helped in reducing the borrowing cost and also elongate the maturity profile of borrowings by converting short term maturities to long term. The Company proposes to continue its plans to raise funds through issue of long term NCDs during the current financial year. The Company therefore 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 members' 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 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

Item no. 8

The Alteration of Articles of Association of the Company are proposed for the following:

(i) Companies issuing Debt Securities on Private Placement Basis, are required to provide an enabling clause in the Articles of Association of the Company to carry out consolidation and re-issue of Debt Securities as per the direction issued vide Circular No. (No. CIR/IMD/DF-1/67/2017) dated June 30, 2017

(ii) In order for the Lenders/Financial Institutions to appoint Nominee Directors on the Board of the Company as part of their terms and conditions, the clauses pertaining to appointment of Nominee Directors is proposed to be inserted in the Article as an enabling provision

The Board of Directors 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

Item no. 9

As per the provisions of Section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the Company in its Annual General Meeting

Therefore, to enable the members to avail of this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution. Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Board accordingly recommend the Ordinary Resolution at Item No.9 of the accompanying notice, for the approval of the Members of the Company

None of the Directors 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

Item no. 10

In order to enable the Company to raise further capital by issue of Securities, it is proposed to increase the Authorised Share Capital of the Company by creation of additional 117,10,39,973 (One Hundred Seventeen Crore Ten Lakhs Thirty Nine Thousand Nine Hundred Seventy Three) Equity Shares of ₹ 10 each

Pursuant thereto, it is proposed to increase the Authorised Share Capital of the Company from existing ₹ 1500,00,00,000 (Rupees One Thousand Five Hundred Fifty Crores only) comprising of Equity Share Capital of ₹ 500,00,00,000 (Rupees Five Hundred Crore only) divided into 50,00,00,000 (Fifty Crore) Equity Shares of ₹ 10/- each and Preference Share Capital of ₹ 1,000,00,00,000 (One Thousand Crore) divided into 100,00,00,000 (One Hundred Crore) Preference Shares of ₹ 10/- each to ₹ 2,500,00,00,000 (Rupees Two Thousand Five Hundred Crore only) comprising of Equity Share Capital of ₹ 2000,00,00,000 (Rupees Two Thousand Crore Only) divided into 200,00,00,000 (Two Hundred Crore) Equity Shares of ₹ 10/- each and Preference Share Capital of ₹ 500,00,00,000 (Five Hundred Crore) divided into 50,00,00,000 (Fifty Crore) Preference Shares of ₹ 10/- each by reclassifying the un-issued Authorized Preference Share Capital of the Company to the extent of ₹ 500,00,00,000/- (Five Hundred Crore Only) divided into 50,00,00,000 (Fifty Crore) Preference Shares of ₹ 10/- each as Equity Share Capital by way of cancellation of the said Authorized Preference Share Capital and by further creation of additional capital of 117,10,39,973 (One Hundred Seventeen Crore Ten Lakhs Thirty Nine Thousand Nine Hundred Seventy Three) Equity Shares of ₹ 10/- each ranking pari passu with the existing equity shares. By and for that purpose, Clause V of the Memorandum of Association of the Company is proposed to be suitably altered as set out at item No. 10 of the accompanying Notice

By Order of the Board
For **IL&FS Transportation Networks Limited**

Krishna Ghag
Vice President & Company Secretary
Membership No. 4489

Mumbai, July 27, 2018

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. K Ramchand**	**Mr. Mukund Sapre**	**Mr. Arun K Saha**
Date of Birth	October 13, 1954	September 14, 1959	March 27, 1953
Date of Appointment	August 13, 2008	August 13, 2008	January 6, 2001
Qualifications	(i) Bachelor's degree in Civil Engineering and (ii) Post-graduation in Development Planning	(i) Bachelor's degree in Civil Engineering, (ii) Diploma in Systems Management and (iii) Diploma in Financial Management	(i) Master's degree in Commerce, (ii) Associate Member of the Institute of Chartered Accountants of India and (iii) Associate Member of the Institute of Companies Secretaries of India
Expertise in specific functional areas	Has considerable experience in urban and transport infrastructure development sector	Has considerable experience in implementing multiple projects and a host of related functions in India and abroad	Has considerable experience in the areas of financial services, infrastructure and asset management
Relationships between directors inter se	-	-	-
Directorships in other Listed Companies	Noida Toll Bridge Company Limited	IL&FS Engineering and Construction Company Limited	Noida Toll Bridge Company Limited
	IL&FS Engineering and Construction Company Limited		
Membership of Committees in other Listed Companies (includes only Audit & Stakeholders' Relationship Committee)	Chairman of Stakeholders' Relationship Committee - IL&FS Engineering and Construction Company Limited	Member of (a) Audit Committee and (b) Stakeholders Relationship Committee - IL&FS Engineering and Construction Company Limited	Member of Audit Committee - Noida Toll Bridge Company Limited
No. of Shares held in the Company	5,50,000	3,00,000	535,734

IL&FS | Transportation

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: itnlinvestor@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 September 4, 2018 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

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: itnlinvestor@ilfsindia.com, website: www.itnlindia.com
CIN: L45203MH2000PLC129790

PROXY FORM

Name of the member(s): Registered address:		e-mail Id: Folio No/ *Client Id /*DP Id:	

I/We, being the member(s) of IL&FS Transportation Networks Limited, holding ___________ equity shares hereby appoint:

1) Mr./Mrs. ________________________ of __________________ having e-mail id ________________________________ or failing him

2) Mr./Mrs. ________________________ of __________________ having e-mail id ________________________________ or failing him

3) Mr./Mrs. ________________________ of __________________ having e-mail id ________________________________

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 September 4, 2018 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 Statements, Reports of the Board of Directors and Auditors and (b) Consolidated Financial Statements for the year ended March 31, 2018		
2. Confirm the payment of interim dividend as final dividend on preference shares		
3. Re-appointment of Mr. Arun K Saha (DIN:000023377) who retires by rotation		
4. Re-appointment of Mr. K. Ramchand (DIN:00051769) as Managing Director for a period of 5 years effective April 1, 2018		
5. Re-appointment of Mr. Mukund Sapre (DIN:00051841) as Executive Director for a period of 5 years effective April 1, 2018		

* Applicable for members holding shares in electronic form

P.T.O.

Resolutions	For	Against
6. Approval of Cost Auditor's Remuneration for FY 2018-19		
7. Issue of Non-Convertible Debentures for an amount of upto ₹ 3,500 Crore		
8. Amendments to Articles of Association		
9. Approval of mode of service of documents to Members		
10. Increase in Authorised Share Capital of the Company		

Signed this.................... day of 2018

Signature of Member

Affix a 15 paise Revenue Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting

(2) A Proxy need not be a member of the Company

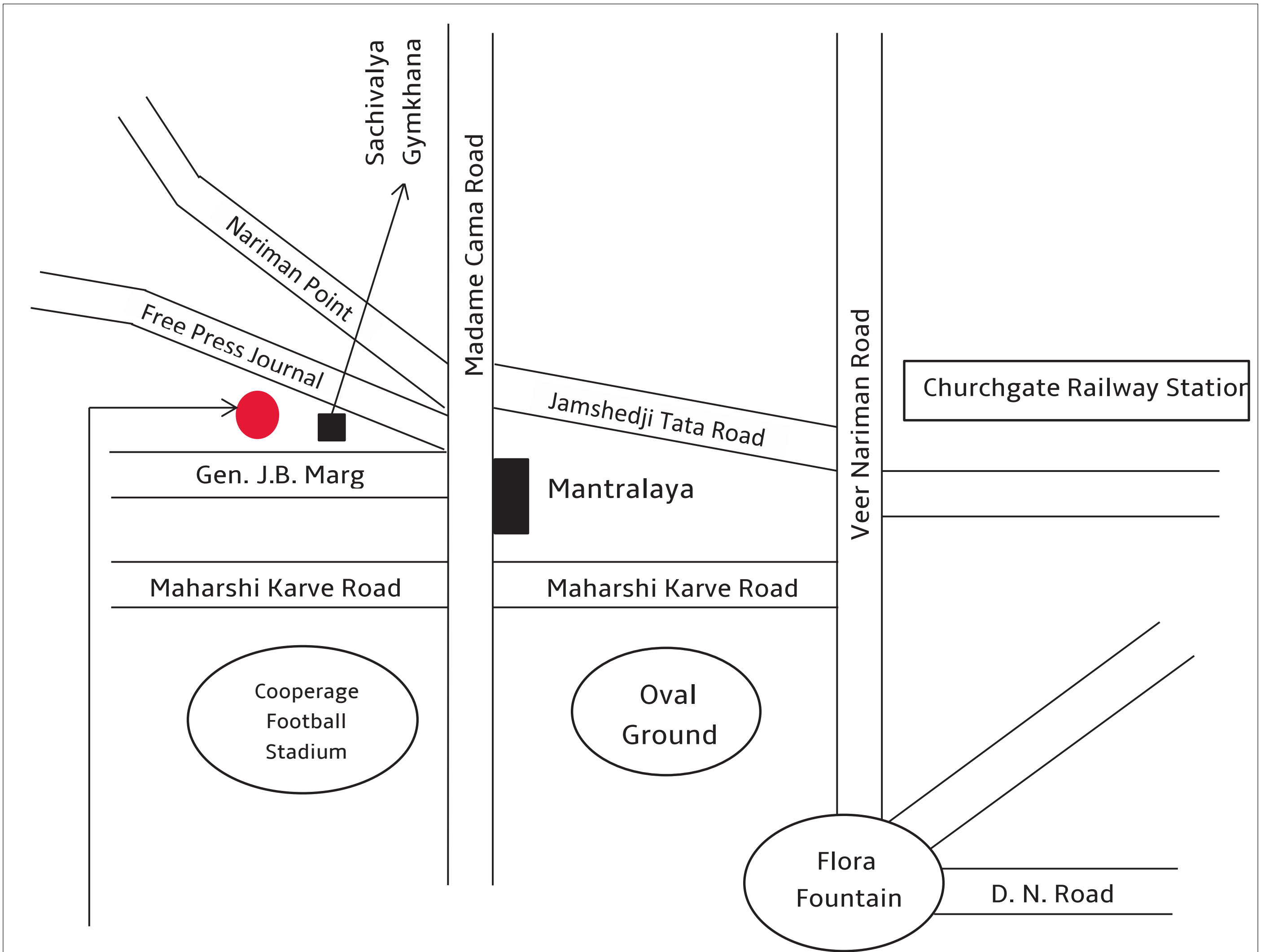
(3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member

** (4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate

(5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes

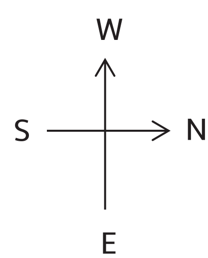
(6) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated

ROUTE MAP



Y. B. CHAVAN AUDITORIUM.
Yashwantrao Chavan P ratishthan,
Gen. K Bhonsale Marg,
Mumbai – 400 021

Not to scale



Notes

Notes

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


WE ARE
PREPARED