

| **Transportation**

IL&FS Transportation Networks Limited

Regd. Off.: The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra Kurla Complex, Mumbai 400 051.

Notice of Postal Ballot

Dear Shareholders,

Notice is hereby given pursuant to Section 192A of the Companies Act, 1956 (the 'Act'), read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011, as amended from time to time (the "Postal Ballot Rules"), for seeking the approval of the Shareholders of the Company by passing the following resolutions by way of Postal Ballot :-

1. Ordinary Resolution for Increase in Authorized Share Capital of the Company
2. Special Resolution for Alteration of Articles of Association of the Company

The Resolutions and the Explanatory Statement setting out the material facts and the reasons thereof are being sent to you along with the Postal Ballot Form for your consideration

The Company has, in compliance with Rule 6 of the Postal Ballot Rules, appointed Mr. M. M. Sheth, Practising Company Secretary, as a Scrutinizer for conducting the Postal Ballot Process in a fair and transparent manner

In accordance with Clause 35B of the Equity Listing Agreement entered into by the Company with BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on which the equity shares of the Company are listed, and the provisions of Section 192A of the Act read with the Postal Ballot Rules, the Company is pleased to provide electronic voting ("e-voting") facility as an alternative to its Shareholders to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Forms by post. The Company has engaged National Securities Depository Limited ("NSDL") to provide e-voting facilities to the Shareholders of the Company. It may be noted that e-voting is optional. If a Shareholder has voted through e-voting facility, he is not required to send the Postal Ballot Form. If a Shareholder votes through e-voting facility and also sends his vote through the Postal Ballot Form, the votes cast through e-voting shall only be considered by the Scrutinizer

The e-voting facility is available at the link: <https://www.evoting.nsdl.com/> till 5.30 p.m. on Thursday, December 12, 2013. Please refer to the instructions given for e-voting at the end of this Notice for the purpose and the manner in which e-voting has to be carried out

Shareholders opting to vote through physical mode i.e. sending the Postal Ballot Form are requested to carefully read the instructions printed on the Postal Ballot Form sent herewith and return the form duly completed and signed in the attached self addressed postage prepaid envelope so as to reach the Scrutinizer on or before the close of working hours i.e. 5.30 p.m. on Thursday, December 12, 2013. The postage will be borne and paid by the Company

The Scrutinizer will submit his report to the Chairman of the Company, or in his absence to any other Director authorized by the Chairman, after completion of the scrutiny. The results of the Postal Ballot will be announced on Friday, December 13, 2013 and will be subsequently published in atleast one English and one Marathi newspaper circulating in Mumbai. The result of the Postal Ballot will also be displayed at the Registered Office of the Company and on the website of the Company (www.itnlindia.com), besides being communicated to BSE and NSE. The date of declaration of the result of the Postal Ballot shall be the date on which the resolutions would be deemed to have been passed, if approved by requisite majority

Special Business:

Item No. 1

Increase in Authorised Share Capital of the Company

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 16, 94 and all other applicable provisions, if any, of the Companies Act, 1956 and the applicable provisions of the Companies Act, 2013, if any, including any amendment/ modification to or re-enactment thereof (the "Act"), the Authorized Share Capital of the Company be increased from the existing ₹1250,00,00,000 (Rupees One Thousand Two Hundred Fifty Crores only) comprising of Equity Share Capital of ₹ 250,00,00,000 (Rupees Two Hundred and Fifty Crores only) divided into 25,00,00,000 (Twenty Five Crores) Equity Shares of ₹ 10/- each and Preference Share Capital of ₹ 1000,00,00,000 (Rupees One Thousand Crores Only) divided into 100,00,00,000 (One Hundred Crores)

Preference Shares of ₹ 10/- each to ₹ 1500,00,00,000 (Rupees One Thousand Five Hundred Crores only) comprising of Equity Share Capital of ₹ 500,00,00,000 (Rupees Five Hundred Crores only) divided into 50,00,00,000 (Fifty Crores) Equity Shares of ₹ 10/- each and Preference Share Capital of ₹ 1000,00,00,000 (Rupees One Thousand Crores Only) divided into 100,00,00,000 (One Hundred Crores) Preference Shares of ₹ 10/- each, by further creation of additional 25,00,00,000 (Twenty Five Crores) 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 ₹ 1500,00,00,000 (Rupees One Thousand Five Hundred Crores only) comprising of Equity Share Capital of ₹ 500,00,00,000 (Rupees Five Hundred Crores only) divided into 50,00,00,000 (Fifty Crores) Equity Shares of ₹ 10/- each and Preference Share Capital of ₹ 1000,00,00,000 (Rupees One Thousand Crores Only) divided into 100,00,00,000 (One Hundred Crores) 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”

Item No. 2

Amendment to the Articles of Association of the Company

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 31 and other relevant provisions, if any, of the Companies Act, 1956, and the applicable provisions of the Companies Act, 2013, if any, including any amendment/ modification to or re-enactment thereof (the “Act”), the Articles of Association of the Company be and is hereby amended by deleting the existing Articles 4.1 (b) and substituting the same in the manner and to the extent as is set out herein below :

“4.1 (b) *The offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days, or such shorter number of days as may be specified in any applicable regulation prescribed by any Authority, from the date of opening of the offer within which the offer, if not accepted, will be deemed to have been declined.*”

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 giving effect to this resolution and to settle any questions and difficulties that may arise in this regard”

November 8, 2013

By Order of the Board
For IL&FS Transportation Networks Limited

Registered Office:
The IL&FS Financial Centre,
Plot No. C-22, G-Block, Bandra – Kurla Complex,
Bandra (East), Mumbai 400051

Krishna Ghag
Vice President &
Company Secretary

Explanatory Statement and reason for proposing the resolutions as stated in the Notice

Item No. 1

The Company, in order to meet its growth objectives and to strengthen its financial position, is required to generate long term resources. In order to enable the Company to raise further capital by way of issue of Equity Shares, it is proposed to increase the Authorised Share Capital of the Company by creation of additional 25,00,00,000 (Twenty Five Crores) Equity Share of ₹ 10/- each. It is proposed to increase the Authorised Share Capital of the Company from existing ₹ 1250,00,00,000 (Rupees One Thousand Two Hundred Fifty Crores only) comprising of Equity Share Capital of ₹ 250,00,00,000 (Rupees Two Hundred and Fifty Crores only) divided into 25,00,00,000 (Twenty Five Crores) Equity Shares of ₹ 10/- each and Preference Share Capital of ₹ 1000,00,00,000 (Rupees One Thousand Crores Only) divided into 100,00,00,000 (One Hundred Crores) Preference Shares of ₹ 10/- each to ₹ 1500,00,00,000 (Rupees One Thousand Five Hundred Crores only) comprising of Equity Share Capital of ₹ 500,00,00,000 (Rupees Five Hundred Crores only) divided into 50,00,00,000 (Fifty Crores) Equity Shares of ₹ 10/- each and Preference Share Capital of ₹ 1000,00,00,000 (Rupees One Thousand Crores Only) divided into 100,00,00,000 (One Hundred Crores) Preference Shares of ₹ 10/- each by further creation of additional 25,00,00,000 (Twenty Five Crores) 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. 1 of the accompanying Notice

The Board of Directors of your Company recommends the Ordinary Resolution set out in Item No. 1 of the notice for approval of the Shareholders

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned with or interested in the said Resolution except to the extent of the Equity Shares held by them in the Company

Item No. 2

Your Company has recently announced the proposal for raising of capital for the business of the Company by issue of further equity shares on right basis to the shareholders of the Company. The provisions of Clause 54(6) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations) provides for keeping the offer for issue of shares for subscription for a minimum period of fifteen days. It is proposed to keep the offer of further shares on rights basis as aforesaid for a period of 15 days or more but less than 30 days. However, the existing Article 4.1(b) of the Articles of Association of the Company provides for keeping the offer for issue of shares for a minimum period of 30 days.

In order to align the aforesaid Article in line with the provisions contained in the ICDR Regulations, it is proposed to amend Article 4.1(b) of the Articles of Association of the Company. Pursuant to the provisions of Section 31 of the Companies Act, 1956, amendment to the Articles of Association requires approval of the Shareholders by way of a Special Resolution

The Board of Directors of your Company recommends the Special Resolution set out in Item No. 2 of the notice for approval of the Shareholders. A copy of the existing as well as new Articles of Association of the Company shall be available for inspection at the Registered Office of the Company on all working days between 11.00 a.m. to 5.30 p.m. until Thursday, December 12, 2013 (last date for receiving Postal Ballot Paper).

None of the Directors and Key Managerial Personnel of the Company and their relatives are in any way interested or concerned in the said Special resolution except to the extent of the Equity Shares held by them in the Company

November 8, 2013

Registered Office:
The IL&FS Financial Centre,
Plot No. C-22, G-Block, Bandra – Kurla Complex,
Bandra (East), Mumbai 400051

By Order of the Board
For IL&FS Transportation Networks Limited

Krishna Ghag
Vice President &
Company Secretary

NOTES:

1. The Explanatory Statement with reasons for proposing the above Resolutions as stated in the Notice is annexed above
2. The Notice of the Postal Ballot has been posted to the registered address of all the Shareholders whose names appear in the Register of Members / Beneficial Owners as per the details furnished by the Depositories as on November 1, 2013.

The Shareholders who have registered their e-mail IDs for receipt of documents in electronic mode have also been sent the Notice of Postal Ballot by e-mail. Voting rights shall be reckoned on the paid up value of the shares registered in the names of the Shareholders as on November 1, 2013

3. Shareholders can also download the Postal Ballot Form from the link www.evoting.nsdl.com or www.itnlindia.com or seek duplicate Postal Ballot Form from M/s. Link Intime (India) Private Limited, Registrar & Transfer Agents, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai – 400 078
4. The voting period ends at 5.30 p.m. on Thursday, December 12, 2013. The e-voting module shall also be disabled by NSDL for voting thereafter
5. All the material documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Shareholders at the Registered Office of the Company during office hours on all working days between 11.00 a.m. and 5.30 p.m. up to the last date for receipt of the postal ballot specified in the accompanying Notice

Instruction for e-voting

(a) In case of Shareholders' receiving e-mail from R&T Agents

- i) Open e-mail and open PDF file viz; "ITNL Info e-Voting.pdf" with your Client ID or Folio Number as Password. The said PDF file contains your User ID and Password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note your new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN"(E-Voting Event Number) of IL&FS Transportation Networks Limited
- (viii) Now you are ready for e-Voting as Cast Vote page opens
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter, etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: shethmm_cs@yahoo.co.in with a copy marked to evoting@nsdl.co.in.

(b) In case of Shareholders' receiving Postal Ballot Form by Post and desiring to cast e-vote:

- (i) Initial password is provided at the bottom of the Postal Ballot Form.
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) of (a) above, to cast vote.
- (c) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
- (d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
- (e) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).