Vol. II of IV

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

COMPANY PETITION NO. OF 2024

(Petition under Section 131 of the Companies Act, 2013)

IL&FS Transportation Networks Limited ... Petitioner

Versus

Union of India, Ministry of Corporate Affairs, through Regional Director (Western Region) ... Respondent

INDEX

THROUGH ANIMESH BISHT Digitally signed by ANIMESH BISHT Date: 2024.01.25 13:23:28 +05'30'

M/s.CYRIL AMARCHAND MANGALDAS
Advocates for the Petitioner
Peninsula Chambers, 5th Floor,
Peninsula Corporate Park,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai 400013.
Ph: +91 9167258161 Ph: +91 22 22650500
Emails: animesh.bisht@cyrilshroff.com;
drishti.das@cyrilshroff.com;
roma.bhojani@cyrilshroff.com

PLACE: MUMBAI

DATE: 4th January 2024

only for re-opening and recasting of the accounts, and the role of the auditor is only to audit the accounts, but not to prepare the accounts. Therefore, the contention of the Petitioner in para 3(A) of the Petition that the accounts for the past five years have been prepared in a fraudulent and negligent manner by the erstwhile statutory auditors of the company is incorrect. Only after getting the report or after recasting the accounts if anything comes in light that the accounts have been prepared in fraudulent manner, or there is any role of statutory auditors in the alleged fraudulent activities, then only any remark can be passed against the Statutory auditors or the concerned person.

Union of India has filed this petition on the basis of preliminary report of SFIO and prima facie report of ICAI, wherein it is stated that "***from the maturity pattern of certain items of assets and liabilities as at 31.3.2017 that during the period from over two months till five years there is a serious mismatch between assets and liabilities position, so liquidity concerns existed on the balance sheet date. However, no such concerns were reported in the Audit report.***"

In the SFIO Report , para 225.12, it is stated that "*in nutshell, the above findings highlight the fraudulent and irresponsible conduct of key managerial & executive personnel of IL&FS Limited in using EWT as a vehicle for their personal enrichment, after the fifth supplemental indenture.*"

Further, it is reported in SFIO report that "***it is clear that all the distributions made by the EWT were fraudulent to enrich few employees/managerial personnel.***"

It is further reported that "***EWT trust which was primarily meant for welfare of needy employees was thus used as a conduct to give shape to fraudulent motives of the key managerial persons of IL&FS Limited. Copies of the financial statements for last 11 years are collectively placed as Annexure V. Less than 1% of total expenditure was made towards welfare of employees and the remaining was diverted towards enriching few selective employees.***"

On perusal of Section 130 of the Companies Act, 2013, it is clear that before passing any order under this Section, it is not necessary to held that accounts were prepared in a fraudulent manner.

NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

NOTARY
M.M. PABALE
Mumbai
GOVT. OF INDIA

Section 130(1) (i) &(ii) lays down the **following pre condition for passing an order for recasting and re-opening the accounts of a company:**

(i) *The relevant earlier accounts were prepared in a fraudulent manner;* ***or***

(ii)The affairs of the company were mismanaged during the relevant period, casting a doubt on the reliability of financial statements."

At this stage, we cannot hold that alleged accounts of the companies were prepared in a fraudulent manner, because investigation is still pending. *In our earlier order dated 1.10.2018 on the basis of prima facie report that the affairs of the company were mismanaged during the relevant period and that the affairs of the company and subsidiary companies were being mismanaged during the relevant period as contemplated under Section (1) and (2).* Therefore, we need not examine or express any opinion on the allegations made against the auditors in this Petition, at this stage. **The Union of India, without prejudice, is not pressing any allegation at this stage.**

In the circumstances, we allow this petition filed under Section 130 of the Companies Act, 2013 for re-opening the books of accounts and recasting the financial statements of Infrastructure Leasing & Financial Services Limited (R1), IL&FS Financial Services Limited (R2) and IL&FS Transportation Networks Limited (R3) for the past five financial years , viz. from Financial Year 2012-13 to Financial Year 2017-2018.

We further issue directions to Central Government to appoint such person/firm as the Chartered Accountants to recast the accounts/financial statements of all the three companies, i.e. Infrastructure Leasing & Financial Services Limited (R1), IL&FS Financial Services Limited (R2) and IL&FS Transportation Networks Limited (R3) for the past five financial years, viz. from Financial Year 2012-13 to Financial Year 2017-2018.

Regional Director may submit the name of the Auditor for our approval for the said purpose so that recasting of accounts can be done.

We further clarify that this order is without prejudice to the rights of auditors and all the parties present and will not affect the proceedings before ICAI in any manner, which will be decided independently on its own merits.

राष्ट्रीय कम्पनी विधि अधिकरण NATIONAL COMPANY LAW TRIBUNAL मुंबई न्यायपीठ MUMBAI BENCH

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Exp. Dt. 30-10-2024 GOVT OF INDIA

By passing an order for recasting the accounts will have no bearing on the main Company petition which is pending under Section 241-242 of the Companies Act, 2013.

Petition is disposed of accordingly.

Sd/-	Sd/-
RAVIKUMAR DURAISAMY	**V. P. SINGH**
Member (Technical)	Member (Judicial)

राष्ट्रीय कम्पनी विधि अधिकरण NATIONAL COMPANY LAW TRIBUNAL मुंबई न्यायपीठ MUMBAI BENCH

Certified True Copy
Copy Issued "free of cost"
On 4/1/2019

Assistant Registrar
National Company Law Tribunal Mumbai Bench

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

ANNEXURE - 6

NATIONAL COMPANY LAW APPELLATE TRIBUNAL

NEW DELHI

Company Appeal (AT) No. 29 of 2019

IN THE MATTER OF:

Hari Sankaran ...**Appellant**

Versus

Union of India
Ministry of Corporate Affairs & Ors. ...**Respondents**

Present:

For Appellant : **Mr. Rao, Advocate**

For Respondents : **Mr. Parvez Nainwadi, Assistant Director, Legal & Prosecution for R-1.**

Mr. Vikash Kumar Jha and Mr. Karan Khanna, Advocates for R-2, R-3 and R-4

ORDER

31.01.2019 Heard Mr. Rao, learned counsel for the Appellant and Mr. Parvez Nainwadi, Assistant Director (Legal & Prosecution) for 1st Respondent.

Due to mis-management of 'Infrastructure Leasing & Financial Services Limited', 'IL&FS Financial Services Limited' and 'IL&FS Transportation Networks Limited' (1st, 2nd and 3rd Respondents respectively),

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt
30-10-2024
GOVT. OF INDIA

the Union of India, Ministry of Corporate Affairs filed petition u/s 133 of Companies Act, 2013 before the National Company Law Tribunal, Mumbai Bench (hereinafter referred to as 'Tribunal') wherein the Tribunal passed order dated 1st January, 2019 with the following observations and directions:-

> "*Section 130(i) & (ii) lays down the* ***following pre condition for passing an order for recasting and re-opening the accounts of a company.***
>
> *(i) The relevant earlier accounts were prepared in a fraudulent manner;* ***or***
>
> *(ii)* ***The affairs of the company were mismanaged during the relevant period, casting a doubt on the reliability of financial statements".***
>
> *At this stage, we cannot hold that alleged accounts of the companies were prepared in a fraudulent manner, because investigation is still pending. In our earlier order dated 1.10.2018 on the basis of prima facie report that the affairs of the company were mismanaged during the relevant period and that the affairs of the company and subsidiary companies were being mismanaged during the relevant period and that the affairs of the company and subsidiary companies were being managed during the relevant period as contemplated under Section (1) and (2). Therefore, we need not examine or express any opinion on the allegations made against the auditors in this Petition, at this stage.* ***The Union of India, without prejudice, is not pressing any allegation at this stage.***

In the circumstances, we allow this petition filed under Section 130 of the Companies Act, 2013 for re-opening the books of accounts and recasting the financial statements of Infrastructure Leasing & Financial Services Limited (RI), IL&FS Financial Services Limited (R2) and IL&FS Transportation Networks Limited (R3) for the past five financial years, viz. from Financial Year 2012-13 to Financial Year 2017-2018.

We further issue directions to Central Government to appoint such person / firm as the Chartered Accountants to recast the accounts / financial statements of all the three companies, i.e. Infrastructure Leasing & Financial Services Limited (R1), IL&FS Financial Services Limited (R2) and IL&FS Transportation Networks Limited (R3) for the past five financial years, viz. from Financial Year 2012-13 to Financial Year 2017-2018.

Regional Director may submit the name of the Auditor for our approval for the said purpose so that recasting of accounts can be done.

We further clarify that this order is without prejudice to the right of the auditors and all the parties present and will not affect the proceedings before ICAI in any manner, which will be decided independently on its own merits.

By passing an order for recasting the accounts will have no bearing on the main Company petition which is pending under Section 241-242 of the Companies Act, 2013.

Petition is disposed of accordingly."

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Expiry Dt
30-10-2024
GOVT OF INDIA

The Appellant, former Vice-President and Director, has challenged the said order dated 1st January, 2019 on the ground that the impugned order was passed ex-parte though notice was served to the Appellant and sought for time, but the Tribunal proceeded with the impugned order. According to him, the provision of Section 230 is Draconian Section introduced in Companies Act, 2013. However, such submission cannot be accepted till any person challenges the provisions before the Court of Competent Jurisdiction such as the Hon'ble High Court and the Hon'ble Supreme Court.

Even if it is accepted that the Appellant on receipt of notice wanted to file reply-affidavit but as no ground is made out to hold the impugned order dated 1st January, 2019 as illegal, we are not inclined to remit the matter to the Tribunal on the ground of violations of rules of natural justice.

We find no merit in this appeal. It is accordingly dismissed. No Cost.

[Justice S.J. Mukhopadhaya]
Chairperson

[Justice Bansi Lal Bhat]
Member (Judicial)

ss/uk/

NOTARY
M.M. PABALE
Mumbai
Maharashtra
30-10-2024
GOVT. OF INDIA

REPORTABLE

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 3747 OF 2019

Hari Sankaran ... Appellant

Versus

Union of India & Others ... Respondents

JUDGMENT

M.R. SHAH, J.

1. Feeling aggrieved and dissatisfied with the impugned Order dated 31.01.2019 passed by the National Company Law Appellate Tribunal, New Delhi in Company Appeal (AT) No. 29 of 2019 by which the learned Appellate Tribunal has dismissed the said appeal preferred by the appellant herein – Ex-Director of respondent No. 2 – Infrastructure Leasing & Financial Services Limited (hereinafter referred to as 'the IL&FS') and has confirmed the order passed by the National Company Law Tribunal, Mumbai Bench (hereinafter referred to as 'the learned Tribunal') dated 01.01.2019 by which the learned Tribunal allowed the said

NOTARY M.M. PABALE Mumbai Expiry Dt. 30-10-2024 GOVT. OF INDIA application preferred by the Central Government under Section 130(1) & (2) of the Companies Act, 2013 (hereinafter referred to as the 'Companies Act') and has permitted re-casting and re-opening of the accounts of IL&FS, IL&FS Financial Services Limited (hereinafter referred to as the "IFIN") and IL&FS Transportation Networks Limited (hereinafter referred as the "ITNL") for the last five years, the original appellant has preferred the present appeal.

2. The facts leading to the present appeal in nutshell are as under:

That respondent No. 2 – IL&FS is a company incorporated under the provisions of the Companies Act, 1956. That the said company IL&FS has 348 group companies, including IFIN and ITNL. That the said IL&FS is a core investment company and systemically important Non-Banking Finance Company duly approved under the Reserve Bank of India Act, 1931. The said company was promoted by the Central Bank of India, HDFC Ltd., the Union Trust of India. That the said company is holding prominent infrastructure development and finance companies. Over the years, it had inducted institutional shareholders. That the said IL&FS, during the financial year 2017-18 had 169

NOTARY
M.M. PABALE
Mumbai
Maharashtra
GOVT. OF INDIA
30-10-2024

companies, out of which, 24 companies are direct subsidiaries, 135 companies are indirect subsidiaries, 6 companies are joint ventures and 4 companies are associate companies. That the appellant herein claims to be the Vice-President/Director of IL&FS who has been suspended as the Director of IL&FS and its group companies.

2.1 That on 01.10.2018, the Central Government through the Ministry of Corporate Affairs filed a petition before the learned Appellate Tribunal under Sections 241 and 242 of the Companies Act alleging *inter alia*, mismanagement by the Board of IL&FS and that the affairs of IL&FS were being conducted in a manner prejudicial to public interest. That the Central Government prayed for the following reliefs:

1. That the existing Board of Directors of Respondent No. 1 company, comprising of R2 to R8, be suspended with immediate effect and 10 (Ten) persons be appointed as directors in terms of provisions of Section 242(2)(k) of the Act, to manage the affairs of R1 company and its group companies through their nominees, and such directors any report and function under the Hon'ble Tribunal on such matters as it may direct:

2. That the Board of Directors appointed by the Hon'ble Tribunal in terms of 242(2)(k) of the Act be authorized to replace such number of directors of subsidiaries, joint ventures and associate companies as may be required to make the R1 and its group companies as going concern.

2.2 That it was found that the management of IL&FS and other group company/companies were responsible for negligence and incompetence, and had falsely presented a rosy financial statement. To unearth the irregularities committed by IL&FS and its companies, the provisions of Section 212(1)(c) of the Companies Act were invoked for investigation into the affairs of the company. The investigation was to be carried out by the Serious Fraud Investigation Office (hereinafter referred to as 'the SFIO') in exercise of powers under Section 212 of the Companies Act. The SFIO submitted an interim report dated 30.11.2018 to the Central Government placing on record that the affairs in respect of IL&FS group Companies were mis-managed, and that the manner in which the affairs of the company were being conducted was against the public interest. The said report shall be referred to hereinbelow.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

It appears that the Registrar of Companies also conducted an enquiry under Section 206 of the Companies Act, and prima facie concluded that mis-management and compromise in corporate governance norms and risk management has been perpetuated on IL&FS and its group companies by indiscriminately raising long term and short terms loans/borrowings through Public Sector Banks and financial institutions. It was also observed that IL&FS company has been presenting a rosy picture by camouflaging its financial statements, and concealing and suppressing severe mismatch between its cash flows and payment obligations, total lack of liquidity and adverse financial ratios. It was also found that IL&FS company has first defaulted on commercial paper and then on short term borrowings i.e. inter corporate deposits, negative cash flows in operating activities etc. It was further observed that the consolidated balance-sheet of IL&FS company indicated the extremely precarious financial position, and was virtually in deep red. It was found that intangible assets of approximately Rs.18,540 crores as on 31.03.2017, has increased to approximately Rs.20,004 crores as on 31.03.2018, thus creating a serious doubt about the correctness of the financial statements. A Report dated 03.12.2018 was submitted by the Institute of Chartered Accountants of India ("ICAI") which has been placed on the record of the Tribunal.

2.3 In this background, the Union of India approached the learned Tribunal for reliefs under Sections 241 and 242 of the Companies Act.

2.4 Thereafter, by a detailed and reasoned order, the learned Tribunal vide Order dated 01.10.2018 allowed the said prayers and suspended the Board of Directors of IL&FS, and appointed the newly constituted Board to conduct the business as per the Memorandum and Articles of the companies. That the learned Tribunal issued the following directions:

> "On the basis of the foregoing discussions and after considering the facts of the case, a narrated in the Petition filed by the Union of India, this Bench is of the considered view that it is judicious to invoke the jurisdiction prescribed under Section 241(2) of the Companies Act, 2013 and the Tribunal is of the opinion that as per Section 242(1) of the Companies Act, 2013, the affairs of the IL&FS were being conducted in a manner prejudicial to public interest. The Interim prayer of suspending the present Board of Directors

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

and reconstitution of the new Board of Directors is hereby allowed. At present, by an additional affidavit only 6 names (supra) of Board members have proposed by the Union of India.

Further directed that the present Board of Directors be suspended with immediate effect. The six Directors as reproduced supra shall take over the R1 company immediately. Newly constituted Board shall hold a meeting on or before 8th October, 2018 and conduct business as per the Memorandum and Articles of Association of the company and the provisions of the Companies Act, 2013. Liberty is granted to the Board of Directors to select a Chairman among themselves. Thereafter, report the roadmap to NCLT, Mumbai Bench at the earliest possible not later than the next date of hearing. The suspended directors hence forth shall not represent the R1 company as a Director and shall also not exercise any powers as a director in any manner before any authority as well.

As a consequence of "Admission" of the Petition, issue notice to intimate next date of hearing. The Petition is to serve copy of this order along with Petition to all the Respondents. The Respondents in turn may file their reply by 15th October, 2018, only after serving copy to the petitioner. The Petitioner can file rejoinder, if deem fit, by 30th October, 2018."

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

2.5 That thereafter the Union of India through the Ministry of Corporate Affairs approached the learned Tribunal under Section 130(1) of the Companies Act seeking permission for re-opening of the books of accounts and re-casting thereof, including the financial statements of IL&FS, IL&FS Financial Services Limited and IL&FS Transportation Networks Limited for the last five years viz. from Financial Year 2012-2013 to Financial Year 2017-2018. The learned Tribunal issued notices to the Income Tax Authorities, SEBI, and any other statutory regulatory body or authority, or other persons concerned. The learned Tribunal directed the Central Government to serve the notices upon the said parties.

At this stage, it is required to be noted that the aforesaid three companies through their new board of directors appeared through their counsel before the learned Tribunal at the time of hearing of the aforesaid application under Section 130 of the Companies Act. That, thereafter, after hearing the counsel appearing on behalf of the respective parties, including the learned counsel appearing on behalf of the erstwhile directors, who opposed the application filed under Section 130 of the

Companies Act, the learned Tribunal vide its Order dated 01.01.2019 allowed the application filed under Section 130 of the Companies Act, and permitted the said application for re-opening the books of accounts, and re-casting the financial statements of the aforesaid three companies for the last five years viz. from Financial Year 2012-2013 to Financial Year 2017-2018.

2.6 Feeling aggrieved and dissatisfied with the order passed on the application under Section 130 of the Companies Act by the learned Tribunal dated 01.01.2019, permitting the re-opening and re-casting of the financial statements of the aforesaid three companies for the last five years viz. from Financial Year 2012-2013 to Financial Year 2017-2018, the appellant herein who is a suspended Director of IL&FS alone preferred an appeal before the learned Appellate Tribunal. That by the impugned judgment and order, the learned Appellate Tribunal has dismissed the said appeal.

3. Feeling aggrieved and dissatisfied with the impugned judgment and order passed by the learned Appellate Tribunal dismissing the said appeal, and confirming the order passed by the learned Tribunal dated 01.01.2019 allowing the application

under Section 130 of the Companies Act, the original appellant i.e. the suspended Director/erstwhile Director of IL&FS has preferred the present appeal.

4. With the consent of the learned Senior Counsel appearing on behalf of the respective parties, and in the facts and circumstances of the case, we have heard the application for vacating the interim Order along with the main Appeal finally.

5. Shri Dhruv Mehta, learned senior counsel has appeared on behalf of the appellant and Shri Maninder Singh, learned Senior Counsel has appeared on behalf of the Union of India as well as the other contesting respondents.

6. Shri Dhruv Mehta, learned Senior Counsel appearing on behalf of the appellant has vehemently submitted that the impugned order passed by the learned Appellate Tribunal dismissing the said appeal and confirming the order passed by the learned Tribunal allowing the application under Section 130 of the Companies Act is absolutely illegal and bad in law.

6.1 Mr. Dhruv Mehta, learned Senior Counsel appearing on behalf of the appellant has submitted that the order passed by the learned Tribunal allowing the application under Section 130 of the Companies Act is absolutely illegal and as such contrary to the provisions of Section 130 of the Companies Act. It is further submitted by Mr. Dhruv Mehta that as such the pre-conditions before passing the order under Section 130 of the Companies Act for re-opening and re-casting the statements of account of the company, namely (i) the relevant earlier accounts were prepared in a fraudulent manner; or (ii) the affairs of the company were mismanaged during the relevant period, casting a doubt on the reliability of financial statements, have not been satisfied.

6.2 Mr. Dhruv Mehta, learned Senior Counsel appearing on behalf of the appellant has submitted that as such there is no specific finding given by the learned Tribunal while allowing the application under Section 130 of the Companies Act that either the relevant earlier accounts were prepared in a fraudulent manner, or the affairs of the company were mismanaged, during the relevant period casting a doubt on the reliability of financial statements. It is submitted that in the absence of any specific finding by the learned Tribunal on the aforesaid, it was not permissible for the learned Tribunal to pass the order under Section 130 of the Companies Act permitting re-opening of the books of accounts and re-casting of financial statements of the company/companies.

6.3 It is further submitted that, on the contrary, there is a specific finding/observation by the learned Tribunal in the order under Section 130 of the Companies Act itself that the accounts were not prepared in a fraudulent manner. It is submitted that the conditions precedent for invoking the powers under Section 130 of the Companies Act were not satisfied, and the learned Tribunal was not justified in passing the impugned order under Section 130 of the Companies Act. It is further submitted that therefore the learned Appellate Tribunal ought to have quashed and set aside the order passed by the learned Tribunal.

6.4 It is further submitted by Shri Dhruv Mehta learned Senior Counsel that, even otherwise, the order passed by the learned Tribunal is in breach of natural justice inasmuch as sufficient opportunity was not given to the appellant by the learned Tribunal before passing the order under Section 130 of the Companies Act. It is submitted that the notice on the application under Section 130 of the Companies Act was issued on 27.12.2018 and the impugned order came to be passed on 01.01.2019. It is submitted that even though the appellant sought time to file the reply, the Tribunal without granting any further time to the appellant to file the reply, passed the

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

impugned order. It is submitted that as per the amended Section 130 of the Companies Act, before passing the order under Section 130 of the Companies Act, not only the Income Tax Authorities and other authorities were required to be heard, even the "other persons concerned", including the Directors/Ex-Directors of the company were required to be heard. It is submitted that the order passed by the learned Tribunal was in violation of the principles of natural justice, therefore the same was required to be quashed and set aside by the learned Appellate Tribunal.

It is further submitted that though the aforesaid submission was made before the learned Appellate Tribunal, and the learned Appellate Tribunal accepted that the order passed by the learned Tribunal is in breach of the principles of natural justice, the learned Appellate Tribunal dismissed the appeal. It is submitted that, therefore, in the facts and circumstances of the case, the learned Appellate Tribunal ought to have set aside the order passed by the learned Tribunal and ought to have remanded the matter to the learned Tribunal for fresh decision after giving opportunity of hearing to the appellant. In support of the above submissions and request, Shri Dhruv Mehta, learned senior counsel appearing on behalf of the appellant has heavily relied upon the decisions of this Court in the case of ***Mannalal Khetan v. Kedar Nath Khetan*** (1977) 2 SCC 424 and in the case of ***Swadeshi Cotton Mills v. Union of India*** (1981) 1 SCC 664. Relying upon the above decisions of this Court, it is submitted that when the Statute provides that things are required to be done in a particular manner, it ought to have been done in the same manner as provided under the Statute. It is submitted that in the present case as the Statute specifically provides that before passing the order under Section 130 of the Companies Act, an opportunity is to be given to all concerned and that two conditions, as referred to hereinabove, are to be satisfied, the same are required to be followed and complied with.

6.5 It is further submitted by Shri Dhruv Mehta, learned Senior Counsel appearing on behalf of the appellant that, even otherwise, there is no specific finding by the learned Tribunal with respect to the mismanagement by the erstwhile Directors. So far as the reliance placed upon the observations made in the earlier order dated 01.10.2018 is concerned, it is submitted that the order dated 01.10.2018 passed under Sections 241/242 of the Companies Act cannot be said to be the final order. It is

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

submitted that it is an interim order/report to which the appellant has already submitted the objections, which are yet to be considered. It is submitted that, therefore, condition No. (ii) of Section 130(1) of the Companies Act is not satisfied.

6.6 It is submitted that therefore, as the condition precedent while invoking the powers under Section 130 of the Companies Act are not being met, the learned Tribunal ought not to have and could not have invoked and applied Section 130 of the Companies Act. In support of his above submission, Shri Dhruv Mehta, learned Senior Counsel appearing on behalf of the appellant has relied upon the decision of this Court in the case of ***Calcutta Discount Company v. Income Tax Officer*** AIR 1961 SC 372.

6.7 It is further submitted by the learned Senior Counsel appearing on behalf of the appellant that all the three different provisions, namely Section 130, Sections 211/212 and Sections 241/242 of the Companies Act, operate in the different fields and in different situations and as such they are in different chapters and therefore the observations made while passing the order under one provision cannot be made applicable to while passing the order under different provisions.

6.8 Shri Dhruv Mehta, learned Senior Counsel appearing on behalf of the appellant has further submitted that what is required to be considered is the relevant material at the time when the learned Tribunal passed the order under Section 130 of the Companies Act. It is submitted that the respondents cannot support the order passed by the learned Tribunal under Section 130 of the Companies Act relying upon the subsequent developments/events. In support of his above submission, he has heavily relied upon the decisions of this Court in the cases of ***Mohinder Singh Gill v. Chief Election Commissioner, New Delhi*** (1978) 1 SCC 405 and ***T.P. Senkumar v. Union of India*** (2017) 6 SCC 801. It is submitted that the decision of this Court in the case of ***Chairman, All India Railway Recruitment Board v. K. Shyam Kumar*** (2010) 6 SCC 614 relied upon by the learned Counsel appearing on behalf of the Union of India shall not be applicable to the facts of the case on hand. It is submitted that in the case of ***K. Shyam Kumar*** (supra), this Court was considering the administrative decision/order and while considering such administrative order/decision, this Court observed that the subsequent events/reports can be considered while considering the legality and validity of the original action/order in the public interest.

6.9 Shri Dhruv Mehta, learned Senior Counsel appearing on behalf of the appellant has further submitted that, therefore, neither the condition precedent provided in Section 130(1) of the Companies Act has been complied with/satisfied, nor even Section 130(2) of the Companies Act has been complied with, and it is in violation of the provisions of Section 130(1) of the Companies Act, and as sufficient opportunity was not given to the appellant, therefore, is in violation of the principles of natural justice. It is prayed that the present appeal be allowed and the order passed by the learned Tribunal allowing the application under Section 130 of the Act be set aside.

6.10 It is further submitted by Shri Dhruv Mehta, learned Senior Counsel appearing on behalf of the appellant that so far as the impugned order passed by the learned Appellate Tribunal is concerned, it is submitted that none of the submissions/ground raised on behalf of the appellant have been dealt with and/or considered by the Appellate Tribunal. It is submitted that the learned Appellate Tribunal was considering/deciding the statutory appeal and therefore the learned Appellate Tribunal was supposed to deal with the grounds raised on behalf of the appellant. It is submitted that though the plea of violation of principles of natural justice was specifically pleaded and even the learned Appellate Tribunal also observed that there may be violation of principles of natural justice, in that case, the learned Appellate Tribunal ought to have remanded the matter to the learned Tribunal. It is submitted that the learned Appellate Tribunal ought to have appreciated that in view of the violation of principles of natural justice, it has caused great prejudice to the appellant. It is submitted that as observed and held by this Court in the case of ***Swadeshi Cotton Mills*** (supra), when the principles of natural justice are prescribed by the statutory provision, no prejudice is required to be shown for invoking the ground of violation of principles of natural justice.

6.11 it is further submitted by learned Counsel appearing on behalf of the appellant that the impugned orders have far reaching consequences. It is submitted that the books of

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

accounts once re-opened and re-casted are deemed to be final under the provisions of Section 130(2) of the Companies Act.

6.12 Making the above submissions and relying upon the above decisions, it is prayed to quash and set aside the impugned order passed by the learned Tribunal, confirmed by the learned Appellate Tribunal.

7. The present appeal is vehemently opposed by Shri Maninder Singh, learned Senior Counsel appearing on behalf of the Union of India.

7.1 It is vehemently submitted by the learned Senior Counsel appearing on behalf of the Union of India that the impugned order passed by the learned Tribunal, confirmed by the learned Appellate Tribunal do not suffer from any vice of illegality. It is submitted that the order passed by the learned Tribunal under Section 130 of the Companies Act is absolutely in the larger public interest and absolutely in consonance with the provisions of Section 130 of the Companies Act.

7.2 It is further submitted by the learned senior Counsel appearing on behalf of the Union of India that there are very serious allegations of preparing the earlier accounts in a

NOTARY
M.M. PABALE
Mumbai
Maharashtra
15220
30-10-2024
GOVT. OF INDIA

fraudulent manner, and also with respect to the mis-management of the affairs of the company during the relevant period. It is submitted that, in the present case, after having satisfied that there are serious allegations against IL&FS group of companies, the Department of Economic Affairs took a conscious decision to approach the NCLT under Section 242 of the Companies Act to order re-constitution of the Board of Directors. It is submitted that by a detailed order and considering the material on record, and having been *prima facie* satisfied with respect to the allegations of mismanagement and relating to the affairs of IL&FS group of companies, the learned Tribunal passed an order dated 01.10.2018 suspending the earlier Directors/Board of Directors of the companies and appointed a new Board of Directors. It is submitted that even the Ministry of Corporate Affairs, Government of India in exercise of powers under Section 212 of the Companies Act had issued an order directing to conduct investigation into the affairs of IL&FS group of companies. It is submitted that SFIO constituted under Section 212 of the Act has already commenced a specialized investigation into the affairs of IL&FS group of companies. It is submitted that the appellant has been arrested on 02.04.2019,

NOTARY
M.M. PABALE
Mumbai
Maharashtra
30-10-2024
GOVT OF INDIA

and is presently in judicial custody. It is submitted that thereafter when the Union of India through the Ministry of Corporate Affairs submitted an application before the learned Tribunal to re-open the books of accounts and to re-cast the financial statements of the three main companies for the last five years and thereafter considering the investigation reports and having been satisfied that the conditions precedent for invoking the powers exercised under Section 130 of the Companies Act are satisfied/complied with, thereafter when the learned Tribunal has passed the order, the same cannot be said to be illegal. It is submitted that all the requirements under Section 130 of the Companies Act have been complied with/satisfied.

7.3 It is further submitted that the order dated 01.10.2018 passed under Sections 241/242 of the Companies Act has attained finality inasmuch as the same is not challenged till date. It is submitted that therefore the same can be considered by passing an order under Section 130 of the Companies Act also.

7.4 It is further submitted by the learned Senior Counsel appearing on behalf of the Union of India that all the three provisions, namely Sections 211/212, Sections 241/242 and

Section 130 of the Companies Act are required to be considered and read conjointly. It is submitted that while considering the one provision and/or while passing the order under one provision, it is required to be seen that the effect of the order/orders passed in other provisions do not become nugatory and/or ineffective. It is submitted that therefore if all the aforesaid three provisions are considered and read conjointly, in that case, it can be said that the order passed under Section 130 of the Companies Act would be in the aid of the investigation going on by the SFIO under Section 212 of the Companies Act and the same shall be in the larger public interest. It is submitted that, in the present case, Justice D. K. Jain, a former Judge of this Court, has been appointed to supervise the resolution process of IL&FS group of companies. It is submitted that the re-opening of the books of accounts and re-casting the financial statements of the aforesaid three companies is very much required and necessary, since the same shall be in the larger public interest, to find out the real truth.

7.5 It is further submitted by the learned Senior Counsel appearing on behalf of the Union of India that the powers conferred under Section 130 of the Companies Act are less stringent than the powers conferred under Sections 241/242 and/or Sections 211/212 of the Companies Act. It is submitted that while exercising powers under Section 130 of the Companies Act, there may not be any final conclusion/opinion that the relevant earlier accounts are prepared in a fraudulent manner or the affairs of the company were mismanaged during the relevant period. It is submitted that if, on the basis of the material on record, the learned Tribunal is satisfied on either of the aforesaid two eventualities, it is always open to the Tribunal to pass the order to re-open the books of accounts and to re-cast the financial statements of the company.

It is further submitted that, in the present case, before passing the order under Section 130 of the Companies Act notices were issued under the first proviso to Section 130 of the Companies Act. It is submitted that SEBI appeared and submitted that it had no objection to the accounts and financial statement of respondent Nos. 2 to 4, which are listed companies, being re-opened and re-casted.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

It is submitted that, as observed by the Tribunal in the impugned order, the erstwhile directors had opposed the application under Section 130 of the Companies Act, that after hearing all parties, the impugned order has been passed by the learned Tribunal. It is submitted that therefore the impugned order passed by the learned Tribunal cannot be said to be in violation of the principles of natural justice as alleged.

7.6 Relying upon the subsequent interim investigation reports by the RBI, it is submitted that the impugned order passed by the learned Tribunal under Section 130 of the Companies Act is not required to be interfered with. It is submitted that mere perusal of the report of the RBI dated 22.3.2019 demonstrates and establishes beyond any doubt about the complete correctness, validity and legality of the order under Section 130 of the Act. In support of his submission, the learned counsel has relied upon and requested to consider the subsequent event also, more particularly the report of the RIB dated 22.03.2019. The learned counsel appearing on behalf of the Union of India has heavily relied upon the decision of this Court in the case of

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Exp. Dt.
30-10-2024
GOVT. OF INDIA

K. Shyam Kumar (supra) in support of the prayer to consider the subsequent Report of RBI also.

7.7 Making the above submissions, it is prayed to dismiss the present appeal, more particularly, considering the larger public interest as, in the present case, thousands of crores of the public money is involved.

8. We have heard the learned counsel for the respective parties at length and perused the written submissions filed by them.

At the outset, it is required to be noted that by the impugned order and in exercise of powers under Section 130 of the Companies Act, the learned Tribunal has allowed the said application preferred by the Central Government and has directed/permitted re-opening of the books of accounts and re-casting the financial statements of IL&FS and other two companies for the last 5 years, viz., F.Y 2012-2013 to 2017-2018. The order passed by the learned Tribunal has been affirmed by the learned Appellate Tribunal. Therefore, the short question which is posed for consideration before this Court, whether in the facts and circumstances of the case, can it be said that the order

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry D. 30-10-2024 GOVT. OF INDIA passed by the learned Tribunal is illegal and/or contrary to Section 130 of the Companies Act?

8.1 While considering the aforesaid question/issue, few facts and the relevant provisions of the Companies Act which are relevant for determining/considering the legality and validity of the order passed by the learned Tribunal are required to be referred to and considered, which are as under:

Section 211 of the Companies Act provides for establishment of Serious Fraud Investigation Office to investigate frauds relating to a company. Section 212 of the Companies Act provides for investigation into affairs of company by SFIO. Section 212 of the Companies Act provides that if the Central Government is of the opinion that it is necessary to investigate into the affairs of a company by SFIO....in the public interest; or on a request made by any department of the Central Government or a State Government. In the present case, the Central Government has already constituted SFIO and has also ordered investigation into the affairs of IL&FS and other group of companies and the investigation by the SFIO is under progress. It is also required to be noted that SFIO had also submitted its preliminary report. In the preliminary SFIO report, there are specific findings with respect to mismanagement of the affairs of the aforesaid companies, and also with respect to preparing fraudulent accounts. At this stage, it is also required to be noted that ICAI had also conducted an enquiry into the accounts for the past five years, and in the preliminary report, the ICAI has mentioned that "accounts for the post five years have been prepared in a fraudulent and negligent manner by the erstwhile auditors". That the Registrar of Companies had also conducted an enquiry under Section 206 of the Companies Act and *prima facie* concluded that mismanagement and compromise in corporate governance norms and risk management has been perpetuated on IL&FS and its group companies by indiscriminately raising long term and short term loans/borrowings through public sector banks and financial institutions. Considering the fact that thousands of crores of public money is involved, and in the public interest, the Central Government has thought it fit to handover the investigation with respect to the affairs of IL&FS and other group companies to SFIO.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

8.1.1 Sub-section (2) of Section 241 of the Companies Act provides that if the Central Government is of the opinion that the affairs of the company are being conducted in a manner prejudicial to public interest, it may itself apply to the Tribunal for an appropriate order under Chapter XVI, more particularly the order under Section 242 of the Companies Act. In the present case, the Central Government had approached the learned Tribunal under Section 241 of the Companies Act and for an appropriate order to suspend the existing Board of Directors of the Companies and to appoint new Directors in terms of the provisions of Section 242(2)(k) of the Companies Act, to manage the affairs of IL&FS and group companies. That by an order dated 01.10.2018, the learned Tribunal, in exercise of powers under Section 242(2) of the Companies Act, has suspended the Board of Directors of IL&FS and has further passed an order for reconstitution of the new Board of Directors. Six persons are appointed as Directors as Board members. While issuing such directions, the learned Tribunal has specifically observed that the learned Tribunal is satisfied that the affairs of the IL&FS were being conducted in a manner prejudicial to public interest. Thus, pursuant to the said order dated 01.10.2018, the erstwhile

Board Members/Directors of the IL&FS are suspended, and new Directors are appointed as Board Members and the new Board of Directors are conducting the affairs of the IL&FS and group companies. It is further ordered that the suspended Directors henceforth shall not represent the IL&FS company as Directors, and shall also not exercise any power as Directors in any manner before any authority as well. The appellant herein is the Vice President and suspended Director of the company, who alone has challenged the impugned order passed by the learned Tribunal passed under Section 130 of the Companies Act.

8.2 In between there is one another development. Pursuant to the order passed by the NCLAT, a former Judge of this Court – Hon'ble Justice (Retd.) D.K. Jain has been appointed to supervise the operation of the "Resolution Process" of the IL&FS group companies. Considering the aforesaid facts and circumstances and in the larger public interest and having found on the basis of the reports/preliminary reports of SFIO, ICAI and ROC and having observed and found that the relevant earlier accounts of IL&FS and other group companies, named hereinabove, were prepared in a fraudulent manner and the affairs of the company were mismanaged during the relevant period, casting a doubt on the reliability of the financial statements, the Union of India/Central Government considered it fit to submit an application before the learned Tribunal under Section 130 of the Companies Act. After issuing notice to all concerned including the Central Government, Income Tax Authorities, SEBI, other Statutory Regulatory Body and even to the erstwhile Directors of IL&FS and other two companies, by the impugned order, the learned Tribunal has permitted/directed the Central Government to re-open the books of accounts and to recast the financial statements of IL&FS and other two companies, named hereinabove, of last 5 years.

8.3 Considering the aforesaid facts and circumstances, the legality and validity of the impugned order passed by the learned Tribunal passed under Section 130 of the Act, confirmed by the learned Appellate Tribunal is required to be considered.

9. On going through the order passed by the learned Tribunal passed under Section 130 of the Act, it appears that the learned Tribunal is conscious of the relevant provisions of the Act, more particularly Section 130 of the Companies Act and more

particularly the conditions precedent to be complied with/satisfied while directing/permitting re-opening of the books of accounts and re-casting of the financial statements of the company. From the order passed by the learned Tribunal under Section 130 of the Companies Act, it appears that the learned Tribunal has considered the preliminary report submitted by the ICAI and SFIO and the observations made in the aforesaid reports/preliminary reports. That thereafter having satisfied that the conditions precedent for invoking powers under Section 130 of the Companies Act, stated in Section 130 (i) OR (ii) of the Companies Act are satisfied, thereafter the learned Tribunal has passed an order allowing the application under Section 130 of the Companies Act for re-opening the books of accounts and re-casting the financial statements of IL&FS and other two companies, viz, for the last 5 years.

10. While assailing the order passed by the Tribunal under Section 130 of the Act, it is vehemently submitted on behalf of the appellant, who as such is a suspended director of the company that there is no specific finding recorded by the learned Tribunal that (i) the relevant earlier accounts were prepared in a

fraudulent manner; and (ii) the affairs of the company were mismanaged during the relevant period casting a doubt on the reliability of the financial statements. It is the case on behalf of the appellant that in the order dated 01.01.2019 passed under Section 130 of the Companies Act, learned Tribunal has specifically given a finding that the alleged accounts of the companies cannot be said to have been prepared in a fraudulent manner. However, it is required to be noted that the aforesaid observations by the Tribunal are required to be considered in the context for which the observations are made. It appears that the said observations are made with respect to role of the auditors. It is to be noted that in the same para, the learned Tribunal has specifically observed that in the earlier order dated 01.10.2018, it is observed that the affairs of the company were mismanaged during the relevant period and that the affairs of the company and subsidiary companies were being mismanaged during the relevant period, as contemplated under Sub-Section (1) and (2). At this stage, it is required to be noted that as per Section 130 of the Act, the Tribunal may pass an order of re-opening of accounts if the Tribunal is of the opinion that (i) the relevant earlier accounts were prepared in a fraudulent manner; **OR** (ii) the affairs of the company were mismanaged during the relevant period casting a doubt on the reliability of the financial statements. Therefore, the word used is "**OR**". Therefore, if either of the conditions precedent is satisfied, the Tribunal would be justified in passing the order under Section 130 of the Act. Considering the order passed by the Tribunal passed under Section 130 of the Companies Act, it appears that the learned Tribunal has passed the order on being satisfied with respect to the second part of Section 130 of the Companies Act. It is also required to be noted that the learned Tribunal has also taken note of the preliminary report submitted by the ICAI with respect to the earlier accounts were being prepared in a fraudulent manner. On a fair reading of Section 130 of the Companies Act, if the Tribunal is satisfied that either of the conditions precedent is satisfied, the Tribunal would be justified in passing the order under Section 130 of the Companies Act.

11. Considering the facts narrated hereinabove and the preliminary reports of SFIO and ICAI which came to be considered by the learned Tribunal and considering the specific observations made by the learned Tribunal while passing the

order under Section 241/242 of the Companies Act and considering the fact that the Central Government has entrusted the investigation of the affairs of the company to SFIO in exercise of powers under Section 242 of the Companies Act, it cannot be said that the conditions precedent while invoking the powers under Section 130 of the Act are not satisfied. We are more than satisfied that in the facts and circumstances of the case, narrated hereinabove, and also in the larger public interest and when thousands of crores of public money is involved, the Tribunal is justified in allowing the application under Section 130 of the Companies Act, which was submitted by the Central Government as provided under Section 130 of the Companies Act.

12. Now so far as the submission on behalf of the appellant that all the three provisions, viz., Section 130, Sections 211/212 and Sections 241/242 operate in different fields and in different circumstances and they are in the different Chapters and therefore any observation made while passing the order/orders with respect to a particular provision may not be considered while passing the order under relevant provisions is concerned, it is required to be noted that all the three provisions are required

to be considered conjointly. While passing an order in a particular provision, the endeavour should be to see that the order/orders passed under other provisions of the Companies Act are given effect to, and/or in furtherance of the order/orders passed under other Sections. Therefore, the observations made while passing order under Section 241/242 of the Companies Act can be said to be relevant observations for passing the order under Section 130 of the Companies Act. At this stage, it is required to be noted that even otherwise in the order passed by the Tribunal under Section 130 of the Companies Act, there is a specific observation made by the learned Tribunal with respect to mismanagement of the affairs of the company, and even with respect to the relevant earlier accounts prepared in a fraudulent manner.

13. It is next contended on behalf of the appellant that proviso to Section 130 of the Act has not been complied with and that the order passed by the learned Tribunal passed under Section 130 of the Act is in violation of the principle of natural justice. At the outset, it is required to be noted that while passing he order under Section 130 of the Companies Act, the learned counsel

appearing on behalf of the erstwhile directors appeared and opposed the application under Section 130 of the Companies Act. Therefore, the learned counsel appearing on behalf of the erstwhile directors was heard before passing he order under Section 130 of the Companies Act. Therefore, it can be said that there is a compliance/substantial compliance of the principle of natural justice to be followed. It is required to be noted that as per proviso to Section 130 of the Companies Act before passing the order under Section 130 of the Act, the Tribunal is required to issue notice to the Central Government, Income Tax Authorities, SEBI or any other statutory regulatory body or authorities concerned or any "other person concerned" and is required to take into consideration the representation, if any made. The "other person concerned" is as such not defined. Who can be said to be "other person concerned", that question is kept open. At this stage, it is required to be noted that while passing the order under Section 130 of the Act, there shall be reopening of the books of accounts and re-casting of the financial statements of the company and therefore the Board of Directors of the company may make a grievance. The erstwhile directors cannot represent the company as they are suspended pursuant to the earlier order passed under Section 242 of the Companies Act. Be that as it may, even otherwise in the present case and as observed hereinabove the erstwhile directors of the company represented before the Tribunal and they opposed the application under Section 130 of the Act. Therefore, in the facts and circumstances of the case, it cannot be said that the order passed by the learned Tribunal is per se in violation of the principle of natural justice as alleged.

14. The submission by learned Counsel appearing on behalf of the appellant that in the impugned order passed by the learned Appellate Tribunal, the learned Appellate Tribunal has specifically observed that there is a violation of principle of natural justice and therefore the learned Appellate Tribunal ought to have remanded the matter to the Tribunal is concerned, on considering/fair reading of the impugned order passed by the learned Appellate Tribunal, as such, there is no specific finding by the learned Appellate Tribunal that there is a violation of principle of natural justice. What is observed by the learned Appellate Tribunal is that "even if it is accepted that the appellant on receipt of notice wanted to file reply" cannot be considered as

a specific finding given that the order passed by the Tribunal was in violation of principle of natural justice.

15. Now insofar as the submission on behalf of the appellant that the order dated 01.10.2018 passed under Section 241/242 of the Companies Act is an interim order and the same is not a final order suspending the directors and the erstwhile board of directors of the company, and therefore the observations made in the order dated 01.10.2018 cannot be considered, has no substance. It is required to be noted that as on today the order dated 01.10.2018 suspending the erstwhile directors of the company including the appellant stands and remains in operation. The same is not challenged by way of an appeal before an appropriate appellate Tribunal/Court.

16. Now so far as the submission on behalf of the appellant that the impugned order passed by the learned Appellate Tribunal is a non-speaking and non-reasoned order and the grounds urged before the learned Appellate Tribunal have not been dealt with by the learned Appellate Tribunal and therefore the prayer to set aside the order is concerned, in view of our specific findings

recorded hereinabove on the legality and validity of the order passed by the learned Tribunal under Section 130 of the Companies Act, we do not propose to remand the matter to the learned Appellate Tribunal. It is true that the learned Appellate Tribunal could have passed a reasoned/speaking order. But in the facts and circumstances of the case and our findings recorded hereinabove and as observed hereinabove, the order passed by the Tribunal under Section 130 of the Companies Act does not suffer from any illegality and the same is passed in the larger public interest, we have considered the order passed by the learned Tribunal under Section 130 of the Companies Act on merits.

17. In view of the aforesaid findings recorded by us, the decisions relied upon by the learned counsel appearing on behalf of the appellant shall not be applicable to the facts of the case on hand. There cannot be any dispute to the proposition of law laid down by this Court in the aforesaid decisions relied upon by the learned counsel appearing on behalf of the appellant. However, in the light of the aforesaid findings recorded by us, none of the

decisions relied upon by the learned counsel appearing on behalf of the appellant shall be applicable to the facts of the case on hand.

18. Now so far as reliance placed upon the subsequent report of the RBI and the objection by the learned counsel appearing on behalf of the appellant to rely upon the subsequent report and the reliance placed upon the decision of this Court in the case of *Mohinder Singh (supra)* is concerned, as the impugned order passed by the learned Tribunal is in the larger public interest, this Court can take note of the subsequent development/report. However, at the same time, the same shall be in support of the order under challenge. Even otherwise, it is required to be noted and as observed hereinabove, independent to the subsequent report of the RBI, there is a specific finding with respect to the mismanagement and the fraudulent accounts. Therefore subsequent Report of the RBI Report can be taken note of, while upholding the order passed by the learned Tribunal under Section 130 of the Companies Act. As observed hereinabove, a larger public interest has been involved and reopening of the

books of accounts and recasting of financial statements of the aforesaid companies is required to be carried out in the larger public interest, to find out the real truth, and as observed hereinabove both the conditions precedent while invoking power under Section 130 of the Companies Act are satisfied/complied with, therefore in the facts and circumstances of the case, we are of the opinion that the order passed by the learned Tribunal passed under Section 130 of the Companies Act, confirmed by the learned Appellate Tribunal, is not required to be interfered with.

19. In view of the above and for the reasons stated above, we see no reason to interfere with the impugned order dated 01.01.2019 passed by the learned Tribunal under Section 130 of the Companies Act for re-opening of the books of accounts and re-casting the financial statements of the Infrastructure Leasing & Financial Services Limited; IL&FS Financial Services Limited and IL&FS Transportation Networks Limited for the last five years, viz. from Financial Year 2012-13 to the Financial Year 2017-18, which came to be confirmed by the learned Appellate

Court vide impugned judgment and order dated 31.01.2019. Consequently, the present appeal fails and deserves to be dismissed and is accordingly dismissed.

All connected IAs are also disposed of.

....................................J
[INDU MALHOTRA]

....................................J.
[M. R. SHAH]

NEW DELHI,
JUNE 4, 2019

ANNEXURE - 8

IL&FS TRANSPORTATION NETWORKS LIMITED

Standalone Balance Sheet

₹ in crore

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	128.43	137.49
(b) Capital Work-In-Progress	2	-	22.73
(c) Investment Property Under Development	3	81.36	118.93
(d) Intangible Assets	2	0.16	0.69
(e) Financial Assets			
(i) Investments	4	163.59	5,376.90
(ii) Trade receivables	12	73.17	64.09
(iii) Loans	5	2,094.85	3,871.09
(iv) Other Financial Assets	6	20.47	53.57
(f) Deferred Tax Assets (net)	7	-	430.01
(g) Non-Current Tax Assets (net)	8	514.21	539.29
(h) Other Non-Current Assets	9	60.77	318.37
Total Non-Current Assets		3,137.01	10,933.16
(2) Current Assets			
(a) Inventories	10	18.49	19.90
(b) Contract Assets	11	4.35	-
(c) Financial Assets			
(i) Investments	4	6.60	-
(ii) Trade Receivables	12	53.98	3,081.19
(iii) Cash and Cash Equivalents	13	24.43	175.26
(iv) Bank Balances other than (iii) above (refer note 1.17)	13	128.15	287.67
(v) Loans	5	16.23	1,810.82
(vi) Other Financial Assets	6	20.19	1,672.38
(d) Other Current Assets	9	6.20	712.26
(e) Assets classified as Held for sale	14	-	701.93
Total Current Assets		278.62	8,461.41
Total Assets		3,415.63	19,394.57
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	328.96	328.96
(b) Other Equity	16	(14,213.37)	2,747.50
Total Equity		(13,884.41)	3,076.46
LIABILITIES			
(1) Non-Current Liabilities			
(a) Contract Liabilities	21A	9.17	-
(b) Financial Liabilities			
(i) Borrowings	17	-	8,792.04
(ii) Other Financial Liabilities	18	-	275.98
(c) Provisions	19	-	3.10
(d) Other Non-Current Liabilities	20	-	134.92
Total Non-Current Liabilities		9.17	9,206.04
(2) Current Liabilities			
(a) Contract Liabilities	21A	9.76	-
(b) Financial Liabilities			
(i) Borrowings	17	1,062.51	1,611.56
(ii) Trade Payables	21		
(a) Dues of Micro Enterprises and Small enterprises		36.74	-
(b) Dues of Other than Micro Enterprises and Small enterprises		1,011.01	1,286.52
(iii) Other Financial Liabilities	18	14,828.54	3,801.96
(c) Other Current Liabilities	20	164.47	382.45
(d) Provisions	19	177.84	29.58
Total Current Liabilities		17,290.87	7,112.07
Total Equity and Liabilities		3,415.63	19,394.57

Summary of Significant Accounting Policy
Notes 1 to 47 form part of the standalone financial statements

As per our Report of even date

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

Sd/-
per Suresh Yadav
Partner
Membership No. 119878

Date : June 04, 2020
Place : Mumbai

For and on behalf of the Board

Sd/- C S Rajan *Chairman* (DIN: 00126063)	Sd/- Vineet Nayyar *Director* (DIN: 00018243)	Sd/- Bijay Kumar *Director* (DIN: 07262627)
Sd/- Nand Kishore *Director* (DIN: 08267502)	Sd/- Mohit Bhasin *Chief Financial Officer*	Sd/- Dilip Bhatia *Chief Executive Officer*

Sd/-
Krishna Ghag
Company Secretary

Date : June 04, 2020
Place : Mumbai

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Standalone Statement of Profit and Loss

₹ in crore

	Particulars	Notes	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenue from Operations	22	179.54	3,536.83
II	Other Income	23	606.70	1,172.65
III	Total Income (I+II)		786.24	4,709.48
IV	Expenses			
	Cost of Material Consumed	24	3.86	12.17
	Construction Costs	24	749.58	2,120.76
	Operating Expenses	25	218.66	213.16
	Employee Benefit Expense	26	59.96	80.19
	Finance Costs (refer note 1.16)	27	1,275.55	1,642.10
	Depreciation and Amortisation Expense	28	20.93	22.33
	Other Expenses	29	685.83	286.98
	Total Expenses (IV)		3,014.37	4,377.69
V	**(Loss)/ Profit before exceptional items and tax (III-IV)**		**(2,228.13)**	**331.79**
VI	**Exceptional items**	30	**14,340.59**	-
VII	**(Loss)/ Profit Before Tax (V-VI)**		**(16,568.72)**	**331.79**
VIII	**Tax Expense**			
	(1) Current Tax	31	-	24.85
	(2) Adjustment of Tax relating to earlier period	31	-	7.59
	(3) Deferred Tax	31	431.60	47.59
	Total Tax Expense		431.60	80.03
IX	**(Loss)/ Profit for the Year (VII-VIII)**		(17,000.32)	251.76
X	**Other Comprehensive Income/ (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 (net of tax)	32	42.07	(2.74)
	Items that may not be reclassified to profit or (loss)			
	Actuarial profit/ (loss) on defined benefit plan (net of tax)	33	2.13	(1.69)
	Total Other Comprehensive profit/ (loss)		44.20	(4.43)
XI	**Total Comprehensive (Loss)/ Profit for the year (IX+X)**		(16,956.12)	247.33
XII	**Earnings per share (of ₹ 10/- each)**	40		
	(a) Basic (In ₹)		(516.79)	7.65
	(b) Diluted (In ₹)		(516.79)	7.65
XIII	**Paid-up equity share capital (face value - ₹ 10 per share)**		328.96	328.96

Summary of Significant Accounting Policy
Notes 1 to 47 form part of the standalone financial statements

For and on behalf of the Board

As per our Report of even date

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

Sd/-
per Suresh Yadav
Partner
Membership No. 119878

Sd/-
C S Rajan
Chairman
(DIN: 00126063)

Sd/-
Vineet Nayyar
Director
(DIN: 00018243)

Sd/-
Bijay Kumar
Director
(DIN: 07262627)

Sd/-
Nand Kishore
Director
(DIN: 08267502)

Sd/-
Mohit Bhasin
Chief Financial Officer

Sd/-
Dilip Bhatia
Chief Executive Officer

Sd/-
Krishna Ghag
Company Secretary

Date : June 04, 2020
Place : Mumbai

Date : June 04, 2020
Place : Mumbai

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 16220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

Standalone Statement of Changes in Equity for the year ended March 31, 2019

₹ in crore

a. Equity share capital	Year Ended March 31, 2019	Year Ended March 31, 2018
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 16)	Securities Premium Account (note no 16)	Capital Redemption Reserve (note no 16)	General Reserve (note no 16)	Retained Earnings (note no 16)	Total	Cash Flow Hedge Reserve (note no 16)	
Balance as at April 1, 2018	343.31	2,144.97	127.25	55.12	118.92	**2,789.57**	(42.07)	**2,747.50**
Loss for the year	-	-	-	-	(17,000.32)	**(17,000.32)**	-	**(17,000.32)**
Other comprehensive gain (refer note 34.6.2)	-	-	-	-	2.13	**2.13**	42.07	**44.20**
Transition impact due to Ind AS 115 (refer note 22)	-	-	-	-	(4.75)	**(4.75)**	-	**(4.75)**
Transfer from General reserve to Capital Redemption Reserve	-	-	20.00	(20.00)	-	-	-	-
Balance as at March 31, 2019	**343.31**	**2,144.97**	**147.25**	**35.12**	**(16,884.02)**	**(14,213.37)**	-	**(14,213.37)**

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

120

₹ in Crore

b. Other equity	Reserves and surplus						Items of other comprehensive income	Total
	Debenture Redemption Reserve (Note no 16)	Securities Premium Account (Note no 16)	Capital Redemption Reserve (Note no 16)	General Reserve (Note no 16)	Retained Earnings (Note no 16)	Total	Cash Flow Hedge Reserve (Note no 16)	
Balance as at April 1, 2017	130.37	2,144.97	-	182.37	81.79	**2,539.50**	(39.33)	**2,500.17**
								-
Profit for the year	-	-	-	-	251.76	**251.76**	-	**251.76**
Other comprehensive loss	-	-	-	-	(1.69)	**(1.69)**	(2.74)	**(4.43)**
Transfer to balance in Retained earnings	212.94	-	-	-	(212.94)	-	-	-
Transfer from General reserve to Capital Redemption Reserve	-	-	127.25	(127.25)	-	-	-	-
Balance as at March 31, 2018	**343.31**	**2,144.97**	**127.25**	**55.12**	**118.92**	**2,789.57**	**(42.07)**	**2,747.50**

Summary of Significant Accounting Policy
Notes 1 to 47 form part of the standalone financial statements

For and on behalf of the Board

As per our Report of even date

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

Sd/-
per Suresh Yadav
Partner
Membership No. 119878

Date : June 04, 2020
Place : Mumbai

Sd/-
C S Rajan
Chairman
(DIN: 00126063)

Sd/-
Vineet Nayyar
Director
(DIN: 00018243)

Sd/-
Bijay Kumar
Director
(DIN: 07262627)

Sd/-
Nand Kishore
Director
(DIN: 08267502)

Sd/-
Mohit Bhasin
Chief Financial Officer

Sd/-
Dilip Bhatia
Chief Executive Officer

Sd/-
Krishna Ghag
Company Secretary

Date : June 04, 2020
Place : Mumbai

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. [illegible]5220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

221

IL&FS TRANSPORTATION NETWORKS LIMITED

Standalone Cash Flow Statement

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Cash Flow from Operating Activities		
(Loss)/ Profit before tax for the year	**(16,568.72)**	**331.79**
Adjustments for:		
Interest income	(456.98)	(764.65)
Loss on sale/ discard/ damaged/ scrapped of fixed assets	14.60	0.05
Foreign exchange fluctuation gain (net)	(111.69)	5.72
Loss on cancellation of swap contracts	19.20	-
Loss/(Profit) on sale of investments	56.75	(444.22)
Profit on sale of mutual funds	(0.25)	-
Depreciation and amortisation expenses	20.93	22.33
Provision for doubtful receivables	-	41.15
Exceptional items	14,340.59	-
Expected Credit Losses/ Impairment losses on financial assets/ (Reversal of Expected Credit Losses) (net)	-	(252.86)
Loss on Investments recognised through fair value through profit and loss	101.67	-
Finance costs	1,275.55	1,642.10
Dividend income on non-current investments	(0.02)	(34.40)
Rate and taxes written off	61.53	4.03
Provision for indirect tax balances and matters	130.96	-
Excess provisions written back	(12.20)	-
Operating profit before working capital changes	**(1,128.08)**	**551.05**
Decrease/ (Increase) in trade receivables/ contract assets (refer note (iii) and note (vi) below)	1,361.57	(372.50)
Decrease in inventories	1.41	2.68
Decrease/ (Increase) in other financial assets & other assets (current and non-current) (refer note (viii) below)	51.99	(919.06)
Increase in financial liabilities & other liabilities (current and non-current) (refer note (iv) below)	886.72	542.68
Cash generated from/ (used in) Operations	**1,173.61**	**(195.15)**
Direct taxes (paid) (net of refund received)	(9.49)	(113.91)
Net Cash generated from/ (used in) Operating Activities (A)	**1,164.12**	**(309.06)**
Cash Flow from Investing Activities		
Payments for acquiring property, plant and equipment	(46.80)	(64.01)
Payments for acquiring intangible assets	(0.11)	(0.28)
Proceeds from disposal of property, plant and equipment	0.15	0.43
Proceeds against investment held for sale	-	270.00
Proceeds from disposal of investments in subsidiary and Joint venture (refer note (viii) below)	210.75	411.37
Investment in/ purchase of equity shares of subsidiaries/ units of funds (refer note (i) and (ii) below)	(243.43)	(796.90)
Investment in units of mutual funds	(37.85)	-
Proceeds from redemption of mutual funds	31.50	-
Long-term loans given (refer note (i), (ii), (iii) and (v) below)	(577.89)	(947.86)
Long-term loans recovered	-	79.94
Short-term loans given and recovered (net)	(1,264.43)	3,974.00
Interest received	207.64	137.17
Dividend received	0.02	32.94
Fixed deposits matured/ (placed) as security against borrowings	192.52	(116.42)
Net Cash (used in)/ generated from Investing Activities (B)	**(1,527.93)**	**2,980.38**
Cash Flow from Financing Activities		
Redemption of preference shares with premium	(42.07)	(256.37)
Proceeds from long-term borrowings	4,172.76	8,418.15
Repayment of long term-borrowings (refer note (iii), (iv) and (v) below)	(2,206.97)	(8,794.12)
Proceeds from short term-borrowings (refer note (vi) below)	376.28	5,321.24
Repayment of short-term borrowings	(1,126.10)	(5,771.95)
Finance costs paid	(958.38)	(1,450.70)
Preference dividend paid	(49.99)	(84.72)
Tax on preference dividend paid	(5.77)	(10.12)
Net Cash generated from/ (used in) Financing Activities (C)	**159.76**	**(2,628.59)**
Net (decrease)/ increase in Cash and Cash Equivalents (A+B+C)	**(204.05)**	**42.73**
Cash and cash equivalents at the beginning of the year	57.95	15.22
Cash and cash equivalents at the end of the year	(146.10)	57.95
Net increase / (decrease) in Cash and Cash Equivalents	**(204.05)**	**42.73**

IL&FS TRANSPORTATION NETWORKS LIMITED

Standalone Cash Flow Statement contd....

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Components of Cash and Cash Equivalents		
Balances with Banks		
On current accounts	24.24	175.11
On deposit accounts	0.18	0.09
Cash on hand	0.01	0.06
	24.43	**175.26**
Less – Secured demand loans from banks (Cash credit) (shown under current borrowings in note 17)	(170.18)	(117.31)
Less – Unsecured demand loans from banks (Bank overdraft) (shown under current borrowings in note 17)	(0.35)	-
Cash and cash equivalents for statement of Cash Flows (refer note 13 (b))	**(146.10)**	**57.95**

Note: The impact of non-cash transactions has not been given in the above cash flow statement details of which are given in (i) to (vi) below:

i) During the current year, the Company has invested in the equity share capital of Fagne Songarh Expressway Limited amounting to ₹ 32.75 crore (previous year ₹ Nil) by converting its loan given to the said subsidiary.

ii) During the current year, the Company acquired shares of Srinagar Sonmarg Tollway Limited for a consideration of ₹ 5.87 crore (previous year ₹ Nil) from Soma Enterprises Limited (Soma). The said consideration was adjusted against the loan granted by the Company to Soma in earlier years.

iii) During the current year, borrowings of ₹ 390.00 crore availed by various group companies from third parties in respect of which letter of awareness were given by the Company to IL&FS Financial Services Limited (IFIN) were assigned to the Company by adjusting loan given to the said group companies. The Company has also assigned borrowings of ₹ 420.00 crore availed from third parties to a subsidiary by adjusting loans given of ₹ 297.53 crore and trade receivable of ₹ 122.47 crore of the said subsidiary.

iv) During the current year, trade payables to various vendors amounting to ₹ 496.05 crore (previous year ₹ Nil) were converted into borrowings.

v) During the current year, one of the subsidiary has made the payments of ₹ 30.76 crore on behalf of the Company and other subsidiaries which has been adjusted against the loans given to said subsidiary. The payments made on behalf of other subsidiaries aggregating to ₹ 7.97 crore (included in above amount) have been treated as loans given by the Company to these subsidiaries.

vi) Bank guarantees of ₹ 16.28 crore given on behalf of subsidiaries were invoked by the banks against the Company and have been shown as borrowings from the said Banks and receivables from the respective subsidiaries.

vii) The Company, being the Sponsor of SPVs has given various commitments to authority and lenders under the financing documents and is required to infuse equity and sub-debt/ loans into its SPVs. During the year the Company has infused such funds into the SPVs and the same have been utilised to discharge their various obligations including payment of EPC dues of the Company in respect of construction activities on the projects. Accordingly, such inflow and outflow has been disclosed as cash inflows from operating activities and cash outflow from investing activities respectively.

viii) Corresponding figures of March 31, 2018 have been adjusted for sale of investment in Moradbad Bareilly Expressway Limited (MBEL) and Gujarat Road and Infrastructure Company Llimited (GRICL) in operating and investing activities (which was not done in previous year). Consequently there has been decrease in cash used in Operating activities and decrease in cash generated from Investing activities by ₹ 163.55 crore.

Summary of Significant Accounting Policy
Notes 1 to 47 form part of the standalone financial statements

For and on behalf of the Board

As per our Report of even date

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

Sd/-
per Suresh Yadav
Partner
Membership No. 119878

Date : June 04, 2020
Place : Mumbai

Sd/- C S Rajan *Chairman* (DIN: 00126063)	Sd/- Vineet Nayyar *Director* (DIN: 00018243)	Sd/- Bijay Kumar *Director* (DIN: 07262627)
Sd/- Nand Kishore *Director* (DIN: 08267502)	Sd/- Mohit Bhasin *Chief Financial Officer*	Sd/- Dilip Bhatia *Chief Executive Officer*

Sd/-
Krishna Ghag
Company Secretary

Date : June 04, 2020
Place : Mumbai

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg No [illegible]5220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

Note 1: General Information & Significant Accounting Policies

1.1. General information

IL&FS Transportation Networks Limited ("ITNL" or the Company) is a public limited company incorporated in India. Its parent and ultimate holding company is Infrastructure Leasing & Financial Services Limited ("IL&FS" or the holding Company). 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.

1.2. Significant developments at the Company, IL&FS and various group companies ('the IL&FS Group') during the year ended March 31, 2019 and subsequent to the year end.

The Company reported defaults on its borrowing obligations during the financial year 2018-19. Further, the credit rating of the Company and its holding company was downgraded to 'D' (lowest grade) in September 2018.

Pursuant to a report filed by the Registrar of Companies, Mumbai ("ROC") under Section 208 of the Companies Act, 2013, the Government of India vide their Order dated September 30, 2018, directed that the affairs of the holding company and its specified subsidiaries including the Company be investigated by the Serious Fraud Investigation Office ("SFIO"). SFIO accordingly commenced investigation of affairs of the said companies.

The Union of India on October 1, 2018 filed a petition with the National Company Law Tribunal ("NCLT") seeking an order under section 242(2) and section 246 read with section 339 of the Companies Act, 2013 on the basis of the interim reports of the ROC and on the following grounds:

I. The precarious and critical financial condition of the IL&FS Group and their inability to service their debt obligations had rattled the money market.
II. On a careful consideration of the Union of India, it was of the opinion that affairs of the IL&FS Group were conducted in a manner contrary to the public interest due to its mis-governance; and
III. The intervention of the Union of India is necessary to prevent the downfall of the IL&FS Group and the financial markets.

It was felt that the governance and management change is required to bring back the IL&FS Group from financial collapse, which may require, among other things, a change in the existing Board and management and appointment of a new management.

Based on the above petition, the NCLT vide its order dated October 1, 2018 suspended the erstwhile board of the holding company and appointed the New Board of Directors (hereinafter, "New Board") proposed by the Union of India with seven persons namely:

1. Mr Uday Kotak
2. Mr Vineet Nayyar
3. Mr G N Bajpai
4. Mr G C Chaturvedi
5. Dr Ms Malini Shankar
6. Mr Nand Kishore
7. Mr C S Rajan

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

The present constitution of the New Board of IL&FS is as follows:

1. Mr Uday Kotak, Chairman
2. Mr Vineet Nayyar, Vice Chairman (Managing Director till March 31, 2019)
3. Mr C S Rajan, Director (Managing Director from April 2, 2019)
4. Mr Bijay Kumar, Deputy Managing Director
5. Mr Nand Kishore
6. Dr Ms Malini Shankar
7. Mr N Srinivasan
8. Mr G C Chaturvedi

Pursuant to developments mentioned above the Board of Directors of the Company and its other Committees were reconstituted as detailed below:

Board of Directors

Name	Status
Mr Hari Sankaran	Resigned effective October 1, 2018
Mr Arun Saha	Resigned effective October 1, 2018
Mr. K Ramchand, Managing Director	Resigned effective October 29, 2018
Mr Mukund Sapre	Resigned effective November 2, 2018
Ms Neeru Singh	Resigned effective November 1, 2018
Ms Deepak Dasgupta	Ceased to be Director on March 31, 2019 upon expiry of term
Mr R C Sinha	Ceased to be Director on March 31, 2019 upon expiry of term
Mr H P Jamdar	Ceased to be Director on March 31, 2019 upon expiry of term
Mr Vineet Nayyar	Appointed as additional director effective October 25, 2018
Mr C. S. Rajan	Appointed as additional director effective October 25, 2018
Mr Nand Kishore	Appointed as additional director effective November 15, 2018
Mr Bijay Kumar	Appointed as additional director effective May 21, 2019

* Mr Ravi Parthasarathy resigned from the Board effective July 21, 2018

Audit Committee

Name	Status
Mr Arun Saha	Resigned as Director effective October 1, 2018
Mr R C Sinha	Ceased to be Director on March 31, 2019 upon expiry of term
Mr Deepak Dasgupta	Ceased to be Director on March 31, 2019 upon expiry of term
Mr H P Jamdar	Ceased to be Director on March 31, 2019 upon expiry of term
Mr Vineet Nayyar	Appointed effective April 23, 2019
Mr C. S. Rajan	Appointed effective April 23, 2019
Mr Nand Kishore	Appointed effective November 15, 2018

Corporate Social Responsibility Committee

Name	Status
Ms. Neeru Singh	Resigned effective November 1, 2018
Mr. H P Jamdar	Ceased to be Directors on March 31, 2019 upon expiry of term
Mr. K. Ramchand	Resigned effective October 29, 2018
Mr. Mukund Sapre	Resigned effective November 2, 2018
Mr Vineet Nayyar	Appointed effective April 23, 2019
Mr C. S. Rajan	Appointed effective November 15, 2018
Mr Nand Kishore	Appointed effective April 23, 2019

Nomination & Remuneration Committee

Name	Status
Mr. Ravi Parthasarathy	Resigned effective July 21, 2018
Mr R C Sinha	Ceased to be Director on March 31, 2019 upon expiry of term
Mr Hari Sankaran	Ceased to be directors on October 1, 2018
Mr H P Jamdar	Ceased to be Director on March 31, 2019 upon expiry of term
Mr Vineet Nayyar	Appointed effective April 23, 2019
Mr C. S. Rajan	Appointed effective October 25, 2018
Mr Nand Kishore	Appointed effective April 23, 2019

Stakeholders Relationship Committee

Name	Status
Mr Arun Saha	Resigned effective October 1, 2018
Mr K Ramchand	Resigned effective October 29, 2018
Mr Vineet Nayyar	Appointed effective April 23, 2019
Mr C. S. Rajan	Appointed effective April 23, 2019
Mr Nand Kishore	Appointed effective November 15, 2018

Further applications were made by the Union of India and others, to the NCLT and the National Company Law Appellate Tribunal ("NCLAT") on various matters. The NCLAT, on October 15, 2018, ordered a stay until further orders on the following matters:

I. The institution or continuation of suits or any other proceedings by any party or person or bank or Company against IL&FS and its group companies in any court of law/tribunal/arbitration panel or arbitration authority.

II. Any action by any party or person or bank or company etc. to foreclose, recover, enforce any security interest created over the assets of IL&FS and its group companies including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002.

III. The acceleration, premature, withdrawal, or other withdrawal, invocation of any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, guarantees, letter of support, commitment or comfort and other financial obligations availed by IL&FS and its group companies.

IV. Suspension of temporarily any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, and any financial liability taken by IL&FS and its group companies.

V. Any and all banks, financial institutions from exercising the right to set off or lien against any amount lying with any creditor against any dues whether principal or interest or otherwise against the balance lying in any the bank account and deposits whether current, savings or otherwise of IL&FS and its group companies.

1.3 Resolution process proposed by New Board for the Company

The New Board as part of the resolution process, has submitted several progress reports to the NCLT. This includes framework for a resolution plan and process, steps undertaken for monetization of assets, appointment of consultants, and classification of group entities based on their abilities to meet various financial and operational obligations, measures for cost optimization and protocol for making payments beyond certain limits.

As discussed earlier, the NCLAT had given a moratorium to IL&FS and its group entities and that no creditors can proceed against it except under article 226 of the Constitution.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT OF INDIA

The resolution plan seeks a fair and transparent resolution for the Company while keeping in mind larger public interest, financial stability, various stakeholders' interest, compliance with legal framework and commercial feasibility. It is proposed to have a timely resolution process which in turn mitigates the fallout on the financial markets of the country and restore investor confidence in the financial markets thereby serving larger public interest. The Company being a holding company of transportation vertical of IL&FS having projects through various group entities, depends on its group entities to continue operating as a going concern. The resolution plan and processes for various verticals are under way and options of restructuring business, as well as exits are planned. The plan of the management is to sell/exit from assets at the group entity as a going concern.

The New Board is pursuing vertical level, SPV level and asset level resolution plan. The assessment of the New Board, based on analysis of the current position of and challenges facing the IL&FS group, is that an Asset Level Resolution Approach serves the best interest of all stakeholders to achieve final resolution. Further, the stakeholders' interests will be protected adequately since the framework and asset sale will be subject to NCLAT approval. The agreed resolution plan would be made public for the knowledge of all concerned stakeholders through an affidavit filed by the Union of India before Hon'ble NCLAT.

Strategic actions taken include:

a. Appointing Legal, Transaction and Resolution Advisors.
b. Securing a moratorium order from third party actions.
c. Setting up 'Operating Committee' of senior executives for managing daily operations.
d. Developing solution framework for managing unprecedented group insolvency using an umbrella resolution approach.
e. Active recovery actions on external lending portfolio of the IL&FS Group.
f. Working with central and state government authorities to resolve outstanding claims.

The entities in the IL&FS group, have been classified into Indian and offshore entities. Further, the Indian IL&FS entities have been classified by an independent third party, into three categories of entities based on a 12-month cash flow based solvency test viz. "Green", "Amber" and "Red", indicating their ability to repay both financial and operating creditors, only operating creditors, or only going concern respectively.

Based on this classification of "Green", "Amber" and "Red", the New Board has put in place a payment protocol for the IL&FS group during the resolution process. The classification of the entities, the payment protocol and the resolution framework has been filed with the NCLAT and the NCLAT has directed the appointment of Justice D K Jain (Retired) to supervise the resolution process for the IL&FS group.

The Company is classified as a "Red" entity, indicating that it is not able to meet all obligations (financial and operational) including the payment obligations to senior secured financial creditors. Accordingly, the Company is permitted to make only those payments necessary to maintain and preserve the going concern status. Resultantly, construction activities at all ongoing projects have been suspended/ terminated post September 2018. The Company through its various SPVs has also initiated discussions with the respective Concession Authorities for foreclosure/ termination of incomplete / partially incomplete projects.

In order to maintain going concern status of the SPVs for which Operation and Maintenance ("O&M") activities are carried out by the Company, it has continued to perform its obligations with respect to the said activities post September 2018 and O&M activities are carried out uninterrupted. However, with effect from January 01, 2019, out of total contracts for O&M activities with 15 SPVs, the Company has novated 10 O&M contracts to Elsamex Maintenance Services Limited, a wholly owned subsidiary of the Company

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT OF INDIA

Divestments initiated by New Board

Pursuant to the Report on Progress and Way Forward dated October 30, 2018 ("Report") submitted by IL&FS to the Ministry of Corporate Affairs, Government of India, which in turn was filed with the Hon'ble NCLT, a publicly solicited bid process for certain assets in the domestic roads vertical was initiated on December 18, 2018 (with public advertisements being published in the Economic Times dated December 18, 2018 and the Maharashtra Times dated December 18, 2018), and expressions of interest ("EOI") were sought for a potential acquisition of IL&FS Group's (including of the Company's) equity stake(s) / interest(s) in the following assets/ businesses.

a. 7 operating annuity-based road projects in various parts of India;
b. 8 operating toll-based road projects in various parts of India;
c. 4 under construction road projects in various parts of India; and
d. 3 other assets and businesses, which includes engineering, procurement and construction business, operations and maintenance business in connection with infrastructure projects (Elsamex Maintenance Services Limited) and operation and management of a sports complex (Karyavattom Sports Facilities Limited).

In response to the above advertisement, the IL&FS Group received EOIs from 34 applicants out of which 32 applicants were considered eligible after technical evaluation as per eligibility criteria set forth in the EOIs ("Eligible Applicants"). Subsequently, the eligible applicants were, after receipt of an executed non-disclosure undertaking, provided access to a virtual data room containing required information about these projects/ assets. The request for proposal was also subsequently issued by the IL&FS Group to the Eligible Applicants, seeking binding bids in respect of these assets. The process was on-going as on March 31, 2019.

The resolution process for the IL&FS Group is being undertaken in accordance with the *Third Progress Report – Proposed Resolution Framework for the IL&FS Group* dated December 17, 2018, the *Addendum to the Third Progress Report* dated January 15, 2019 and the *Second Addendum to the Third Progress Report* dated December 5, 2019 (collectively the "**Resolution Framework**"). The New Board has till date submitted five progress reports to the NCLT on the resolution plans and latest of which were submitted on August 9, 2019. The New Board also submitted a revised Resolution Framework for all Group Companies to Hon'ble NCLAT vide an affidavit dated January 9, 2020, an addendum to the said affidavit was filed with Hon'ble NCLAT on February 7, 2020.

Events post March 31, 2019

I. Binding bids were received on August 30, 2019 (i.e. the binding bid due date) for 10 special purpose vehicles of the Company, of which for the following 5 SPVs, the sale process is currently ongoing in accordance with the Resolution Framework

  a. Jharkhand Infrastructure Implementation Company Limited;
  b. Chenani Nashri Tunnelway Limited;
  c. Jorabat Shillong Expressway Limited;
  d. Hazaribagh Ranchi Expressway Limited;
  e. Pune Sholapur Road Development Company Limited

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

II. For the following 5 SPVs, the respective bids were significantly lower than the average 'fair market value', obtained by the New Board for the relevant ITNL SPV in the manner as contemplated in the Resolution Framework:

a. Moradabad Bareilly Expressway Limited;
b. Jharkhand Road Projects Implementation Company Limited;
c. Baleshwar Kharagpur Expressway Limited;
d. Road Infrastructure Development Company of Rajasthan Limited; and
e. Sikar Bikaner Highway Limited.

III. No binding bids were received for the following 4 SPVs:

a. West Gujarat Expressway Limited;
b. East Hyderabad Expressway Limited;
c. Thiruvananthapuram Road Development Company Limited;
d. Barwa Adda Expressway Limited.

No bids were also received for engineering, procurement and construction business of ITNL and operations and maintenance business carried out by Elsamex Maintenance Services Ltd. Further, for another asset, namely Karyavattom Sports Facilities Limited (which operates a stadium complex), binding bids have been received and are under evaluation by the New Board

For the 9 SPVs (mentioned in paragraph II and III above), after careful evaluation of alternate resolution options, the New Board has given its in-principle approval to establish an infrastructure investment trust ("**InvIT**") under the Securities and Exchange Board of India (Infrastructure and Investment Trusts) Regulation 2014. The proposal envisages establishment of an InvIT for holding the equity and other receivables from the relevant SPVs in consideration of units to be issued by the InvIT.

In furtherance of the same, the following steps have been undertaken:

(i) the Company has incorporated a wholly owned subsidiary to act as the Sponsor to the proposed InvIT; and
(ii) The application for registration of the InvIT has been made to the Securities and Exchange Board of India, which is under consideration.

The Company expects to complete the setup of the InvIT and transfer of the projects to the said InvIT in financial year 2021.

Hon'ble NCLAT vide its judgement dated March 12, 2020, has approved the revised Resolution Framework submitted by New Board along with its amendments and also directed IL&FS and the Union of India to conclude the resolution process for all IL&FS Group entities preferably within 90 days. Subsequently, *vide* its order dated March 30, 2020, the NCLAT clarified that lock down/shut down period as ordered by the Central Government and State Government will be excluded for the calculation of aforementioned 90 days.

The impact of the approved Resolution Framework to the extent it relates to manner of distribution of the proceeds among all the obligations of the entity (Distribution Framework) has not been given in these Financial Statements.

1.4 Significant accounting policies and critical estimates and judgements

1.4.1 Statement of compliance

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (as amended from time to time).

The Company's compliance with the measurement and recognition and presentation and disclosure requirements of the Ind-AS are subject to the matters described in notes **1.5, 1.6** and **1.7** to the standalone Ind-AS financial statements.

These financial statements include Balance sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash flows and notes, comprising a summary of significant accounting policies and other explanatory information and comparative information in respect of the preceding period.

1.4.2 Basis of preparation and presentation

Basis of preparation

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 or revalued amount:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on this basis.

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Presentation of financial statements

The financial statements (except for Statement of Cash Flow) are prepared and presented in the format prescribed in Division II – Ind AS Schedule III ("Schedule III") to the Companies Act, 2013.

The Statement of Cash Flow has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows".

Amounts in the financial statements are presented in Indian Rupees in Crore as per the requirements of Schedule III. "Per share" data is presented in Indian Rupees up to two decimals places.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

1.4.3 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 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.

1.4.4 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, Investments.

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.
- Quantitative disclosures of fair value measurement hierarchy.
- Investment property under development.
- Financial instruments (including those carried at amortised cost).

1.4.5 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 less cost to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

1.4.6 Revenue recognition

Ind AS 115 – Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The Company applies the five-step approach for recognition of revenue:

1. Identification of contract(s) with customers;
2. Identification of the separate performance obligations in the contract;
3. Determination of the transaction price;
4. Allocation of transaction price to the separate performance obligations; and
5. Recognition of revenue when (or as) each performance obligation is satisfied.

Revenue from construction contracts

Performance obligation in case of long term construction contracts satisfied over a period of time, since the Company creates an asset that the customer controls as the asset is created and the Company has an enforceable right to payment for performance completed to date if it meets the agreed specifications.

Revenue from long term construction contracts, where the outcome can be estimated reliably is recognized under the percentage of completion method by reference to the stage of completion of the contract activity.

The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The percentage-of-completion method (an input method) is the most faithful depiction of the company's performance because it directly measures the value of the services transferred to the customer.

The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities".

Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract.

The major component of contract estimate is "budgeted cost to complete the contract" and on assumption that contract price will not reduce vis-à-vis agreement values. While estimating the various assumptions are considered by management such as:

- Work will be executed in the manner expected so that the project is completed timely;
- Consumption norms will remain same;
- Cost escalation comprising of increase in cost to complete the project are considered as a part of budgeted cost to complete the project etc.

Due to technical complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Service Contracts

For service contracts (including maintenance contracts) in which the company has the right to consideration from the customer in an amount that corresponds directly with the value to the customer of the company's performance completed to date, revenue is recognized when services are performed and contractually billable.

Variable Consideration

The nature of the company's contracts gives rise to several types of variable consideration, including claims, unpriced change orders, award and incentive fees, change in law, liquidated damages and penalties. The company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The company estimates the amount of revenue to be recognized on variable consideration using the expected value (i.e. the sum of a probability-weighted amount) or the most likely amount method, whichever is expected to better predict the amount.

The Company's claim for extra work, incentives and escalation in rates relating to execution of contracts are recognized as revenue in the year in which said claims are finally accepted by the clients.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

Dividend and Interest Income

Dividend income is recognised when the right to receive payment is established. Interest income is recognised using the effective interest method.

CONTRACT BALANCES

Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract assets represent revenue recognized in excess of amounts billed and include unbilled receivables. Unbilled receivables, which represent an unconditional right to payment subject only to the passage of time, are reclassified to accounts receivable when they are billed under the terms of the contract.

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in point 1.4.19 of Accounting Policies – Financial Instruments.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Contract liabilities represent amounts billed to clients in excess of revenue recognized to date and other advances received from customers.

1.4.7 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. (refer note 1.4.9) 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 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 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.

1.4.8 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 statement of profit or loss are also recognized in OCI or statement of 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 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.

1.4.9 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.

Also, refer note 1.16 to the standalone Ind-AS financial statements to understand the accounting treatment provided in the current year considering the resolution process in place.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

1.4.10 Employee benefits

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. Re-measurement 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,
- The date that the Company recognises related restructuring costs, and
- 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;
- 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.

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.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

1.4.11 Taxation

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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.

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.

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

1.4.12 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 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.

1.4.13 Investment property under development

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with requirements of Ind AS 16 for cost model.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the note to the standalone Ind-AS financial statement. 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 de-recognition.

1.4.14 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
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 is 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 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.

1.4.15 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.

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT OF INDIA

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.

Also refer note 1.18 to the standalone Ind-AS financial statements for valuation method followed by the company during the current financial year.

1.4.16 Inventories

Stores and spares

Inventories are stated at lower of the cost or 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.

Also refer note 1.18 to the standalone Ind-AS financial statements for valuation method followed by the company during the current financial year.

1.4.17 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, it carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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.

1.4.18 Bills Payable

Trade payables (including bills payable) are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier. The Company may mandate supplier for construction/operation and maintenance work to avail discounting facility from banks/financial institutions on without recourse basis to the Company against the construction/operation and maintenance invoices raised by the supplier and accepts to pay the bank/financial institution at later stage.

The liability to pay to the banks/financial institutions (without recourse basis) on account of bill discounting availed by the supplier is in the Company's normal business operating cycle and considered as payable towards construction/operation and maintenance work carried out by the supplier and disclosed as trade payables.

1.4.19 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.

1.4.19.1 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.

1.4.19.2 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.

1.4.19.3 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.

1.4.19.4 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.

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.

1.4.19.5 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 115.
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.

1.4.19.6 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.

1.4.19.7 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.

1.4.19.8 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.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

1.4.19.9 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.

1.4.20 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.

1.4.20.1 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.

1.4.20.2 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 re-measured. 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.

1.4.20.3 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 de-recognition 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.

1.4.20.3.1 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.

1.4.20.3.2 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115.

1.4.20.3.3 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).

1.4.20.3.4 De-recognition 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.

1.4.20.3.5 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 115.

1.4.21 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.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured 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.

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.

1.4.22 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.

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.

1.4.23 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.

1.4.24 Critical accounting judgments and key sources of estimation uncertainty

1.4.24.1 Critical accounting judgments

The preparation of Financial Statements requires the Company to make estimates and assumptions considered in the reported amounts of Assets and Liabilities (including Contingent Liabilities) as of the date of the Financial Statements and the reported Income and Expenses during the reporting year.

The Company believes that the estimates used in the preparation of the Financial Statements are prudent and reasonable. Actual results could differ from these estimates. Any change in such estimates is recognised prospectively.

Further, the Company has applied the principles of prudence and substance over form for recognition and measurement of its assets and liabilities in view of the matters stated in the Notes 1.5 to 1.19 to the financial statements.

In the process of applying the Company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the current financial year in case of following:

I. Useful life of Property, Plant & Equipment;
II. Amortization of Intangible assets;
III. Provision for Employee benefits;
IV. Deferred Tax;
V. Income tax - Provision for tax;
VI. Provision for Onerous contract;
VII. Impairment testing of Investments – Discounted Cash Flow;
VIII. Impairment testing of Property under development;
IX. Discounting of Financial Instruments;
X. Expected Credit Loss of trade receivables, loans and advances and other receivables;

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

1.4.24.2 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 34 to the standalone Ind-AS financial statement for further disclosures.

Impairment of investments and loans and receivables in/from subsidiaries, joint- ventures and associates and other receivables

Uncertainties involved in determining the recoverable value considered for determining provision for impairment and expected credit loss on investments, trade and other receivables due to subject to finalisation of the claim management process of subsidiaries and joint ventures and their audited financial statements. Further, in certain cases it is based on fair valuation, which is subject to various internal and external factors including significant assumptions or binding financial proposals approved by the Board of Directors which are subject to requisite approvals and acceptance of the Letter of Intent by the successful bidder and recoverable amount in respect of under construction projects is subject to finalisation / acceptance / disbursement of settlement amount by the respective authorities and various other matters as fully described in note 1.12. Any subsequent changes to the above stated variables could impact the carrying value of investments and other receivables.

Key estimations in relation to Expected Credit Loss 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 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 realizability 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.

Significant Judgements in application of Ind AS 115

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Project revenue and costs

The percentage-of-completion method places considerable importance on accurate estimates of the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. These significant estimates include total contract costs, total contract revenue, contract risks, including technical, political and regulatory risks, and other judgement. The Company re-assesses these estimates on periodic basis and makes appropriate revisions accordingly.

Determining method to estimate variable consideration and assessing the constraint

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 16220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

1.4.25 Recent accounting pronouncements

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new amendments to Ind AS which the group has not applied as they are effective for annual periods beginning on or after April 1, 2019.

Ind AS 116 – Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Group is in the process of evaluating the requirements of the standard and its impact on its financial statements.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments).

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the Income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The group does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The group does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The group does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The group does not expect any impact from this amendment.

Ind AS 28 – Long Term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies IND AS 109 Financial Instruments to long term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendment to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

1.5 Order of NCLT for re-opening and re-casting of financial statements

NCLT, vide order no. CP 3638/241-242/2018 dated January 1, 2019, had allowed a petition filed by the Union of India, for re-opening of the books of accounts and re-casting the financial statements under the provisions of Section 130 of the Companies Act, 2013 for the financial years from 2013-14 to 2017-18 of ITNL, its holding company and its fellow subsidiary namely IL&FS Financial Services Limited ("IFIN").

The process of such re-opening and re-casting of financial statements is currently in progress and the management considering various developments as mentioned in note 1.2 above, will be evaluating various business transactions in those years including mentioned in note 4 (i), note 4 (j) for re-casting, if any, during that exercise. Pending completion of the said exercise, the Company has not made any adjustments with respect to the consequential effect arising therefrom including their effect on (a) business transactions in those financial years (b) the balance sheet as at March 31, 2018 (comparative period end date) and the current year ended March 31, 2019 and (c) the statement of Profit and Loss for the years ended March 31, 2018 and March 31, 2019.

1.6 Status of New Board of Directors initiated Forensic Examination

As a consequence of the matter described in **Note 1.2** above and various other matters discussed in this stand-alone financial statement, New Board have initiated a forensic examination for the period from April 2013 to September 2018, in relation to certain comp5anies of the Group including ITNL and has appointed an Independent third party Grant Thornton India LLP ("GT") for performing the forensic audit and to report their findings to the Board of Directors of the holding company. The Company has received one Interim report and the same was discussed in the

Board meeting held on November 28, 2019. Copy of the said report has been shared with regulatory agencies. Further as referred in note 24.1, the forensic auditor is in the process of carrying out further examination relating to certain aspects described therein. Pending full completion of their examination, no adjustments have been recorded in these standalone Ind AS financial statements for any consequential effects/ matters that may arise in this regard.

1.7 Investigations by Serious Fraud Investigation Office ("SFIO") and other regulatory agencies

The Ministry of Corporate Affairs ("MCA"), Government of India, has vide its letter dated October 1, 2018 initiated investigation by SFIO against IL&FS and its group companies including ITNL under Section 212 (1) of the Companies Act, 2013. As a part of its investigation, SFIO has been seeking information from the Company on an ongoing basis. The investigation is in progress and the Company is fully cooperating with the investigating agencies. The implications if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.

1.8 Creditors Claim Process and reconciliation of claims received

Read with note 1.3 to the standalone Ind-AS financial statement, the Resolution Framework submitted by the Company to the Ministry of Corporate Affairs, Government of India which, in turn, was filed with the Hon'ble NCLAT, the creditors of the Company were invited (via advertisement(s) dated May 22, 2019) to submit their claims as at October 15, 2018 with proof, on or before 5 June, 2019 (later extended till February 5, 2020) to a Claims Management Advisor ("CMA") appointed by the IL&FS Group. The amounts claimed by the financial and operational creditors are assessed for admission by the CMA.

The CMA have submitted their report on the status of the claims received and its admission status. Claims of ₹ 21,249.70 crore (including contingent claims of ₹ 4,912.41 crore) have been filed by Financial Creditors of the Company and out of which claims of ₹ 17,922.25 crore (including contingent claims of ₹ 2,831.22 crore) have been admitted by CMA against the financial liabilities of ₹ 15,400.82 crore in the books. Appropriate disclosure in this respect have been made in note 37.1.

Claims of ₹ 2,780.20 crore have been filed by operational creditors of the Company, out of which claims of ₹ 1,361.27 crore have been admitted by the CMA against the operating liabilities of ₹ 1,047.75 crore in the books till the date of these financial statements. The report is subject to change based on additional information/ clarification that may be received from the creditors in due course.

Management of the Company is in the process of reviewing the claims made by third parties with the CMA, and reconciliation of such claims with the corresponding amounts as per the Company's books of account is going on. Having regard to the nature, volume and value of claims received, management is of the view that due process will need to be applied to all such claims, in order to finally determine the level of present obligations that would need to be recognised by the Company as liabilities. Based on the ongoing review, the Company has provided the reconciliation for differences amounting to ₹440.23 crore to the CMA and their revert is awaited. Accordingly, no adjustments have currently been made in this regard to these standalone Ind AS financial statements, and all such admitted claims have been disclosed as part of contingent liabilities (refer Note 37.1).

1.9 Non-compliance with applicable laws and regulations

As a consequence of the matter described in Note 1.2 above and various other matters discussed in this accompanying stand-alone Ind AS financial statements, the Company is not in compliance with provision of various applicable laws and regulations, including but not limited to the Companies Act 2013, SEBI Regulations as applicable to listed entities, Income Tax Act, 1961, Good and Services Tax Act, 2017, State VAT Regulations, Regulations of the Reserve Bank of India as applicable to the Company and Foreign Exchange Management Act, 1999.

Where the management has identified any non-compliance subsequent to September 30, 2018, these have been reported or are in the process of being reported to the relevant regulator, and the Company intends to comply with the necessary requirements or further directions at the earliest.

Management is in the process of evaluating the financial and other consequences arising from such non-compliance and of making a comprehensive assessment of other non-compliances, to determine their impact/ consequences, including financial and operational impact, of such non-compliances on the Company. Pending final determination and assessment thereof, no adjustments have been made to these Financial Statements.

1.10 Assessment of various litigations, legal cases, suits, etc.:

As a result of events up to September 30, 2018, as more fully described in note 1.2, there have been various litigations, legal cases and suits filed against the company following the default of borrowings made by the company, as described in the note 17 (h). The Company has also received notices from debenture trustees with respect to default in payment of interest to the debenture holders. Further, the Company is undergoing a resolution process (refer note 1.3) under the order of the NCLT, pending which the management is in the process of making assessments and determinations as to liabilities, provisions and contingent liabilities as per Ind AS 37, *Provisions, Contingent Liabilities and Contingent Assets* or as per Ind AS 109, *Financial Instruments* as the case may be. Pending final outcome of such process, no adjustments have been made to the stand-alone financial statements in this regard. Also refer note 37 for contingent liability disclosures.

1.11 Accounting for guarantees and collaterals

The Company has issued various financial guarantees, performance guarantees, letter of awareness, letter of comfort, sponsor guarantees and corporate guarantees in favour of or on behalf of group/ other companies including overseas subsidiaries. Based on information available with management, the total value of such financial guarantees, performance guarantees, letter of awareness, letter of comfort, sponsor guarantees to the lenders of under construction project SPVs and corporate guarantees as at March 31, 2019 is ₹ 7,149.21 crore. Management is in the process of reconciling the completeness and status of various such instruments issued, devolved, claimed and recorded/to be recorded in the books of account, including those guarantees in respect of which claims have been received as part of the claim management process amounting to ₹ 4,912.41 crore, out which claims of ₹ 2,831.22 crore have been admitted by the CMA (refer note 1.8). Pending such assessment, management has not accounted for any such guarantees in these financial statements in terms of the requirements of Ind AS 109, *Financial Instruments or* Ind AS 37, *Provisions, Contingent Liabilities and Contingent Assets* as the case may be.

1.12 Impairment of Investments, loans, trade receivables and other receivables

As a result of the various events that have taken place during the financial year 2018-19 and subsequently up to the date of the financial statements, which are more fully described in note 1.2 to these stand-alone financial statements, there is a significant uncertainty around the recoverability of the carrying amount of the investments, loans, trade and other receivables from the subsidiaries, associates, joint venture, other entities in the IL&FS Group and other third parties. The New Board has also initiated a process for divesting stakes held by the Company and other IL&FS Group entities in various subsidiaries and road projects and related businesses as described above in note 1.3 to the standalone Ind-AS financial statements.

Accordingly, in the current year, the Company in consultation with Board, has performed an assessment to determine the recoverability of the carrying amounts of the investments, loans, trade and other receivables from its subsidiaries associates, joint venture, other entities in the IL&FS Group and other third parties (entities). For the purpose of determining the recoverable amount, the Company has made its assessment on the following basis:

Category	Basis
A	Entities where Binding Financial bids have been received and approved by the Board, recoverable amount has been determined basis the financial bid received.
B	Entities where Binding Financial bids were received but not accepted by the New Board, the recoverable amount has been determined basis lower of the Fair Market Values assigned by 2 valuers' engaged by the New Board during the divestment process.
C	Entities where no Financial bids were received, recoverable amount has been determined basis Fair market valuation obtained through an independent third-party valuer.
D	Entities, where projects are under construction/ incomplete/ partially incomplete and discussions are ongoing with the Concessioning Authorities for foreclosure/ termination of the Concession Agreements, recoverable amounts have been determined basis the net compensation agreed or indicated by the respective Concessioning Authority for the said foreclosure / termination. Based on the expected timing of realisation of these claims, the present value of the claim has been considered. Further, all known counter-claims and penalties have been adjusted to the recoverable amount.
E	For other entities, recoverable amount has been determined on the basis of: a. Market valuation with appropriate illiquidity discount in respect of listed entity. b. Net Asset Value based on audited/management accounts of the entities. c. For others entities classified into 'Red', 'Amber' or 'Green' entities, with 100% provisions being made for exposure to Red entities, as per the policy adopted by the Parent Company. d. Estimated realisable value based on realisable value of underlying assets. e. For certain entities based on management best estimate. f. For overseas entities, realisable value considered as ₹ Nil.

Based on the above categorisation, the Company has determined its impairment/ expected credit loss (ECL) provision as summarised below:

₹ in crore

Category as per above (1)	Recoverable amount available to entities (2)	Impairment and ECL recognised (3)	Recoverable amount of investments (4)	Recoverable amount of trade receivables and contract assets (5)	Recoverable amount of Loans (6)	Recoverable amount available to Company (4) + (5) + (6) = (7)
A	8,111.70	1,783.80	-	31.04	955.17	986.21
B	6,988.13	1,654.46	-	22.39	245.76	268.15
C	2,251.66	1,958.10	-	0.79	166.83	167.62
D	2,994.56	5,016.54	-	42.69	571.18	613.87
E	269.53	3,839.69	99.86	34.59	172.13	306.58
Total	**20,615.58**	**14,252.59**	**99.86**	**131.50**	**2,111.07**	**2,342.43**

^ The recoverable amount for entities is subject to finalization of the claim management process of the respective Entity and its audited financial statements. The recoverable amount available to the Company has been computed based on distribution of recoverable amount of the Entity among all its obligations using the following distribution framework.

NOTARY M.M. PABALE Mumbai Maharashtra Reg No 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

a. First, towards payment to secured financial creditors;
b. Second, towards unsecured creditors including Operations Creditors and statutory liabilities in proportion of their outstanding. No allocation made against provision for negative premium in the standalone financial statement of project entities;
c. Third, towards Equity.

The above distribution framework is not in accordance with the Distribution mechanism suggested by New Board and approved by NCLAT pursuant to its order dated March 12, 2020. However, the above distribution framework is considered more conservative.

The significant estimates and judgments applied in determining the recoverable amount in each of the above categories is further explained in detail below:

Category	Significant Assumptions
A	The financial proposals approved by the Board of Directors are binding in nature and are subject to approval of the Committee of Creditors, approval by a retired judge of the Supreme Court and approval of the NCLT. Post approval of the retired judge, the Company will issue a Letter of Intent to the successful bidder. Management believes that it is probable that these transactions will be consummated as intended and they closely approximate their fair value. Accordingly, the financial bids have been considered to determine the recoverable amount.
B	The New Board as part of divestment process, had appointed 2 independent valuation experts to determine Fair Market Value (FMV) and Liquidation Value (LV) for each entity. The FMVs provide by these experts were used as basis for evaluating the financial bids received. The Company has considered the lower of the FMV assigned by the valuers' for the purpose of determination of recoverable amount. The valuers' have used discounted cash flow models (DCF), discounting the future free cash flows of the entity (determined from a market participant perspective) over the tolling period / annuity period of the service concession agreement to the valuation date to arrive at the present value of the cash flows. The recoverable amount so determined is sensitive to the valuers' assessment of discount rate used as well as the expected future cash inflows / outflows and the growth rate used in case of toll projects. The valuers' have also provided Liquidation Value for each entity which is lower than the FMV. However, the same has not been considered for determination of recoverable amount as the management expects that through the resolution or monetisation process, the projects would continue to operate in future (refer note 1.3). The Company has obtained fair Market Values as at September 30, 2018 and has not adjusted the present value of the cash flows / working capital up to March 31, 2019. The Company has not done a detailed assessment to determine the impact on account of the same, management believes that overall impact on the impairment provision / ECL provision is not likely to be material.
C	In respect of entities classified in this category, the New Board as part of the divestment process, had appointed independent valuation expert to determine the Enterprise Value for these entities as at September 30, 2018. The Company has considered the same for the purpose of determination of recoverable amount. Under this approach, discounted cash flow model (DCF) has been applied whereby the future free cash flows of the entity (determined from a market participant perspective) over the tolling period /

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

Category	Significant Assumptions
	annuity period of the service concession agreement have been discounted to the valuation date to arrive at the present value of the cash flows. The recoverable amount so determined is sensitive to the discount rate used by the experts for the discounted cash flow model as well as the expected future cash inflows / outflows and the growth rate used in case of toll projects. The Company has obtained Enterprise valuation as at September 30, 2018 and has not adjusted the present value of the cash flows/ working capital up to March 31, 2019. The Company has not done a detailed assessment to determine the impact on account of the same, management believes that overall impact on the impairment provision/ ECL provision is not likely to be material.
D	In case of the entities classified in this category, the recoverable amounts is subject to finalisation/ acceptance and disbursement of settlement amount by the respective Concessioning Authority and have been determined basis compensation amounts agreed with/ proposed by the Authority either through letters / communications between the respective project SPV and Authority or minutes of the meetings / orders passed by Conciliation Committee of Independent Experts or through affidavit filed by the Authority for resolution of the project SPV Further, the Management has estimated the timelines for realisation of the amounts, based on current progress of discussions with the respective Authorities.
E	In case of entities classified in this category, the Company does not presently have the necessary and/or complete information to support tests based on expected cash flows. Accordingly, management has applied the following methodologies to determine recoverable amount: 1. As per the market price listed on the stock exchange with 50% discount for illiquidity. 2. As per the net asset value in the audited financial statements / management certified financial statements for the year ended March 31, 2019. 3. The IL&FS Group entities have been classified into "Red", "Amber" and "Green" categories (refer Note 1.3) by a resolution consultant appointed by the Board of Directors based on a 12-months cash flow-based solvency test. In case of entities which are classified into "Red" category (entities which cannot meet their payment obligations towards even senior secured financial creditors, as and when such payment obligations become due), amounts recoverable for the Company has been considered ₹ Nil. 4. In case of receivable from one of the associate, fair valuation of certain underlying assets (land) is based on latest valuation report and for certain assets, the valuation report available as at March 18 has been considered. However the realizability is subject to the outcome of the resolution process as the said associate is currently part of Corporate Insolvency Resolution Process. (refer note 4(j)) and note 5 (e)). 5. For other entities, based on management best estimate the realisable value has been considered ₹ Nil. 6. For offshore entities, recoverable amounts have been computed after estimating the recoverable amount of each offshore entity/ investment and after satisfying all the liabilities taken by these offshore entities. Since insolvency petitions have been filed / are being filed for certain entities (Elsamex SA, IIDL and IIDMCC) their recoverable value has been considered ₹ Nil. Based on current progress, it is expected that offshore liabilities of the Group would be more than the value of offshore assets of the Group, on an aggregate analysis, and hence the recoverable amount for offshore exposures of the Company has been considered ₹ Nil.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Expiry Dt.
30-10-2024
GOVT. OF INDIA

Category	Significant Assumptions
	In view of facts mentioned above, management's approach to determine recoverable amount for this category of assets does not consider the requirement of the relevant Ind AS standards in its entirety.

While carrying out impairment assessment as at March 31, 2018, the Company inadvertently had not considered latest traffic study report, for the purpose of computing projected cash flows of a project. The current year's impairment assessment for that project has been carried out basis the said traffic study report and in accordance with the approach detailed hereinabove, appropriate impairment provision has been recognised in the statement of profit and loss.

The impairment and expected credit loss provisions made after following the assessment as explained above, is prudent and represents the economic substance of the amounts recoverable as at March 31, 2019.

1.13 Fair value note

The key assumptions applied in determining the fair value by applying the discounted cash flow model are as described below. These apply mainly to the entities (or Special Purpose Vehicles (SPV's)) having toll-based service concession arrangements. In case of SPV's having annuity-based service concession arrangements, the revenue (annuities) is principally driven by the service concession agreement and estimates are largely involved in the discount rate applied and Operations and Maintenance expenses to the cash flows.

I. Revenue – To determine the revenue over the period of the service concession arrangement, the Company has considered the toll traffic and the revenue estimate as per the latest available traffic study undertaken by an independent expert. Based on the traffic study an average revenue growth of 10% to 13% year on year over the tolling period has been considered.
II. Operating and Maintenance expenses – These are driven by the service concession arrangements and increase at average of 5% year on year basis, over the concession period. Further, the Company has considered cash outflows for major maintenance expenses over the concession period basis the agreements / past experience / requirement of the concession agreement.
III. Discount Rates - Discount rates have been derived by the valuers'/ experts carrying out the valuation exercise. The Discount rates reflect the valuers' assessment of SPV's weighted average cost of capital (WACC) and the current market risks specific to each SPV and takes into consideration the time value of money and any specific risk premium that have not been incorporated in the cash flow estimates and it ranges between 10.01% to 16.26 %

Sensitivity analysis on the above assumptions has not been disclosed as the same is not available from the valuation reports and any unexpected adverse change in future could further affect the carrying value of the investments, loans and other receivables as at March 31, 2019.

1.14 Inter-company confirmations and reconciliations

The Company is in the process of performing and completing the confirmation and reconciliation of inter-company balances with various subsidiaries, associates, joint ventures of the Company. Further, audited financial statements of certain subsidiaries, associates and joint ventures of the Company for the year ended March 31, 2019, are not available. Pending completion of such reconciliation and confirmation, the management has not made any adjustments that may be required to these financial statements including disclosure required by Ind AS–24–Related Party Disclosures.

1.15 Material Uncertainty relating to Going Concern assumption used for the preparation of these financial statements

As at March 31, 2019, the current liabilities of the Company exceeded its current assets by ₹ 17,012.25 crore.

The Company and the IL&FS group in general are undergoing substantial financial stress as at March 31, 2019. During the year ended March 31, 2019, the Company has incurred loss (including other comprehensive income) of ₹ 16,956.12 crore and it has net liabilities of ₹ 13,884.41 crore. The Company has also suffered consistent downgrades in its credit ratings during the year and in September 2018 the credit rating was reduced to "default grade" subsequent to the defaults in repayment of loans taken by the company, details of which are discussed in note-1.2. As a result of the foregoing, the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed.

As indicated in note 1.3, there has been a resolution process run by the New Board of IL&FS. The resolution plan seeks a transparent resolution keeping in mind larger public interest, financial stability, legality, various stakeholders' interest and commercial feasibility. The resolution plan of management is to sale entities wherever possible and maximise value for stakeholders. The Company is taking active steps to monetize its assets and is in discussions with multiple parties to sell its assets (refer note 1.12). The Company is committed to taking necessary steps to meet its financial commitments to the extent possible.

During the year, IL&FS has also engaged an independent third party as resolution advisor for the Group to assess the liquidity at the Company and at various subsidiaries in India. As a result, the companies in the IL&FS group have been classified into three categories as more fully discussed and disclosed in note-1.3 to these financial statements. These classifications reflect the ability of the companies to pay their financial and operations creditors from their operations in normal course of business, and are subject to periodic assessment and review by the management and the New Board and with the results being submitted to the National Company Law Tribunal the last of which have been submitted on August 9, 2019. The Company has been classified as "Red" entity.

The ability of the Company to continue as a going concern is predicated upon its ability to monetize its assets, secure further funding, restructure its liabilities and resume its normal operations. In view of actions that are currently underway, the accompanying financial statements have been prepared on going concern basis based on cumulative impact of certain steps taken by the New Board.

1.16 Accounting for contractual interest income in respect of loans to group companies and finance cost on the borrowings

In line with the affidavit filed by the Ministry of Corporate Affairs with the Hon'ble NCLAT on May 21, 2019, the cut-off date of October 15, 2018 ("cut-off date") was proposed on account of inter alia the fact that the Hon'ble NCLAT had passed the order on October 15, 2018 which inter alia granted certain relief to the IL&FS Group and also restricted certain coercive actions by the creditors of the IL&FS group.

In terms of the Resolution framework reports, the proposal made is that all liabilities relating to the relevant IL&FS Group entity whether financial (including interest, default interest, indemnity claims and additional charges), operational debt (Including interest, indemnity or other claims) as well as statutory claims (including tax, employment and labour related claims) whether existing at or relating to a period after October 15, 2018 (the Cut-off date, as explained in the previous paragraph) should not continue accruing.

Hon'ble NCLAT vide its judgement dated March 12, 2020, has approved the revised Resolution Framework submitted by New Board along with its amendments. In the said order, Hon'ble NCLAT has also approved October 15, 2018 as the Cut Off date for initiation of resolution process of the Company.

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

Accordingly, basis the said order and the legal evaluation of the applicability of the cut-off date, management has:

a) Recognised interest income for the year on loans made, only for the period up to October 15, 2018. No such income has been recognised for the period from October 16, 2018 to March 31, 2019, which approximates ₹ 321.76 crore on a gross basis.

b) Recognised finance costs on borrowings (including from third parties) for the year, only for the period up to October 15, 2018. No such finance costs have been recognised for the period from October 16, 2018 to March 31, 2019, which approximates ₹ 745.27 crore.

The amounts above are based on contractually agreed terms and exclude penal / other interest and charges. Further, the above (a) are not applied to entities classified as "Green" category (refer Note 1.3), i.e. entities which are in a position to honour their respective financial and operational liabilities.

1.17 Reconciliation with banks

During the year, certain banks have adjusted/ debited the Company's bank accounts amounting to ₹ 426.34 crore. The adjustments are not authorised by the Company and are in the nature of repayment of loans obtained from the said banks and interest/ penal interest on such loans.

Further, the same banks have credited/ adjusted ₹ 422.09 crore and debit of ₹ 1.96 crore (total ₹ 420.13 crore) for which the management is not aware of its basis and rationale.

The management is in the process of reconciling the said amounts/ accounts, pending outcome of the said assessment, consequential impacts if any are not adjusted in the standalone Ind-AS financial statements.

1.18 Property plant and equipment and Inventories

As fully described in the note 1.2 of the financial statements and reasons stated thereto, all construction works at respective sites were suspended and subsequently the Company has either terminated or is in the process of terminating the construction contracts.

The plant and machinery and inventories at respective construction sites are not in active use and the management is in the process of determining their alternate use including disposal if any. However, as required by Ind AS-36 'Impairment of assets' and Ind AS-2 'Inventories', no analysis has been carried out for determination of recoverable value / net realisable value of such assets.

However, the management has not conducted physical verification of inventories during the year.

Accordingly, no impact has been given in the standalone Ind AS financial statements.

1.19 Other significant transactions

Borrowings
The Company had obtained secured/ unsecured loans from certain third parties (including the Company's vendors) having outstanding balances of ₹ 1,181.33 crore as at 31 March 2019 (March 31, 2018: ₹ 990 crore). The Company has provided Letter of Awareness (LOA) amounting to ₹ 1,020 crore (March 31, 2018 ₹ 750 crore) to IL&FS Financial Services Limited (IFIN) in respect of money borrowed by these parties or their group companies from IFIN (also refer note 38).

During the claim management process, some of the parties have represented that the loans given by them to the Company were from the money borrowed by them from IFIN. This matter is under investigation by various regulatory agencies and pending final outcome of the said investigation no adjustments have been recorded in this standalone Ind AS financial statements for consequential effect that may arise in this regard.

In addition to above, during the current year, Trade payable to certain vendors amounting to ₹ 496.05 crore were converted into borrowings (Previous year ended March 31, 2018 ₹ Nil) and outstanding balance of such borrowings as of March 31, 2019 was ₹ 311.91 crore (refer note 17 (j)).

Note 2: Property, Plant and Equipment; Intangible Assets and Capital Work-In-Progress (refer note 1.18)

Current year :

₹ in crore

Particulars	Cost or Deemed cost				Accumulated Depreciation and Amortisation				Carrying Amount
	As at April 1, 2018	Additions	Deletions / transferred (refer note 28)	As at March 31, 2019	As at April 1, 2018	Depreciation/ Amortisation for the year	Deletions / transferred (refer note 28)	As at March 31, 2019	As at March 31, 2019
Property, Plant and Equipment (refer note 2 (b))									
Buildings	9.39	-	-	9.39	0.19	0.16	-	0.35	9.04
Plant and Machinery	74.41	22.56	9.50	87.47	11.27	7.42	2.68	16.01	71.46
Plant and Machinery - Given on Lease (refer note 2(a))	58.10	-	10.57	47.53	10.35	7.59	3.56	14.38	33.15
Furniture and Fixtures	13.07	0.37	0.72	12.72	1.72	1.63	0.42	2.93	9.79
Vehicles	8.57	0.64	0.34	8.87	4.84	1.56	0.34	6.06	2.81
Office Equipments	2.98	0.37	1.03	2.32	1.65	0.84	0.91	1.58	0.74
Data Processing Equipments	2.18	0.58	2.10	0.66	1.22	0.78	1.75	0.25	0.41
Leasehold Improvements	0.11	1.46	0.16	1.41	0.08	0.46	0.16	0.38	1.03
Total	**168.81**	**25.98**	**24.42**	**170.37**	**31.32**	**20.44**	**9.82**	**41.94**	**128.43**
Intangible Assets									
Computer Software (Acquired)	6.22	0.10	2.00	4.32	5.51	0.49	1.84	4.16	0.16
Total	**6.22**	**0.10**	**2.00**	**4.32**	**5.51**	**0.49**	**1.84**	**4.16**	**0.16**
Capital Work-In-Progress	**22.73**	-	22.73	-	-	-	-	-	-
Grand Total	**197.76**	**26.08**	**49.15**	**174.69**	**36.83**	**20.93**	**11.66**	**46.10**	**128.59**

a. Plant and Machinery given on lease is operating lease for period of 2.5 years at fixed monthly rental which is included in Other Income (refer note 22). The lease period has expired on September 30, 2019 and it has not been renewed subsequently. However, actual possession of the assets are still with the Lessee till the date of approval of this standalone Ind AS financials statements. The lessee has submitted physical verification report and based on shortfall/ damages identified by the lessee the company has taken charge of ₹ 7.01 crore to the statement of profit and loss.

b. Subsequent to the balance sheet date, the Company had carried out physical verification of its property, plant and equipments. Following accounting adjustments has been carried out by the company as at March 31, 2019 arising out of the said physical verification:

i) Assets discarded/ significantly damaged/ scrapped having gross book value of ₹ 50.68 crore and net book value of ₹ 9.62 crore, have been written off.

ii) Assets impounded by Road Development Corporation (Authority) relating to one of the projects executed by the Company having gross book value of ₹ 6.91 crore and net book value of ₹ 4.99 crore have been written off pending settlement with the Authority.

iii) The Company is in the process of reconciling the other differences noted during the physical verification exercise. Pending such reconciliation, impact, if any, has not been recorded in these financial statements.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

262

Previous 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	74.51	-	0.10	74.41	5.25	6.08	0.06	11.27	63.14
Plant and Machinery - Given on Lease	58.10	-	-	58.10	0.12	10.23	-	10.35	47.75
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 Equipments	3.37	0.72	1.11	2.98	1.82	0.93	1.10	1.65	1.33
Data Processing Equipments	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	0.02	-	0.08	0.03
Total	**152.43**	**20.37**	**3.99**	**168.81**	**13.68**	**21.16**	**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)	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**	**197.76**	**22.28**	**22.33**	**7.77**	**36.83**	**160.91**

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

263

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the standalone financial statements

Note 3: Investment property under development

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Investment property under development (refer note (c) and (d) below)	81.36	118.93
Total	**81.36**	**118.93**

Reconciliation of Carrying Amount

Particulars	As at March 31, 2019	As at March 31, 2018
Carrying Amount at the beginning of the year	118.93	115.31
Add: Stamp duty and other taxes paid during the year	-	6.75
Less: Impairment loss provided during the year (refer note 30)	(37.57)	(3.13)
Total	**81.36**	**118.93**

Reconciliation of Impairment during the year

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance at the beginning of the year	(3.13)	-
Addition during the year (refer note 30)	(37.57)	(3.13)
Reversal during the year	-	-
Closing balance at the end of the year	**(40.70)**	**(3.13)**

notes :

a. Investment property consists of 49,555 sq.ft. commercial property in Mumbai. The said property has been offered as a security given to one of the lenders of the Company. The investment property is held under freehold interests.

b. The investment property is valued at cost as per Ind AS 40 'Investment Property' ("Ind AS 40") and tested for impairment, based on triggers, if any.

c. During the current year, considering that the Company intends to sell the property on "as is" basis and has invited Expression of Interests for the same, the Company on a conservative basis has valued the said investment property at Ready Reckoner Rate (circle rate) setup by Maharashtra State Government and no detailed impairment assessment as required by Ind AS 36 'Impairment of Assets' ("Ind AS 36") has been carried out. The Company basis the said valuation, has recognised impairment loss of ₹ 37.57 crore in these financial statements.

d. Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2019 and as at March 31, 2018 are as follows:

Fair value as per Level 2

Particulars	As at March 31, 2019	As at March 31, 2018
Investment property under development	81.36	118.93
Total	**81.36**	**118.93**

This space is intentionally kept blank

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the standalone financial statements

Note 4 : Investments (refer note 1.13)

i. Investments in Subsidiaries

₹ in crore

Particulars	Face value ₹	As at March 31, 2019 Quantity	As at March 31, 2019 Amount	As at March 31, 2018 Quantity	As at March 31, 2018 Amount
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)	NA	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 14)	10	688,174,376	688.17	349,231,950	349.23
Hazaribagh Ranchi Expressway Limited (refer note 4 (g))	10	130,986,900	175.12	130,986,900	175.12
West Gujarat Expressway Limited	10	14,799,985	10.05	14,799,985	10.05
Moradabad Bareilly Expressway Limited	10	189,519,309	189.52	189,519,309	189.52
Jharkhand Road Projects Implementation Company Limited	10	242,448,000	118.17	242,448,000	118.17
Jharkhand Infrastructure Implementation Company Limited (refer note 4 (g))	10	79,999,940	80.00	44,999,940	45.00
Chenani Nashri Tunnelway Limited (refer note 4 (g))	10	372,000,000	372.00	372,000,000	372.00
Jorabat Shillong Expressway Limited (refer note 4 (a) and (g))	10	8,400,000	58.80	-	-
Pune sholapur Road Devlopment Company Limited (refer note 14 and 4 (g))	10	160,000,000	362.86	-	-
MP Border Checkpost Development Company Limited	10	110,278,130	-	110,278,130	-
Badarpur Tollway Operations Management Limited	10	49,994	-	49,994	-
Rapid Metro Rail Gurgaon Limited	10	18,239,128	29.65	18,239,128	29.65
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)	NA	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	10	124,050,000	233.50	124,050,000	233.50
Rapid MetroRail Gurgaon South Limited	10	230,300,000	248.04	230,300,000	248.04
ITNL Africa Projects Ltd., Nigeria (Face value Nigerian Naira 1 each)	NA	2,500,000	0.09	2,500,000	0.09
Barwa Adda Expressway Limited	10	243,499,940	464.50	230,499,940	451.50
Khed Sinnar Expressway Limited	10	294,189,994	294.19	294,189,994	294.19
Amravati Chikhli Expressway Limited	10	121,949,994	121.95	119,149,994	119.15
Fagne Songadh Expressway Limited (refer note 4(f))	10	296,999,994	297.06	262,499,994	262.56
ITNL Offshore Two Pte. Ltd. (Face value US$ 1 each)	NA	50,000	0.31	50,000	0.31
ITNL Offshore Three Pte. Ltd. (Face value US$ 1 each)	NA	1	0.00	1	0.00
Srinagar Sonmarg Tunnelway Limited (refer note 4(e))	10	11,583,818	201.81	5,676,068	195.90
GRICL Rail Bridge Development Company Limited	10	7,300,000	7.30	5,800,000	5.80
Elsamex Maintenance Services Limited	10	49,940	116.55	49,940	116.55
Elsamex India private Limited	10	2,100,000	12.01	2,100,000	12.01
Yala Construction Company Limited	10	6,067,762	11.41	6,067,762	11.41
Grusamar India Limited	10	49,940	0.84	49,940	0.84
Ranchi Muri Road Development Limited	10	49,940	0.05	49,940	0.05

Investments in Covered Warrant - IL&FS					
- In favour of Chhattisgarh Highways Road Development Company Limited ((refer note 4(b))	10	7,400,000	7.40	7,400,000	7.40
- In favour of Jharkhand Road Projects Implementation Company Limited ((refer note 4(b))	10	17,000,000	-	17,000,000	-

i. Investments in Subsidiaries

Particulars	Face value ₹	As at March 31, 2019 Quantity	As at March 31, 2019 Amount	As at March 31, 2018 Quantity	As at March 31, 2018 Amount
Investments in Preference Shares (at amortised cost) :					
West Gujarat Expressway Limited (refer note 4(c))	10	20,000,000	11.41	20,000,000	11.41
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)			5,896.85		5,043.54
Less : Impairment loss in the value of Investments (B) (refer note 1.12 and 30)			5,818.13		352.05
Total Investments in Subsidiaries (A) - (B) = (i)			78.72		4,691.49

NOTARY
M.M. PABALE
Mumbai
Maharashtra
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 4 : Investments (refer note 1.13)

ii. Investments in Associates

₹ in crore

Particulars	Face value ₹	As at March 31, 2019 Quantity	As at March 31, 2019 Amount	As at March 31, 2018 Quantity	As at March 31, 2018 Amount
Quoted Investments (all fully paid)					
Investments in Equity Instruments (at cost)					
Noida Toll Bridge Company Limited (refer note 4 (l))	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)					
Pario Developers Private Limited (refer note 4 (d) and (j))	10	330,000	0.33	330,000	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 (refer note 4 (d) and (j))	10	150,000,000	158.37	15,000,000	158.37
Total Aggregate Unquoted Investments (B)			158.72		158.72
Less : Impairment loss in the value of Investments [C] - (refer note 1.12 and 30)			307.44		-
Total Investments in Associates (A) + (B) - (C) = (ii)			13.61		321.05

iii. Investments in Joint Ventures

₹ in crore

Particulars	Face value ₹	As at March 31, 2019 Quantity	As at March 31, 2019 Amount	As at March 31, 2018 Quantity	As at March 31, 2018 Amount
Unquoted Investments (all fully paid)					
Investments in Equity Instruments (at cost)					
Jorabat Shillong Expressway Limited (refer note 4(a))	10	-	-	42,000,000	42.00
NAM Expressway Limited (refer note 4(a))	10	-	-	116,754,970	116.75
Thiruvananthapuram Road Development Company Limited	10	17,030,000	-	17,030,000	-
Warora Chandrapur Ballarpur Toll Road Limited	10	61,708,490	61.71	61,708,500	61.71
Covered Warrant - IL&FS					
- In favour of Road Infrastructure Development Company of Rajasthan Limited ((refer note 4(b))	10	162,500,000	162.50	162,500,000	162.50
- In favour of Jharkhand Accelerated Road Development Company Limited ((refer note 4(b))	10	7,400,000	7.40	7,400,000	7.40
Total Aggregate Unquoted Investments (A)			231.61		390.36
Less : Impairment loss in the value of Investments (refer note 1.12 and 30) (B)			224.21		26.01
Total Investments in Joint Ventures (A) - (B) = (iii)			7.40		364.35

iv. Other Non Current Investments

₹ in crore

Particulars	Face value ₹	As at March 31, 2019 Quantity	As at March 31, 2019 Amount	As at March 31, 2018 Quantity	As at March 31, 2018 Amount
Unquoted Investments (all fully paid) (at FVTPL)					
Investments in Equity Instruments					
Indian Highways Management Company Limited	10	5,000	-	5,000	0.01
Gujarat Road and Infrastructure Company Limited	10	138,290	0.13	-	-
Investments in Units of Infiniti Realty Opportunities Trust					
Real Estate Asset performance-1 (refer note 4 (i) and 29)	100,000	17,109	63.73	-	-
Total Aggregate Other Non Current Investments (iv)			63.86		0.01
Total Investments (i) + (ii) + (iii) + (iv)			163.59		5,376.90

v. Other Current Investments

₹ in crore

Particulars	NAV ₹	As at March 31, 2019 Quantity	As at March 31, 2019 Amount	As at March 31, 2018 Quantity	As at March 31, 2018 Amount
Investment in Mutual Fund	50.95	1,295,528	6.60	-	-

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements
Note 4 : Investments (refer note 1.13)

vi. Details of the Company's other Non-current investments, Other current investments and information about the fair value hierarchy as at March 31, 2019 and as at March 31, 2018 are as follows:

₹ in crore

Particulars	Fair value hierarchy	As at March 31, 2019	As at March 31, 2018
Other non-current Investment (refer note (iv) above)	Level 3	63.86	-
Other current Investment (refer note (v) above)	Level 1	6.60	-
Total		70.46	-

vii. Breakup of investments into quoted and unquoted ₹ in crore

Particulars	As at March 31, 2019		As at March 31, 2018	
	Cost	Market value	Cost	Market value
Quoted investments	162.33	13.61	162.33	59.16
Unquoted investments	6,351.03	-	5,592.63	-
Total	6,513.36	13.61	5,754.96	59.16

viii. Reconciliation of Impairment loss during the year (refer note 30) ₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance at the beginning of the year	(378.06)	(14.50)
Addition during the year	(5,971.71)	(363.56)
Closing balance at the end of the year	(6,349.77)	(378.06)

a) During the current year, the Company had signed definitive agreements with Ramky Infrastructure Limited for sale of its entire stake viz. 116,754,970 equity shares (50% stake) held in NAM Expressway Limited (NAMEL) for a consideration of ₹ 60.00 crore and acquisition of 42,000,000 equity shares (50% stake) of Jorabat Shillong Expressway Limited (JSEL) for a consideration amounting to ₹ 16.80 crore (Out of the net consideration receivable of ₹ 43.20 crore the Company has received ₹ 23.20 crore during the year and the balance of ₹ 20.00 crore has been received subsequent to the year end). The Company has recorded loss of ₹ 56.75 crore on sale of its investment in NAMEL.

b) The Company's investment in "Covered Warrants" aggregating to ₹ 177.30 crore (As at March 31, 2018 ₹ 177.30 crore) issued by Infrastructure Leasing & Financial Services Limited ("IL&FS") are instruments under which the holder is entitled to a proportionate share of the dividend and the residual interest / economic benefit on the shares of the underlying investments. Legal Rights available to equity shareholder is with IL&FS.

c) 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 up to 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").

d) The Company's investment in non-convertible redeemable preference shares of PARIO Developers Private Limited, carry a yield of 11.04% on the issue price and is redeemable in three instalments starting from March 31, 2021 to March 31, 2023.

e) During the current year, the Company acquired shares of Srinagar Sonmarg Tollway Limited for a consideration of ₹ 5.87 crore (previous year ₹ Nil) from Soma Enterprises Limited (Soma). The amount payable for the said acquisition was adjusted against the loan granted by the Company to Soma in earlier years.

f) During the current year, the Company subscribed to the equity capital of Fagne Songadh Expressway Limited of ₹ 32.75 crore (previous year ₹ Nil) by converting its loan of the same amount to the said SPV.

g) The Company is actively taking steps to monetize its investments in road projects and related businesses, such investments are required to be classified as "Held for Sale" in accordance with Ind AS 105. However, since the process of divestment (including through InvIT) is not likely to be completed within 12 months from the end of year, which is one of the critical condition of the Ind AS 105 to classify such investments as "Held for Sale". Accordingly these investments are not classified as "non-current Investments Held for Sale" and continue to be classified as "non current Investments". Also refer note 1.3 to Standalone Ind AS financial statement.

h) The Company has given non-disposal undertaking 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 part of promoter's undertaking to such lenders, equity investors and the grantors of the concession, the carrying amount of which is ₹ 1,923.54 crore as at March 31, 2019 (₹ 1,893.30 as at March 31, 2018).

i) During the previous year in September 2017 , the Company had sold 14.5% of equity investments in Moradabad Barely Expressway Limited (MBEL) and 10% of equity investments in Gujarat Road Infrastructure Company Limited (GRICL) for a total consideration of ₹ 164.00 crore and recognised the resulting gain amounting to ₹ 126.00 crore pursuant to a sale agreement between the Company and one of the large infrastructure player (the "Original Purchaser"). The valuation for both the entities was determined by an independent external valuer.

The shares were lodged irreversibly by the Company in an escrow account under the control of an independent Trustee and Escrow agent pursuant to the sale agreement. The consideration was due to be received within 180 days of the transaction and the Escrow agent was to transfer the shares to the Original Purchaser on receipt of the same. The Original Purchaser did not pay the consideration within the stipulated time and despite an extension granted by the Company.

Subsequently, in accordance with provisions of the said sale agreement and pursuant to a tripartite agreement entered between the Original Purchaser, the Company and a SEBI registered Fund ("New Purchaser"), in the month of May 2018 the shares were transferred in favour of the New Purchaser by the Escrow agent and consideration was received by the Company which resulted in additional gain of ₹ 7.20 crore which is after netting of ₹ 0.34 crore paid to the Original Purchaser pursuant to the sale agreement. The Company had also invested ₹ 172.60 crore in the units of a scheme of the Fund (New Purchaser).

As at March 31, 2019, the Company has fair valued it investments in units of the scheme of Fund amounting to ₹ 63.73 crore, based on the valuation of its underlying investments determined in accordance with note 1.12 and note 1.13 to these stand-alone financial statements and recognized fair valuation loss amounting to ₹ 101.67 crore (net of gain ₹ 7.20 crore) which has been disclosed in the note 29 as fair value loss on Investments recognised through Profit and Loss.

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the standalone financial statements

Note 4 : Investments (refer note 1.13)

j) The Company had entered into an arrangement with a Pune based leading developer ("Developer") for development of land parcels of Rajasthan Land Holdings Limited (RLHL) ('a subsidiary of the Company) and its subsidiaries for residential and commercial complexes (Project) through Pario Developers Private Limited ("Pario") a company owned by the Developer.

Consequently, during the previous year in June 2017, the Company transferred its 100% equity investment in Rajasthan Land Holdings Limited (RLHL) to Pario. The Developer was also to transfer shares held by it in an entity holding land parcels to Pario by December 31, 2017 as specified in the Share Purchase Agreement (SPA). The Company received consideration towards the said equity shares of RLHL in the form of Preference Shares in Pario amounting to ₹150.00 crore, which was arrived at basis the fair valuation of equity shares of RLHL as determined by an independent external valuer. The Company subsequently on July 20, 2017, took 34% stake in Pario and the balance stake was held by the Developer.

The Developer despite regular follow ups and extension to the original time limits granted by the Company till June 30, 2018, did not comply with the applicable conditions precedent as per the SPA with the Company and transfer shares of the entity holding parcels of land to Pario. Further, on March 31, 2018, the Developer transferred its holding in Pario to another party without prior written consent of the Company which was one of the condition of the Shareholder agreement of Pario. On subsequent follow up and in response to the demand by the Company in February 2019 for redemption of the Preference Shares held by it in Pario, a remedy available to it under the SPA , the developer vide letter dated March 19, 2019 cited various reasons including recession in real estate market and group restructuring among others, for non-compliance with the conditions of the SPA and suggested to unwind the agreement and liquidate Pario. Further during the current year, one of the operational creditor of RLHL, filed CIRP application against the Company and one of its subsidiary. The application has been accepted by Hon'ble NCLAT Jaipur in September 2019 and a Resolution Professional has been appointed to oversee the operations of Company.

Pursuant to various developments mentioned in note 1.2 above, issues faced by the Developer and recent developments at RLHL, the proposal for residential and commercial complexes project has not progressed and the management does not have any visibility about the said project progressing in near future. Accordingly, the Company based on assessment of recoverable amounts of underlying assets of Pario has fully impaired the investments of ₹ 158.37 crore in the preference shares and ₹ 0.33 crore in Equity shares of Pario. Also refer note 1.12 and note 5 (e)).

k) 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. For the purpose of carrying out the Impairment assessment, the Company considering the limited trading volumes in the shares of the said Associate, has applied an illiquidity discount of 50% to the market rate prevailing as on March 31, 2019 and valued the Investment in the said Associates accordingly.

This space is intentionally kept blank

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

m) 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, 2019	As at March 31, 2018		
Investments in subsidiaries Investments in Equity Instruments:				
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
Badarpur Tollway Operations Management Limited	100.00%	100.00%	Toll Plaza, Mayur Vihar Link Road, Delhi - 110092	India
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
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
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
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
Chhattisgarh Highways Road Development Company Limited	74.00%	74.00%	House No. 705, Sector 2, Avanti Vihar, Telibandha Raipur CT 492006	India
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
Elsamex India Private Limited	99.15%	99.15%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Elsamex Maintenance Services Limited	99.88%	99.88%	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
Futureage Infrastructure India Limited	58.48%	58.48%	3rd Floor, A-1, Crescent Krishna Metropolis. Rukminipuri, A S Rao Nagar, Hyderabad – 500062 Telangana	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
Grusamar India Limited	99.88%	99.88%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	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
IL&FS Rail Limited	83.25%	83.25%	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
ITNL International Pte. Ltd.	100.00%	100.00%	8 Marina Boulevard 05-2 Marina Bay Financial Centre Singapore-018981	Singapore
ITNL Offshore 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
ITNL Offshore Two Pte. Limited	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
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
Jharkhand Infrastructure Implementation Company Limited	100.00%	100.00%	443 A, Road No. 5, Ashok Nagar, Ranchi – 834002	India
Jharkhand Road Projects Implementation Company Limited	100.00%	100.00%	443 A, Road No. 5, Ashok Nagar, Ranchi – 834002	India
Jorabat Shillong Expressway Limited	100.00%	0.00%	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

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Information as required under paragraph 17 (b) of Ind AS 27 for investments in subsidiaries, joint ventures and associates (continue):

The name of the investees	Proportion of the ownership interest		The principal place of business	Country of incorporation
	As at March 31, 2019	As at March 31, 2018		
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
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
Moradabad Bareilly Expressway Limited	85.50%	85.50%	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
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
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
Ranchi Muri Road Development 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 Limited	44.13%	44.13%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon – 122001	India
Rapid MetroRail Gurgaon South Limited	89.11%	89.11%	2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway #8, Gurgaon – 122001	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
Srinagar Sonamarg Tunnelway Limited	100.00%	49.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
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
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
Yala Construction Company Limited	96.03%	96.03%	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:				
Pario Developers Private Limited	33.00%	33.00%	Flat 2, Gangadhar Chambers, H No 314, Nrayan Peth, Off Laxmi Road Pune - 411030	India
ITNL Toll Management Services Limited	49.00%	49.00%	The Toll Plaza, DND Flyway, Noida - 201301	India
Noida Toll Bridge Company Limited	26.37%	26.37%	DND Flyway Toll Plaza, Noida	India
Investments in joint ventures				
Investments in Equity Instruments:				
Jorabat Shillong Expressway Limited	0.00%	50.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Jharkhand Accelerated Road Development Company Limited	74.00%	74.00%	443 A, Road No. 5, Ashok Nagar, Ranchi – 834002	India
NAM Expressway Limited	0.00%	50.00%	6-3-1089/G/10&11, Gumohar Avenue, Rajbhavan Road, Somajiguda, Hyderabad - 500082	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
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
Warora Chandrapur Ballarpur Toll Road Limited	35.00%	35.00%	4th Floor Madhu Madhav Tower, Laxmi Bhuvan Square, Dharampeth, Nagpur - 440010	India

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Regn. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 5: Loans (refer note 1.12)

₹ in crore

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Loans to related parties (refer note 41)				
Unsecured, considered good (refer note 5 (b), (d), (g))	2,094.85	16.23	4,259.97	1,681.56
Unsecured, credit impaired (refer note 5 (b), (c), (g))	5,932.39	-	-	85.62
Allowance for credit impaired loans (refer note 5 (e))	(5,932.39)	-	-	(85.62)
Allowance for expected credit loss	-	-	(219.98)	-
Deemed cost of investment	-	-	(293.29)	-
Sub-total (A)	**2,094.85**	**16.23**	**3,746.70**	**1,681.56**
Loans to other parties				
Unsecured, considered good	-	-	190.71	129.26
Unsecured, considered credit impaired	172.66	-	-	50.36
Allowance for credit impaired loans (refer note 5 (f))	(172.66)	-	-	(50.36)
Allowance for expected credit loss	-	-	(66.32)	-
Sub-total (B)	-	-	**124.39**	**129.26**
Total (A+B)	**2,094.85**	**16.23**	**3,871.09**	**1,810.82**

Note:

a. Loans including interest 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 aggregated to ₹ Nil (previous year ended March 31, 2018 ₹ Nil crore).

b. Banks have adjusted fixed deposits amounting to ₹ 152.85 crore pledged by the Company due to default by certain subsidiaries of their obligations. Such adjustments have been accounted for as loans given by the Company to its subsidiaries.

c. During the year, the Company has given loans to related parties amounting to ₹ 7.50 crore which have been fully impaired during the year for which underlying agreements are not available with the Company.

d. The Company since past few years has been assigning loans given to its group companies to a Commercial Bank. During the previous year, loans given to its group companies amounting to ₹ 1,000.00 crore were assigned. Cash received on assignment of these loans were utilized by the Company to meet its obligations. The assignment agreement signed with the Bank contains clauses that suggest that the assignment was done on a recourse basis, however the same was not mentioned in the other transaction documents (term sheets, Letter of Awareness (LOA) issued by the Company). The LOAs given by the Company to the bank, makes it clear that the Company was not providing any guarantee or taking liability in respect of the said loans. Further as the cash was received, these loans were derecognized in the books of account of the Company.
During the current year, pursuant to significant developments as referred in note 1.2 to the standalone Ind AS financial statements, the said Bank has filed its claim against the respective group companies and not against the Company. Accordingly, management has not recognised financial assets and corresponding financial liabilities amounting to ₹ 1,000.00 crore as at March 31, 2019 (previous year as at March 31, 2018 ₹ 1,000.00 crore) in the standalone Ind AS financial statements, which is not in accordance with requirements of Ind AS 109.

e. The allowance for credit Impaired loans includes ₹ 75.09 crore in respect of loans given by the Company to an Associate's subsidiary (entity). The allowance has been determined basis the latest available valuation of the underlying assets held by that entity (for some assets, valuation report of March 2018 has been considered, due to inability in carrying out fresh valuation arising out of lockdown situation due to COVID 19.)

f. Allowance for credit impaired loans include ₹ 8.61 crore on loan given to one of the Joint venture sold during the year.

g. Loan given to related parties include ₹ 45.00 crore given to IL&FS Engineering & Construction Company Limited (a related party EPC contractor), who was awarded a construction contract in respect of one of the road project of the Company. Based on net balance of payables/ receivables from the said contractor, the loan has been determined recoverable. The management understands that the onward utilisation of the said loan by the erstwhile management of the contractor, is under investigation by the regulatory agencies.

h. Movement in the expected credit loss/ credit impaired loans:

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	422.28	735.07
Other provisions	-	135.98
Allowance for credit impaired loans (refer note 30)	5,682.77	-
Addition in expected credit loss on loans given	-	107.39
Reversal in expected credit loss on loans given	-	(556.16)
Balance at end of the year	**6,105.05**	**422.28**

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Expiry Dt.
30-10-2024
GOVT OF INDIA

Note 6: Other financial assets (Unsecured, considered good unless otherwise mentioned) (refer note 1.12)

₹ in crore

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Security Deposits to related parties (refer note 41)	-	-	0.25	-
Security Deposits to others	6.03	-	2.61	5.00
Allowance for credit impaired advances (refer note 6 (b))	(5.00)	-	-	-
Retention Money Receivable from related parties (refer note 41)	-	-	-	235.65
Balances with Banks in deposit accounts (under lien)	17.74	-	50.70	-
Advance towards Share Application Money receivable from related parties	-	-	0.01	-
Interest on trade receivables from related parties	-	-	-	202.53
Advances recoverable :				
From related parties (refer note 6 (a))	-	0.16	-	132.67
Allowance for expected credit loss	-	-	-	(5.54)
From related parties considered credit impaired	1.66	-	-	22.06
Allowance for credit impaired advances (refer note 6 (b))	(1.66)	-	-	(22.06)
From others (refer note 21.4)	2.17	0.03	-	90.55
Allowance for expected credit loss (refer note 6 (b))	(0.47)	-	-	-
From others considered credit impaired	56.32	-	20.00	-
Allowance for credit impaired advances (refer note 6 (b))	(56.32)	-	(20.00)	-
Dividend receivable from related parties	6.48	-	-	6.48
Allowance for credit impaired Receivable (refer note 6 (b))	(6.48)	-	-	-
Receivable for sale of investment	-	20.00	-	163.55
Unbilled Revenue from related parties (refer note 11 and note 24(a))	-	-	-	841.48
Total	**20.47**	**20.19**	**53.57**	**1,672.37**

a. Dues receivable 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 aggregated to ₹ 0.16 crore (previous year ended March 31, 2018 ₹ Nil).

b. Movement in the expected credit loss/ credit impaired other financial assets:

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	47.60	66.93
Allowance for credit impaired Other financial assets (refer note 30)	49.93	-
Adjustment on account of balance transferred to trade receivable	(27.60)	-
Reversal in expected credit loss on other financial assets given	-	(19.33)
Balance at end of the year	**69.93**	**47.60**

This space is intentionally kept blank

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 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, 2019	Movement Recognised in statement of Profit and loss	As at March 31, 2018
Property, plant and equipment	-	8.24	(8.24)
Unamortised borrowing costs	-	64.25	(64.25)
Allowance for doubtful loans/ Expected credit loss on loans	-	(235.67)	235.67
Allowance for doubtful debts/ Expected credit loss on receivables	-	(95.56)	95.56
Other Comprehensive Income	(0.97)	(3.35)	2.38
Defined benefit obligation	0.97	(0.82)	1.79
Business loss	-	(45.68)	45.68
Capital loss	-	(9.80)	9.80
Fair valuation and Expected credit loss in investments (net)	-	(76.90)	76.90
Sub-total	-	(395.29)	395.29
MAT Credit Entitlement (refer note below)	-	(34.72)	34.72
Deferred Tax Asset / (Liabilities) (Net)	-	(430.01)	430.01

During the current year, pursuant to the various matters stated in note no 1.2 to the standalone Ind AS financial statements, the management has evaluated the recoverability of deferred tax assets and accordingly:

a) recognised deferred tax asset only to the extent of deferred tax liability.

b) As referred in note 1.3 the Company is in the process of disposing off its Investments and other assets and it is not probable that sufficient taxable income would be generated in future against which the unabsorbed business losses, unabsrobed depreciation, and Minimum Alternat Tax credit can be offset. Accordingly, no additional deferred tax assets have been recognised and the Company has also written off deferred tax asset recognised till previous year.

Note 8: Non Current Tax Assets (net)

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Payment of taxes	723.86	1,404.02
Provision for tax	(209.65)	(864.73)
Total	514.21	539.29

Note 9: Other assets (Unsecured, considered good unless otherwise mentioned) (refer note 1.12)

₹ in crore

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Capital Advances	-	0.01	0.01	-
Preconstruction and Mobilisation advances paid to contractors and other advances (refer note 21.3)	-	-	309.11	506.91
Mobilisation advances considered doubtful	25.10	-	-	25.10
Allowance for doubtful advances	(25.10)	-	-	(25.10)
Prepaid expenses (refer note (a) below)	3.93	6.16	9.24	16.28
Indirect tax balances receivable				
Works Contract Tax	66.74	-	-	88.14
Provision for Indirect tax balances (refer note 29)	(10.33)	-	-	-
Goods & Service Tax	120.63	-	-	90.80
Provision for Indirect tax balances (refer note 29)	(120.63)			
Value Added Tax	0.43	-	-	9.21
Others	-	-	-	0.59
Other Current Assets	-	0.54	0.01	0.33
Allowance for doubtful receivable (refer note 30)	-	(0.51)	-	-
Total	60.77	6.20	318.37	712.26

(a) Prepaid expenses includes provision for gratuity amounting to ₹ 3.93 crores (previous year ended March 31, 2018 ₹ 4.63 crores) (refer note 36)

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT OF INDIA

Note 10: Inventories (refer note 1.18)

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Stores and spares	18.49	19.90
Total	**18.49**	**19.90**

The inventories at the year end were lying at the construction site and certified and confirmed by the Company.

Note 11: Contract Assets (refer note 1.12 and 6)

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Unbilled Revenue - considered good (refer note 41)		
From Related	4.35	-
From others	-	-
Unbilled Revenue - credit impaired		
From Related	375.29	-
From others	0.52	-
Sub total	**380.16**	-
Impairment allowance for Unbilled Revenue - credit impaired (refer note 30)		
From related parties	(375.29)	-
From others	(0.52)	-
Sub total	**(375.81)**	-
Total	**4.35**	-

a) Contract assets are initially recognized for revenue earned from construction projects contracts, as receipt of consideration is conditional on successful completion of project milestones/certification. Upon completion of milestone and acceptance/ certification by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

b) As the Company has adopted modified retrospective approach, no reclassification have been made for contract assets as at March 31, 2018 and the corresponding balances as at March 31, 2018 are shown under "Other Financial Assets - Current" as "Unbilled Revenue".

c) Allowance for credit impaired contract assets include ₹ 0.52 crore from one of the Joint venture Company sold during the year.

d) Movement in Allowance for credit impaired/ expected credit loss on Contract Assets:

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	-	-
Allowance for credit impaired contract assets during the year (refer note 30)	368.51	-
Transition impact of Ind AS 115	7.30	-
Balance at end of the year	**375.81**	-

This space is intentionally kept blank

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

Note 12: Trade receivables - Current/ non-current (refer note 1.12)

₹ in crore

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Unsecured, considered good				
From related parties (refer note 41)	71.76	52.02	115.07	3,108.16
From others	1.41	1.96	-	39.10
Credit impaired				
from related parties (refer note 41)	2,310.98	-	-	-
from others	100.70	-	-	16.54
Sub total	**2,484.85**	**53.98**	**115.07**	**3,163.80**
Allowance for credit impaired Trade Receivables				
from related parties	(2,310.98)	-	-	-
from others (refer note 12 (d))	(100.70)	-	-	(16.27)
Trade Receivables which have significant increase in credit Risk	-	-	(50.98)	(66.34)
Sub-Total	**(2,411.68)**	-	**(50.98)**	**(82.61)**
Total	73.17	53.98	64.09	3,081.19

Note

a. Receivable due from directors and other officer 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 or a member aggregated ₹ Nil (previous year ended March 31, 2018 ₹ Nil).

b. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

c. Pursuant to various developments during the current year specifically mentioned in note 1.2 to these standalone Ind AS Financial Statements, the normal construction operations of the Company have been suspended. Accordingly, the Company has shown the trade receivable of ₹ 2,538.83 crore including retention money receivable of ₹ 227.55 crore, Interest on trade receivables from related parties ₹ 199.43 crore, Other receivable of ₹ 27.60 crore (including Expected credit loss of ₹ 27.60 crore) net off unearned revenue of ₹ 891.01 crore and Mobilisation advances received ₹ 234.29 crore.

d. Allowance for credit impaired trade receivables include ₹ 32.26 crore from one of the Joint venture sold during the year.

e. Movement in Allowance for credit impaired/ expected credit loss on trade receivables:

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	154.49	304.90
Adjustment on account of balance transferred from other financial assets	27.60	-
Adjustment for recognising revenue at fair value	-	20.93
Allowance for credit impaired trade receivables (refer note 30)	2,229.59	-
Expected credit loss allowance (refer note 22 (a))	-	7.86
Reversal of Expected credit losses on trade receivables (net)	-	(179.20)
Balance at end of the year	**2,411.68**	**154.49**
Pertaining to Allowance for credit impaired trade receivable	2,411.68	-
Pertaining to the Expected credit loss	-	133.56
Pertaining to the adjustment for revenue at fair value	-	20.93
Total	**2,411.68**	**154.49**

This space is intentionally kept blank

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

Note 13: Cash and Bank Balances

For the purposes of the statement of cash flows, cash and bank balances 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, 2019	As at March 31, 2018
Balances with Banks (refer note (a) below)		
On current accounts	24.24	175.11
In term deposit with maturity less than 3 months	0.18	0.09
Cash on hand	0.01	0.06
Cash and cash equivalents	**24.43**	**175.26**
Unpaid dividend accounts	0.15	0.11
In term deposits with maturity more than 3 months and less than 12 months *	128.00	287.56
Other bank balances	**128.15**	**287.67**

* Balances held as margin money or as security against borrowings

Notes :

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 of 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, 2019	As at March 31, 2018
Cash and cash equivalents	**24.43**	**175.26**
Less – Secured demand loans from banks (Cash credit) (shown under current borrowings in note 17)	(170.18)	(117.31)
Less – Unsecured demand loans from banks (Bank overdraft) (shown under current borrowings in note 17)	(0.35)	-
Cash and cash equivalents for statement of cash flows	**(146.10)**	**57.95**

Note 14: Asset Classified as Held for sale (note 4 (g) and note 1.3)

₹ in crore

Particulars	Face value ₹	As at March 31, 2019		Face value ₹	As at March 31, 2018	
		Quantity	Amount		Quantity	Amount
IL&FS Rail Limited	-	-	-	10.00	338,942,426	338.94
Pune Sholapur Road Development Company Limited	-	-	-	10.00	160,000,000	362.86
Gujarat Road and Infrastructure Company Limited	-	-	-	10.00	138,290	0.13
Total			-			701.93

Note

i) During the year ended March 31, 2018, the Company had entered into letter of intent (LOI)/ Memorandums of understanding (MOU) with third parties for the sale of 90.91% stake sale in Pune Solapur Road Development Company Limited (PSRDCL), 41% stake sale in IL&FS Rail Limited and 0.25% stake sale in Gujarat Road and Infrastructure Company Limited. The LOIs/MOUs had certain conditions including consents / approvals which were outstanding on March 31, 2018 and accordingly the sale was not recorded during the previous year and the investments was shown as held for sale. In the current year, owing to matters described in note 1.2 of the standalone Ind AS financial statements, the parties has not pursued the above MOUs/ LOI's. Accordingly, these investments have been reclassified to 'non-current investments'.

ii) In case of PSRDCL, the prospective buyer had paid ₹ 270.00 crore as advance (in respect of which a Letter of awareness was given by the Company to IFIN) which was shown under other financial liabilities in the previous year. Further, if certain conditions (including requisite consents / approvals) as per MOU were not fulfilled and the understanding was not formalized in to a definitive agreement by a specific date, the advance amount was required to be repaid back by the Company along with interest. Due to the developments mentioned in note 1.2 to these stand-alone financial statements, the parties are not pursuing the MOU as stated above, the Company in the current year has re-classified the advance amount under borrowings.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 15: Share capital

₹ in crore

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of Shares	₹ in Crore	Number of Shares	₹ in Crore
Authorised				
Equity Shares of ₹ 10/- each	2,000,000,000	2,000.00	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, 2019	As at March 31, 2018
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	As at March 31, 2019		As at March 31, 2018	
	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, 2019		As at March 31, 2018	
	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.
v. Share allotted as fully paid up pursuant to contracts without payment being received in Cash during the year of five years immediately preceding the date of Balance Sheet - Nil

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 16: Other equity

₹ in crore

Reserves and surplus	As at March 31, 2019	As at March 31, 2018
Debenture Redemption Reserve (refer note 16 (a))		
Balance at beginning of the year	343.31	130.37
Transfer (to) / from balance in Statement of Profit and Loss	-	212.94
Balance at end of the year	**343.31**	**343.31**
Capital Redemption Reserve (refer note 16 (b))		
Balance at beginning of the year	127.25	-
Transfer (to)/ from balance in Statement of Profit and Loss	20.00	127.25
Balance at end of the year	**147.25**	**127.25**
Securities Premium (refer note 16 (c))		
Balance at beginning of the year	2,144.97	2,144.97
Premium utilised towards Redemption of Preference Shares	-	-
Balance at end of the year	**2,144.97**	**2,144.97**
General Reserve (refer note 16 (d))		
Balance at beginning of the year	55.12	182.37
Transfer from/ (to) Capital Redemption Reserve	(20.00)	(127.25)
Balance at end of the year	**35.12**	**55.12**
Retained Earnings (refer note 16 (e))		
Balance at beginning of the year	118.92	81.79
(Loss)/ Profit attributable to owners' of the Company	(17,000.32)	251.76
Transition impact due to Ind AS 115 (refer note 22)	(4.75)	-
Actuarial profit/ (loss) on defined benefit plan (net of tax)	2.13	(1.69)
Transfer from/ (to) Debenture Redemption Reserve	-	(212.94)
Balance at end of the year	**(16,884.02)**	**118.92**
Sub-Total	**(14,213.37)**	**2,789.57**
Items of other comprehensive income		
Cash Flow Hedge Reserve (refer note 16 (f))		
Balance at beginning of the year	(42.07)	(39.33)
Gain/ (loss) arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges (refer note 34.6.2) (net of tax)	42.07	(2.74)
Total Other Comprehensive Income	**-**	**(42.07)**
Total	**(14,213.37)**	**2,747.50**

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the standalone financial statements

Notes :

a. 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. During the year ended March 31, 2019, the Company has incurred losses and accordingly no amount has been transferred to Debenture Redemption Reserve.

b. Capital Redemption Reserve is created as per Statutory requirement.

c. The amount received in excess of Face Value of the equity Shares is recognised in Securities premium. The reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

d. 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.

e. The debit / credit balance of the Statement of Profit/Loss Account shall be shown as negative / positive figure under the head "Retained Earnings".

f. 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.

g. The Company has transferred the amounts relating to retiral benefits to employees to this reserve in compliance with Ind AS 19 on Employee Benefits.

This space is intentionally kept blank

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 5220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 17: Borrowings At Amortised Cost (Refer footnote 17 (g) and 17 (h))

₹ in crore

Particulars	As at March 31, 2019			As at March 31, 2018		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
Secured (refer note 17 (a))						
Term Loans from banks (refer note (k))	-	5,097.25	51.79	3,094.75	1,715.72	99.08
Term Loans from financial institutions (refer note (k))	-	367.35	-	233.45	45.00	-
Term Loans from other parties (refer note (i), (j), (m))	-	856.21	387.35	660.00	-	100.00
Demand loans from banks (Cash credit)	-	-	170.18	-	-	117.31
Debentures (refer note 17 (b))						
Redeemable Non-Convertible Debentures [NCDs]	-	1,460.20	-	1,654.57	191.30	-
Redeemable NCDs (issued at discount)	-	300.00	-	300.29	-	-
Sub-total (A)	-	8,081.01	609.32	5,943.06	1,952.02	316.39
Unsecured						
Debentures (Refer note 17 (b))						
Unsecured Redeemable Non-Convertible Debentures [NCDs]	-	2,715.50	-	2,153.63	365.00	-
Term Loans from banks (refer note (l))	-	605.78	16.28	209.43	697.34	750.00
Term Loans from related parties	-	2,475.20	23.56	-	-	45.56
Term Loans from Other Parties (refer note (j), (m))	-	-	270.00	-	-	330.00
Demand loans from banks (Bank Overdraft)	-	-	0.35	-	-	-
Commercial Paper	-	-	143.00	-	-	169.62
Redeemable preference share capital (refer note 17(d), (e), (f))	-	490.02	-	485.92	80.66	-
Sub-total (B)	-	6,286.50	453.19	2,848.98	1,143.00	1,295.18
Less: Current maturities of long term borrowing clubbed under "other financial liabilities" (C)	-	14,288.81	-	-	3,095.02	-
Less: Adusted on account of termination of derivative Contracts (refer note 34.6.2)	-	(78.69)	-	-	-	-
Total (A+B-C)	-	-	1,062.51	8,792.04	-	1,611.57

Note a

₹ in crore

Security details	As at March 31, 2019		As at March 31, 2018	
Secured against:	Long-term	Short-term / Current	Long-term	Short-term
Investment property under development (refer note 3 (a))	-	81.36	118.93	-
Current / Non-Current assets, investments, Loans & Advances, Financial and Other Financial Assets and receivables #	-	2,815.06	7,728.05	316.39
Fixed deposits	-	5.00	48.50	-
Total	-	2,901.43	7,895.48	316.39

restricted to the extent of assets recognised in the books of accounts

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

note b
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, 2019	No. of NCDs outstanding As at March 31, 2018
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
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
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	208	363
ITNL, 12.00%, 2019 *	1,000,000	12.00%	Bullet repayment	23-Jan-19	4,000	14	50
ITNL 11.70% 2018	1,000,000	11.70%	Bullet repayment	12-Apr-18	1,500	-	1,500
ITNL 9.25% 2022 Option I	1,000,000	9.25%	Bullet repayment	28-Oct-22	325	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	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	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	1,000
ITNL 9.25% 2022 Series 1 Option I	1,000,000	9.25%	Bullet repayment	15-Dec-22	500	500	500
ITNL 9.00% 2027 Series 2	1,000,000	9.00%	Various dates	15-Mar-23 TO 15-Dec-27	990	990	990
ITNL 9.10% 2023 Series 1A	1,000,000	9.10%	Bullet repayment	2-Feb-23	1,000	1,000	1,000
ITNL 9.10% 2023 - Series 1B	1,000,000	9.10%	Bullet repayment	3-Feb-23	1,000	1,000	1,000
ITNL 9.10 % Series 1	1,000,000	9.10%	Bullet repayment	28-Mar-23	750	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	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	1,400
ITNL 9.35% Tranche XXV - Option I	1,000,000	9.35%	Bullet repayment	27-Apr-23	100	100	-
ITNL 9.40% Tranche XXV - Option II	1,000,000	9.40%	Various dates	27-Jul-23 to 25-Apr-25	150	150	-
ITNL 9.45% Tranche XXV - Option III	1,000,000	9.45%	Various dates	27-Jul-23 to 25-Apr-28	750	750	-
ITNL 9.15% Tranche XXVI - Series I	1,000,000	9.15%	Various dates	25-Aug-23 to 23-May-25	240	240	-
ITNL 9.20% Tranche XXVI - Series II	1,000,000	9.20%	Various dates	25-Aug-23 to 25-May-28	750	750	-
Total					62,735	48,657	51,858

These are 0% coupon NCDs having intrinsic rate of interest of 9.85% p.a.
* Debenture terms gives put option to debenture holder.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the standalone financial statements

c. Age-wise analysis and Repayment terms of the Company's Borrowings (other than NCDs and Preference shares) are as below:

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	Interest rate range	
	₹ in Crore	₹ in Crore	Frequency of Repayment*	Frequency of Repayment*	As at March 31, 2019	As at March 31, 2018
Current/ short term	10,846.42	-	QT,Y,B		6.54% to 18%	
1-3 Years	-	2,666.66		QT,Y,B		9.10% to 14.00%
3-5 Years	-	1,363.63		QT,Y,B		10.06% to 12.75%
> 5 Years	-	167.34		Y		10.06%
Total	10,846.42	4,197.63				

* 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 ₹ 538.40 crore:

Series Name	Number of shares	Face value per share	Premium received per share	Maturity date	Dividend payout	Redemption terms
20.50% CRPS	160,000,000	10	10	Refer note 17 d (i) below	20.50% per annum	Refer note 17 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 for 20.50% CRPS and other CNCRPS:

Date of redemption	No of shares to be redeemed (in crore)	Redemption Amount ₹ in crore
31-May-19	3.00	64.26
31-May-20	3.00	65.01
17-Jan-21	5.00	100.00
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	21.00	451.62

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, 2018 : 1,000,000,000 shares of ₹ 10 each aggregating ₹ 1,000 crore)

f. Rights of CRPS and CNCRPS holders are as follows:

The holder(s) of CRPS and CNCRPS shall have no voting rights other than in respect of matters directly affecting the rights attached to the CRPS and CNCRPS. In the event of any due and payable dividends on the CRPS and CNCRPS remaining unpaid for a period of two years prior to the start of any General Meeting of the Equity Shareholders, the holder(s) of CRPS and CNCRPS shall gain voting rights in respect of all matters placed by the Company at a General Meeting of its Equity Shareholders in accordance with the provisions of the Companies Act and the Articles of Association of the Company. In the event of winding up or repayment of capital, the holder(s) of the CRPS and CNCRPS shall carry a preferential right vis-à-vis equity shareholders to be repaid the amount of paid up capital, unpaid dividends and fixed premium, in accordance with the provisions of the Companies Act and the Articles of Association of the Company. The claims of holder(s) of CRPS and CNCRPS shall be subordinated to the claims of all secured and unsecured creditors of the Company but senior to equity shareholders and pari passu amongst other preference shareholders.

During the current year, preference dividend of ₹ 49.99 crore (previous year ended March 31, 2018: ₹ 84.72 crore) was paid to holders of CRPS and CNCRPS. Pursuant to various developments mentioned in note 1.2 and note 1.16 of the stand-alone Ind AS financial statement during the current year, the Company has not accrued preference dividend of ₹ 51.77 crore.

g. The company has defaulted on its debts to banks, financial institution and others resulting in breach of various loans covenants. The company has not assessed the financial impact of such Non - Compliance and no adjustment have been made in the accompanying standalone Ind-AS financial statements.

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

h. Details of default in principal repayment of borrowings

₹ in crore

Due Date	Name of the lenders	Amount
19-Jul-18	Nainital Bank	15.00
10-Aug-18	Indian Overseas Bank	75.00
28-Aug-18	Bank Of Maharashtra	22.25
10-Sep-18	Indian Overseas Bank	75.00
18-Sep-18	Societe Generale	50.00
21-Sep-18	Societe Generale	20.10
23-Sep-18	Tamilnad Mercantile Bank Limited	50.00
24-Sep-18	IndusInd Bank Limited	36.04
26-Sep-18	Wavell Investments Private Limited	100.00
28-Sep-18	KFW Ipex Bank GMBH	6.46
30-Sep-18	CANARA BANK	75.00
30-Sep-18	Lakshmi Vilas Bank	11.25
30-Sep-18	IFCI Limited	11.25
30-Sep-18	Bank of Baroda	18.75
30-Sep-18	Yes Bank	32.13
30-Sep-18	Bharatiya Mahila Bank	8.33
30-Sep-18	IndusInd Bank Limited	95.00
30-Sep-18	Gujarat Integrated Maritime Complex	12.43
30-Sep-18	Yes Bank	30.00
30-Sep-18	Yes Bank	26.10
30-Sep-18	IL&FS Airport Limited	4.40
10-Oct-18	Indian Overseas Bank	75.00
15-Oct-18	Bhopal Co-Operative Central Bank Ltd	26.00
23-Oct-18	Bhopal Co-Operative Central Bank Ltd	37.00
23-Oct-18	Yes Bank	9.00
09-Nov-18	The Himachal Pradesh State Cooperative Bank Ltd	30.00
10-Nov-18	Indian Overseas Bank	75.00
12-Nov-18	HDFC Ergo General Insurance Co. Ltd	50.00
20-Nov-18	Punjab & Sindh Bank	40.00
25-Nov-18	Bank of Bahrain and Kuwait B.S.C.	30.00
30-Nov-18	Karur Vysya Bank	37.50
30-Nov-18	State Bank Of Hyderabad	20.00
23-Dec-18	Preferrence share 10.50% ITNL CNCRPS 2018	38.40
28-Dec-18	South Indian Bank	50.00
29-Dec-18	Canara Bank	75.00
30-Dec-18	United Bank of India	99.42
31-Dec-18	IFCI Limited	15.00
31-Dec-18	Yes Bank	30.00
31-Dec-18	Yes Bank	26.10
31-Dec-18	Lakshmi Vilas Bank	11.25
31-Dec-18	Bank of Baroda	25.00
31-Dec-18	Yes Bank	28.39
31-Dec-18	IndusInd Bank Limited	95.00
07-Jan-19	Oriental Structural Engineers Private Limited	13.05
27-Feb-19	Oriental Structural Engineers Private Limited	30.30
01-Mar-19	Oriental Structural Engineers Private Limited	35.50
16-Jan-19	Yes Bank	3.40
18-Jan-19	Vijaya Bank	20.00
23-Jan-19	Yes Bank	9.00
23-Jan-19	Debentures --- 400 (Bond 1)	1.40
02-Feb-19	State Bank of Bikaner and Jaipur / State Bank of India	25.00
27-Feb-19	Bank of Bahrain and Kuwait B.S.C.	27.50
27-Feb-19	Beigh Construction Company Pvt Ltd	200.00
14-Mar-19	Karur Vysya Bank	25.00
18-Mar-19	Series II Debentures --- 530 (Bond ii-b)	20.80
23-Mar-19	Bonds XIII - a	365.00
28-Mar-19	KFW Ipex Bank GMBH	6.56
28-Mar-19	South Indian Bank	50.00
28-Mar-19	Karnatak Bank Limited	10.00
29-Mar-19	Canara Bank	75.00
30-Mar-19	Yes Bank	25.23
31-Mar-19	Yes Bank	50.18
31-Mar-19	Lakshmi Vilas Bank	15.00
31-Mar-19	North Karnataka Expressway Limited	6.73
31-Mar-19	Yes Bank	30.00
31-Mar-19	Oriental Bank of Commerce	45.00
31-Mar-19	Bharatiya Mahila Bank	8.33
31-Mar-19	Bank of Baroda	25.00
31-Mar-19	IndusInd Bank Limited	95.00
31-Mar-19	IFCI Limited	7.50
	Total	2,923.03

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

i) During the current year, short term loans of ₹ 390.00 crore availed by group companies from third parties in respect of which letter of awareness was given by the Company to IFIN were assigned to the Company. The Company also assigned short term borrowings of ₹ 420.00 crore taken from third parties to group companies.

j) During the current year, Trade payable to various vendors amounting to ₹ 496.05 crore were converted into borrowings. (Previous year ended March 31, 2018 ₹ Nil). Additionally, the Company borrowed ₹ 74.30 crore from its sub-contractors and the proceeds of the said borrowings were utilized to discharge bills of exchange liabilities due to various financing institutions relating to work done on the projects by these sub-contractors.

k) During the current year, one of the subsidiary made payments of ₹ 30.76 crore on behalf of the Company and other SPVs. Such payment has been adjusted against the loans given to this subsidiary. Payments made on behalf of other SPVs aggregating to ₹ 7.97 crore (included above) have been treated as loans given by the Company to these SPVs.

l) Bank guarantees of ₹ 16.28 crore given on behalf of SPVs were invoked by the banks and have been shown as borrowings from the said Banks and receivables from the respective SPVs.

m) During the current year pursuant to amendments made to the underlying loan agreements, one of the unsecured borrowing of ₹ 200.00 crore in respect of which letter of awareness was given by the Company to IFIN was converted into secured borrowings. The aforesaid borrowing was treated as unsecured borrowings as at March 31, 2018.

This space is intentionally kept blank

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

Note 18: Other financial liabilities

₹ in crore

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Derivative liability (refer note 34.6)	-	-	64.79	-
Payable on account of Capital Expenditure	-	-	-	43.55
Retention money payable (refer note 21.3)	-	-	211.19	161.92
Interest accrued (refer note 1.16)	-	539.52	-	231.35
Unpaid dividends	-	0.21	-	0.12
Current maturities of long-term debt (refer note 17)	-	14,288.81	-	3,095.02
Advance received for sale of investment (refer note 14 (ii))	-	-	-	270.00
Total	**-**	**14,828.54**	**275.98**	**3,801.96**

Note 19: Provisions

₹ in crore

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Employee benefits		7.36	3.10	17.06
Provision for tax on Proposed Dividend on preference shares	-	-	-	12.52
Provision for Indirect Tax matters (refer note 19.1 and note 19.2)	-	170.48	-	-
Total	**-**	**177.84**	**3.10**	**29.58**

19.1 - The Maharashtra VAT authority has passed an order for FY 2010-11 and raised demand of ₹ 7.66 crore along with Interest and penalty against the Company on the grounds of non-deduction of WCT-TDS by the Company as Principal employer from payment made to various sub-contractors in relation to certain projects. Based on expert opinions obtained by the Company, the Company believes that its has strong ground to challenge the position taken by the VAT authority and defend the demand. The Company has already filed an appeal against the order and same is under consideration. However as an abundant caution, the Company has made provision for the tax demanded, Interest and penalty aggregating of ₹ 7.66 crore. The Company has on the same principle made an additional provision of ₹ 162.82 crore for a probable demand that may arise for subsequent years having similar matters.

19.2 - Movement in Provision ₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Balance at the beginning of the year	-	-
Addition during the year	170.48	-
Reversal during the year	-	-
Closing at the end of the year	**170.48**	**-**

Note 20: Other liabilities

₹ in crore

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Mobilisation advances received (refer note 12 (c))	-	-	134.92	99.94
Unearned revenue (refer note 12 (c))	-	-	-	112.58
Statutory dues				
Goods and Service Tax	-	129.77	-	83.52
Tax Deducted at source	-	21.73	-	21.75
Labour Cess	-	12.62	-	6.89
Provident Fund	-	0.35	-	0.49
others	-	-	-	57.28
Total	**-**	**164.47**	**134.92**	**382.45**

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

Note 21 : Trade Payables

₹ in crore

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Trade payables other than micro and small enterprises (refer note 21.3, 21.4, 21.5 below)	-	695.25	-	827.83
Trade payables to micro and small enterprises (refer note 21.1, 21.5 below)	-	36.74	-	-
Bills payables to Banks (refer note 21.2 below)	-	315.76	-	458.69
Total	-	1,047.75	-	1,286.52

21.1 Disclosure required under Micro, Small And Medium Enterprises Development Act, 2006 (The Act) are as follows (as per information available with the Company):

₹ in crore

Particulars	As at March 31,2019	As at March 31,2018
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	36.74	-
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	6.66	-
The amount of interest paid by the company in terms of section 16 of the Micro , Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small, and Medium Enterprises Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise , for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

21.2 During the year ended March 31, 2019, the Company has accepted Bills of Exchange drawn by various vendors against the construction/ operation and maintenance invoices raised by these vendors and accepted to pay the banks/ financial institutions (without any recourse to the Company) on due date of these bills. As on March 31, 2019, Company is liable to pay such Bills of Exchange amounting to ₹ 315.76 crore which is disclosed as Bills Payable under Trade Payables.

21.3 Consequent to the various matters mentioned in note no. 1.2 to these standalone Ind AS Financial Statements, the normal construction operations of the Company have been suspended. The Company therefore expect to settle the gross trade payable of ₹ 1,077.68 crore net off mobilisation advances receivable of ₹ 421.36 crore, retention money payable of ₹ 401.12 crore and other advances receivable of ₹ 261.79 crore and accordingly these balances of trade payable have been presented on a net basis.

21.4 Trade payable to IL&FS Ltd is net off ₹ 0.83 crore (previous year ended March 31, 2018 ₹ Nil) recoverable towards excess remuneration paid to Ex-Managing Director and Ex-Executive Director.

21.5 The amount due to Micro, Small and Medium Enterprises during the year ended March 31, 2019 is ₹ 36.74 crore. Micro, Small and Medium Enterprises ('MSME') have been determined based on information available with the Company. However due to uncertainties and other matters mentioned in note 1.2 to the standalone Ind-AS financial statement, Company is in the process of reconciling all its vendors and pending outcome of the said assessment, consequential impacts is pending.

All disclosures as required by Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 relating to Micro, Small and Medium enterprises have been appropriately disclosed in the financial statements. Payments to Micro, Small and Medium undertakings have not been made within the prescribed time limit/date agreed upon with the supplier and appropriate interest has not been paid/ provided for in the book of accounts for delayed payments. The Company is in the process of compiling the full details of the same. This is on account of the moratorium prescribed by the NCLAT.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

Note 21 A : Contract Liabilities (refer note 20 & 12 (c))

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Unearned Revenue (refer note (a) and (b) below)	9.17	9.76	-	-
Total	**9.17**	**9.76**	-	-

a) Contract liability is recognized when the payment is made or payment is due (whichever is earlier), if a customer pays consideration before the Company transfers goods or services to the customer. Contract liabilities are recognized as revenue when the Company performs under the Contract.

b) As the Company has adopted modified retrospective approach, no reclassification have been made for contract liabilities as at March 31, 2018 and the corresponding balances as at March 31, 2018 are shown under "Other Current Liabilities" as "Unearned Revenue".

This space is intentionally kept blank

Note 22: Revenue from operations

Disaggregation of the Company's revenue from contract with customers are as follows: ₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Construction Contract		
Revenue from Construction Contract (refer note 22(b) and (e))	-	2,667.93
Operation and maintenance		
Revenue from Operation and maintenance income (refer note 22 (c))	179.54	210.46
Others		
Advisory, Design and Engineering fees (refer note 22 (d))	-	201.14
Supervision fees (refer note 22(d))	-	13.08
Profit on sale of investments (refer note 22(f))	-	444.22
Total	179.54	3,536.83

Assessment under Ind AS 115 – Revenue from Contract with customers:

a) Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting period beginning on or after April 01, 2018 replaces existing revenue recognition requirements. The Company aligned its policy of revenue recognition with IND AS 115 effective from April 01, 2018. The application of Ind AS 115 has impacted the Company's accounting of expected credit losses on contract assets and identification of performance obligation on certain transaction. As permitted under the standard, the Company has adopted modified retrospective approach and debited the retained earnings as at April 01, 2018 by ₹ 4.75 crore net of tax effect of ₹ 2.55 crore.

b) As fully described in the note 1.2 of the standalone Ind AS financial statements, construction work at respective sites was suspended from October 01, 2018. The consideration receivable for the work performed at respective sites is subject to likely contractual deductions, penalties, value of work certified by independent engineer and ability of respective project subsidiaries to pay the consideration. These project subsidiaries have initiated steps to foreclose the concession agreement with the respective Concessioning Authorities and seek compensation under the relevant contracts/ guidelines. Basis the likely compensation amounts that could be realised by the project SPVs and in accordance with the requirements of Ind AS 115 Revenue from contracts with customers, the Company has reversed the construction revenue of ₹ 702.85 crore recognized up to quarter ended June 30, 2018. Accordingly on a cumulative basis, the Company has not recognised construction revenue for the current year. Further, though for the balance period of the year the Company had raised invoices of ₹ 489.84 crore on its project subsidiaries, it has not recognised any construction revenue thereof.

c) During the current year, effective January 01, 2019, the Company novated Operation and Maintenance contracts of 10 project subsidiaries to one of its wholly owned subsidiary Elsamex Maintenance Services Limited.

d) No revenue has been recognised with respect to Advisory, Design and Engineering fees and Supervision fees amounting to ₹ 53.32 crore due to significant uncertainties involved in performance of their obligations by the project SPVs.

e) Revenue from Construction contract is net of ₹ Nil (previous year ₹ 20.93 crore) being adjustment for time value for recognising revenue at fair value.

f) Revenue from Operations includes (loss)/ gain on sale of investment of ₹ Nil (previous year ended March 31, 2018 ₹ 444.22 core).

This space is intentionally kept blank

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 23: Other Income

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest income earned on financial assets that are not designated as at fair value through profit or loss (refer note 23 (a))	428.81	744.91
Interest on Bank deposits (at amortised cost)	17.40	19.74
Dividend Income	0.02	34.40
Guarantee Fees Income (refer note 23(b))	-	17.25
Insurance claim	-	2.06
Excess provisions written back (refer note 23 (c))	12.20	-
Reversal of Expected Credit Losses (previous year net of impairment Loss of ₹ 293.29 crore) (refer note 29 (c))	-	323.13
Lease Rental income	22.52	22.46
Foreign Exchange fluctuation gain (net) (refer note 34.6.2)	111.69	-
Interest on Income Tax Refund	10.77	-
Gain on Mutual Fund Investments (includes MTM of ₹ 0.06 crore)	0.25	-
Miscellaneous income	3.04	8.70
Total	**606.70**	**1,172.65**

a) During the current year, the Company has accrued the Interest Income on loans given to SPVs till October 15, 2018 except in case of entities which are classified as Green entities (refer note 1.3) where in the Interest Income is accrued till March 31, 2019.

b) During the current year, the Company has not recognised the Guarantee fees Income amounting to ₹ 13.07 crore due to significant uncertainties involved in performance of their obligations by the group companies.

c) During the current year, the Company has written back provisions made in earlier year for performance related pay of ₹ 12.20 crore (previous year ended March 31, 2018 ₹ Nil).

Note 24: Cost of Material Consumed and Construction Costs

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Inventory at the beginning of the year	19.90	22.59
Add-Purchase of raw material & stores and spares	2.45	9.48
Less- Inventory at the end of the year	18.49	19.90
Cost of Materials consumed	**3.86**	**12.17**
Construction Contract Costs (refer note 24.1 and note 24.2)	**749.58**	**2,120.76**

24.1 - In respect of construction expenses including other operating expenses amounting to ₹ 52.26 crore, the economic benefits achieved from that expense/ contract and process followed in selection of vendor for which forensic audit is in progress. As mentioned in Note 1.6 of the standalone Ind AS financial statements, the Board of Directors of the Holding Company have initiated a forensic audit for the period April 2013 to September 2018 which inter alia includes review of:

(i) various aspects relating to project cost estimates and awards, project execution and procurement, work certification and change orders, payment certifications etc.

(ii) examining transactions with certain vendors/ subcontractors in greater details and identifying nature of services, commercial substance, basis of selection of vendors and business rationale for identified construction cost incurred.

Pending outcome of the said ongoing examination, consequential impact if any on these standalone Ind-AS financial statements is not determinable.

24.2 Pursuant to termination of the EPC contract between the Company and IL&FS Engineering and Construction Company Ltd (IECCL), a related party contractor in respect of Kiratpur Ner Chowk Expressway project in 2017, the Company during the current year novated the contract given by IECCL to one its sub-contractors (Sammon Infracorp Ltd) in respect of future work to be done on the said project by the sub-contractor.

24.3 As a part of ongoing vendor reconciliation exercise, additional cost amounting to ₹ 52.5 crore is accounted during the year with respect to certain vendors. The Company is in the process of reconciling all its vendors and pending outcome of the said assessment, consequential impacts if any are not adjusted in the standalone Ind-AS financial statements.

Note 25: Other Operating Expenses (refer note 24)

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Fees for legal and technical services	48.38	45.51
Operation and maintenance expenses	164.89	167.65
Other expenses	5.39	-
Total	**218.66**	**213.16**

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

Note 26: Employee benefits expense

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and wages	45.08	61.64
Contribution to provident and other funds	7.92	5.59
Staff welfare expenses	4.77	7.45
Deputation Cost	2.19	5.51
Total	59.96	80.19

Note 27: Finance Costs (refer note 1.16)

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest expenses		
Interest on loans	924.18	1,333.24
Discount on Commercial papers	9.81	41.93
Dividend on redeemable preference shares	-	72.16
Other borrowing costs		
Upfront fees and other finance charges	302.45	194.77
Other Interest	30.37	-
Loss/ (Gain) arising on derivatives designated as hedging instruments in cash flow hedges	-	(0.68)
(Gain)/Loss arising on adjustment for hedged item attributable to the hedged risk in a designated cash flow hedge accounting relationship	-	0.68
Adjustment on account of fair valuation of Redeemable Preference Shares	8.74	-
Total	1,275.55	1,642.10

a. Interest on bank overdraft, loans and debentures is net off ₹ Nil (previous year ended March 31, 2018 ₹ 9.58 crore) on account of credit value adjustment/Debit value adjustment (CVA/DVA) on derivative contracts on borrowing.

Note 28: Depreciation and amortisation expense

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation of property, plant and equipment	20.44	21.16
Amortisation of intangible assets	0.49	1.17
Total	20.93	22.33

This space is intentionally kept blank

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

Note 29: Other expenses

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Impairment/ Provision for doubtful receivables and loans	-	41.15
Impairment loss on receivables and other financial asset	-	15.66
Impairment loss on investments in subsidiary	-	70.27
Impairment loss on investment property (refer note 3)	-	3.13
Electricity charges	0.84	1.08
Travelling and conveyance	9.46	18.04
Printing and stationery	0.54	0.80
Rent	16.92	16.79
Rates and taxes	61.53	1.69
Provision for Indirect tax balances and matters (refer note 9 and note 19.1)	301.44	-
Repairs and maintenance (other than building and machinery)	0.72	3.62
Communication expenses	0.93	1.56
Insurance	32.05	28.67
Legal and professional fees	32.89	21.49
Directors' fees	0.33	0.56
Bank commission	12.46	7.95
Loss on sale/ discard/ damaged/ scrapped of fixed assets (refer note 2)	14.60	0.09
Loss on sale of investments (refer note 4(a))	56.75	-
Foreign exchange fluctuation loss (net)	-	5.72
Expenses related to Bid documents	0.09	0.34
Brand Subscription Fees	10.29	12.25
Corporate Social Responsibility expenses (refer note 29 (a))	0.02	4.35
Auditor's remuneration (refer note 29 (b))	2.54	2.99
Loss on cancellation of Swap contracts (net) (refer note 34.6.2)	19.20	-
Fair valuation loss on Investments recognised through profit and loss (refer note 4 (i))	101.67	-
Miscellaneous expenses (refer note 29 (c))	10.56	28.78
Total	685.83	286.98

a) 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:
(i) Gross amount required to be spent by the Company during the year: ₹ 4.14 crore (previous year ₹ 9.86 crore)
(ii) Amount spent during the year on:

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(i) Livelihood Development	-	0.60
(ii) Education enhancement	0.02	2.29
(iii) Local Area projects	-	1.46
Total	0.02	4.35

b) Payment to auditors include the following:

₹ in crore

Payments to auditors excluding taxes	Year ended March 31, 2019	Year ended March 31, 2018
For statutory audit	1.10	1.74
For other services	1.32	1.22
For out of pocket Expenses	0.12	0.03
Total	2.54	2.99

c) Miscellaneous expenses includes ₹ 3.50 crore towards sponsorship of an event in May 2018. The expense was approved by the erstwhile Managing Director of the Company.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg No 15220
Expiry Dt
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the standalone financial statements

Note 30: Exceptional items (refer note 1.12)

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Allowance for credit impaired loans (refer note 5 (h))	5,682.77	-
Allowance for credit impaired Trade receivable (refer note 12 (d))	2,229.59	-
Allowance for credit impaired contract assets (refer note 11)	368.51	-
Allowance for credit impaired Other financial assets and Impairment Loss on Other assets (refer note 6 and note 8)	50.44	-
Impairment loss on investments (refer note 4 (i))	5,971.71	-
Impairment loss on investment property (refer note 3)	37.57	-
Total	14,340.59	-

Note 31: Tax expenses

Income tax recognised in profit or loss

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current tax		
In respect of current year	-	24.85
In respect of prior year	-	7.59
	-	32.44
Deferred tax		
In respect of current year	1.59	80.04
In respect of previous year (refer note 7)	395.29	-
MAT Entitlement Credit	34.72	(32.45)
	431.60	47.59
Total	431.60	80.03

Note 32: Component of other Comprehensive Income (OCI) - Items to be reclassified to Profit and loss

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

Cashflow Hedge Reserve

₹ in crore

Particular	Year ended March 31, 2019	Year ended March 31, 2018
Reclassified to statement of profit or loss	42.07	(2.74)
Total	42.07	(2.74)

Note 33: Component of other Comprehensive Income (OCI) - Items not to be reclassified to Profit and loss

Defined Benefit plan adjustments

₹ in crore

Particular	Year ended March 31, 2019	Year ended March 31, 2018
Re-measurement gains on defined benefit plans	2.13	(1.69)
Total	2.13	(1.69)

NOTARY M.M. PABALE Mumbai Maharashtra Reg No 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

This space is intentionally kept blank

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the standalone financial statements

Note 34 : Financial instruments

34.1 Capital management

Refer note 1.3 which states that the normal business operations of the Company as they existed under the previous year have ceased, and the new board has undertaken certain steps as mentioned in that note for resolution of existing obligations. The Company has defaulted in respect of several of its loan obligations. The Company remains overleveraged and is striving to sell its assets in order to meet its repayment obligations.

The capital structure of the Company consists of net debt of ₹ 15,738.26 crore (March 31, 2018 ₹ 13,267.04 crore) (borrowings as detailed in notes 17 offset by cash and bank balances as detailed in note 13) and total equity of (₹ 13,884.41 crore) (March 31, 2018 ₹ 3,076.46 crore positive equity) (as detailed in note 15 and note 16).

34.1.1 Gearing ratio

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

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Debt	15,890.83	13,729.97
Less: Cash & cash equivalents; and bank balances	152.57	462.93
Net debt	15,738.26	13,267.04
Total Equity	(13,884.41)	3,076.46
Net debt to total equity ratio (in times)	(1.13)	4.31

Formula 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.

b) Cash and bank balance include cash and cash equivalents and bank balance held as margin money with lenders as described in note 13.

34.2 Categories of financial instruments

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets		
Fair value through profit and loss (FVTPL)		
Investments	70.46	-
Derivative instruments designated as cash flow hedge	-	-
At amortised cost		
Trade receivables	127.15	3,145.29
Cash & cash equivalents; and bank balances	152.57	462.93
Loans	2,111.08	5,681.92
Other financial assets	40.66	1,725.94
Financial liabilities		
Derivative instruments designated as cash flow hedge	-	64.79
At amortised cost		
Borrowings	1,062.51	10,403.61
Trade payables	1,047.74	1,286.52
Other financial liabilities	14,828.54	4,013.16

NOTARY M.M. PABALE Mumbai Maharashtra Reg No 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

34.3 Financial risk management objectives

Refer Note 1.2 which states that the normal business operations of the Company as they existed under the previous year have ceased, and the new board has undertaken certain steps as mentioned in that note for resolution of existing obligations. Accordingly, the Company is in the process of setting up mechanism to address the risks including market risk, currency risk, interest risk and liquidity risk.

34.4 Market risk

The Company is exposed to the financial risk of changes in foreign currency exchange rates and interest rates.

34.5 Foreign currency risk management

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, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
USD	24.84	-	0.66	8.20
Euro	2.42	17.60	0.01	0.85
GBP	0.05	-	-	-
SGD	-	-	-	0.01

34.6.1 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, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Impact on Profit and loss	(2.42)	0.82	(0.24)	(1.68)
Impact on Total Equity	(2.42)	0.82	(0.24)	(1.68)

₹ in crore

Particulars	GBP		SGD	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Impact on Profit and loss	(0.00)	-	-	0.00
Impact on Total Equity	(0.00)	-	-	0.00

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.

The impact on profit or loss in previous year was substantially lower as the Company has entered into a currency swap of similar maturity and principal amount to cover the foreign exchange exposure on the interest and principal amount however the swap contract is cancelled during the current year. (refer note 34.6.2)

34.6.2 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.

NOTARY M.M. PABALE Mumbai Maharashtra Reg No 15220 Expiry Dt. 30-10-2024 GOVT OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

The following tables detail the notional principal amounts and remaining terms of interest rate swap contracts outstanding at the end of the previous 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, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Upto 1 year	-	-	-	-	-	10.50%
1 to 3 years	-	3.06	-	66.57	-	10.49%
3 to 5 years	-	14.86	-	66.89	-	10.49%
More than 5 years	-	2.58	-	64.86	-	10.49%
Total	-	**20.50**				

₹ in crore

Outstanding receive floating pay fixed contracts	Notional principal value		Fair value assets (liabilities)	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Upto 1 year	-	200.00	-	(2.30)
1 to 3 years	-	203.71	-	(5.11)
3 to 5 years	-	994.04	-	(55.40)
More than 5 years	-	167.34	-	(1.97)
Total	-	**1,565.09**	-	**(64.78)**

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.

In order to hedge the Currency rate and interest rate portion of ECB loans, the Company has entered in to the cross currency and interest rate SWAP with 4 banks. During the year all the 4 banks from which the Company has taken cross currency and interest rate swap contracts for its foreign currency borrowing have terminated the SWAP contract before its maturity date. On termination, profit of ₹ 142.34 crore is accrued of which ₹ 57.13 crore is realised in cash and ₹ 78.69 crore (refer note 17) is adjusted against outstanding borrowings by the respective banks. Further, on termination, the hedge exposure amounting to ₹ 64.79 crore and Mark to Market (MTM) gain recognised in earlier years amounting to ₹ 42.07 crore is netted off and recognised in the statement of profit and loss.

Foreign currency restatement of such ECB loans amounting to ₹ 184.26 crore is netted with the gain as recognised above.
Accordingly, net loss recognised due to such termination is ₹ 19.20 crore.

34.7 Interest rate risk management

The Company is exposed to interest rate risk as it borrows funds at both fixed and floating interest rates. Due to the matters discussed in note 1.16 the Company has not accrued interest expense post October 15, 2018.

34.7.1 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.

NOTARY M.M. PABALE Mumbai Maharashtra Expiry Dt. 30-10-2024 GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

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, 2019	Year ended March 31, 2018
Impact on Profit and loss	42.22	23.16
Impact on Total Equity	42.22	23.16

Due to the matters discussed in note 1.16 the interest expense has been accounted in the books upto October 15, 2018. The impact in the table above has also been calculated and disclosed accordingly. Sensitivity impact on interest from 16th October 2018 to 31st March 2019 amounts to ₹ 35.20 crore.

34.8 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. Considering that the operations of the Company have been substantially curtailed, no substantial commodity risks exist as at 31 March 2019.

34.9 Other price risks

The Company is exposed to equity price risks arising from equity investments. As detailed in Note 1.12 the management based on the consultation with the New Board and its assessment of the cash flows from the investments, is of the view that the value arrived and disclosed is prudent and represents the economic substance of the amounts recoverable as of March 31, 2019.

Management's approach in this regard does not consider the requirements of the relevant Ind-AS standards in entirety as the Company does not presently have the necessary and/or complete information to support cash flow-based tests over its investments as explained in note 1.13.

34.10 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).

Due to the developments outlined in note 1.2 the receivables of the Company and the loans given by the Company have been substantially impaired.

34.11 Liquidity risk management

During the current year, the Company has defaulted on in its interest and principal obligations. Accordingly, in terms of the loan agreements all the long term liabilities on account of interest and principal is classified as current liability.

34.11.1 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, 2019			March 31, 2018		
	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 (%)	-	11.57%	12.51%	-	12.62%	12.27%
Upto 1 year	1,567.25	6,078.60	9,654.16	1,993.46	3,370.77	2,106.26
1-3 years	-	-	-	211.19	1,551.52	2,758.18
3-5 years	-	-	-	-	424.92	1,894.16
More than 5 years	-	-	-	-	-	3,010.50
Total	**1,567.25**	**6,078.60**	**9,654.16**	**2,204.64**	**5,347.21**	**9,769.10**

NOTARY M.M. PABALE Mumbai Maharashtra Expiry Dt. 30-10-2024 GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.
The Company is in the process of monetizing its entire investments in operating assets to generate cash flows in order to meet its obligations.

₹ in crore

Particulars	March 31, 2019			March 31, 2018		
	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 (%)	-	-	10.48%	-	-	12.82%
Upto 1 year	-	-	-	6,344.52	-	1,800.25
1-3 years	1,134.35	-	2,111.08	168.64	-	901.64
3-5 years	-	-	-	-	-	387.63
More than 5 years	-	-	-	5,897.34	-	5,461.79
Total	**1,134.34**	-	**2,111.08**	**12,410.49**	-	**8,551.31**

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. As at 31 March 2019, there are no outstanding derivative financial instruments.

₹ in crore

Particulars	March 31, 2019	March 31, 2018
	Cross currency interest rate swaps	Cross currency interest rate swaps
Upto 1 year	-	390.17
1-3 years	-	963.15
3-5 years	-	1,042.81
More than 5 years	-	152.63

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No 15220 Expiry Dt 30-10-2024 GOVT OF INDIA

34.12 Fair value measurements

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

34.12.1 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, 2019	As at March 31, 2018			
Cross currency interest rate swap (refer note 6 and note 18)	-	64.79	Level 2	Future cash flows are estimated based on forward exchange rate and observable yield curves at the end of the reporting period and contract forward rate, contract interest rates discounted at the rate that reflect the credit risk of various counter parties.	None
Investment in mutual fund	6.60	-	Level 1	Based on net asset value as declared by funds as of year end	None
Gujarat Road and Infrastructure Company Limited	0.13	0.13	Level 2	Based on valuation report from an independent valuer.	None
Investments in Units of Infiniti Realty Opportunities Trust - Real Estate Asset performance-1	63.73	-	Level 2		None

34.12.2 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, 2019		As at March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
At amortised cost				
Trade receivables	127.15	127.15	3,145.28	3,145.28
Cash & cash equivalents; and bank balances	152.57	152.57	462.93	462.93
Loans	2,111.08	2,111.08	5,681.92	5,836.65
Other financial assets	40.66	40.66	1,725.94	1,725.94
Financial liabilities				
At amortised cost				
Borrowings	1,062.51	1,062.51	10,403.61	10,763.21
Trade payables	1,047.75	1,047.75	1,286.52	1,286.52
Other financial liabilities	14,828.54	14,828.54	4,013.16	4,013.16

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No 15220
Expiry Dt.
30-10-2024
GOVT OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

₹ in crore

Fair value hierarchy	As at March 31, 2019			As at March 31, 2018		
Particulars	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial assets						
At amortised cost						
Trade receivables	-	-	127.15	-	-	3,145.28
Cash & cash equivalents; and bank balances	-	-	152.57	-	-	462.93
Loans	-	-	2,111.08	-	-	5,836.65
Other financial assets	-	-	40.66	-	-	1,725.94
Financial liabilities						
At amortised cost						
Borrowings	-	-	1,062.51	-	-	10,763.21
Trade payables	-	-	1,047.75	-	-	1,286.52
Other financial liabilities	-	-	14,828.54	-	-	4,013.16

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.

This space is intentionally kept blank

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

Note 35 : Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for March 31, 2019 and March 31, 2018

₹ in crore

	Year ended March 31, 2019	Year ended March 31, 2018
Accounting (loss)/ profit before income tax	(16,568.72)	331.79
At statutory income tax rate of 31.20% (March 31, 2018 : 34.944%)	(5,169.44)	115.95
Dividend Income exempt from tax	(0.01)	(12.02)
MAT	-	24.85
Non deductible expense for tax purpose :		
- Preference dividend accounted as finance cost	-	27.26
- Corporate Social Responsibilities expenditure not allowable as per Income Tax	0.01	1.52
- Finance charges allowed on payment basis	-	12.58
- Provision for doubtful loans and receivables	-	16.11
Profit on sale of Investment	-	(52.74)
Deferred tax not recognised on loss on sale of Investments	11.80	-
Deferred tax on Capital Loss	-	(9.80)
Deferred tax on Business Loss	-	(45.68)
Increase in Tax rate as compared to previous year	-	1.09
Others	-	0.91
Deferred Tax Asset not recognised on losses	402.77	-
Deferred Tax Asset not recognised on expenses disallowed	280.61	-
Deferred tax not recognised on provision for Impairment	4,474.26	-
Deferred Tax written off (refer note 7)	431.60	-
At the effective income tax rate of Nil (March 31, 2018 : 24.12%)	**431.60**	**80.03**
Income tax expense reported in the statement of profit and loss	**431.60**	**80.03**

35.1 Deferred Tax Asset not recognised

The gross amount and expiry dates of losses available for carry forward are as follows on which no deferred tax asset is recognised:

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Expiring within 5 years	-	-
Expiring beyond 5 years	1,574.24	-
Indefinite	33.20	-

The gross amount and expiry dates of MAT Credit available for carry forward are as follows on which no deferred tax asset is recognised:

₹ in crore

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Expiring within 5 years	-	-
Expiring beyond 5 years	22.56	-
Indefinite	-	-

35.2 As referred in note 1.3, the Company is in process of disposing off its investments and other assets and it is not probable that sufficient taxable income would be generated in future against which the unabsorbed business losses, unabsorbed depreciation and Minimum Alternate Tax credit can be get offset. Accordingly, no additional deferred tax asset has been recognised and the Company has also written off Deferred Tax Assets recognised till previous year.

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 36. Employee benefit plans
36.1 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 ₹ 4.34 crore (for the year ended March 31, 2018: ₹ 3.81 crore) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

36.2 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 lump sum 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.

This space is intentionally kept blank

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the standalone financial statements

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	
	March 31, 2019	March 31, 2018
Discount rate(s)	6.53%	7.53%
Rate of increase in compensation#	3%	7%
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 : 31.17%	PS: 0 to 40 : 10%
Expected Average Remaining Service	2.1	7.18

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.

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, 2019	Year ended March 31, 2018
Service cost:		
Current service cost	2.31	1.85
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	(0.23)	(0.32)
Opening Fair Value Adjustments	1.60	0.03
Components of defined benefit costs recognised in profit or loss	**3.68**	**1.53**
Re-measurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	1.32	0.01
Actuarial (gains)/ losses arising from changes in demographic	0.95	-
Actuarial (gains)/ losses arising from changes in financial assumptions	(0.62)	0.95
Actuarial (gains)/ losses arising from experience adjustments	(4.74)	1.64
Components of defined benefit costs recognised in other comprehensive income	**(3.09)**	**2.60**
Total	**0.59**	**4.13**

* 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 re-measurement 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, 2019	As at March 31, 2018
Present value of funded defined benefit obligation	11.97	16.10
Fair value of plan assets	15.90	20.64
Funded status	3.93	4.54
Net asset/ (liability) arising from defined benefit obligation	**3.93**	**4.54**

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

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

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Opening defined benefit obligation	16.10	11.81
Current service cost	2.31	1.85
Interest cost	1.09	0.76
Re-measurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic	0.95	-
Actuarial gains and losses arising from changes in financial assumptions	(0.62)	0.95
Actuarial gains and losses arising from experience adjustments	(4.74)	1.64
Benefits paid	(2.87)	(0.91)
Others (Transfer out liability)	(0.25)	-
Closing defined benefit obligation	**11.97**	**16.10**

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

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
Opening fair value of plan assets	20.65	12.62
Interest income	1.32	1.08
Re-measurement gain (loss):		
Return on plan assets (excluding amounts included in net interest	(1.32)	-
Adjustment to Opening Fair Value of Plan Asset	(1.63)	0.03
Contributions from the employer	-	7.83
Benefits paid	(2.87)	(0.91)
Other (Transfer out liability)	(0.25)	-
Closing fair value of plan assets	**15.90**	**20.65**

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, 2019	As at March 31, 2018
Cash and cash equivalents	-	-
Gratuity Fund (LIC)	15.90	20.64
Others [describe]	-	-
Total	**15.90**	**20.64**

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 - ₹ 1.32 crore (2018: ₹ 1.07 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.

Sensitivity Analysis

	ATT - Attrition Rate		DR - Discount Rate		ER - Salary Escalation Rate	
	PVOATT + 1%	**PVOATT - 1%**	**PVO DR + 1%**	**PVO DR - 1%**	**PVO ER + 1%**	**PVO ER - 1%**
PVO	11.97	11.93	11.70	12.22	12.17	11.74

Expected Payout

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten years
Payouts	4.37	2.78	2.19	1.39	1.00	1.99

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

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.

Asset Liability Comparisons **₹ in crore**

Year	As at March 31, 2019	As at March 31, 2018
PVO at end of the year	11.97	16.10
Plan Assets	15.90	20.64
Surplus/(Deficit)	3.93	4.54
Experience adjustments on plan assets	-	(0.01)

The expected contributions to the defined benefit plan for the next annual reporting period as at March 31 2019 is ₹ 4.38 crore (as at March 31 2018 is ₹ 2.65 crore)

This space is intentionally kept blank

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 37 : Contingent Liabilities and Commitments

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Contingent Liabilities		
Claims against the Company not acknowledged as debts		
- Income tax demands contested by the Company	79.20	45.74
- Indirect tax demands contested by the Company	4.47	2.84
Sub Total (a)	**83.67**	**48.58**
(ii) Commitments		
- Capital commitments	-	3.36
- Sub-debt commitments (refer note 37.2)	-	773.86
- Investment commitments (refer note 37.2)	-	1,187.74
Sub-Total (b)	**-**	**1,964.96**
Total (a) + (b)	**83.67**	**2,013.54**

Note 37.1

Pursuant to various development during the current year specifically mentioned in note 1.2 to this standalone Ind-AS financial statements, the Company is in process of reconciling the claims admitted by the Claim Management Advisor for financial creditors of ₹ 17,922.25 crore (which includes contingent claims of ₹ 2,831.22 crore) against financial liability of ₹ 15,400.82 crore in the books and for operational creditors of ₹ 1,361.27 crore as against operational liability of ₹ 1,047.75 crore in the books. Pending completion of the reconciliation, no impact have been given in these standalone Ind AS financial statements.

Note 37.2

The Company, as Sponsor of projects has given commitment to lenders of these projects for infusing sub-debt and equity Investment in the project companies from time to time. However in view of current liquidity crisis, multiple financial default by the Company to its lenders and the developments mentioned in note 1.2 of these stand-alone Ind AS Financial statements, the Company will not be in the position to honour these commitments and hence the same is considered as ₹ Nil in current financial year.

Note 37.3

Supreme Court (SC) passed a judgement dated 28 February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are numerous interpretative issues relating to the Supreme Court (SC) judgement including the effective date of application. The Company continues to assess any further developments in this matter for the implication on financial statements, if any.

Note 37.4

The Company has received assessment orders wherein tax authority has disallowed certain expenses. The Company is yet to assess its impact on subsequent assessment years hence no impact is considered in standalone Ind AS financial statements on this account.

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 38 : Letter of comfort, letter of awareness. letter of assurance and letter of financial support or Guarantees

₹ in crore

Particulars	As at March 31, 2019	As at March 31, 2018
a) Letter of awareness issued to third party banks and financial institutions for loans taken by Group Entities (subsidairies, associates and joint ventures) (to the extent of loans outstanding) (refer note 38.1)	1,791.77	2,096.81
b) Letter of awareness issued to third party banks and financial institution for projects being executed by Group Entities (refer note 38.10)	198.10	167.70
c) Letter of awareness issued to Fellow Subsidiary for loans taken by Group Entities (refer note 38.1)	390.00	390.00
d) Letter of awareness issued to Fellow Subsidiary for loans taken by third parties which directly or through their group companies have given loans to the Company (also refer note 38.3, 1.19 and 14(ii))	1,020.00	750.00
e) Letter of awareness issued to Fellow Subsidiary for loans taken by third parties which directly or through their group companies has given loans to Group Entities (refer note 38.2)	820.00	820.00
f) Letter of awareness issued to Fellow Subsidiary for loan taken by a third parties which had receivables from the Company	20.00	20.00
g) Letter of awareness issued to a fellow subsidiary for loans taken by third parties which has given advance for purchase of investments to the Company (refer note 14 (ii))	-	270.00
h) Sponsor guarantees given to banks on behalf of Group Entities (refer note 38.4 and 38.5)	81.28	-
i) DSRA support undertaking given to banks on behalf of Group Entities (refer note 38.4 and 38.5)	159.45	-
j) Guarantees/ counter guarantees issued to outsiders in respect of Group Entities (net) (refer note 38.7)	2,529.32	680.74
Total	**7,009.92**	**5,195.25**

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15?20 Expiry Dt. 30-10-2024 GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 38.1
The Group Entities (Subsidiaries, Joint Ventures, Associates) have availed borrowing facilities from third party banks, financial institutions and other lenders (including a Fellow Subsidiary (IFIN)) and terms of some of the facilities include provision of (i) Letter of Comfort/awareness (ii) Parent Support Agreement (iii) Debt Servicing Reserve Account in favour of these Banks and Lenders. In respect of certain such arrangements, the Company has issued letter of awareness to Banks and Other lenders on behalf of its Group Entities for outstanding loan aggregating to ₹ 2,181.77 crore as at March 31, 2019 as disclosed in (a) and (c) above.

Note 38.2
The Company had issued letter of awareness amounting to ₹ 820 crore (Previous year ₹ 820 crore) to a Fellow Subsidiary for loans taken by third parties from the said fellow subsidiary. These third parties directly or through their group companies have given loans to Group Entities of the Company. This matter is under investigation by various regulatory agencies and pending final outcome of the said investigation no adjustments have been recorded in this standalone Ind AS financial statements for consequential effect that may arise in this regard.

Note 38.3
The Company had issued letters of awareness to a fellow subsidiary in respect of loans obtained by third parties amounting to ₹ 710.50 crore from the said fellow subsidiary.The loans have been since repaid and as confirmed by the fellow subsidiary the loan outstanding balance as at March 31, 2019 is ₹ Nil (March 31, 2018 - ₹ Nil) .

Note 38.4
The Company at the time of financial closure of various SPVs, has issued certain commitments (Sponsor Undertakings) to Senior lenders of those SPVs. The Sponsor Undertakings require Company to take/ fulfil certain actions as Sponsor during the life time of the Project. The financial implication of these Sponsor Undertakings wherever quantifiable and measurable are disclosed appropriately keeping in mind the current Financial position of the Company pursuant to various developments indicated in note 1.2.

Note 38.5
In case of Sponsor guarantees and DSRA undertakings, the amount disclosed is based on the claims admitted by the CMA. The management is in the process of reconciling these claims and pending completion of the reconciliation, no impact have been given in these standalone Ind AS financial statements.

Note 38.6
The Company had given letter of financial support to its various Group Entities. In view of current liquidity crisis and multiple financial default by the Company to its lenders, the Company will not be able to honour these commitments and provide any financial support to its Group Entities and hence the same has been considered as ₹ Nil in the current financial year.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg No. 15220
Expiry Dt.
30-10-2024
GOVT OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 38.7
(a) The Group Entities have availed limits from Banks for issuing Performance Guarantees and Financial Guarantees (collectively referred to as 'third party guarantees') in favour of third parties. These third-party guarantees have been issued by the Company's bankers on behalf of such Group Entities in the normal course of business.
(b) The Company has issued guarantees to third parties on behalf of Group Entities aggregating to ₹ 2,529.32 crore (as at 31st March 2018: ₹ 680.74 crore).
(c) Guarantees or counter guarantees issued to outsiders in respect of Group Entities amounting to ₹ Nil (as on 31st March 2018: ₹ 1,500 crore) are backed by Parent Company.

Note 38.8

The Company has defaulted on its debts to banks, financial institution and others resulting in breach of various loans covenants. The Company has not assessed the financial impact of such Non - Compliance and no adjustment have been made in this standalone Ind AS financial statements.

Note 38.9
The Company has issued financial/ performance guarantees to third parties aggregating to ₹ 139.30 crore (as at 31st March 2018: ₹ 153.96 crore). The Company has not assessed the impact for such guarantees and accordingly no adjustments have been made in these standalone Ind AS financial statements.

Note 38.10
The Company has issued Letter of awareness to third party banks and financial institution, for projects undertaken by Group Entities amounting to ₹ 198.10 crore (as at 31st March 2018: ₹ 167.70 crore)

Note 38.11
The Company has not assessed the impact under Ind AS 37/ Ind AS 109 for Guarantees/ Counter guarantee/ Letter of Awareness/ Non Disclosure Undertakings/ Performance guarantees/ Other Arrangements extended by it and accordingly, no impact has been given in this standalone Ind AS financial statements (refer note 1.11).

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes forming part of the standalone financial statements

Note 39: 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 end are as under:

₹ in crore

	As at March 31, 2019	As at March 31, 2018
Future lease rentals :		
Within one year	2.84	9.50
Over one year but less than 5 years	2.21	8.86
More than 5 years	-	-
	Year ended March 31, 2019	**Year ended March 31, 2018**
Amount charged to the Statement of Profit and Loss for rent in respect of these properties	2.84	5.94

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.

Note 40: Earnings / (loss) per Equity Share :

Particulars	Unit	Yea ended March 31, 2019	Yea ended March 31, 2018
(Loss)/ Profit after tax	₹ in Crore	(17,000.32)	251.75
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 / (loss) per share	₹	(516.79)	7.65

This space is intentionally kept blank

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. ...220 Expiry Dt. 30-10-2024 GOVT OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes to the Standalone Financial Statements for the year ended March 31, 2019

Note 41. 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 Limited	ACEL
	Badarpur Tollway Operations Management Limited	BTOML
	Baleshwar Kharagpur Expressway Limited	BKEL
	Barwa Adda Expressway Limited	BAEL
	Charminar RoboPark Limited	CRL
	Chenani Nashri Tunnelway Limited	CNTL
	East Hyderabad Expressway Limited	EHEL
	Fagne Songadh Expressway Limited	FSEL
	Futureage Infrastructure India Limited	FIIL
	GRICL Rail Bridge Development Company Limited	GRBDCL
	Hazaribagh Ranchi Expressway Limited	HREL
	IL&FS Rail Limited	IRL
	ITNL International Pte. Ltd.	IIPL
	ITNL Offshore Pte. Ltd.	IOPL
	ITNL Offshore Two Pte. Ltd.	IO2PL
	ITNL Offshore Three Pte. Ltd.	IO3PL
	ITNL Road Infrastructure Development Company Limited	IRIDCL
	Jharkhand Road Projects Implementation Company Limited	JRPICL
	Jharkhand Infrastructure Implementation Company Limited	JIICL
	Jorabat Shillong Expressway Limited (wef August 22, 2018)	JSEL
	Karyavattom Sports Facility Limited	KSFL
	Kiratpur Ner Chowk Expressway Limited	KNCEL
	Khed Sinnar Expressway Limited	KSEL
	Moradabad Bareilly Expressway Limited	MBEL
	MP Border Checkpost Development Company Limited	MPBCDCL
	Pune Sholapur Road Development Company Limited	PSRDCL
	Ranchi Muri Road Development Limited	RMRDL
	Scheme of ITNL Road Investment Trust	SOIRIT
	Sikar Bikaner Highway Limited	SBHL
	Srinagar Sonmarg Tunnelway Limited (wef September 29, 2018)	SSTL
	Vansh Nimay Infraprojects Limited	VNIL
	West Gujarat Expressway Limited	WGEL
	Elsamex Maintenance Services Limited	EMSL
	Elsamex India Private Limited	EIPL
	Grusamar India Limited	GIL
	Yala Construction Co Private Limited	YCCPL
	Chhattisgarh Highway Development Company Limited	CHDCL
	ITNL KMB JV (AOP)	IKMBJV
	ITNL IECCL JV (AOP)	IIJV
Subsidiaries - Indirect	Alcantarilla Fotovoltaica, S.L.	AFSLU
	Area De Servicio Coiros S.L.U.	ADSCSLU
	Area De Servicio Punta Umbria, S.L.U.	ADSPUSLU
	Atenea Seguridad y Medio Ambiente S.A.	ASYMASAU
	Beasolarta S.L.	BSLU
	CIESM-INTEVIA S.A. Sociedad Unipersonal	CISASU
	Conservacion De Infraestructuras De Mexico S.A. De C.V.	CDIDMSADCV
	Control 7, S.A.	C7SA
	Elsamex, S.A.	ESA
	Elsamex Construçao E Manutençao LTDA @	ECEML
	Elsamex Vietnam Joint Stock Company	EVJSC
	Elsamex Internacional, S.L, Sociedad Unipersonal	EISLSU
	Elsamex Maintenance Services Limited	EMSL
	Elsamex Portugal Enghenería e Sistemas de Gestao S.A.	EPEESDGSA
	Elsamex Colombia SAS@	ECSAS
	ESM Mantenimiento Integral de SA de CV	EMIDSAC
	Grusamar Albania SHPK @	GAS
	Grusamar Ingenieria Y Consulting, SL Sociedad Unipersonal	GIYCSLSU
	Grusamar Ingenieria Y Consulting Colombia SAS@	GIYCCSAS
	Grusumar Engenharia & Consultoria Brasil LTDA@	GECBL
	IIPL USA LLC	IUL
	IIPL LAOS Pte. Ltd.	ILPL
	Intevial Gestao Integral Rodoviaria, S.A.	IGIR
	ITNL International DMCC	IIDMCC
	ITNL Infrastructure Developer LLC	IIDL
	ITNL Africa Projects Limited	IAPL
	ITNL Elsamex JVCA, Botswana	IEJVCABOTSWANA
	ITNL Elsamex JV BURE	IEJVBURE

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2019

Note 41. Related Party Disclosures (contd...)

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

Nature of Relationship	Name of Entity	Abbreviation used
Subsidiaries - Indirect	ITNL Elsamex JV NEKEMTE	IEJVNEKEMTE
	Mantenimiento y Conservacion de Vialidades S.A. de C.V.	MYCDV
	North Karnataka Expressway Limited	NKEL
	Park Line LLC	PLL
	Rapid MetroRail Gurgaon Limited	RMGL
	Rapid Metro Rail Gurgaon South Limited	RMGSL
	Senalizacion Viales e Imagen S.U.	SVEISU
	Sharjah General Services Company LLC (upto 14th November 2018)	SGSCL
Other Related Parties (including fellow subsidiaries) (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Gujarat Integrated Maritime Complex Private Limited	GIMCPL
	IL&FS Airports Limited	IAL
	IL&FS Education & Technology Services Limited	IETSL
	IL&FS Energy Development Company Limited	IEDCL
	IL&FS Engineering & Construction Company Limited (wef April 01, 2018)	IECCL
	IL&FS Environmental Infrastructure & Service Limited	IEISL
	IL&FS Financial Services Limited	IFIN
	IL&FS Global Pte Limited	IGPL
	IL&FS Investment Managers Limited	IIML
	IL&FS Maritime Infrastructure Company Limited	IMICL
	IL&FS Securities Services Limited	ISSL
	IL&FS Township & Urban Assets Limited	ITUAL
	Bhopal e-Governance Limited	BEGL
	IIML Asset Advisors Limited	IAAL
	IL&FS Asian Infrastructure Managers Limited	IAIML
	IL&FS Global Financial Services (UK) Limited	IGFSL- UK
	IL&FS Global Financial Services Pte Limited	IGFSPL
	IL&FS Infra Asset Management Limited	IIAML
	IL&FS Renewable Energy Limited *(Merged with IEDCL on April 20, 2018)*	IREL
	IL&FS Skills Development Corporation Limited	ISDCL
	IL&FS Tamil Nadu Power Company Limited	ITNPCL
	IL&FS Urban Infrastructure Managers Limited	IUIML
	IL&FS Wind Power Services Limited	IWPSL
	LIVIA India Limited	LIL
	Pt Mantimin Coal Mining	PMCM
	Sabarmati Capital One Limited	SCOL
	Tierra Enviro Limited	TEL
	Unique Waste Processing Company Limited	UWPCL
	IL&FS Employee Welfare Trust	IEWT
	IL&FS Technologies Ltd.	ITL
Joint Ventures	N.A.M. Expressway Limited (upto August 16, 2018)	NAMEL
	Chongqing Yuhe Expressway Co. Ltd. (held through subsidiary)	CYECL
	Road Infrastructure Development Company of Rajasthan Limited (RIDCOR)	RIDCOR
	Jharkhand Accelerated Road Development Company Limited	JARDCL
	Thiruvananthapuram Road Development Company Limited	TRDCL
	Warora Chandrapur Ballarpur Toll Road Limited	WCBTRL
	RIDCOR Infra Projects Limited (Subsidiary of RIDCOR)	RIPL
Associates	ITNL Toll Management Services Limited (subsidiary of NTBCL)	ITMSL
	Pario Developers Private Limited	PDPL
	CGI 8 S.A.	CGISA
	Elsamex Infrastructure Company WLL	EICW
	Elsamex Road Technology Co. Ltd[@]	ERTCL
	Sociedad Concesionaria Autovia A-4 Madrid S.A	SCAAMSA
	Ramky Elsamex Hyderabad Ring Road Limited	REHRRL
	Noida Toll Bridge Company Limited	NTBCL
	Geotecnia y Control De Qualitat, S.A.	GYCDQSA
	Consorcio De Obras Civiles, Conciviles, S.R.L.	CDOCCSRL
	Rajasthan Land Holdings Limited #	RLHL
	Vias Y Construcciones, Viacon, S.R.L.	VTCVSRL

NOTARY
M.M. PABALE
Mumbai
30-10-2024
GOVT OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the year ended March 31, 2019

Note 41. Related Party Disclosures (contd...)

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

Nature of Relationship	Name of Entity	Abbreviation used
Key Management Personnel ("KMP")	Mr. K. Ramchand, Managing Director (resigned w.e.f. October 29, 2018)	
	Mr. Krishna Ghag, Company Secretary	
	Mr. Dilip Bhatia, Chief Financial Officer (upto September 22, 2018 and CEO Officiating w.e.f. November 15, 2018, CEO w.e.f. April 24, 2019)	
	Ms. Shaivali Parekh Chief Financial Officer (w.e.f. December 13,2018 and resigned w.e.f. January 31, 2020)	
	Mr. Mohit Bhasin, Chief Financial Offier (appointed w.e.f February 01, 2020)	
	Mr. Mukund Sapre (resigned w.e.f. November 02, 2018)	
	Mr. Vineet Nayyar (Appointment w.e.f October 25, 2018)	
	Mr. Nand Kishore (Appointment w.e.f November 15, 2018)	
	Mr. C.S. Rajan (Appointment w.e.f October 25, 2018)	
	Mr. Deepak Dasgupta (resigned w.e.f. March 31, 2019)	
	Mr. R. C. Sinha (Resigned w.e.f. March 31, 2019)	
	Mr. H. P. Jamdar (Resigned w.e.f. March 31, 2019)	
	Mr. Ravi Parthasarathy (Resigned w.e.f. July 21, 2018)	
	Mr. Hari Sankaran (Resigned w.e.f. October 1, 2018)	
	Mr. Arun K Saha (Resigned w.e.f. October 1, 2018)	
	Ms. Neeru Singh (Resigned w.e.f. November 01, 2018)	
	Mr. Bijay Kumar (Appointed w.e.f May 21, 2019)	
Relatives of KMP (Only with whom there have been transaction during the year/ there was balance outstanding at the year end)	Ms. Rita Ramchand (Wife of K Ramchand)	
	Mr. Ankush Dilip Bhatia (Son of Dilip Bhatia)	
	Mrs. Sangeeta Sapre (Wife of Mukund Sapre)	

considered an Associate as per the provisions of Ind AS 110, as the same is wholly owned subsidiary of Pario Developers Private Limited which is evaluated as an associate of the Company. (refer note 1.12 and note 4 (j))

@ Company under liquidation

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

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

₹ in crore

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP and their relatives	Total
Balances as of March 31, 2019							
Unsecured Borrowings (inclusive of interest accrued)							
ILFS	2,546.36	-	-	-	-	-	2,546.36
Others	-	77.50	19.49	-	-	-	96.99
	2,546.36	**77.50**	**19.49**	**-**	**-**	**-**	**2,643.35**
Unsecured Loans Given							
BAEL	-	904.68	-	-	-	-	904.68
JRPICL	-	817.60	-	-	-	-	817.60
Others	-	5,774.61	137.97	222.63	185.98	-	6,321.19
	-	**7,496.89**	**137.97**	**222.63**	**185.98**	**-**	**8,043.47**
Trade Payables							
IECCL	-	-	97.56	-	-	-	97.56
EMSL	-	97.11	-	-	-	-	97.11
IRIDCL	-	42.69	-	-	-	-	42.69
IRL	-	37.51	-	-	-	-	37.51
Others	31.08	15.47	52.04	3.11	0.00	0.00	101.70
	31.08	**192.78**	**149.60**	**3.11**	**0.00**	**0.00**	**376.57**
Trade Receivable							
KSEL	-	624.29	-	-	-	-	624.29
CNTL	-	517.88	-	-	-	-	517.88
BAEL	-	365.03	-	-	-	-	365.03
MPBCDCL	-	265.48	-	-	-	-	265.48
Others	0.41	546.62	82.60	32.14	0.31	-	662.08
	0.41	**2,319.30**	**82.60**	**32.14**	**0.31**	**-**	**2,434.76**
Investments							
IIPL	-	779.92	-	-	-	-	779.92
IRL	-	688.17	-	-	-	-	688.17
Others	-	4,428.76	-	231.61	321.05	-	4,981.42
	-	**5,896.85**	**-**	**231.61**	**321.05**	**-**	**6,449.51**
Impairment Loss on Investments							
IIPL	-	779.92	-	-	-	-	779.92
IRL	-	688.17	-	-	-	-	688.17
Others	-	4,350.06	-	224.21	307.41	-	4,881.69
	-	**5,818.15**	**-**	**224.21**	**307.41**	**-**	**6,349.77**
Impairment Loss on Trade Receivable							
KSEL	-	624.29	-	-	-	-	624.29
CNTL	-	486.85	-	-	-	-	486.85
BAEL	-	365.03	-	-	-	-	365.03
MPBCDCL	-	265.48	-	-	-	-	265.48
Others	-	467.58	69.62	31.82	0.31	-	569.33
	-	**2,209.23**	**69.62**	**31.82**	**0.31**	**-**	**2,310.98**
Impairment Loss on Other Financials Assets							
SOIRIT	-	6.48	-	-	-	-	6.48
ITL	-	-	1.65	-	-	-	1.65
Others	-	-	0.02	-	-	-	0.02
	-	**6.48**	**1.67**	**-**	**-**	**-**	**8.15**
Impairment Loss on unsecured Loans							
BAEL	-	862.07	-	-	-	-	862.07
JRPICL	-	817.60	-	-	-	-	817.60
MPBCDCL	-	653.62	-	-	-	-	653.62
IRIDCL	-	617.06	-	-	-	-	617.06
Others	-	2,736.45	53.92	95.54	96.13	-	2,982.04
	-	**5,686.80**	**53.92**	**95.54**	**96.13**	**-**	**5,932.39**
Contract Assets							
KNCEL	-	311.21	-	-	-	-	311.21
Others	-	66.10	-	2.33	-	-	68.43
	-	**377.31**	**-**	**2.33**	**-**	**-**	**379.64**
Contract Liabilities							
JRPICL	-	15.36	-	-	-	-	15.36
WGEL	-	2.12	-	-	-	-	2.12
Others	-	1.46	-	-	-	-	1.46
	-	**18.94**	**-**	**-**	**-**	**-**	**18.94**
Impairment Loss on Contract Assets							
KNCEL	-	311.21	-	-	-	-	311.21
Others	-	64.08	-	-	-	-	64.08
	-	**375.29**	**-**	**-**	**-**	**-**	**375.29**

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

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

₹ in crore

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP and their relatives	Total
Other Financial Assets							
SOIRIT	-	6.48	-	-	-	-	6.48
ITL	-	-	1.65	-	-	-	1.65
Others	-	0.00	0.02	-	-	0.17	0.19
	-	**6.48**	**1.67**	**-**	**-**	**0.17**	**8.32**
Other Assets							
ILFS	0.24	-	-	-	-	-	0.24
Others	-	0.17	0.00	0.01	-	-	0.18
	0.24	**0.17**	**0.00**	**0.01**	**-**	**-**	**0.42**
Impairment Loss on Other Assets							
ILFS	0.24	-	-	-	-	-	0.24
	0.24	**-**	**-**	**-**	**-**	**-**	**0.24**
Guarantees/counter guarantees issued to outsiders in respect of group companies							
IOPL	-	1,033.26	-	-	-	-	1,033.26
IIPL	-	726.30	-	-	-	-	726.30
IOTPL-3	-	287.50	-	-	-	-	287.50
Others	-	481.77	-	-	-	-	481.77
	-	**2,528.83**	**-**	**-**	**-**	**-**	**2,528.83**
DSRA Support undertaking given to Bank on behalf of Group companies							
PSRDCL	-	102.77	-	-	-	-	102.77
CNTL	-	56.67	-	-	-	-	56.67
	-	**159.44**	**-**	**-**	**-**	**-**	**159.44**
Sponsor Guarantees given to Bank on behalf of Group companies							
KSEL	-	81.28	-	-	-	-	81.28
		81.28					**81.28**
Letter of awareness issued to IFIN on behalf of Group companies							
RIDCOR	-	-	-	250.00	-	-	250.00
MBEL	-	140.00	-	-	-	-	140.00
	-	**140.00**	**-**	**250.00**	**-**	**-**	**390.00**
Letter of awareness issued to Group companies on behalf of outsiders							
IFIN	-	-	1,860.00	-	-	-	1,860.00
	-	**-**	**1,860.00**	**-**	**-**	**-**	**1,860.00**
Letter of awareness issued to outsiders and Group company on behalf of group companies							
CNTL	-	750.00	-	-	-	-	750.00
IIDL	-	379.27	-	-	-	-	379.27
ESA	-	271.96	-	-	-	-	271.96
Others	-	503.15	-	35.50	49.99	-	588.64
	-	**1,904.38**	**-**	**35.50**	**49.99**	**-**	**1,989.87**
Transactions during the year							
Borrowings (inclusive of non cash transactions)							
ILFS	3,379.43	-	-	-	-	-	3,379.43
Others	-	69.00	-	-	-	-	69.00
	3,379.43	**69.00**	**-**	**-**	**-**	**-**	**3,448.43**
Repayment of Borrowings (inclusive of non cash transactions)							
ILFS	974.60	-	-	-	-	-	974.60
Others	-	-	22.00	-	-	-	22.00
	974.60	**-**	**22.00**	**-**	**-**	**-**	**996.60**
Loans given (inclusive of non cash transactions)							
SSTL	-	563.31	-	-	-	-	563.31
ACEL	-	393.22	-	-	-	-	393.22
Others	-	1,641.22	52.50	17.20	0.42	-	1,711.34
	-	**2,597.75**	**52.50**	**17.20**	**0.42**	**-**	**2,667.87**
Repayment of loans given (inclusive of non cash transactions)							
SSTL	-	297.53	-	-	-	-	297.53
MBEL	-	252.59	-	-	-	-	252.59
FSEL	-	104.75	-	-	-	-	104.75
Others	-	33.58	1.14	36.25	-	2.50	73.47
	-	**688.45**	**1.14**	**36.25**	**-**	**2.50**	**728.34**
Purchase of/ Investments in equity shares							
JIICL	-	35.00	-	-	-	-	35.00
FSEL	-	34.50	-	-	-	-	34.50
JSEL	-	16.80	-	-	-	-	16.80
BAEL	-	13.00	-	-	-	-	13.00
Others	-	10.21	-	-	-	-	10.21
	-	**109.51**	**-**	[illegible]	[illegible]	**-**	**109.51**

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Expiry Dt.
30-10-2024
GOVT OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

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

₹ in crore

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP and their relatives	Total
Redemption of Preference Shares							
IFIN	-	-	21.17	-	-	-	21.17
IMICL	-	-	21.17	-	-	-	21.17
	-	-	**42.34**	-	-	-	**42.34**
Impairment Loss on Investments							
IIPL	-	779.92	-	-	-	-	779.92
IRL	-	688.17	-				688.17
Others	-	3,971.97	-	224.21	307.44		4,503.62
	-	**5,440.06**	-	**224.21**	**307.44**	-	**5,971.71**
Impairment Loss on Trade Receivable							
KSEL	-	613.86	-	-	-	-	613.86
CNTL	-	474.94	-	-	-	-	474.94
BAEL	-	365.12	-	-	-	-	365.12
MPBCDCL	-	236.98	-	-	-	-	236.98
Others		385.21	49.64	27.01	0.31	-	462.17
	-	**2,076.11**	**49.64**	**27.01**	**0.31**	-	**2,153.07**
Impairment Loss of contract Assets							
KNCEL	-	311.21	-	-	-	-	311.21
Others	-	56.78	-	-	-	-	56.78
	-	**367.99**	-	-	-	-	**367.99**
Impairment Loss on unsecured Loans							
BAEL	-	831.53	-	-	-	-	831.53
JRPICL	-	806.13	-	-	-	-	806.13
IRIDCL	-	617.06	-	-	-	-	617.06
MPBCDCL	-	595.63	-	-	-	-	595.63
Others	-	2,597.10	51.79	31.54	88.38	-	2,768.81
	-	**5,447.45**	**51.79**	**31.54**	**88.38**	-	**5,619.16**
Impairment Loss on other Financial Assets							
SOIRIT	-	6.48	-	-	-	-	6.48
ITL		-	1.65	-	-	-	1.65
Others	-	-	0.02	-	-	-	0.02
	-	**6.48**	**1.67**	-	-	-	**8.15**
Settlement of Liabilities on behalf of Group companies							
IECCL	-	-	12.33	-	-	-	12.33
	-	-	**12.33**	-	-	-	**12.33**
Guarantees/counter guarantees issued to outsiders in respect of group companies							
IOPL	-	1,033.00	-	-	-	-	1,033.00
Others	-	79.28	-	-	-	-	79.28
	-	**1,112.28**	-	-	-	-	**1,112.28**
Revenue Billing							
BAEL	-	295.63	-	-	-	-	295.63
FSEL	-	251.31	-	-	-	-	251.31
ACEL	-	239.08	-	-	-	-	239.08
SSTL		172.00					172.00
KSEL	-	145.38	-	-	-	-	145.38
Others	-	85.28	-	-	-	-	85.28
		1,188.67					**1,188.67**
Revenue from Operation and maintenance income							
JRPICL	-	31.62	-	-	-	-	31.62
Others	-	127.07	-	20.84	-	-	147.91
	-	**158.69**	-	**20.84**	-	-	**179.53**
Interest Income on Loans Given							
JRPICL	-	75.16	-	-	-	-	75.16
BAEL	-	47.98	-	-	-	-	47.98
Others	-	275.56	9.43	9.92	10.28	-	305.19
	-	**398.70**	**9.43**	**9.92**	**10.28**	-	**428.33**
Lease Rental Income							
IECCL	-	-	22.52	-	-	-	22.52
	-	-	**22.52**	-	-	-	**22.52**
Miscellaneous Income							
CNTL	-	1.20	-	-	-	-	1.20
IECCL	-	-	0.40	-	-	-	0.40
IEISL	-	-	0.23	-	-	-	0.23
Others	-	0.11	0.13	-	(0.04)	0.16	0.36
	-	**1.31**	**0.76**	-	**(0.04)**	**0.16**	**2.19**
Construction Cost							
IECCL	-	-	161.25	-	-	-	161.25
EMSL	-	9.24	-				9.24
IRL	-	12.69	-		-		12.69
	-	**21.93**	**161.25**	-	-	-	**183.18**

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

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

₹ in crore

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP and their relatives	Total
Fees for Legal & Technical Services							
IMICL	-	-	10.00	-	-	-	10.00
	-	-	**10.00**	-	-	-	**10.00**
Impairment Loss on Other Assets							
ILFS	0.24	-	-	-	-	-	0.24
	0.24	-	-	-	-	-	**0.24**
Operation and Maintenance Expenses							
EMSL	-	154.12	-	-	-	-	154.12
Others	-	-	-	0.00	-	-	0.00
	-	**154.12**	-	**0.00**	-	-	**154.12**
Remuneration (refer note below)							
K Ramchand (net of excess remuneration to be recovered)	-	-	-	-	-	0.76	0.76
Mukund Sapre (net of excess remuneration to be recovered)	-	-	-	-	-	0.92	0.92
Shaivali Parekh	-	-	-	-	-	0.10	0.10
Dilip Bhatia	-	-	-	-	-		-
Short term employee benefits	-	-	-	-	-	1.12	1.12
Post employment benefits	-	-	-	-	-	0.08	0.08
Other long term benefits	-	-	-	-	-	-	-
Termination benefits	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	**1.20**	**1.20**
Krishna Ghag	-	-	-	-	-		-
Short term employee benefits	-	-	-	-	-	0.63	0.63
Post employment benefits	-	-	-	-	-	-	-
Other long term benefits	-	-	-	-	-	-	-
Termination benefits	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	**0.63**	**0.63**
Total	-	-	-	-	-	**3.60**	**3.60**
Director's Sitting Fees							
R.C. Sinha	-	-	-	-	-	0.07	0.07
Deepak Dasgupta	-	-	-	-	-	0.06	0.06
Arun K Saha	-	-	-	-	-	0.05	0.05
H.P. Jamdar	-	-	-	-	-	0.05	0.05
Neeru Singh	-	-	-	-	-	0.04	0.04
Hari Sankaran	-	-	-	-	-	0.03	0.03
Others	-	-	-	-	-	0.02	0.02
	-	-	-	-	-	**0.32**	**0.32**
Finance Cost (including opening unamortized borrowing cost written off)							
IFIN	-	-	52.51	-	-	-	52.51
ILFS	15.00	-	-	-	-	-	15.00
IGFSPL	-	-	10.70	-	-	-	10.70
Others	-	5.89	8.39	-	-	-	14.28
	15.00	**5.89**	**71.60**	-	-	-	**92.49**
Interest Expense							
ILFS	161.28	-	-	-	-	-	161.28
Others	-	1.80	1.57	-	-	-	3.37
	161.28	**1.80**	**1.57**	-	-	-	**164.65**
Provision for Onerous Contract							
WGEL	-	5.53	-	-	-	-	5.53
		5.53					**5.53**
Other Expenses							
ILFS	22.41	-	-	-	-	-	22.41
Others	-	0.60	1.19	0.12	-	1.12	3.03
	22.41	**0.60**	**1.19**	**0.12**	-	**1.12**	**25.44**
Recovery of other Expenses							
CNTL	-	3.57	-	-	-	-	3.57
Others	-	0.95	0.17	-	-	-	1.12
	-	**4.52**	**0.17**	-	-	-	**4.69**

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

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

₹ in crore

Particulars	Holding Company	Subsidiaries	Other related parties	Joint Ventures	Associates	KMP and their relatives	Total
Employee Benefit Expenses (Deputation cost recovery)							
MBEL	-	0.54	-	-	-	-	0.54
JRPICL	-	0.52	-	-	-	-	0.52
HREL	-	0.39	-	-	-	-	0.39
Others	-	1.23	-	-	-	-	1.23
	-	**2.68**	-	-	-	-	**2.68**
Reimbursement of Other Expenses							
RIDCOR	-	-	-	0.54	-	-	0.54
	-	-	-	**0.54**	-	-	**0.54**
note: Includes Deputation cost of ₹ 1.77 crores charged by Holding Company "IL&FS"							
Mr K Ramchand-Managing Director (Resigned w.e.f. October 29, 2018)	-	-	-	-	-	0.76	0.76
Mr Mukund Sapre-Executive Director (Resigned w.e.f. November 02, 2018)	-	-	-	-	-	0.92	0.92
Ms. Shaivali Parekh - CFO (Appointed w.e.f. December 13, 2018 and resigned w.e.f January 31, 2020)	-	-	-	-	-	0.10	0.10
						1.77	**1.77**

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt 30-10-2024 GOVT OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes to the Standalone Financial Statements for the year ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)
Previous year March 31, 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
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
	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)	
	Elsamex S.A.	ESA
	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	

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes to the Standalone Financial Statements for the year ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)
Previous year March 31, 2018
(a) Name of the Related Parties and Description of Relationship:

Nature of Relationship	Name of Entity	Abbreviation used
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	
Other related parties (including 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 Resources Management Limited	KRML
	Livia India Limited	LIL
	Mota Layja Gas Power Company Limited	MLGPCL
	Nana Layja Power Company Limited	NLGPCL
	PT Mantimin Coal Mining	PTMCM
	Rohtas Bio Energy Limited	RBEL
	Sabarmati Capital One Limited	SCOL
	IL&FS Urban Infrastructure Managers Limited	IUIM
	IIML Asset Advisors Limited	IAAL
	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
	Rajasthan Land Holdings Limited #	RLHL
	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

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes to the Standalone Financial Statements for the year ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)
Previous year March 31, 2018
(a) Name of the Related Parties and Description of Relationship:

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	
	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)	

the Company is considered an Associate under Ind AS 110 since the same is wholly owned subsidiary of Pario Developers Private Limited which is as associate of the Company.

NOTARY M.M. PABALE Mumbai Maharashtra Reg. No. 15220 Expiry Dt. 30-10-2024 GOVT OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

(b) transactions/ balances with above mentioned related parties (previous year)

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
Balances as at March 31, 2018							
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
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	-	[illegible]	[illegible]	4.59
	-	0.59	46.90	-	-	[illegible]	47.49

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

(b) transactions/ balances with above mentioned related parties (previous year)

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
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**
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 Valuation 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	[illegible]	[illegible]	-	10.07
	1.19	**-**	**101.71**	[illegible]	**-**	[illegible]	**102.90**

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

(b) transactions/ balances with above mentioned related parties (previous year)

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
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
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	-	75.83	149.53	-	2,435.16
	-	3,817.15	-	75.83	149.53	-	4,042.51
Loans given - Current							
MBEL	-	369.72	-	-	-	-	369.72
MPBCDCL	-	364.19	-	-	-	-	364.19
PSRDCL	-	237.50	-	-	-	-	237.50
Others	-	376.48	103.81	81.07	210.37	2.50	774.24
	-	1,347.89	103.81	81.07	210.37	2.50	1,745.64
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	-	7.75	3.29	-	15.31
	-	121.90	-	7.75	98.08	-	227.72

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. ...5720
Expiry Dt.
30-10-2024
GOVT OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

(b) transactions/ balances with above mentioned related parties (previous year) ₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
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**
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 Recoverables							
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**
Letter of awareness issued to IFIN on behalf of Group companies							
RIDCOR	-	-	-	250.00	-	-	250.00
MBEL	-	140.00	-	-	-	-	140.00
	-	**140.00**	**-**	**250.00**	**-**	**-**	**390.00**
Letter of awareness issued to Group companies on behalf of outsiders							
IFIN	-	-	1,860.00	-	-	-	1,860.00
	-	**-**	**1,860.00**	**-**	**-**	**-**	**1,860.00**
Letter of awareness issued to outsiders and a group company on behalf of group companies							
CNTL	-	750.00	-	-	-	-	750.00
IIDL	-	356.64	-	-	-	-	356.64
ESA	-	282.18	-	-	-	-	282.18
Others	-	780.19	-	35.50	60.00	-	875.69
	-	**2,169.01**	**-**	**35.50**	**60.00**	**-**	**2,264.51**
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**

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

(b) transactions/ balances with above mentioned related parties (previous year) ₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
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	-	27.48	-	2.03	2.99	-	32.50
	-	67.36	-	2.03	36.63	-	106.02
Interest Income on Financial Assets							
BAEL	-	90.41	-	-	-	-	90.41
JRPICL	-	76.12	-	-	-	-	76.12
Others	-	482.10	17.97	13.45	35.35	-	548.87
	-	648.63	17.97	13.45	35.35	-	715.40
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

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

(b) transactions/ balances with above mentioned related parties (previous year)

₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
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
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
Settlement of Liabilities on behalf of Group companies							
IECCL	-	-	29.49	-	-	-	29.49
	-	-	29.49	-	-	-	29.49
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	-	4,448.36	185.39	22.63	671.42	2.50	5,330.30
	-	7,379.39	185.39	22.63	671.42	2.50	8,261.33
Sale of Investment							
IFIN	-	-	157.80			-	157.80
	-	-	157.80			-	157.80

IL&FS TRANSPORTATION NETWORKS LIMITED

Notes to the Standalone Financial Statements for the period ended March 31, 2019

Note 41. Related Party Disclosures (Continue...)

(b) transactions/ balances with above mentioned related parties (previous year) ₹ in crore

Particulars	Holding Company	Subsidiaries	Fellow Subsidiaries	Associates	Joint Venture	KMP and their relatives	Total
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 Valuation 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

This space is intentionally kept blank

NOTARY M.M. PABALE Mumbai Maharashtra Expiry Dt. 30-10-2024 GOVT. OF INDIA

IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Note 42: 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, where 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, 2019		March 31, 2018	
	Amount as at March 31, 2019	Maximum amount outstanding during the year	Amount as at March 31, 2018	Maximum amount outstanding during the year
East Hyderabad Expressway Limited	30.66	35.97	17.12	71.19
ITNL Road Infrastructure Development Company Limited	613.00	613.00	362.57	448.07
Vansh Nimay Infraprojects Limited	113.03	113.03	112.90	112.90
West Gujarat Expressway Limited	86.59	86.59	54.24	80.71
Hazaribagh Ranchi Expressway Limited	152.82	152.82	324.47	328.73
Jharkhand Road Projects Implementation Company Limited	697.81	697.81	805.13	811.69
MP Border Checkposts Development Company Limited	490.98	490.98	330.68	515.32
Pune Sholapur Road Development Company Limited	365.54	365.54	233.52	539.16
Moradabad Bareilly Expressway Limited	13.16	257.98	257.98	728.51
Sikar Bikaner Highway Limited	29.43	29.43	135.01	162.00
Baleshwar Kharagpur Expressway Limited	78.27	78.27	63.41	159.14
Barwa Adda Expressway Limited	681.36	685.65	675.65	675.65
Khed Sinnar Expressway Limited	390.81	390.81	366.28	366.28
Chenani Nashri Tunnelway Limited	223.21	223.21	59.58	508.22
Kiratpur Ner Chowk Expressway Limited	472.25	472.25	304.69	304.69
Karyavattom Sports Facility Limited	51.08	51.08	48.56	48.56
Rapid MetroRail Gurgaon Limited	24.76	24.76	5.30	126.64
Rapid MetroRail Gurgaon South Limited	228.96	238.63	36.05	114.92
Jharkhand Infrastructure Implementation Company Limited	79.75	79.75	58.50	58.50
ITNL International Pte Ltd.	45.31	45.31	8.12	580.09
Srinagar Sonmarg Tunnelway Limited	373.22	667.70	197.67	197.67
Amravati Chikhli Expressway Ltd	463.42	463.42	70.20	70.20
Chattisgarh Highways Development Company Limited	0.91	0.91	0.85	0.85
Futureage Infrastructure India Limited	0.05	0.05	0.05	0.05
Fagne Songadh Expressway Ltd	458.19	499.69	331.51	331.51
Noida Toll Bridge Company Limited	17.80	17.80	17.38	17.38
Road Infrastructure Development Company of Rajasthan Limited	94.99	122.40	122.40	122.40
Thiruvananthpuram Road Dev. Co. Ltd.	51.79	51.79	43.43	135.15
Rajasthan Land Holdings Limited	124.48	124.48	124.48	124.48
Pario Developers Private Limited	1.60	1.60	1.60	1.60
Jorabat Shillong Expressway Limited	197.84	197.84	115.18	456.52
Warora Chandrapur Ballarpur Toll Road Limited	5.75	5.75	5.75	5.75

Note: Outstanding balance and Maximum balance as indicated above is excluding Interest accrued.

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 ITNL International Pte Ltd., Noida Toll Bridge Co Ltd and Pario Developers Private Ltd for which disclosure is given below:

₹ in crore

Particulars	March 31, 2019		March 31, 2018	
	Amount as at March 31, 2019	Maximum amount outstanding during the year	Amount as at March 31, 2018	Maximum amount outstanding during the year
Subsidiaries of ITNL International Pte Ltd. $				
Elsamex S.A.	559.73	559.73	526.33	526.33
ITNL Africa Projects Limited	19.02	19.02	17.89	17.89
ITNL Intenational DMCC	65.88	65.88	61.95	61.95
Sharjah General Services Co. LLC	0.35	0.35	0.33	0.33
IIPL US LLC	100.99	100.99	94.96	94.96
ITNL Infrastructure Developer LLC	6.68	6.68	6.28	6.28
Elsamex Vietnam Joint Stock Company	4.50	4.50	4.23	4.23
Subsidiaries of Noida Toll Bridge Co Limited				
ITNL Toll Management Services Limited	2.55	2.55	2.55	2.55
Subsidiaries of Pario Developers Private Limited $				
Rajasthan Land Holdings Limited	1.50	1.50	1.50	1.50

$ Balance outstanding as of March 31, 2019 and maximum amount outstanding during the year is considered based on management accounts.

Note 43: 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.

Note 44: Approval of Financial Statements
The financial statements were approved for issue by the Board of Directors on June 04, 2020.

Note 45: The Company has evaluated its March 31, 2019 standalone financial statements for subsequent events through the date of the standalone financial statements were issued. As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which are likely to negatively impact the timing of Claim Receivable by the SPVs and asset monetisation, which may result in to additional impairment of Investments, Trade Receivables, Loans and other receivables. Other financial impact could also occur though such potential impact is unknown.

Note 46: The Company 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. Income from construction activities carried out by the Company in respects of Infrastructure projects taken by it has been the primary source of revenue of the Company since many years

As fully described in note 24.1, the Company due to the reasons mentioned in that note, has not recognized any Revenue from Construction activities during the year. At the same time, Company has recognized revenue from interest and dividend from loans provided and investments made in various project SPVs As a result, for the year ended March 31, 2019, the Company's from financial assets is more than 50% of aggregate revenue for the year. Due to this technical matter, the Company falls in the category of Non Banking Financial Company (NBFC) under Section 45 (IA) of RBI Act, 1945. The Company is in the process of communicating and taking necessary action with RBI in this regard.

Note 47: The figures for the year ended March 31, 2018 have been regrouped and/ or re-arranged wherever necessary to conform to the classification adopted in the year ended March 31, 2019.

As per our Report of even date

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

Sd/-
per Suresh Yadav
Partner
Membership No. 119878

Date: June 04, 2020
Place : Mumbai

For and on behalf of the Board

Sd/-	Sd/-	Sd/-
C S Rajan	**Vineet Nayyar**	**Bijay Kumar**
Chairman	*Director*	*Director*
(DIN: 00126063)	(DIN: 00018243)	(DIN: 07262627)
Sd/-	Sd/-	Sd/-
Nand Kishore	**Mohit Bhasin**	**Dilip Bhatia**
Director	*Chief Financial officer*	*Chief Executive Officer*
(DIN: 08267502)		

Sd/-
Krishna Ghag
Company Secretary

Date: June 04, 2020
Place : Mumbai

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

IL&FS Transportation Networks Limited

Statement on Impact of Audit Qualifications for the financial year ended March 31, 2019 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016:

I	Sr. no.	Particulars	Audited figures (as reported before adjusting for qualifications) ₹ in crore	Audited figures (as reported after adjusting for qualifications) ₹ in crore
	1	Turnover/ Total Income	786.24	Not determinable
	2	Total expenditure	17,354.96	
	3	Net Loss	(17,000.32)	
	4	Earnings per share	(516.79)	
	5	Total Assets	3,415.63	
	6	Total Liabilities	17,300.04	
	7	Net worth	(13,884.41)	
	8	Any other financial item(s) (as felt appropriate by the management)	None	

II. Audit qualifications (each qualification separately)

Sr. no.	Particulars	Remark
1	Details of qualifications	As mentioned in note 5 to the accompanying standalone financial results, on January 1, 2019, the Company, its Holding Company (Infrastructure Leasing & Financial Services Limited) and its fellow subsidiary (IL&FS Financial Services Limited) received orders from the National Company Law Tribunal for the reopening and recasting of their accounts in respect of financial years 2013-14 to 2017-18, under Section 130 of the Companies Act 2013. Such process of reopening and recasting of prior years' accounts is currently in progress. As mentioned in note 6 to the accompanying standalone financial results as at March 31, 2019, the Board of Directors of Holding Company have initiated a third-party forensic examination of various matters for the period April 2013 to September 2018, which is currently ongoing. As mentioned in note 7 to the accompanying standalone financial results as at March 31, 2019, there are ongoing investigations by various regulatory authorities on the Company including investigation in respect of borrowings obtained from the third parties having outstanding balance amounting to ₹ 1,181.33 crores as at March 31, 2019 as fully described in note 23 to the accompanying standalone financial results. As mentioned in note 8 to the accompanying standalone financial results as at March 31, 2019, management is in the process of reconciling claims received with its books of account.

Sr. no.	Particulars	Remark
		Consequently, the accompanying standalone financial results do not include any possible adjustments arising from the aforesaid matters, including to the extent these may affect prior period comparatives presented therein.
		As mentioned in note 12 and note 13 to the accompanying standalone financial results as at March 31, 2019, which explains the uncertainties involved in determining the recoverable value considered for determining provision for impairment and expected credit loss on investments, loans, trade and other receivables respectively (collectively referred to as "Receivable Balances") during the current year: a) The recoverable amount is subject to finalisation of the claim management process of subsidiaries and joint ventures and their audited financial statements. Further, the distribution mechanism applied for determining recoverable amount is not in accordance with distribution mechanism approved by National Company Law Appellate Tribunal ('NCLAT') vide its order dated March 12, 2020; b) Recoverable amount considered in case of certain Receivable Balances is based on binding financial proposals approved by the Board of Directors and are subject to requisite approvals and acceptance of the Letter of Intent by the successful bidder; c) Recoverable amount for certain Receivable Balances is based on Fair Valuation, which is subject to various internal and external factors including significant assumptions/ estimates/ judgement, as at September 30, 2018 and does not consider any adjustment to the present value of the cash flows / working capital up to March 31, 2019; d) As further explained in Note 12, the recoverable amount for certain Receivable Balances does not consider the requirement of the relevant standards due to non-availability of the necessary and/or complete information in respect thereof. Further, recoverable amount in respect of under construction projects is subject to finalisation / acceptance/ disbursement of settlement amount by the respective authorities. e) As mentioned in the Note 12 to the accompanying standalone financial results, during the previous year, the Company had not considered latest traffic study report for impairment assessment of a project and in the current year the impairment provision has been recognised basis the said latest traffic study report. In the absence of the revised impairment assessment basis the latest traffic study report including its consequential impact on other significant assumptions, we are unable to comment on the impairment provision required in the previous year for the said project and its consequential impact accounted in the current year, if any.

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

Sr. no.	Particulars	Remark
		In view of the above uncertainties involved and absence of sufficient appropriate audit evidence to support the assumptions/ estimates/ judgements used in determination of recoverable amount for computing the impairment / expected credit loss, we are unable to comment on the possible effects of changes, on account of aforesaid factors, on these standalone financial results.
		As mentioned in note 11 to the accompanying standalone financial results as at March 31, 2019, the Company is in the process of reconciling the completeness and status of financial guarantees, performance guarantees, letter of awareness, letter of comfort, letter of assurance, sponsor guarantees, other arrangements and corporate guarantees extended by it to/ on behalf of its group (including overseas subsidiaries)/ third parties in the period prior to September 30, 2018, pending which, the Company has not recognised any resultant liabilities, if any, in the accompanying standalone financial results. Consequently, the accompanying standalone financial results do not include any possible adjustments in this regard.
		With respect to following transactions, we are unable to obtain sufficient and appropriate evidence about the underlying commercial substance and rationale of such transactions and consequential impact on the accompanying standalone financial results as at March 31, 2019: a) Amounts paid during the year to certain related parties which are classified as loans amounting to ₹ 7.50 Crores have been fully impaired during the year as fully described in Note 24 (b) to the accompanying standalone financial results. b) Construction cost and other direct expenses incurred/debited to statements of profit and loss during the year, verified by us on a test check basis, amounting to₹ 52.26 Crores (refer note 26) in respect Miscellaneous expenses amounting to ₹ 3.50 crores as fully described in (refer note 27).
		As fully described in the note 25 (a) to the accompanying standalone financial results as at March 31, 2019, the Company has invested ₹ 172.60 crores in the units of Real Estate Assets Performance Fund – I, a SEBI registered fund, measured at fair value amounting to ₹ 63.73 crore as at March 31, 2019. We have not been provided with the commercial substance and rationale of the said investment including related expenses and the audited financial statements of the said Fund as at March 31, 2019. Hence, we are unable to comment on the fair value of the said investment and other impact on the standalone financial results, if any.

Sr. no.	Particulars	Remark
		As mentioned in note 5 to the accompanying standalone financial results and further stated above, the following transactions/matters will be considered by management along with the process of reopening / recasting of accounts in respect of financial years 2013-14 to 2017-18 pending which the comparative information has not been restated: (a) Sale of equity shares of Moradabad Barely Expressway Limited (MBEL) and Gujarat Road Infrastructure Company Limited (GRICL) which had resulted in gain amounting to ₹ 126 Crores in the previous year and subsequently during the current year these investments were acquired by Real Estate Assets Performance Fund and the investment was made by the Company in units of the said Fund, as fully described in Note 25 (a) to the accompanying standalone financial results. (b) Transfer of equity shares of wholly owned subsidiary Rajasthan Land Holdings Limited (RLHL) to Pario Developers Private Limited ('Pario') (which was treated as an associate) in exchange for Preference Shares issued by Pario which had resulted in gain amounting to ₹ 147.50 Crores in the previous year as fully described in Note 25 (b) to the accompanying standalone financial results. Consequently, during the year ended March 31, 2019, the Company has recorded charge on account of impairment/fair valuation of aforementioned investment in units and preference shares amounting to ₹ 223.54 Crores.
		As mentioned in note 24 (c) to the accompanying standalone financial results as at March 31, 2019, the Company had assigned Loans given to its subsidiaries and joint ventures to a Bank on a Recourse basis and derecognized the said financial asset from the balance sheet amounting to ₹ 1,000 Crores which is not in accordance with Ind AS 109. Accordingly, financial assets and financial liabilities included in these financial results for the current year and previous year are understated by the said amount.
		We have not received audit evidence as follows: a) Reconciliation of differences with banks mentioned in Note 17 to the accompanying standalone financial results aggregating ₹ 426.34 crore, which management believes represents unauthorised adjustments made by the bank in the Company's bank account and unreconciled differences in bank reconciliation statements including direct debits by banks aggregating ₹ 420.13 crore, for which the management is not aware of its nature and the same are in the process of being reconciled by the Company. b) Reconciliation with vendors/ sub-contractors as mentioned in Note 19 to the accompanying standalone financial results.

Sr. no.	Particulars	Remark
		Accordingly, we are unable to comment on the consequential effects of the above, on the accompanying standalone financial results.
		As mentioned in Note 26 of the accompanying standalone financial results as at March 31, 2019, a third-party forensic audit, in respect of construction cost and other operating expenses incurred in respect of various projects is currently ongoing. Hence, we are unable to comment on any possible impact on the construction cost and other operating expenses and other consequential impact on the accompanying standalone financial results if any.
		As mentioned in note 18 to accompanying standalone financial results as at March 31, 2019, the Company has not carried out analysis for determination of recoverable value as per Ind AS 36 'Impairment of assets' and net realisable value as per Ind AS 2 'Inventories' of its Property and plant and equipment and Inventories respectively. Further, no physical verification for inventories has been carried out. Consequently, the accompanying standalone financial results do not include any possible adjustments in this regard.
		As mentioned in note 20 to accompanying financial results as at March 31, 2019, the Company has valued its investment property as per ready reckoner rate as notified by the Maharashtra State Government and which is not in accordance with relevant Ind AS.
		As mentioned in note 10 to the accompanying standalone financial results as at March 31, 2019, pending management's determination of the financial and other consequences of the litigations stated in the said note, no adjustments have been made to the accompanying standalone financial results in this regard.
		As mentioned in note 9 to the accompanying standalone financial results as at March 31, 2019, the Company is not in compliance with certain requirements/ provisions of applicable laws and regulations as more fully stated in that note. Pending final determination by management of the financial and other consequences arising from such non-compliances, no adjustments have been made to the accompanying standalone financial results.
		As mentioned in note 14 to the accompanying financial results as at March 31, 2019, pending completion of audit of financial statements of various subsidiaries, associates and joint ventures as at and for the year ended March 31, 2019/ December 31, 2018, and/or the related completion of the inter-company balances reconciliation process, we are unable to comment on the adjustments that may be required and the consequential effects on the standalone financial results.

Sr. no.	Particulars	Remark
		We have not received responses to our request for such direct balance confirmations towards borrowings of ₹ 4,489 Crores, Bank balances of ₹ 62 Crores, certain Trade receivable balances aggregating to ₹ 180 Crores, certain loans and advances aggregating to ₹ 306 Crores and certain trade payables of ₹ 980 Crores and confirmation from banks/ financial institutions in respect of details of securities, lien, collaterals, guarantees etc.
		As mentioned in Note 29 to the accompanying financial results, the Company has not presented the financial information for the quarter ended March 31, 2019, related comparatives for the quarter ended March 31, 2018 and quarter ended 31 December 2018 as required by Regulation 33 read with the Circular.
		Material Uncertainty Related to Going Concern As mentioned in Note 15 to the accompanying standalone financial results, the Company has incurred a loss (including other comprehensive income) of ₹ 16,956.12 crores for the year ended March 31, 2019 and has net liabilities of ₹ 13,884.41 crores as at March 31, 2019. The Company has also suffered consistent downgrades in its credit ratings since September 2018, as a result of which the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed. These conditions, along with other matters, set forth in that note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.
2	Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Disclaimer of Opinion
3	Frequency of qualification: Whether appeared first time/ repetitive/ since how long continuing	First time
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views	Not applicable
5	For Audit Qualification (s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification	Not determinable
6	(ii) If management is unable to estimate the impact, reasons for the same:	Not determinable

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

7	Auditors' Comments on (i) or (ii) above:	Our view remains unchanged considering the matters referred to in paragraph 3.1 to 3.16 in our audit report.

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

Sd/-
per Suresh Yadav
Partner
Membership No. 119878

Date: June 04, 2020
Place: Mumbai

For IL&FS Transportation Networks Limited

Sd/-
C S Rajan
Chairman
(DIN: 00126063)

Sd/-
Vineet Nayyar
Director
(DIN: 00018243)

Sd/-
Nand Kishore
Director
(DIN: 08267502)

Sd/-
Bijay Kumar
Director
(DIN: 07262627)

Sd/-
Mohit Bhasin
Chief Financial officer

Sd/-
Dilip Bhatia
Chief Executive Officer

Date: June 04, 2020
Place: Mumbai

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

COMPANY PETITION NO. OF 2024
(Petition under Section 131 of the Companies Act, 2013)

IL&FS Transportation Networks Limited ...Petitioner

Versus

Union of India,
Ministry of Corporate Affairs ...Respondent

<u>COMPANY PETITION</u>

Dated this 04th day of January, 2024

NOTARY
M.M. PABALE
Mumbai
Maharashtra
Reg. No. 15220
Expiry Dt.
30-10-2024
GOVT. OF INDIA

M/s.CYRIL AMARCHAND MANGALDAS
Advocates for the Petitioner
Peninsula Chambers, 5th Floor,
Peninsula Corporate Park,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai 400013.
Ph: +91 9167258161 Ph: +91 22 22650500
Emails: animesh.bisht@cyrilshroff.com;
drishti.das@cyrilshroff.com;
roma.bhojani@cyrilshroff.com