

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

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THROUGH

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PLACE: MUMBAI

DATE: 4th January 2024

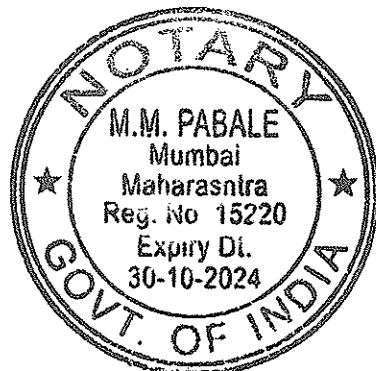
IL&FS | Transportation

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INDEPENDENT AUDITOR'S REPORT

To the Members of IL&FS Transportation Networks Limited

Report on audit of standalone Ind AS financial statements

Disclaimer of Opinion

We were engaged to audit the accompanying standalone Ind AS financial statements of IL&FS Transportation Networks Limited (the "Company"), which comprise the standalone Balance Sheet as at March 31, 2019, the standalone Statement of Profit and Loss including the Other Comprehensive Income, the standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

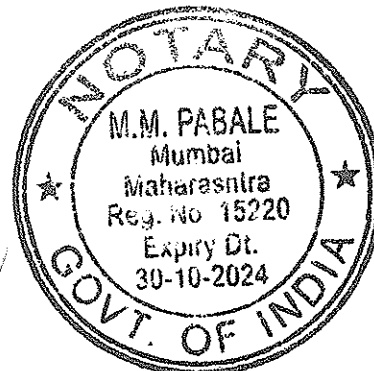
We do not express an opinion on the accompanying standalone Ind AS financial statements of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion and Material Uncertainty Related to Going Concern sections of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying standalone Ind AS financial statements.

Basis for Disclaimer of Opinion

The matters in Paragraphs 1 to 15 below should be read with Note 1.2 to the accompanying standalone Ind AS financial statements which discusses certain key events of the year including reconstitution of the board of directors of the Company and Note 1.3 to the accompanying standalone Ind AS financial statements regarding the resolution process followed by the board of directors in relation to the Company's operations, as well as the relevant notes referred to hereinbelow.

1. (a) As mentioned in Note 1.5 to the accompanying standalone Ind AS financial statements, 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.
- (b) As mentioned in Note 1.6 to the accompanying standalone Ind AS financial statements, the Board of Directors of the Holding Company have initiated a third-party forensic examination of various matters for the period April 2013 to September 2018, which is currently ongoing.
- (c) As mentioned in Note 1.7 to the accompanying standalone Ind AS financial statements, 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 Rs. 1,181.33 Crores as at March 31, 2019 as fully described in Note 1.19 to the accompanying standalone Ind AS financial statements.
- (d) As mentioned in Note 1.8 to the accompanying standalone Ind AS financial statements, management is in the process of reconciling claims received with its books of account.

Consequently, the accompanying standalone Ind AS financial statements do not include any possible adjustments arising from the aforesaid matters, including to the extent these may affect prior period comparatives presented therein.



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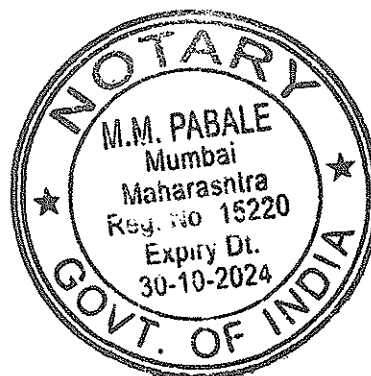
Independent Auditor's report on the standalone Ind AS Financial Statement for the year ended March 31, 2019

2. We draw attention to Note 1.12 and Note 1.13 to the accompanying standalone Ind AS financial statements 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:
- 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;
 - 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;
 - Recoverable amount for certain Receivable Balances is based on Fair Valuation, which is subject to various internal and external factors including significant assumptions / estimates / judgments, as at September 30, 2018 and does not consider any adjustment to the present value of the cash flows / working capital upto March 31, 2019;
 - As further explained in Note 1.12 to the accompanying standalone Ind AS financial statements, the recoverable amount for certain Receivable Balances does not consider the requirement of the relevant Ind AS 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.
 - As mentioned in the note 1.12 to the accompanying standalone Ind AS financial statements, 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.

In view of the above uncertainties involved and absence of sufficient appropriate audit evidence to support the assumptions / estimates / judgments 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 Ind AS financial statements.

- As mentioned in Note 1.11 of the accompanying standalone Ind AS financial statements, 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 Ind AS financial statements. Consequently, the accompanying standalone Ind AS financial statements 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 Ind AS financial statements:
 - Amounts paid during the year to certain related parties which are classified as loans amounting to Rs. 7.50 Crores have been fully impaired during the year as fully described in Note 5 (c) to the accompanying standalone Ind AS financial statements.

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IL&FS Transportation Networks Limited

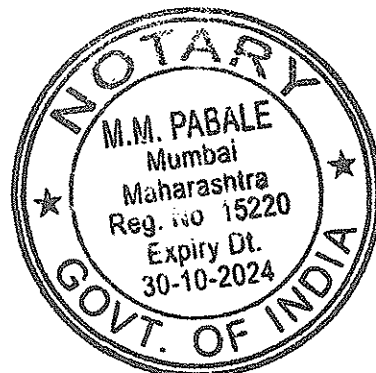
Independent Auditor's report on the standalone Ind AS Financial Statement for the year ended March 31, 2019

- 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 Rs. 52.26 Crores as fully described in Note 24.1 to the accompanying standalone Ind AS financial statements and in respect Miscellaneous expenses amounting to Rs. 3.50 Crores as fully described in Note 29 (c).
5. As fully described in the Note 4 (i) to the accompanying standalone Ind AS financial statements, the Company has invested Rs. 172.60 Crores in the units of Real Estate Assets Performance Fund – I, a SEBI registered Fund, measured at fair value amounting to Rs. 63.73 Crores 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 Ind AS financial statements, if any.
6. As fully described in the note 1.5 to the accompanying standalone Ind AS financial statements and further noted in paragraph 1 of our report 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 Bareilly Expressway Limited (MBEL) and Gujarat Road Infrastructure Company Limited (GRICL) which had resulted in gain amounting to Rs. 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 4(i) to the accompanying standalone Ind AS financial statements.
- 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 Rs. 147.50 Crores in the previous year as fully described in Note 4(j) to the accompanying standalone Ind AS financial statements.

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 Rs. 223.54 Crores.

7. As mentioned in Note 5 (d) to the accompanying standalone Ind AS financial statements, the Company had assigned Loans given to its subsidiaries and joint venture to a Bank on a Recourse basis and derecognized the said financial asset from the balance sheet amounting to Rs. 1,000 Crores which is not in accordance with Ind AS 109. Accordingly, financial assets and financial liabilities included in these financial statements for the current year and previous year are understated by the said amount.
8. We have not received audit evidence as follows:
- a) Reconciliation of differences with banks mentioned in Note 1.17 to the accompanying standalone Ind AS financial statements aggregating Rs 426.34 Crores, 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 Rs 420.13 Crores, for which the management is not aware of its nature and the same are in the process of being reconciled by the Company (included in Note 13 to the accompanying standalone Ind AS financial statements).

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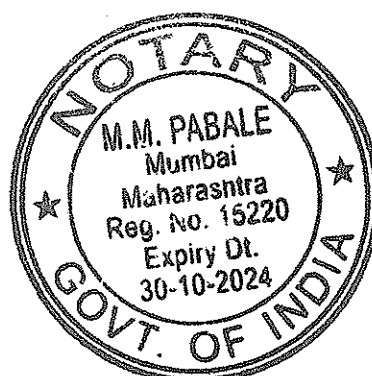
IL&FS Transportation Networks Limited

Independent Auditor's report on the standalone Ind AS Financial Statement for the year ended March 31, 2019

- b) Reconciliation with vendors/ sub-contractors as mentioned in Note 24.3 to the accompanying standalone Ind AS financial statements.

Accordingly, we are unable to comment on the consequential effects of the above, on the accompanying standalone Ind AS financial statements.

9. As mentioned in Note 24.1 of the accompanying standalone Ind AS financial statements, 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 Ind AS financial statements if any.
10. As mentioned in Note 1.18 of the accompanying standalone Ind AS financial statements 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, plant and equipment and Inventories respectively. Further, no physical verification for inventories has been carried out. Consequently, the accompanying standalone Ind AS financial statements do not include any possible adjustments in this regard.
11. As mentioned in Note 3 (c) of the accompanying standalone Ind AS financial statements 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.
12. As mentioned in Note 1.10 to the accompanying standalone Ind AS financial statements, 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 Ind AS financial statements in this regard.
13. As mentioned in Note 1.9 to the accompanying standalone Ind AS financial statements, 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 Ind AS financial statements.
14. As mentioned in Note 1.14 to the accompanying standalone Ind AS financial statements, 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 Ind AS financial statements and disclosures of related party transactions and balances in Note 41, to the accompanying standalone Ind AS financial statements.
15. We have not received responses to our request for direct balance confirmations towards borrowings of Rs.4,489 Crores, Bank balances of Rs. 62 Crores, certain Trade receivable balances aggregating to Rs. 180 Crores, certain loans and advances aggregating to Rs. 306 Crores and certain trade payables of Rs. 980 Crores and confirmation from banks / financial institutions in respect of details of securities, lien, collaterals, guarantees etc.



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Independent Auditor's report on the standalone Ind AS Financial Statement for the year ended March 31, 2019

Material Uncertainty Related to Going Concern

We refer to Note 1.15 to the accompanying standalone Ind AS financial statements. The Company has incurred a loss (including other comprehensive income) of Rs 16,956.12 Crores for the year ended March 31, 2019 and has net liabilities of Rs 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.

Emphasis of matter

As stated in Note 1.16 to the accompanying Ind AS financial statements, the Company has not accounted for contractual interest income from its subsidiaries, associates, joint ventures and third parties of Rs. 322 Crores on a gross basis and contractually payable finance costs on borrowings of Rs.745 Crores, (excluding penal / other interest and charges), for the period from October 16, 2018 to March 31, 2019 pursuant to an order passed by NCLAT specifying October 15, 2018 as cut-off date for initiation of resolution process. This treatment is different from the applicable accounting standards specified under section 133 of the Act.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the accompanying standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the accompanying standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the accompanying standalone Ind AS financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

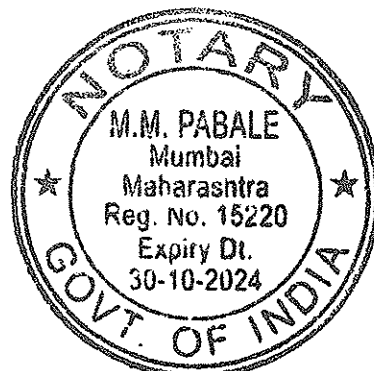
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our responsibility is to conduct an audit of the Company's standalone Ind AS financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion and Material Uncertainty Related to Going Concern sections of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying standalone Ind AS financial statements.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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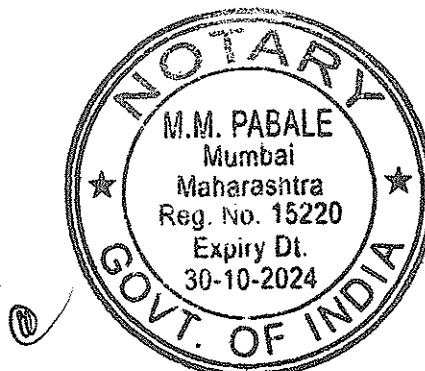
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IL&FS Transportation Networks Limited

Independent Auditor's report on the standalone Ind AS Financial Statement for the year ended March 31, 2019

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit, but to the extent described in the Basis of Disclaimer of Opinion section above, were unable to obtain such information;
 - (b) Proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books, except to the extent stated in the Basis of Disclaimer of Opinion section above;
 - (c) Read with the matters stated in the Basis for Disclaimer of Opinion section of our report, the standalone Balance Sheet, the standalone Statement of Profit and Loss (including the Other Comprehensive Income), the standalone Cash Flow Statement and standalone Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - (d) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section above, we are unable to state whether the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) The matters described in the Basis for Disclaimer of Opinion and Material Uncertainty Related to Going Concern sections above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) In pursuance of the National Company Law Appellate Tribunal (NCLT) order dated October 5, 2018 read with Note 1.3 to the accompanying standalone Ind AS financial statements, directors proposed by the Union of India and appointed by NCLT shall not attract disqualification under section 164 of the Act. Accordingly, reporting requirement as per section 143 (3) (g) of the Act is not applicable to the Company.
 - (g) The reservations relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion section above;
 - (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the accompanying standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report. That report expresses a disclaimer of opinion on the Company's internal controls over financial reporting for the reasons stated therein;
 - (i) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our auditor's report on the standalone Ind AS financial statements, we are unable to comment on whether the managerial remuneration paid to its erstwhile managerial personnel for the year ended March 31, 2019 has been paid / provided in accordance with the provisions of section 197 of the Act, read with Schedule V thereto.



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IL&FS Transportation Networks Limited

Independent Auditor's report on the standalone Ind AS Financial Statement for the year ended March 31, 2019

- (j) Except for the possible effects of the matters described in the Basis for Disclaimer of Opinion section above, with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 37 and Note 1.10 to the accompanying standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

Sd/-

per Suresh Yadav

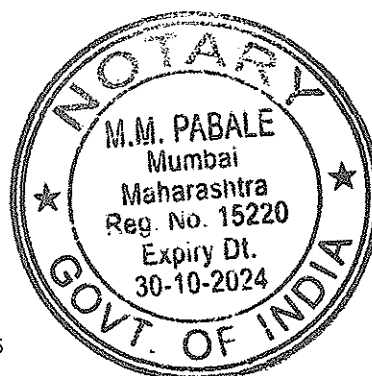
Partner

Membership No.: 119878

UDIN: 20119878AAAACI5955

Place of Signature: Mumbai

Date: June 4, 2020



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Independent Auditor's report on the standalone Ind AS Financial Statement for the year ended March 31, 2019

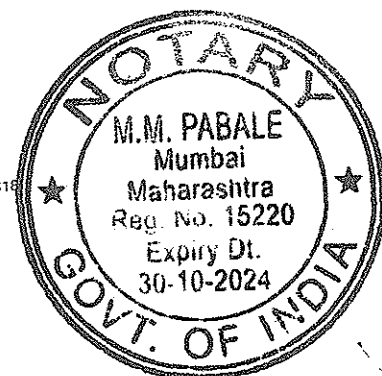
Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: IL&FS Transportation Networks Limited (the "Company")

- (i)
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As mentioned in Note 2 to the accompanying standalone Ind AS financial statements, material discrepancies noted on such physical verification has been dealt appropriately in the books of account to the extent reconciled with books of account, however management is in the process of reconciling the balance items. Accordingly, we are unable to comment whether all discrepancies have been properly dealt with in the books of account.
- (c) According to the information and explanations given by the management the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company except one immovable property having carrying amount of Rs. 7.83 Crores as at March 31, 2019 for which title deed were not available with the Company and hence, we are unable to comment on the same.

Nature of Immovable Property	As at March 31, 2019 (Rs. In Crores)	
	Gross Block	Net Block
Building Located at Ahmedabad, Gujarat	8.08	7.83

- (ii) The management has not conducted physical verification of its inventories during the year. Hence, we are unable to comment on discrepancies between physical and book records.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured to companies covered in the register maintained under section 189 of the Companies Act, 2013. Pending the outcome of the investigations stated in paragraphs 1(b) and 1(c) of the Basis of Disclaimer of Opinion section of our auditor's report on the financial statements and having regard to the matters mentioned in Note 1.6 and Note 1.7 to the accompanying standalone Ind AS financial statements, we are unable to comment whether the terms and conditions of the loans are not prejudicial to the interest of the Company as required by clause 3 (iii) (a) of the Order. Further we are unable to comment on payment of principal and payment of interest and overdue balance as required by the provisions of clause 3 (iii) (b) and (c) of the Order.
- (iv) In our opinion and according to the information and explanations given by the management the Company has not granted any loans covered under section 185 of the Companies Act, 2013. Further based on the information and explanation given to us, the Company is in the business of providing infrastructural facilities and hence provisions of section 186 of the Companies Act, 2013 do not apply to the Company, however, the Company is in compliance of section 186(1) of Companies Act, 2013.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.



- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, Goods and Service tax, cess, tax deducted at source, service tax, value added tax, duty of customs and other statutory dues applicable to the Company have not been deposited regularly with the appropriate authorities, there have been serious delays in large number of cases. The provisions relating to sales tax and duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, and except for the possible effects of the matter stated in paragraph 13 of the Basis for Disclaimer of Opinion section of our auditor's report on the financial statements, undisputed dues in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which were outstanding as per the Company's books of account, at the year end, for a period of more than six months from the date they became payable, are as follows:

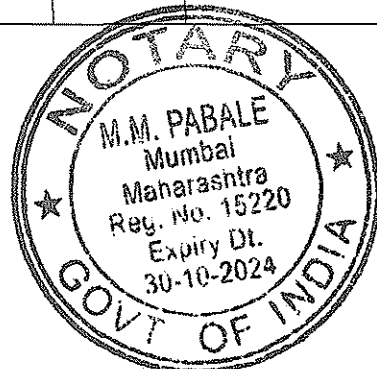
Name of the Statute	Nature of the Dues	Amount (Rs. In Crores)	Period to which the amount relates	Due Date
Goods and service tax	Goods and service tax liability	98.91	April 2018 to Sep 2018	Various dates
Income Tax (TDS)	Tax Deducted at Source	18.42	Aug 2018 to Sep 2018	Various dates
Labour Welfare Fund Act	LWF payment	11.16	Sep 2017 to Sep 2018	Various dates

* excluding interest liability on non-payment of dues.

Note: With respect to Goods and Service tax, in the absence of sufficient information made available to us, we are unable to determine the amount outstanding for a period of more than 6 months.

- (c) According to the records of the Company, and except for the possible effects of the matter stated in paragraph 13 of the Basis for Disclaimer of Opinion section of our auditor's report on the financial statements, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute as per the Company's books of account, are as follows:

Name of the statute	Nature of the dues	Unpaid Amount (Rs. in Crore)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	6.65	2013-14	Commissioner of Income Tax (Appeals)- Mumbai
Finance Act, 1994	Service Tax	0.60	2012-13	CESTAT
Madhya Pradesh VAT Act, 2002	Value Added Tax	0.09	2012-13	MP Commercial Tax Appellate Board
Madhya Pradesh VAT Act, 2002	Value Added Tax and Entry Tax	0.08	2013-14	MP Commercial Tax Appellate Board / 1 st Appellate authority
Madhya Pradesh VAT Act, 2002	Value Added Tax, Entry tax and CST	0.07	2014-15	Additional Commissioner
Madhya Pradesh VAT Act, 2002	Value Added Tax and Entry tax	0.03	2015-16	Deputy Commissioner of commercial Tax
Punjab VAT Act, 2005	Value Added Tax	0.20	2013-14	Deputy Excise and Taxation Commissioner(A)
Maharashtra VAT Act, 2002	Value Added Tax	10.36	2010-11	Deputy Commissioner



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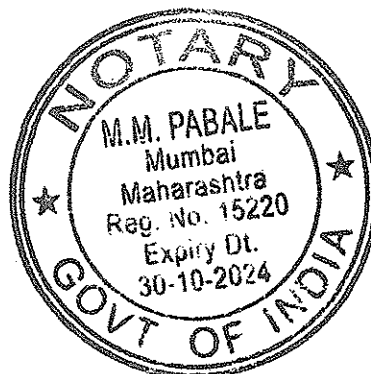
IL&FS Transportation Networks Limited

Independent Auditor's report on the standalone Ind AS Financial Statement for the year ended March 31, 2019

- (viii) According to the information and explanations given by the management, the Company has delayed in repayment of loans or borrowings to the financial institutions, banks or government and dues to the debenture holders during the year. Further, pending the outcome of the investigations and other matters stated in paragraphs 1 (b), 1 (c) and 1 (d) of the Basis of Disclaimer of Opinion section of our auditor's report on the financial statements, we are unable to comment on the amount and period of default.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of debt instruments in the nature of Debentures and term loans for the purposes for which they were raised.
- (x) As a consequence of the various matters resulting in the change in operational status of the Company, as more fully described in Note 1.2 and Note 1.3 to the accompanying standalone Ind-AS financial statements, and having regard to and pending final outcome of the various matters described in the Basis for Disclaimer of Opinion section above, based upon the audit procedures performed by us and according to the information and explanations given by the management, we are unable to report on fraud by the Company or on the Company by the officers and employees of the Company during the year.
- (xi) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our auditor's report on the financial statements, we are unable to comment on whether the managerial remuneration paid to its erstwhile managerial personnel has been paid / provided in accordance with the provisions of section 197 of the Act, read with Schedule V thereto.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) As discussed in paragraph 14 of the Basis for Disclaimer of Opinion section of our auditor's report on the accompanying standalone Ind-AS financial statements, pending completion of audit of financial statements of various subsidiaries, associates and joint ventures as at and for the year ended March 31, 2019, and/or the related completion of the inter-company balances reconciliation processes, the Company has not recorded any adjustments that may be required in this regard. Accordingly, (a) we are unable to comment if the transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 in respect of the period from April 1, 2018 to September 30, 2018; and (b) with respect of the period from October 1, 2018 to March 31, 2019, except for the possible effects of the matter stated in paragraph 15 of the Basis for Disclaimer of Opinion section of our auditors' report on the financial statements, we report that the transactions with the related parties are in compliance with Section 177 and Section 188 of the Companies Act 2013; (c) we are unable to comment as to whether details disclosed in the notes to the accompanying standalone Ind-AS financial statements, as required by the applicable accounting standards are adequate in respect of the transactions from April 1, 2018 to September 30, 2018 and as a consequence on the balance as of March 31, 2019.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of our auditor's report on the accompanying standalone Ind-AS financial statements, we are unable to comment on whether the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.



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IL&FS Transportation Networks Limited

Independent Auditor's report on the standalone Ind AS Financial Statement for the year ended March 31, 2019

- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 became applicable to the Company as the Company satisfies the 'principal business test' as at March 31, 2019. The Company is in the process of taking necessary action as required under section 45-IA of the Reserve Bank of India Act, 1934.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

Sd/-

per Suresh Yadav

Partner

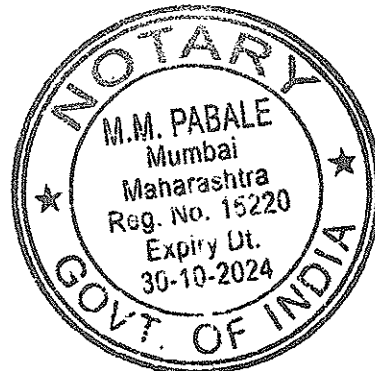
Membership No.: 119878

UDIN: 20119878AAAACI5955

Place of Signature: Mumbai

Date: June 4, 2020

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IL&FS Transportation Networks Limited

Independent Auditor's report on the standalone Ind AS Financial Statement for the year ended March 31, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF IL&FS TRANSPORTATION NETWORKS LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We were engaged to audit the internal financial controls over financial reporting of IL&FS Transportation Networks Limited (the "Company") as of March 31, 2019, in conjunction with our audit of the accompanying standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to the standalone Ind AS financial statements based on our audit. We were engaged to audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls over financial reporting with reference to these standalone Ind AS financial statements of the Company.

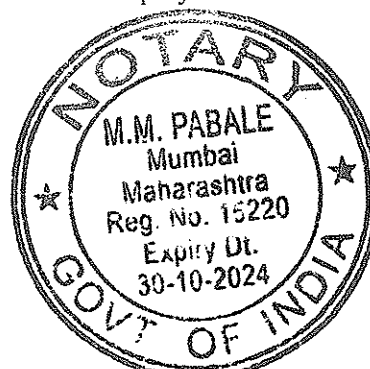
Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Ind AS Financial Statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Disclaimer of Opinion

Consequent to the various matters mentioned in Note 1.2 to the accompanying standalone Ind AS financial statements, which have inter alia, resulted in the matters stated in the Basis for Disclaimer of Opinion section of our auditor's report on the accompanying standalone Ind AS financial statements, the normal business operations of the Company as they existed until September 30, 2018 have ceased since, and the New Board has undertaken certain steps as mentioned in that note, to continue the current operations of the Company.

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SRBC & COLLP

Chartered Accountants

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IL&FS Transportation Networks Limited

Independent Auditor's report on the standalone Ind AS Financial Statement for the year ended March 31, 2019

However, in view of the material and pervasive nature of the matters described in our Basis for Disclaimer of Opinion section of our auditor's report on the accompanying standalone Ind AS financial statements of the Company, we are unable to determine if the Company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2019. Accordingly, we do not express an opinion on Internal Financial Controls Over Financial Reporting with reference to the accompanying standalone Ind AS financial statements.

Explanatory paragraph

We were engaged to audit, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the accompanying standalone Ind AS financial statements of IL&FS Transportation Networks Limited, which comprise the standalone Balance Sheet as at March 31, 2019, the standalone Statement of Profit and Loss including the statement of Other Comprehensive Income, the standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. We have considered the disclaimer of opinion reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 standalone Ind AS financial statements of IL&FS Transportation Networks Limited and this report affects our report dated June 4, 2020 which expresses a disclaimer of opinion on those standalone Ind AS financial statements.

For SRBC & COLLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

Sd/-

per Suresh Yadav

Partner

Membership No.: 119878

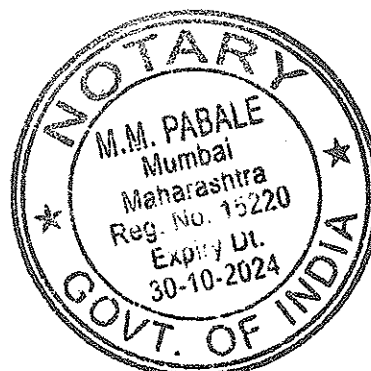
UDIN: 20119878AAAACI5955

Place of Signature: Mumbai

Date: June 4, 2020



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ANNEXURE - 10

DIRECTORS' REPORT

The Members
IL&FS Transportation Networks Limited

Your Directors have pleasure in presenting the Nineteenth Annual Report alongwith the Audited Standalone Financial Statements for the year ended March 31, 2019

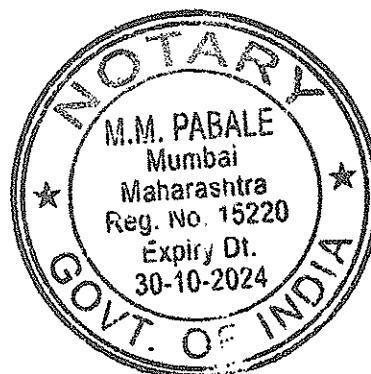
FINANCIAL RESULTS

The Financial performance highlights of the Company are as under:

Particulars	For the year ended 31.03.2019 (₹ in Crore)	For the year ended 31.03.2018 (₹ in Crore)
	Standalone	Standalone
Total Income	786.24	4,709.48
Earnings before Interest, Tax, Depreciation and Amortisation and Exceptional items (EBITDA)	(931.66)	1,996.22
Exceptional items	14,340.59	-
Profit / (Loss) Before Tax	(16,568.72)	331.79
Profit / (Loss) After Tax (Attributable to owners of the Company)	(17,000.32)	251.76
Balance Brought Forward	118.92	81.79
Profit available for appropriation	(16,881.40)	333.55
Appropriation:		
Dividend Proposed/Paid – Equity Shares	-	-
Tax on Dividend – Equity Shares	-	-
Defined benefit plan adjustment	2.13	(1.69)
Transition impact due to Ind AS 115	(4.75)	-
Debenture Redemption Reserve	-	(212.94)
Balance carried forward	(16,884.02)	118.92

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).

As a result of the various events during the financial year 2018-19 which are more fully discussed in the notes to the Financial Statements, there was significant uncertainty around



the recoverable amounts and valuations, and related provisions for impairment, of the various investments made and loans, trade and other receivables of the Company from its group companies.

Your Board in consultation with the operating management has performed an assessment to determine the recoverability of the carrying amounts of the investments, loans, trade and other receivables from its group companies following a detailed approach as specified in Note 1.12 of the attached Financial Statements

Your Board has followed a conservative approach by making prudent provisions to the best of its judgement with a view to ensure that the Financial Statements reflect the asset values close to the recoverable values. Accordingly, the Board has made a provision on account of credit risk and impairment of investments, resulting into loss during the year. The actual realisable values may differ from the estimates assumed.

DIVIDEND

As your Company has been defaulting in servicing its debt obligations since June 30, 2018 and that a resolution process is being implemented for your Company in proceedings pending before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") and the Hon'ble National Company Law Appellate Tribunal ("NCLAT") under Sections 241-242 of the Companies Act, 2013, your Company is unable to pay dividend to preference and equity shareholders until the satisfaction of all its dues. Considering the magnitude of loss incurred in the financial year, the Board does not recommend any dividend for the year ended March 31, 2019.

SHARE CAPITAL

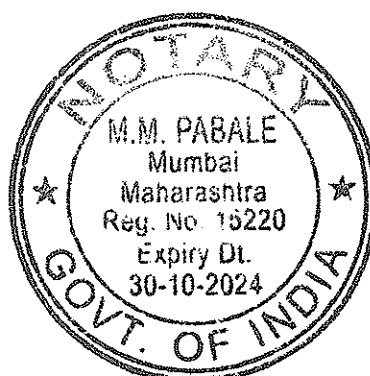
During the year under review, the Authorized Share Capital was increased from existing ₹ 1500 Crores comprising of Equity Share Capital of ₹ 500 Crores divided into 50,00,00,000 Equity shares of ₹ 10/- each and Preference Share Capital of ₹ 1000 Crores divided into 100,00,00,000 Preference Shares of ₹ 10 each to ₹ 2500 Crores comprising of Equity Share Capital of ₹ 2000 Crores divided into 200,00,00,000 Equity Shares of ₹ 10 each and Preference Share Capital of ₹ 500 Crores divided into 50,00,00,000 Preference Shares of Rs. 10 each by reclassifying the un-issued Authorized Preference Share Capital of the Company to the extent of ₹ 500 Crores divided into 50,00,00,000 Preference Shares of ₹ 10 each as Equity Share Capital by way of cancellation of the said Authorized Preference Share Capital and by further creation of additional capital of 117,10,39,973 Equity Shares of ₹ 10/- each.

The Company has redeemed 2,00,00,000 Cumulative Redeemable Preference Shares of ₹ 10/- each on May 31, 2018

GENERAL RESERVE

During the year under review, the Company has incurred a net loss of ₹ 17,000.32 Crore. As a result, the Company has not transferred any amount to the General Reserve for the Financial Year ended March 31, 2019.

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ISSUE OF DEBENTURES / BONDS

During the year under review, the Company had issued Redeemable Non-Convertible Debentures each having a face value of ₹ 10,00,000 aggregating to ₹ 199,00,00,000 on a private placement basis.

As on the date, the Debentures/Bonds issued and outstanding is ₹ 4,475.70 Crore. The Company has not been servicing the same with respect to repayment of the principal amounts and interest due thereon since October 1, 2018.

SIGNIFICANT DEVELOPMENTS

The financial year 2018-19 witnessed some very significant developments in the Company. The operating environment continued to be very challenging from the Company's perspective. During first half of the year, the Company made efforts to progress on construction of its under-implementation projects. However, the liquidity constraints faced by the Company and its inability to achieve financial closure in 3 of these under implementation projects due to reluctance of banks to lend to the Company and its projects and the banks' existing exposure limit, prevented the Company to make any significant progress. The Company therefore, suspended construction activity on all under-implementation projects in second quarter of the year until liquidity situation improved. The Company however continued to carry out Operations and Maintenance services on its Operational Projects.

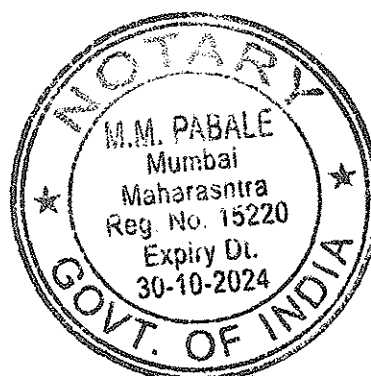
The Company has witnessed considerable cost overruns and delays in its projects. In some cases, claims and compensation has been sought from the respective Authorities; the realization of which is subject to view points of Authorities as well as significant procedural requirements. Many projects of the Company, have not been able to generate adequate revenue to support and service all their obligations, resulting in their looking up to the Company for providing liquidity support to them. These issues coupled with lack of financial closure in 3 projects, affected the already stressed cash flows of the Company.

Efforts were made by the Company to mobilise financial resources through external as well as group sources. The erstwhile Management Board of the Group also tried to raise resources through third parties including vendors of the Company. The erstwhile management had issued certain letters of awareness to a fellow subsidiary in connection with finances raised by third parties including vendors of the Company from that fellow subsidiary. The Company and its group entities had received loans during the same period from these parties. As part of claim management process, some of the vendors have now represented that they had given financial support to the company by borrowing funds from the fellow subsidiary. The transactions are being investigated by various regulatory authorities. Appropriate disclosures have been made in financial statements in this respect

Due to its deteriorating financial condition, the Company found it very challenging to raise further resources. Consequently, the Company reported default on its bank borrowing obligations on June 30, 2018, followed by defaults in servicing NCDs on October 1, 2018. As a result, the credit rating agencies downgraded the ratings of the Company to 'D' (lowest grade).

The Company had tried to raise resource from its existing shareholders and the Board of Directors passed a resolution on July 27, 2018 to launch a Rights issue. The same however could not be achieved due to lack of investor interest

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The Company embarked on divestment of its entire road portfolio in the second quarter of the year and efforts were made by erstwhile management with various institutional investors and market intermediaries to seek their interest for individual asset or on portfolio basis.

Key Corporate Developments since October 1, 2018

However, by end of first half of the year, the overall financial situation of IL&FS Group had worsened with defaults reported by fellow subsidiaries as well as IL&FS, the parent Company. Therefore, pursuant to a report filed by the Registrar of Companies, Mumbai ("RoC") under Section 208 of the Companies Act, 2013, the Ministry of Corporate Affairs ("MCA") vide its Order dated September 30, 2018, directed that the affairs of the IL&FS and its subsidiaries including the Company be investigated by the Serious Fraud Investigation Office ("SFIO").

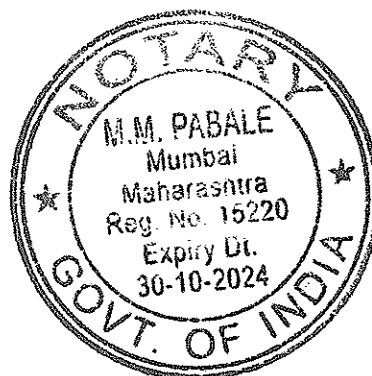
On October 1, 2018 Union of India ("UOI") (acting through the MCA) filed a petition with Hon'ble NCLT seeking immediate suspension of the Board of Directors of IL&FS and appointment of a new Board of Directors, amongst others, on the grounds of mismanagement and compromise in corporate governance norms and risk management by the erstwhile Board of the Company and that the affairs of the Company being conducted in a manner prejudicial to the public interest. The Hon'ble NCLT vide its Order dated October 1, 2018 allowed the UOI's petition and vide its Orders dated October 1, 2018, October 3, 2019 and December 21, 2018 appointed new Directors to the Board of IL&FS on the recommendations of UOI. Accordingly, a New Board consisting of 8 Directors was appointed at IL&FS.

Pursuant to the above developments, the New Board also initiated reconstitution of the Board of Directors of the Company as detailed below:

Name	Status
Directors as on September 30, 2018	
Mr. Hari Sankaran	Resigned effective October 1, 2018
Mr. Arun Saha	Resigned effective October 1, 2018
Mr. K Ramchand	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 their term
Mr. R C Sinha	Ceased to be director on March 31, 2019 upon expiry of their term
Mr. H P Jamdar	Ceased to be director on March 31, 2019 upon expiry of their term
Appointment of New Directors post October 1, 2018	
Mr. Vineet Nayyar	Appointed as director effective October 25, 2018
Mr. C. S. Rajan	Appointed as director effective October 25, 2018
Mr. Nand Kishore	Appointed as director effective November 15, 2018
Mr. Bijay Kumar	Appointed as director effective May 21, 2019

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

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The current composition of the Board of Directors is thus as follows:

- (i) Mr. Vineet Nayyar
- (ii) Mr. Chandra Shekhar Rajan
- (iii) Mr. Nand Kishore
- (iv) Mr. Bijay Kumar

The changes in constitution of Key Managerial Personnel of the Company are as given below:

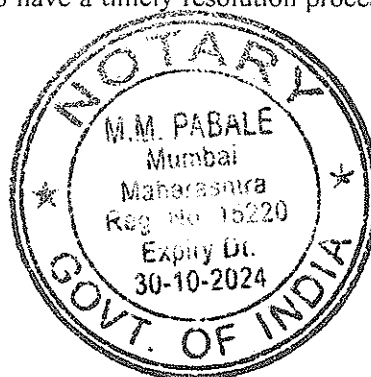
Name	Status
<u>Key Managerial Personnel prior to September 30, 2018</u>	
Mr. K Ramchand	Resigned as Managing Director effective October 29, 2018
Mr. Mukund Sapre	Resigned as Executive Director effective November 2, 2018
Mr. Dilip Bhatia	Stepped down as Chief Financial Officer effective September 22, 2018
Mr. Krishna Ghag	Company Secretary
<u>Key Managerial Personnel post October 1, 2018</u>	
Mr. Dilip Bhatia	Appointed as CEO-Officiating effective November 15, 2018 and re-designated as CEO effective April 24, 2019
Ms. Shaivali Parekh	Appointed as Chief Financial Officer effective December 13, 2018 till January 31, 2020
Mr. Mohit Bhasin	Appointed as Chief Financial Officer effective February 1, 2020
Mr. Krishna Ghag	Company Secretary

Additionally, the Hon'ble NCLAT passed an Order on October 15, 2018 (the "Interim Order") pursuant to which it stayed various proceedings and actions against the Company and its Group Companies including the Company (until further Orders). The Interim Order enabled value preservation of the IL&FS Group's assets and provides time to the New Board to evaluate, prepare and implement a resolution plan for IL&FS and its group companies in an orderly manner, keeping in mind the interest of the various stakeholders.

The New Board of IL&FS has been working on the Resolution Plan of the IL&FS Group, which has multiple, complex and diverse entities under varied operating structures. At the time of its appointment, the New Board was directed by the Hon'ble NCLT to submit a roadmap for resolution of the IL&FS Group within a month and accordingly, the New Board submitted the *First Progress Report* to the MCA on October 30, 2018 (the "First Progress Report") setting out the way forward for the IL&FS Group (which in turn was filed by the MCA with the Hon'ble NCLT on October 31, 2018). In the First Progress Report, the New Board, based on its initial assessment, amongst others outlined: (i) key challenges facing the IL&FS Group; and (ii) options which were and could be considered for resolution of the IL&FS Group.

Taking into account the various challenges facing the IL&FS Group, including the complexity posed by its structure, width of operating business, scale, group-wide levels of leverage, public interest, financial stability, legality, various stakeholder interests (including interests of the joint venture partners) and commercial feasibility, the New Board has put in place a resolution framework to have a timely resolution process, which

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is fair and transparent and incorporates well established legal principles and seeks to address concerns of all stakeholders of the IL&FS Group. The implementation of the resolution framework is presently under way and the Company has initiated the divestment processes in relation to various group entities.

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. Additionally, NCLAT vide its orders dated February 04, 2019 and February 11, 2019 has directed the appointment of Hon'ble Justice D K Jain (Retd Justice of the Supreme Court of India) to supervise the resolution process for the IL&FS group.

The New Board has submitted five Progress Reports from time to time to the Union of India who in turn has filed them with the NCLT.

The External Resolution Consultant has conducted a cash flow solvency test based on a '12 month look-forward' testing period ("Testing Period") based on which 150 entities (incorporated in India) of the IL&FS Group have been classified into Green, Amber and Red.

The Company has been classified as a "Red" entity indicating that it is not able to meet all obligations (financial and operational) including payment obligations to its senior secured financial creditors. Accordingly, under the resolution mechanism, the Company is permitted to make only those payments necessary to maintain and preserve a going concern status.

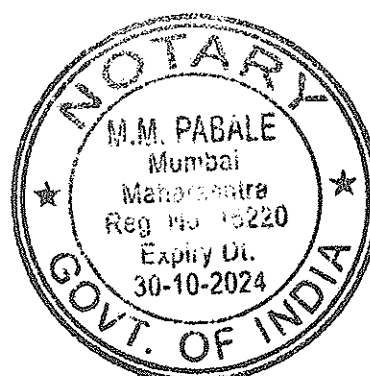
An order received from NCLT dated January 01, 2019 has allowed a petition by the Union of India for reopening of the books of accounts and recasting of the financial statements under Section 130 of the Companies Act for the five financial years between 2013-14 to 2017-18 of IL&FS and its Subsidiaries including the Company. Accordingly, the NCLT has appointed firms to carry out the re-opening and recasting of financial statements which is under progress. The company will make the required adjustments once the recasting process is completed.

The Company has not submitted quarterly/yearly financial statements from the quarter ended September 30, 2018 onwards. In view thereof, the stock exchanges have initiated action by transferring the equity shares of the Company to "Z" category ('BZ' series) wherein trades shall take place on 'Trade for Trade' basis and have also levied penalties. However, the Company has from time to time has submitted reasons in detail for such non-compliance to the stock exchanges and requested to not take any coercive/pecuniary actions against the Company on account of the circumstances mentioned therein and also the moratorium granted by the National Company Law Appellate Tribunal to the IL&FS Group including the Company.

ACQUISITION & DIVESTMENT

During the year under review, the Company infused additional capital in following project entities:

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①



Sr. No.	Name of project entities	₹ Crore
1.	Amravati Chikhli Expressway Limited	2.80
2.	Barwa Adda Expressway Limited	13.00
3.	Fagne Songadh Expressway Limited	34.50
4.	GRICL Rail Bridge Development Company Limited	1.50
5.	Jharkhand Infrastructure Implementation Company Limited	35.00
	Total	86.80

During the year under review, the Company divested its equity stakes in N.A.M. Expressway Limited at an aggregate consideration of ₹ 60.00 Crore. The details of the transaction are mentioned in Note No.4 (a) in the standalone Ind AS Financial Statements for the year ended March 31, 2019. In addition, the Company also acquired 50% equity stake in Jorabat Shillong Expressway Limited and 51% equity stake in Srinagar Sonmarg Tunnelway Limited from the JV partners at a consideration of ₹. 16.80 Crore and ₹ 5.91 Crore respectively.

Divestments initiated by the New Board

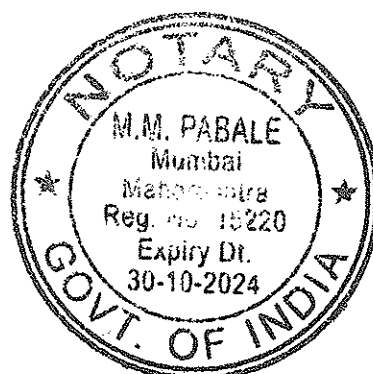
Pursuant to the Report on Progress and Way Forward dated October 30, 2018 ("Report") submitted by IL&FS to the Ministry of Corporate Affairs, Government of India, which in turn was filed with the Hon'ble NCLT, a publicly solicited bid process for certain assets in the domestic roads vertical was initiated 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.

- 7 operating annuity-based road projects in various parts of India;
- 8 operating toll-based road projects in various parts of India;
- 4 under construction road projects in various parts of India; and
- 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.

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT

- Pursuant to defaults in obligations in terms of servicing its debts, the credit rating of the Company has been downgraded to "D" rating during the year, and consequent to loss incurred during the year, the networth of the Company has been substantially eroded.



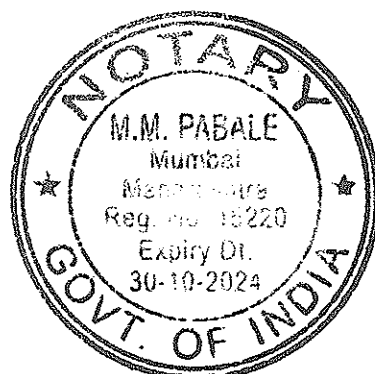
- II. The New Board as part of the resolution process, has submitted several progress reports to the NCLT. This includes framework for a resolution plan and process, steps undertaken for monetization of assets, appointment of consultants, and classification of group entities based on their abilities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

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 mitigate 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 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.

III. Update on Progress made post March 31, 2019 on the resolution process:

1. 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 and
 - (e) Pune Sholapur Road Development Company Limited
2. 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 SPV of the Company 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.
3. 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; and
 - (d) Barwa Adda Expressway Limited.
4. No bids were also received for engineering, procurement and construction business of the Company and operations and maintenance business carried out by Elsamex



Maintenance Services Ltd.

5. For Karyavattom Sports Facilities Limited (which operates a stadium complex), binding bids have been received and are under evaluation by the New Board.
6. 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.
7. 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.

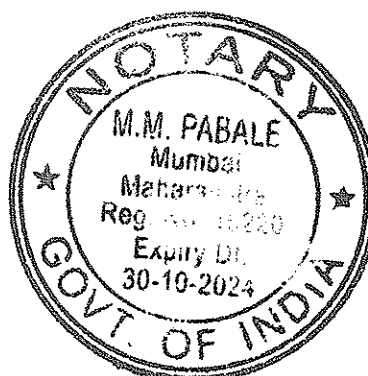
The Company expects to complete the setup of the InvIT and transfer of the projects to the said InvIT in financial year 2021.

8. 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.

9. International Operations / Subsidiaries

The Company has initiated steps toward divestment and resolution of its direct and indirect international subsidiaries and the progress achieved in respect of key subsidiaries is as under:

- (i) Binding bid has been received in respect of 49% stake held in Chongqing Yuhe Expressway Limited, China by ITNL International Pte Ltd (IIPL), a wholly owned subsidiary of the Company and the divestment process is expected to be completed by Q2 FY 20
- (ii) In case of Dubai operations of IIPL carried out through its subsidiaries namely, ITNL International DMCC (IIDMCC) and ITNL Infrastructure Developers LLC (IIDL), the divestment process for Dubai Supreme Court Project being executed by IIDL through a SPV could not progress due to lack of interest. The Board of the Company has therefore resolved to file application for insolvency of the IIDL and IIDMCC and necessary steps are being taken in this respect
- (iii) IIPL operations in US have been closed and the Company is in the process of filing an application for dissolution



- (iv) The Board of Elsamex S.A.U., Spain, a subsidiary of IIPL, after evaluating all available options for resolution of the Company has resolved to file an application for voluntary insolvency of the Company. The process has been delayed due to declaration of State of alarm by the State in Spain. In the meanwhile, one of the creditors of Elsamex S.A.U has filed an application for mandatory insolvency of the Company. Due to non-functioning of the Courts in Spain, the application has not been considered as yet.

In view of the aforementioned, the Company has prepared its financial statements on a going concern basis based on its plans for resolution discussed above.

OPERATIONAL PERFORMANCE

In view of various developments described hereinabove, construction activities at all the 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. Due to reluctance of various SPV lenders in releasing O&M payment to the Company and insistence of paying the O&M vendors directly, the Company in consultation with these lenders, with effect from January 1, 2019, novated O&M contracts with 10 SPVs in favor of Elsamex Maintenance Services Limited, a wholly owned subsidiary of the Company.

ENVIRONMENTAL, HEALTH & SAFETY

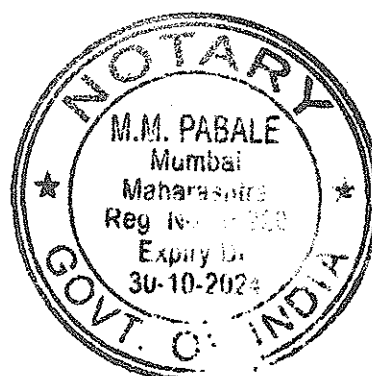
The Environmental and Social Policy Framework (ESPF) adopted by the Company helps to identify and mitigate Environmental and Social concerns relating to all projects. During the year under review, Quality, Environment, Health & Safety (EHS) Management systems were implemented and monitored at all the implementation and O&M sites. Further, all sites have started maintaining records related to environment, safety and health.

For continual improvement and to ensure implementation and adherence to the Management System and Safety standards, the standardized documents related to Tool Box Talks topics and guidelines & digests related to IS standards were issued to all sites.

PERFORMANCE OF THE SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES

The Company has been facing capacity issues due to loss of key employees while meeting the need for servicing information requirements and providing clarifications to multiple investigating agencies, providing information to enable the ongoing asset monetization and restructuring activities and meeting ‘going concern’ requirements. In view of the above, there was a considerable delay in preparation and presentation of Standalone Financial Statements of the Company as well as receipt of Financial Statements of the Subsidiaries and the

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(D)



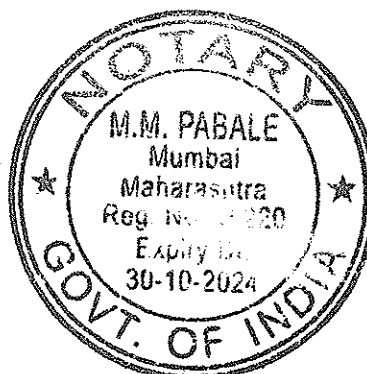
Company is in the process of preparing its Consolidated Financial Statement and the same would be presented separately. Accordingly the Company is unable to provide its Consolidated Financial Statement and salient features of the Financial Statements of the Company's Subsidiaries and Joint Ventures in Form AOC-1 as required under Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. An application has been made to the competent authority seeking an exemption for the Company from presenting its consolidated financial statement.

STATUTORY AUDITORS

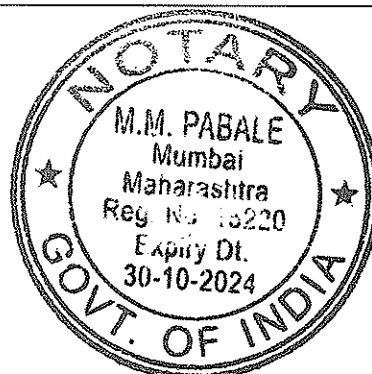
SRBC & Co. LLP, Chartered Accountants, were appointed as the Statutory Auditors of the Company for a term of five consecutive years at the 17th Annual General Meeting held on August 29, 2017. In accordance with the Companies Amendment Act, 2017, effective May 7, 2018 by the Ministry of Corporate Affairs (MCA), the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Management Representation on the qualifications/ observations/ remarks of Statutory Auditor pertaining to year ended March 31, 2019 are as under:

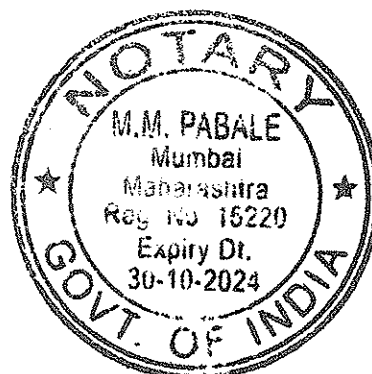
Sr. No	Qualification	Response to Audit Qualification / observations
1(a)	Note 1.5 to the accompanying standalone Ind AS financial statements, on January 1, 2019, the Company, its Holding Company (Infrastructure Leasing & Financial Services Limited) and its fellow subsidiary (IL&FS Financial Services 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	An order received from NCLT dated January 01, 2019 has allowed a petition by the Union of India for reopening of the books of accounts and recasting of the financial statements under Section 130 of the Companies Act for the five financial years between 2013-14 to 2017-18 of IL&FS and its Subsidiaries IFIN and ITNL. Accordingly, the NCLT has appointed firms to carry out the re-opening and recasting of financial statements which is under progress. The company will make the required adjustments once the recasting process is completed.
1(b)	Note 1.6 to the accompanying standalone Ind AS financial statements, the Board of Directors of the Holding Company have initiated a third-party forensic examination of various matters for the period April 2013 to September 2018, which is currently ongoing.	The New Board of IL&FS (New Board), in January 2019, has initiated a forensic examination for the period from April 2013 to September 2018, in relation to certain companies of the Group, and has appointed an independent third party for performing the forensic audit and to report their findings to the to the New Board The Company has received one Interim report and the same was discussed in the Board meeting of the Company held on November 28, 2019. Copy of the said report has also been shared with regulatory agencies 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(c)	Note 1.7 to the accompanying	The Ministry of Corporate Affairs ("MCA"),



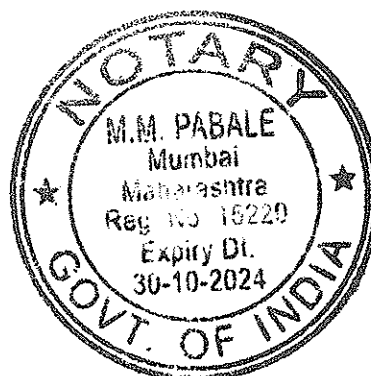
	standalone Ind AS financial statements, there are ongoing investigations by various regulatory authorities on the Company including investigation in respect of borrowings obtained from the third parties having outstanding balance amounting to Rs. 1,183.98 Crores as at March 31, 2019 as fully described in Note 1.19 to the accompanying standalone Ind AS financial statements	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(d)	Note 1.8 to the accompanying standalone Ind AS financial statements, management is in the process of reconciling claims received with its books of account.	Pursuant to the "Third Progress Report – Proposed Resolution Framework for the IL&FS Group" dated December 17, 2018 and the "Addendum to the Third Progress Report – Proposed Resolution Framework for IL&FS Group" dated January 15, 2019 ("Resolution Framework Report") submitted by the Company to the Ministry of Corporate Affairs, Government of India which, in turn, was filed with the Hon'ble National Company Law Appellate Tribunal ("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 June 05, 2019 (subsequently extended till February 05, 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.
	Consequently, the accompanying standalone Ind AS financial statements do not include any possible adjustments arising from the aforesaid matters, including to the extent these may affect prior period comparatives presented therein.	The CMA have submitted their report on the status of the claims received and its admission status (details provide in note 1.8). 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 in 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. In respect of claims filed by operational creditors, based on the ongoing review the Company has provided the reconciliation for differences amounting to Rs ₹.440.23 crore to the CMA and the revert is awaited.
2	Note 1.12 and Note 1.13 to the accompanying Ind AS financial statements which explains the uncertainties involved in determining the recoverable value considered for determining provision for impairment and expected credit loss on investments, 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	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 attached 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 and other entities in the Group. 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. The Board in consultation with management, has performed an assessment to determine the



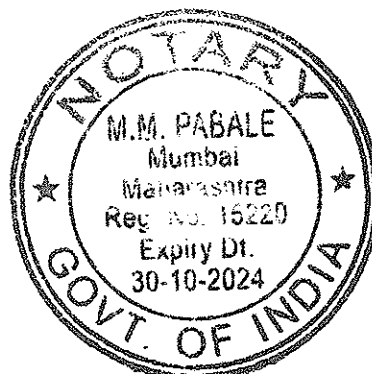
<p>financial statements. Further, the distribution mechanism applied for determining recoverable amount is not in accordance with distribution mechanism approved by National Company Law Appellate Tribunal ('NCLAT') vide its order dated March 12, 2020;</p> <p>b) Recoverable amount considered in case of 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;</p> <p>c) Recoverable amount for certain Receivable Balances is based on Fair Valuation, which is subject to various internal and external factors including significant assumptions, as at September 30, 2018 and does not consider any adjustment to the present value of the cash flows / working capital upto March 31, 2019;</p> <p>d) As further explained in Note 1.12, the recoverable amount for certain Receivable Balances does not consider the requirement of the relevant Ind AS 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.</p> <p>e) As mentioned in the note 1.12 to the accompanying standalone financial statements, 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</p>	<p>recoverability of the carrying amounts of the investments, loans, trade and other receivables from its subsidiaries and other entities. For determining the recoverable amount, the Company has made its assessment on the following basis</p> <table border="1"> <thead> <tr> <th>Category</th> <th>Basis</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>Entities where Binding Financial bids have been received and approved by the Board, recoverable amount has been determined basis the financial bid received.</td> </tr> <tr> <td>B</td> <td>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 valuers' engaged by the New Board during the divestment process.</td> </tr> <tr> <td>C</td> <td>Entities where no Financial bids were received, recoverable amount has been determined basis Fair market valuation obtained through an independent third-party valuer.</td> </tr> <tr> <td>D</td> <td>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.</td> </tr> <tr> <td>E</td> <td>For other entities, recoverable amount has been determined on the basis of: <ol style="list-style-type: none"> Market valuation with appropriate illiquidity discount in respect of listed entities. Net Asset Value based on audited/management accounts of the entities. 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. Estimated realisable value based on realisable value of underlying assets. For certain entities based on management best estimate. For overseas entities, realisable value considered as ₹ Nil. </td> </tr> </tbody> </table>	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 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.	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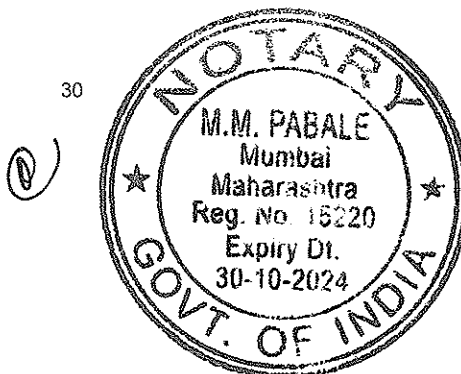
	<p>In view of the above uncertainties involved and absence of sufficient appropriate audit evidence to support the estimates / judgements used in determination of recoverable amount for computing the impairment / expected credit loss, we are unable to comment on the possible effects of changes, on account of aforesaid factors, on these standalone Ind AS financial statements</p>	<p>In respect of one project, the latest traffic study report (received by the SPV on April 17, 2018) was inadvertently not considered for computing projected cash flows for carrying out impairment assessment as at March 31, 2018. In view of management, if the said traffic study was used and its consequent impacts on other assumptions was considered at that time, impairment provision could not have been determined as at March 31, 2018 in the said project.</p> <p>In the current year, impairment assessment has been carried out considering the said latest traffic study report and in accordance with the approach detailed hereinabove and necessary provision made in the profit and loss account</p> <p>Based on above assessment, the Company has made an impairment provision in respect of the balance of loans, receivables, Contract assets, Other financial assets and investments from its subsidiaries and group companies aggregating to ₹ 5,682.77 crore, ₹ 2,229.59 crore, ₹ 368.51 crore, ₹ 50.44 crore and ₹ 5,971.71 crore respectively, and recorded net loss on fair value changes of Rs101.67 crore on financial assets measured at fair value through profit and loss, arising from transactions up to September 30, 2018</p> <p>In the view of the Company, the impairment provision made is prudent and represents the economic substance of the amounts recoverable</p>
3	<p>Note 1.11 of the accompanying standalone Ind AS financial statements, the Company is in the process of reconciling the completeness and status of financial guarantees, performance guarantees, letter of awareness, letter of comfort, sponsor guarantees and corporate guarantees extended by it to its group / other companies (including overseas subsidiaries) in the period prior to September 30, 2018, pending which, the Company has not recognised any resultant liabilities, if any, in the accompanying standalone Ind AS financial statements. Consequently, the accompanying standalone Ind AS financial statements do not include any possible adjustments in this regard</p>	<p>The Company has issued financial guarantees to its group companies. Management is in the process of reconciling the completeness and status of financial guarantees 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 claims management process.</p>
4	<p>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 Ind AS financial statements:</p> <p>a) Amounts paid during the year to certain related parties which are classified as loans amounting to Rs.</p>	<p>a) Loans to related parties of 7.5 Cr were provided in normal course prior to September 30, 2018. These entities have been categorised as Red entities and accordingly the exposures to these entities have been fully provided in accordance with the policy adopted by the Audit Committee of IL&FS</p> <p>b) In respect of construction costs and Other direct expenses, the contracts to these parties were awarded by the erstwhile senior management of the Company. These expenses have been accounted basis duly approved work orders, invoices and related supporting</p>



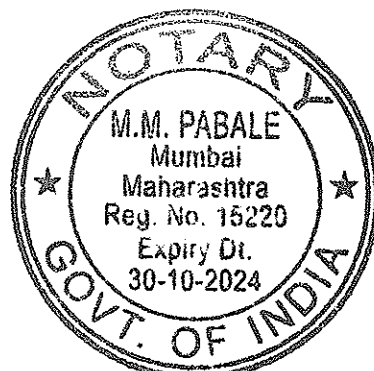
	<p>7.50 Crores have been fully impaired during the year as fully described in Note 5 (c) to the accompanying standalone Ind AS financial statements.</p> <p>b) Construction cost and other direct expenses incurred/debited to statements of profit and loss during the year, verified by us on a test check basis, amounting to Rs. 52.26 Crores as fully described in Note 24.1 to the accompanying standalone Ind AS financial statements and in respect of Other expenses amounting to Rs. 3.50 crores.</p>	<p>documentation / reports. As further mentioned in Note 1.6 of the standalone Ind AS financial statements, the forensic audit firm is in the process of carrying out further examination relating to certain aspects described more specifically in note 24.1 of the attached stand-alone financial statements</p> <p>c) Other expenses include ₹3.50 crore towards Sponsorship of an event in May 2018. The expense was incurred basis approval provided by the erstwhile Managing Director of the Company</p>
5	<p>As fully described in the Note 4 (i) to the accompanying standalone Ind AS financial statements, the Company has invested Rs. 172.60 Crores in the units of Real Estate Assets Performance Fund – I, a SEBI registered Fund, measured at fair value amounting to Rs. 63.73 Crores 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 Ind AS financial statements, if any.</p>	<p>The investment was approved by erstwhile management and ratified by erstwhile Board of the Company. During the current year, in view of the developments at the Company as mentioned in note 1.2 of the attached stand-alone Financial Statements, the Company has performed an assessment of the recoverability of the carrying amounts of its investments as mentioned in note 1.12 to these stand-alone financial statements and following the rationale / basis mentioned therein, has determined fair value for its investment in units of the scheme of the Fund, based on the valuation of its underlying investments (in accordance with note 1.12 to these standalone Ind AS 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 valuation loss on Investments recognised through profit and loss</p>
6	<p>As fully described in the note 1.5 to the accompanying standalone financial statements and further noted in paragraph 1 of our report 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</p> <p>(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 Rs. 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 4(i) to the accompanying standalone Ind AS financial statements.</p> <p>(b) Transfer of equity shares of wholly owned subsidiary Rajasthan</p>	<p>(a) 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 binding 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</p> <p>These 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/release 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</p> <p>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</p>



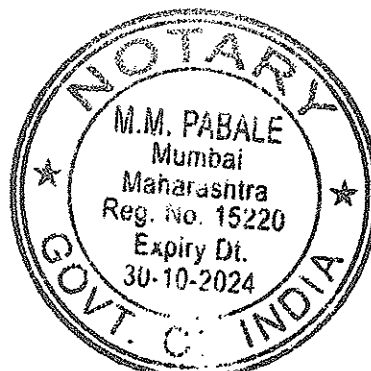
<p>Land Holdings Limited (RLHL) to Pario Developers Private Limited ('Pario') (which was treated as an associate) in exchange for Preference Shares issued by Pario which had resulted in gain amounting to Rs. 147.50 Crores in the previous year as fully described in Note 4(j) to the accompanying standalone Ind AS financial statements.</p> <p>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 Rs. 223.54 crores</p>	<p>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).</p> <p>As at March 31, 2019, the Company has fair valued its 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</p> <p>(b) 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</p> <p>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</p> <p>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 to 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 Shareholders 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</p>
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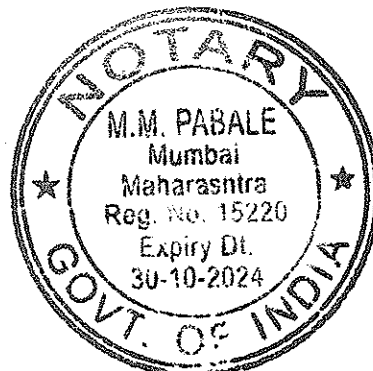
		<p>subsidiary. The application has been accepted by Hon'ble NCLAT Jaipur in September 2019 and a Resolution Professional has been appointed to oversee the operations of Company.</p> <p>Pursuant to various developments mentioned in note 1.2 above, issues faced by the Developer and recent developments at RLHL, the proposal for residential and commercial complexes project has not progressed and the current 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))</p> <p>d) As a result of the various events that have taken place in the Company 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 and particularly with respect to these transactions/ matters, the Company in the current year has performed an assessment to determine the recoverability of the carrying amounts of its investment in aforementioned Units and Preference shares following the basis mentioned in note 1.12 to these stand-alone financial statements and recognised necessary provisions for the impairment / fair valuation of these investments / units</p> <p>As mentioned in (1) above, the process of re-opening and re-casting of financial statements is currently in progress. Management is of the view that charge on account of impairment / fair valuation of these investments/ units has arisen due to subsequent actions / breaches by these counter parties as described in para (a) and (b) above and the events described in note 1.2 of these standalone Ind AS financial statements, it will however be evaluating these transactions along with various business transactions in those years for possible re-casting, if any, during the re-opening and re-casting 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</p>
7	<p>Note 5 (d) to the accompanying standalone financial statements, the Company had assigned Loans given to its subsidiaries to a Bank on a Recourse basis and derecognized the said financial asset from the balance sheet amounting to Rs. 1,000 Crores which is not in accordance with IND AS 109. Accordingly, financial assets and financial liabilities included in these financial statements for the current year</p>	<p>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</p>

	and previous year are understated by the said amount.	Company). The LoA 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. The Company believes that there was never any intention to provide any recourse to itself and the same is also evident from the fact that during the current year, 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 in these standalone Ind AS financial statements
8	<p>We have not received audit evidence as follows:</p> <p>a) Reconciliation of differences with banks mentioned in Note 1.17 to the accompanying standalone Ind AS financial statements aggregating Rs 426.34 Crores, 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 Rs 420.13 Crores, for which the management is not aware of its nature and the same are in the process of being reconciled by the Company (included in Note 13 to the accompanying standalone Ind AS financial statements).</p> <p>b) Reconciliation with vendors/ sub-contractors as mentioned in Note 1.8 to the accompanying standalone Ind AS financial statements.</p> <p>Accordingly, we are unable to comment on the consequential effects of the above, on the accompanying standalone Ind AS financial statements</p>	<p>The Company has done extensive follow up and will continue its efforts to get the requisite documents and confirmations from the banks. Also, the Company has written letters protesting any unilateral adjustments pending final outcome of resolution and claim management process</p> <p>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</p>
9	Note 24.1 of the accompanying standalone Ind AS financial statements, 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 Ind AS financial statements if any.	<p>Further to note 1.6 and 24.1, the forensic auditor appointed by the New Board is in the process of carrying out further examination relating to certain aspects described in note 24.1</p> <p>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</p>
10	Note 1.18 of the accompanying standalone Ind AS financial statements as at March 31, 2019, the Company has	Subsequent to the balance sheet date, the Company has carried out physical verification of Property, Plant and Equipment at sites through in-house teams and made a



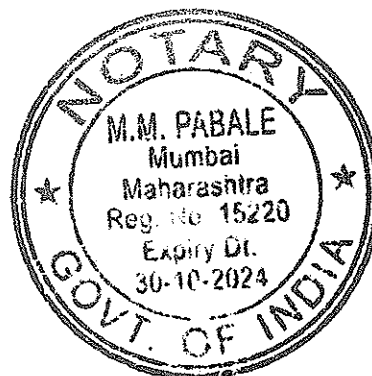
	not carried out analysis for determination of recoverable value as per Ind AS 36 'Impairment of assets' and net realisable value as per Ind AS 2 'Inventories' of its Property and plant and equipment and Inventories respectively. Further, no physical verification for inventories has been carried out. Consequently, the accompanying standalone Ind AS financial statements do not include any possible adjustments in this regard	provision of Rs 14.61 towards assets discarded / significantly damaged / scrapped The Company has also carried out verification of inventory at sites through the respective Site teams
11	Note 3 (c) of the accompanying standalone Ind AS financial statements 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.	Investment property consists of 22,692 sq.ft carpet area of commercial property in Mumbai. The investment property is held under freehold interests and offered as a security given to one of the lenders of the Company. The property has been under construction from past couple of years and completion has been substantially delayed. Out of 22,692 sq.ft (carpet area), Occupation Certificate (OC) has been received for 5312 sq. ft (carpet area) only. The Company intends to sale the property on "as is" basis and has invited Expression of Interests for the same. Considering that substantial part of the property is yet to received OC and in view of the current depressed market conditions, the Company on a conservative basis has valued the said investment property at Ready Reckoner Rate (circle rate) setup by Maharashtra State Government. The Company basis the said valuation, has recognised impairment loss of ₹ 37.57 crore in these financial statements.
12	Note 1.10 to the accompanying standalone Ind AS financial statements, 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 Ind AS financial statements in this regard.	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. 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.
13	Note 1.9 to the accompanying standalone Ind AS financial statements, 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	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



	<p>arising from such non-compliances, no adjustments have been made to the accompanying standalone Ind AS financial statements.</p>	<p>VAT Regulations, Regulations of the Reserve Bank of India as applicable to the Company and Foreign Exchange Management Act, 1999.</p> <p>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.</p> <p>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</p>
14	<p>Note 1.14 to the accompanying standalone Ind AS financial statements, 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 Ind AS financial statements and disclosures of related party transactions and balances in Note 41, to the accompanying standalone Ind AS financial statements.</p>	<p>The Company and its Group entities have been facing capacity issues due to loss of key employees while meeting the need for servicing information requirements and providing clarifications to multiple investigating agencies, providing information to enable the ongoing asset monetization and restructuring activities and meeting 'going concern' requirements. Therefore, audited financial statements of several subsidiaries, associates and joint ventures of the Company for the year ended March 31, 2019, are not available. The Company is in the process of performing and completing the confirmation and reconciliation of intercompany balances with its subsidiaries, associates, joint ventures.</p>
15	<p>We have not received responses to our request for such direct balance confirmations towards borrowings of Rs.3,507 Crores, Bank balances of Rs. 61 Crores, certain Trade receivable balances aggregating to Rs. 105 Crores, certain loans and advances aggregating to Rs. 251 Crores and certain trade payables of Rs. 843 Crores and confirmation from banks / financial institutions in respect of details of securities, lien, collaterals, guarantees etc.</p>	<p>The Company has done extensive follow up and will continue its efforts to get the requisite documents and confirmations.</p> <p>Further, under the claims management process, these parties have already filed their claims and accordingly, there is indirect acknowledgement available with the Company.</p>

COST AUDITOR AND COST AUDIT REPORT

Your Company is required to maintain the cost records under sub-section (1) of section 148 of the Companies Act, 2013 and accordingly all such accounts and records are duly made and maintained by the Company. Pursuant to Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 framed thereunder, the Board of Directors had appointed M/s. Chivilkar Solanki & Associates, Cost Accountants as Cost Auditors for FY 2018-19.



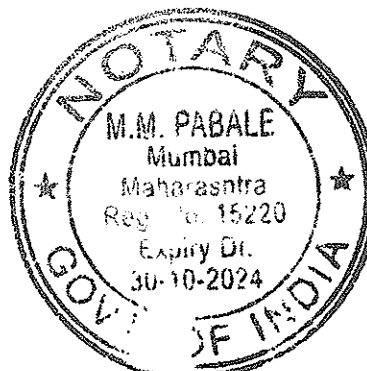
M/s. Chivilkar Solanki & Associates have conveyed their consent and confirmed their eligibility for appointment as Cost Auditors. The Board has recommended to the Members, for seeking approval to the remuneration payable to the Cost Auditors for FY 2019-20.

SECRETARIAL AUDIT & SECRETARIAL AUDIT REPORT

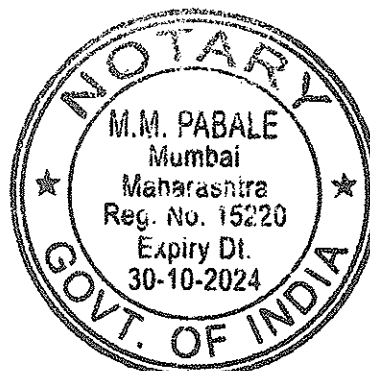
M/s. Mehta & Mehta, Practicing Company Secretaries were appointed by the Board to carry out the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act, 2013 for FY 2018-19. The report of the Secretarial Auditor is set out herewith as **Annexure I** to this report.

The Management Representation on the qualifications/ observations/ remarks of Secretarial Auditor pertaining to year ended March 31, 2019 are as under:

Sl. No.	Qualifications/Observations	Responses to Qualifications/Observations
1.	The Company has paid managerial remuneration exceeding the limits specified under Section 197 of Companies Act 2013.	The Company has initiated actions for recovery of the excess remuneration
2.	Form APR (Annual Performance Report) under Foreign Exchange Management Act, 1999 has not been filed during the reporting period.	Due to non-availability of the financial statements of the overseas subsidiaries the APR could not be filed. However, subsequent thereto steps have been initiated for completion of the audits for filing of the same.
3.	Company has not complied with Regulation 33 and Regulation 47(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to filing of Financial results for the Quarter ended September 30, 2018 and December 31, 2018 as on March 31, 2019 and publication of financial results in newspapers for the Quarter ended September 30, 2018 and December 31, 2018 as on March 31, 2019. BSE & NSE vide its letter dated November 30, 2018 and March 05, 2019 has levied a fine of Rs. 5000 per day for non-compliance till the date of compliance of the said regulation, which has not yet been paid by the Company.	During the financial year 2018-19, the Company has undergone various operational constrains and challenges, like Re-constitution of the Board of the Company, Re-opening of books of accounts and re-casting of the financial statements, Investigation by Serious Fraud Investigating office (SFIO) and special audit conducted by the Grant Thornton Thus, the Company was not in a position to submit its financial statement/results as the preparation of financial statement/results requires management to make various estimates and representation. However, the Company has from time to time submitted reasons in detail for such non-compliance to the stock exchanges and requested to not take any coercive/pecuniary actions against the Company on account of the circumstances mentioned therein and also the moratorium granted by the National



		Company Law Appellate Tribunal to the IL&FS Group including the Company.
4.	Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - with respect to filing of Financial results under Chapter V - Obligations of listed entity which has listed its Non-Convertible Debt securities or Non-Convertible Redeemable Preference shares or both. Company has not complied with the said regulation for the Quarter ended September 30, 2018 as on March 31, 2019	Same as 3 above
5.	Regulation 57(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to submission of certificate to the stock exchange within two days of the interest or principal or both becoming due that the Company has made timely payment of interests or principal obligations or both in respect of the non-convertible debt securities. There are instances where the said certificates have not been submitted to the Stock Exchanges within two days of the interest becoming due.	There were delays on some instances
6.	Regulation 61 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to ensuring of timely payment of interest. The Company has not paid interest on Non-Convertible Debentures due from October 01, 2018 to March 31, 2019. The amount of Redemption for the following Non-Convertible Debentures was not paid: INE975G08017 – Tranche 1, matured on January 23, 2019 INE975G08033 – Tranche II Series II, matured on March 18, 2019.	In view of the severe liquidity crisis faced by the Company, it has not been able to service the NCD Debenture holders.
7.	Regulation 61 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 12 of SEBI (Issue of Listing of Non – Convertible and	In view of the severe liquidity crisis faced by the Company, it has not been able to service the Preference Shareholders.



	<p>Redeemable Preference Shares) Regulations, 2013, ensuring timely payment of dividend and timely redemption of non-convertible redeemable preference shares.</p> <p>Dividend on Cumulative Non – Convertible Preference Shares not paid for period April 01, 2017 to December 23, 2018</p> <p>Amount of Redemption of Cumulative Non-Convertible Redeemable Preference Shares due and payable on December 23, 2018 has not been paid</p>	
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EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return as on March 31, 2019 in Form MGT - 9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, are set out herewith as **Annexure II** to this report.

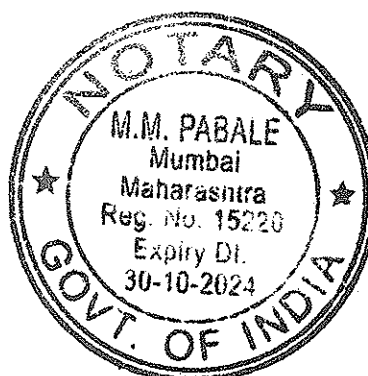
SIGNIFICANT AND MATERIAL ORDERS

The summary of significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and the Company's operations in future is enclosed as **Annexure VI** to this report.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Board has adopted a Policy on appointment and remuneration of Directors which includes the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under Sub-section (3) of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015. The Policy is available on the website of the Company: www.itnlindia.com. The remuneration paid to the Directors and Senior Management personnel is as per Managerial Remuneration Policy of the Company. Brief details of the Managerial Remuneration Policy are provided in the Corporate Governance Report

As a consequence of the losses reported for the year ended March 31, 2019, the same has resulted in the excess payment of remuneration to Mr. K Ramchand (erstwhile Managing Director) and Mr. Mukund Sapre (erstwhile Executive Director) amounting to ₹ 0.70 Crore and ₹ 0.13 Crore respectively aggregating to ₹ 0.83 Crore. The Company has initiated action for recovering the excess remuneration paid to them.



DECLARATION BY INDEPENDENT DIRECTORS

All the erstwhile Independent Directors had provided the declarations that they met the criteria of independence as provided under section 149(6) of the Companies Act, 2013

PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and Regulation 4(2)(f) of the SEBI (LODR) Regulations, 2015, the erstwhile Board of Directors had laid down the criteria for performance evaluation of erstwhile Independent, Non-Independent & Executive Directors. The evaluation of the performance of the erstwhile individual Directors, Committees and the erstwhile Board was noted at the Meeting of the erstwhile Board of Directors of the Company held on May 25, 2018.

CORPORATE GOVERNANCE

A Report on Corporate Governance is enclosed and forms part of this Report. A certificate from the Statutory Auditor on compliance with the provisions of Corporate Governance is also annexed to this Report

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

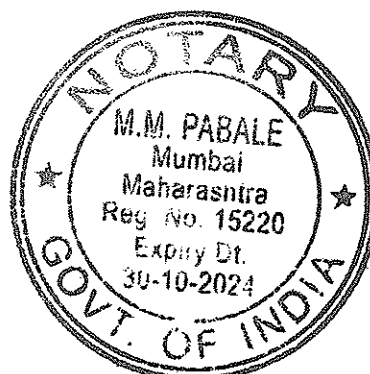
POLICY ON DIVIDEND DISTRIBUTION

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

http://www.itnlindia.com/application/web_directory/Company%20Policies/2017/Dividend%20Distribution%20Policy.pdf

TRANSFER OF UNPAID/UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY:

In terms of Section 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), unclaimed/unpaid dividend for FY 2010-11 and FY 2011-12 lying in the Company's bank account for a consecutive period of seven years amounting to ₹ 1,90,229/- and ₹ 1,87,900/- respectively was transferred to the Investor Education and Protection Fund (IEPF) on November 05, 2018 and December 02, 2019. Accordingly, the underlying 514 equity shares for FY 2010-11 and 3953 equity shares for FY 2011-12 were also transferred to the demat account of IEPF, the details of which are available on the weblink: http://www.itnlindia.com/invrelation.aspx?page_ID=24&Sec_ID=5.



The Members may lodge their claim for the shares/dividend transferred to IEPF by making an application to IEPF in Form IEPF-5 as per the IEPF Rules. The said form is available on the website of IEPF viz. <http://www.iepf.gov.in/IEPFA/corporates.html>

The dividend for FY 2012-13, which has remained unpaid/unclaimed for a consecutive period of seven years is also due for transfer to IEPF Account on September 14, 2020. The underlying Equity Shares would also be transferred to the demat account of IEPF on the said date. Members who have not claimed the dividend as yet is requested send request for claiming the dividend to RTA immediately. The details are available on the weblink:http://www.itnlindia.com/pdf/files/DV/StatementofUnclaimeddividendamountconsecutivelyfor7years_2018.pdf

RELATED PARTY TRANSACTIONS

The erstwhile Management had developed a Related Party Transactions Policy & Framework which was reviewed and recommended by the then Audit Committee and approved by the erstwhile Board which is uploaded on the Company's website and is available on the link: [http://www.itnlindia.com/application/web_directory/Company%20Policies/2019/RPT%20Policy%20\(Amended\).pdf](http://www.itnlindia.com/application/web_directory/Company%20Policies/2019/RPT%20Policy%20(Amended).pdf)

All Related Party Transactions that were entered into during the Financial Year were on an arm's length basis and were in the ordinary course of business. During the year under review, few material transactions were entered into with the Promoter as disclosed in Form AOC-2 annexed as **Annexure VII**.

It should be noted that the nature of related party transactions undertaken during the year, prior to October 1, 2018 under the erstwhile management, are under review as part of various internal and external investigations that have been initiated.

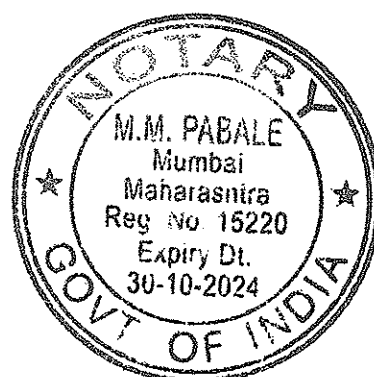
POLICY FOR PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

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

WHISTLE BLOWER POLICY

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

Two complaints were received via the Whistle Blower Mechanism during the year under review and have been duly addressed by the Company.

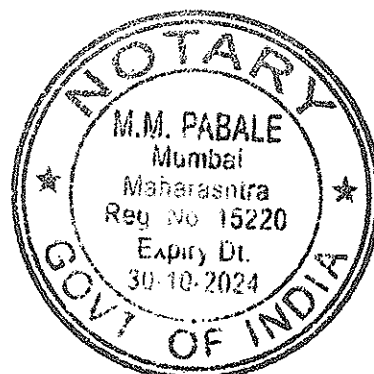


The Whistle Blower Policy adopted by the Company is available on the website of the Company. The same can be viewed through the link: http://www.itnlindia.com/application/web_directory/Company%20Policies/Whistle%20Blower%20Policy.pdf

RISK MANAGEMENT

Your Company had a risk management framework and compliance systems including the risk management policy adopted by the erstwhile management. Given the circumstances in which the New Board was appointed on October 1, 2018, the New Board has reviewed and put in place a revised and updated risk management framework which takes into account the complexity of IL&FS Group structure and the situation with respect to operations/liquidity management. It has also implemented certain key initiatives to protect interests of the stakeholders in order to mitigate the risks being faced by the Company (and the IL&FS Group), which are as follows:

- Engagement of expert agencies to assist the New Board in the ongoing resolution of the Company and of the IL&FS Group. External Resolution Consultant, Financial and Transaction Advisors, Claims Management Advisor and Legal Advisors have been appointed.
- Constitution of an 'Operating Committee' to work on a day to day basis to ensure co-ordination among group companies and maintain uniformity in the decisions taken across the IL&FS Group.
- Constitution of an 'Asset Sale Committee' to undertake all necessary actions and take decisions in relation to the asset monetization process (being undertaken in line with the Resolution Framework Report).
- Introduction of new position, Chief Operating Officer ("COO"). The COO is responsible for oversight of day to day operations of the IL&FS Group and providing hands-on leadership for and oversight of the asset monetization efforts. The COO is part of the Operating Committee and the Asset Sale Committee.
- Institution of a group-wide payment protocol. One of the most pressing challenges which the New Board faced immediately upon taking over was the significant liquidity constraints being faced by the IL&FS Group, including the fact that (as highlighted in the First Report) there was no suitably empowered central financial control function that maintained information and accuracy at the group level. With an aim to manage liquidity, ensuring statutory compliance, preserving value and maintaining 'going concern' status, the New Board, based on discussions with the External Resolution Consultant instituted a payment protocol for the entire IL&FS Group ("**Payment Protocol**"). The Payment Protocol ensures that no selective payment is made to creditors which could prejudice interests of other stakeholders (i.e. the risk of being classified as a 'preferential payment'). The External Resolution Consultant has been assisting the New Board in periodically monitoring and reviewing the liquidity position of key entities in the IL&FS Group, including conducting the following key oversight functions:
 - (i) **Preparing monthly cash budget:** Preparation of a budget by the respective entity's management based on forecast of collections from customers, prioritization of payments based on the Payment Protocol and cash available, actual cash flows in the previous period etc.;



- (ii) **Reviewing operational issues:** Discussion and mitigation of key operational issues faced by the entities, such as delay in collections from customers, stoppage of supply by specific vendors / service providers, termination of projects, lenders not permitting 'going concern' payments etc.;
- (iii) **Tracking key liquidity parameters:** Periodic collation and review of cash balances across entities, amount of cash deployed in interest bearing instruments, tracking overdue salaries / statutory liabilities etc.; and
- (iv) **Identifying avenues for cash generation/ preservation:** Identification of entities with significant cash gap and determining focus areas for the respective managements such as following up on claims/ old receivables, releasing funds lien marked by lenders, cost reduction, sale of non-core assets etc.

The External Resolution Consultant also conducted a cash flow solvency test based on a '12 month look-forward' testing period ("Testing Period") based on which 150 entities (incorporated in India) of the IL&FS Group have been classified into one of the following categories:

- (a) **"Green" entities** i.e. those entities where there is no payment default/overdues subsisting currently and cash flows to be generated by that entity in the Testing Period from its operations and available cash balances are sufficient to meet all payment obligations of that entity (both operational and financial, secured as well as unsecured) as and when such payment obligations fall due in the Testing Period. These entities also do not rely upon other IL&FS Group entities for any financial support to service its debt obligations (financial and operational);
- (b) **"Amber" entities** i.e. those entities which are not able to meet all their respective obligations (financial and operational) during the Testing Period but can only meet operational payment obligations and payment obligations to senior secured financial creditors (financial creditors whose financial debt is secured by a first charge over the assets of the relevant IL&FS Group entity) during the Testing Period^[1]; and
- (c) **"Red" entities** i.e. those entities which cannot meet their respective payment obligations towards even senior secured financial creditors as and when they fall due in the Testing Period^[2].

You Company has been classified as Red Entity and is permitted to make only payments necessary to maintain and preserve the 'going concern' status.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

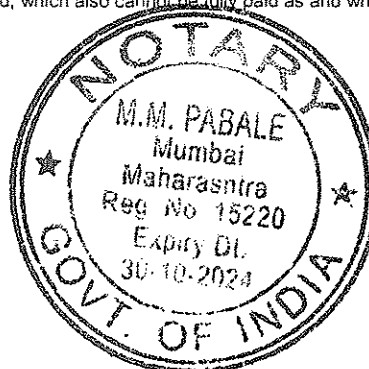
Particulars of investments, loans and guarantees form part of Note no. 4, 5 and 38 respectively to the financial statements provided in the Annual Report

DEPOSITS

Your Company has not accepted any Fixed Deposits under the Companies Act, 2013 during the year under review

¹ For the purposes of determining the categorization as "Amber", in addition to ability of making payment to senior secured creditors of such companies as and when they fall due, the cash flow sufficiency to meet current operational payments (post September 30, 2018) has been considered

² Where the relevant "Red" IL&FS Group entity does not have senior secured financial debt, the unsecured (operational and financial) debt of that IL&FS Group Entity has been considered, which also cannot be fully paid as and when it falls due



ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

During the year under review, your Company's foreign exchange earnings and expenditure was ₹ Nil & ₹ 0.37 Crore respectively

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013, ("the Act") read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, particulars of the employees drawing remuneration in excess of the limits specified therein forms part of this Report as **Annexure III**

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

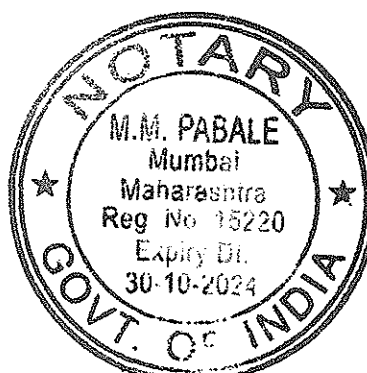
CORPORATE SOCIAL RESPONSIBILITY

The CSR Policy of the Company was approved by the erstwhile Board at its meeting held on May 13, 2014. The CSR Policy was effective from April 1, 2014.

Details of the CSR expenditure during the first six months of the year under review are given in **Annexure V** enclosed to the report.

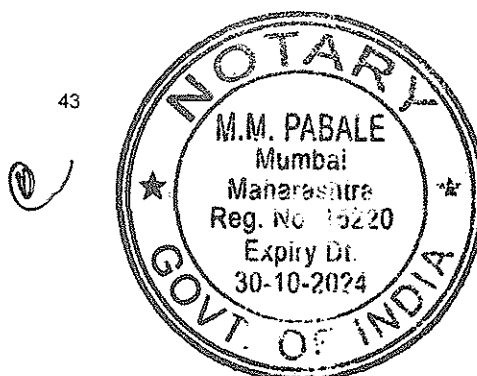
DIRECTORS' RESPONSIBILITY STATEMENT

- (1) On October 01, 2018, based on a petition by Union of India ("UOI"), the erstwhile Board of Directors of Infrastructure Leasing and Financial Services Limited (IL&FS) was suspended by the Hon'ble NCLT and New Board of Directors was appointed.
- (2) The New Board of IL&FS thereafter, pursuant to the authority granted by the Hon'ble NCLT, nominated the appointment of Directors on the Board of the Company. Accordingly, at the First Board Meeting of the Company held thereafter on October 25, 2018, 2 Directors (Mr Vineet Nayyar and Mr C S Rajan) representing the New Board were appointed on the Board of the Company. Subsequent thereto, 2 more Directors (Mr Nand Kishore and Mr Bijay Kumar) were nominated by the New Board of IL&FS and inducted on the Board of the Company. Accordingly, in respect of the period prior to October 25, 2018, the Directors nominated by the New Board of IL&FS are unable to and do not confirm the compliance with the requirements of the provisions of the Companies Act 2013.
- (3) The Board of the Company has on a best effort basis and after considering the complexity of the operations, including challenges in implementing the resolution



plan, put in place a framework for preparation of financial statements, selection of accounting policies, maintenance of accounting records and prevention and detection of frauds for periods subsequent to their appointment. The Company has also faced several challenges in obtaining financial information and in being able to prepare its financial statements for the year ended March 31, 2019 in view of severe resource and other constraints. Having regard to these matters, the Company has applied judgments and estimates for several matters on applying prudence and conservatism for accounting and has tried to reflect substance over form in respect of transactions and balances in order to derive the business sense from the transactions and events and to present them in a manner that best reflects their true essence based on current estimates. These estimates may change due to subsequent events and are subject to the internal and external investigations that have been initiated.

- (4) The Company's accounts for the 5 financial years ended 2017-18 are undergoing the process of reopening and restatement, pursuant to an order of the Hon'ble NCLT. The SFIO and the IL&FS Board have also initiated their respective, independent investigations on various matters in relation to the Company, for past years and for the current financial year up to September 30, 2018. The possible outcomes of these matters and their effects are currently not determinable.
- (5) Section 134(3)(c) of the Companies Act, 2013, requires the Board of Directors to provide a statement to the Members of the Company in connection with maintenance of books, records, and preparation of Annual Accounts in conformity with accepted accounting standards and past practices followed by the Company.
- (6) Pursuant to the foregoing and to the best of the knowledge and belief of the current Board of Directors of the Company, on the basis of representations received from the operating management and after due enquiry and having regard to the matters discussed previously and subject to the various limitations due to the extenuating circumstances, it is confirmed that.
 - (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures. Such departures, which are stated in the relevant notes to the financial statements, have been done having regard to the prevailing conditions under which the Company is operating currently as more fully explained in paragraphs 1-4 above;
 - (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period, having regard to the prevailing conditions under which the Company is operating currently;
 - (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the applicable Regulations for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, from the period from which the members of the Board have been appointed. The directors have put in place controls and processes in respect of resolution processes / transactions from October 25, 2018 to March 31, 2019;



- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company in respect of the period from October 25, 2018 from which date the new members of the Board have been appointed and that such internal financial controls were adequate and were operating effectively as at year end, except that due to the prevailing conditions under which the Company is operating currently, and having regard to the matters stated;
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively, commencing from the period from October 25, 2018, having regard to the various matters discussed earlier that have resulted in the current status of the Company.

ACKNOWLEDGMENTS

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

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

By the Order of the Board

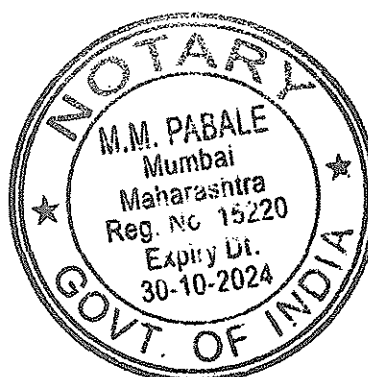
Sd/-
Chandra Shekhar Rajan
Director
(DIN: 00126063)

Sd/-
Vineet Nayyar
Director
(DIN: 00018243)

Sd/-
Nand Kishore
Director
(DIN: 08267502)

Sd/-
Bijay Kumar
Director
(DIN: 07262627)

Mumbai, June 4, 2020



ANNEXURE I

Form MR-3
SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
IL&FS Transportation Networks Limited
The IL&FS Financial Centre, Plot no. C-22,
G Block, Bandra Kurla Complex, Bandra (E)
Mumbai - 400051

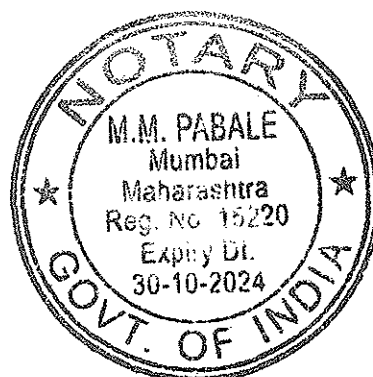
We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IL&FS Transportation Networks Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for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

Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, vide its order dated 01.10.2018 suspended the existing Board of Directors of Infrastructure Leasing and Financial Services Limited ("ILFS"), the holding company, with immediate effect on the grounds of mismanagement by the erstwhile Board of the Company and the affairs of Company being conducted in a manner prejudicial to the public interest and the new persons, Mr. Vineet Nayyar and Mr. C S Rajan were appointed as Directors in terms of Section 242(2)(k) of the Act, to manage the affairs of Infrastructure Leasing and Financial Services Limited. As a consequence, the nominee Directors of ILFS on the Board of the Company i.e Mr. Hari Sankaran and Mr. Arun K. Saha ceased to be Directors of the Company with immediate effect and new Directors Mr. Vineet Nayyar Mr. Nand Kishore and Mr. C S Rajan were appointed as Nominee Directors of Infrastructure Leasing and Financial Services Limited ("ILFS") during the reporting period.

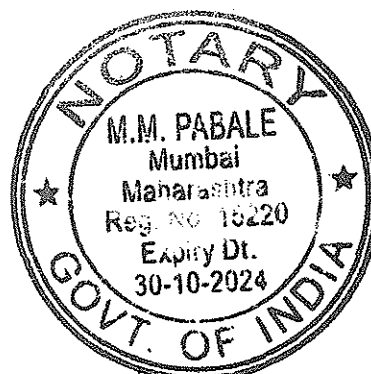
Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made and the qualification / remarks indicated hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

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- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (during the period under review not applicable to the Company);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (during the year under review not applicable to the Company);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and amendment from time to time (during the period under review not applicable to the Company);



(i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013

(vi) As represented by the management, no law is specifically applicable to the Company.

We have examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by the Institute of Company Secretaries of India. The Company is generally compliant with respect to compliances under Secretarial Standards - 1. There were few instances of non - compliances with respect to Secretarial Standard-1.
- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc. mentioned above to the extent *applicable except the qualification/ remarks mentioned as per Annexure B of this report.*

We further report that:

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors upto 30.09.2018, thereafter pursuant to Order of National Company Law Tribunal (NCLT) dated 01.10.2018, new Directors were appointed in terms of provisions of Section 242(2) (k) of the Act and previous Board of Directors were suspended on the Board of ILFS, the holding Company. As a consequence, the changes in the composition of the Board of Directors of the Company that took place during the period under review were carried out in compliance with the provisions of the Act, except the appointment of Woman Director.

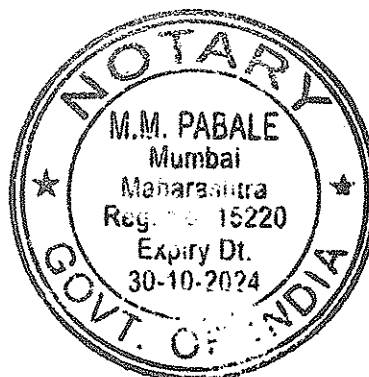
Adequate notice generally given to all Directors to schedule the Board meetings. However, there were few instances of non - compliance with respect to provisions of Secretarial Standard 1.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the Minutes.

We further report as per the representations made by the management and relied upon by us, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines to the best of its efforts in view of the extraordinary situation faced by the Company as mentioned in this report during the period under review.

As per the representations made by the management and relied upon by us. We further report that during the audit period, the specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc.,

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having a major bearing on the Company's affairs are detailed in "Annexure A".

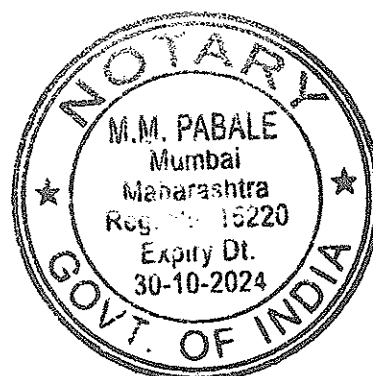
For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

SD/-

Atul Mehta
Partner
FCS No : 5782
CP No. : 2486
UDIN : F005782B000315344

Place : Mumbai
Date : June 4, 2020

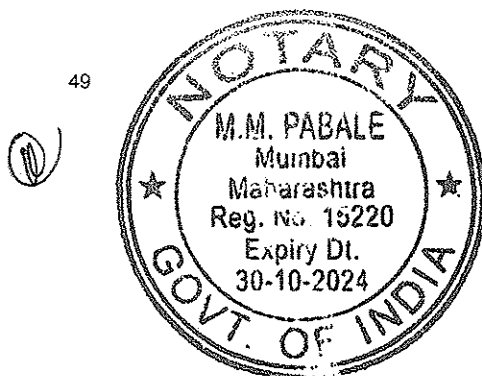
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Annexure A

**List of Specific Events / Actions having a major bearing on the
Company's affairs**

1. The Company has redeemed 2,00,00,000 Cumulative Redeemable Preference Shares of Rs. 10 each on May 31, 2018.
2. The Company has increased its authorized share capital from existing Rs. 1500,00,00,000 comprising of Equity share capital of Rs. 500,00,00,000 divided into 50,00,00,000 Equity shares of Rs. 10/- each and Preference share capital of Rs. 1000,00,00,000 divided into 100,00,00,000 Preference shares of Rs. 10 each, to Rs. 2500,00,00,000 comprising of Equity Share Capital of Rs. 2000,00,00,000 divided into 200,00,00,000 Equity Shares of Rs. 10 each and Preference Share Capital of Rs. 500,00,00,000 divided into 50,00,00,000 Preference Shares of Rs. 10 each by reclassifying the un-issued Authorized Preference Share Capital of the Company to the extent of Rs. 500,00,00,000 divided into 50,00,00,000 Preference Shares of Rs. 10 each as Equity Share Capital by way of cancellation of the said Authorized Preference Share Capital and by further creation of additional capital of 117,10,39,973 Equity Shares of Rs. 10/- each.
3. The Company has allotted 1,000 rated, listed, unsecured, Redeemable Non-Convertible Debentures each having a face value of Rs. 10,00,000 aggregating to Rs. 100,00,00,000 on a private placement basis on April 27, 2018.
4. The Company has allotted 990 Rated, Listed, Redeemable, Non-Convertible Debentures of the face value of Rs. 10,00,000 on a private placement basis on May 25, 2018.
5. On October 1, 2018, the Government of India filed a petition with National Company Law Tribunal (NCLT) to take control of the Board of Infrastructure Leasing & Financial Services Limited (IL&FS), the holding company. Consequent to those proceedings on October 1, 2018, the NCLT had passed orders to change the IL&FS Board and appointed new nominees on the Board of IL&FS. As a consequence, the nominee Directors of ILFS on the Board of the Company i.e Mr. Hari Sankaran and Mr. Arun K. Saha ceased to be Directors of the Company with immediate effect.
6. The Ministry of Corporate Affairs (MCA), Government of India, has vide its letter dated October 1, 2018 initiated investigation by the Serious Fraud Investigation Office (SFIO) for IL&FS and its subsidiaries (including the Company) 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.
7. The Company has issued and allotted Debentures under Private Placement. The Company was unable to service its obligations from



September 2018 in respect of the Principal and Interest with respect to Non – Convertible Debentures, Dividend payment and redemption with respect to Preference Shares.

8. Pursuant to order by the National Company Law Appellate Tribunal (NCLAT) on October 15, 2018, all actions and proceedings by creditors against the Company, being a group company of ILFS, have been restricted until further orders.
9. NCLT vide its order dated 01.01.2019, permitted reopening and recasting of the accounts of the Company for the past 5 financial years, under Section 130(i)(ii) of the Companies Act 2013, by a Chartered Accountant.
10. The Serious Fraud Investigation Office, Ministry of Corporate Affairs, New Delhi has initiated investigation into the affairs of the Company under section 212 (1) of the Companies Act, 2013.
11. The Company had made an application to The Registrar of Companies, Maharashtra, Mumbai requesting for an extension of time for the purpose of holding Annual General Meeting (AGM) for the financial year ended 31.03.2019. The said application was subsequently approved by The Registrar of Companies, Maharashtra, Mumbai and the extension to hold AGM was granted for three months from the last date of holding AGM.
12. NCLT vide its order dated February 11, 2019 has classified the Company in the category of “Red Entities” i.e Domestic group entities which cannot meet their payment towards even senior secured financial creditors, as and when such payment obligations become due.

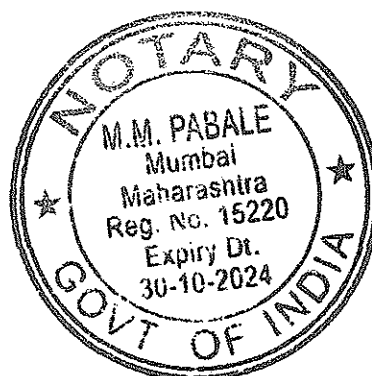
For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)

SD/-
Atul Mehta
Partner
FCS No : 5782
CP No. : 2486
UDIN : F005782B000315344

Place : Mumbai
 Date : June 4, 2020

Note: This report is to be read with our letter of even date which is annexed as ‘ANNEXURE C’ and forms an integral part of this report.

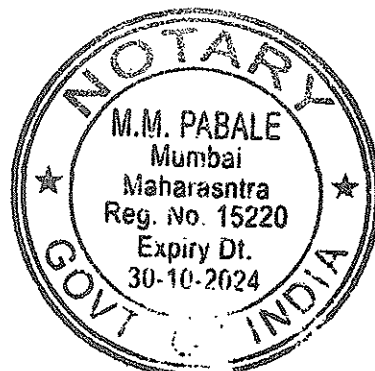
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Annexure B

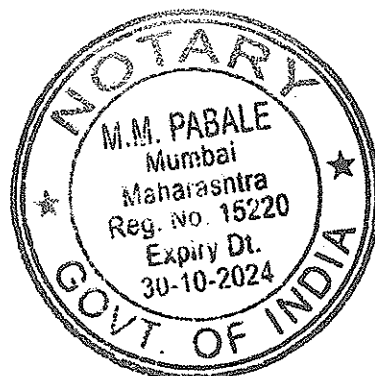
Qualifications/remarks upon verification of documents of the company for the Financial Year 2018-19

Sr. No	Observations with respect to Companies Act 2013
1.	The Company has paid managerial remuneration exceeding the limits specified under Section 197 of Companies Act 2013.
2.	Form APR (Annual Performance Report) under Foreign Exchange Management Act, 1999 has not been filed during the reporting period.
Company has not complied with the following SEBI Regulations	
3.	Company has not complied with Regulation 33 and Regulation 47(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to filing of Financial results for the Quarter ended September 30, 2018 and December 31, 2018 as on March 31, 2019 and publication of financial results in newspapers for the Quarter ended September 30, 2018 and December 31, 2018 as on March 31, 2019. BSE & NSE vide its letter dated November 30, 2018 and March 05, 2019 has levied a fine of Rs. 5000 per day for non-compliance till the date of compliance of the said regulation, which has not yet been paid by the Company.
4.	Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - with respect to filing of Financial results under Chapter V - Obligations of listed entity which has listed its Non-Convertible Debt securities or Non-Convertible Redeemable Preference shares or both. Company has not complied with the said regulation for the Quarter ended September 30, 2018 as on March 31, 2019
5.	Regulation 57(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to submission of certificate to the stock exchange within two days of the interest or principal or both becoming due that the Company has made timely payment of interests or principal obligations or both in respect of the non-convertible debt securities There are instances where the said certificates have not been submitted to the Stock Exchanges within two days of the interest becoming due.
6.	Regulation 61 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to ensuring of timely payment of interest. The Company has not paid interest on Non-Convertible Debentures due from October 01, 2018 to March 31, 2019. The amount of Redemption for the following Non-Convertible Debentures was not paid: INE975G08017 – Tranche 1, matured on January 23, 2019 INE975G08033 – Tranche II Series II, matured on March 18, 2019.
7.	Regulation 61 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 12 of SEBI (Issue of Listing of Non – Convertible and Redeemable Preference Shares) Regulations, 2013, ensuring timely payment of dividend and timely redemption of non-convertible redeemable preference shares. Dividend on Cumulative Non – Convertible Preference Shares not paid for period April 01, 2017 to December 23, 2018



	Amount of Redemption of Cumulative Non-Convertible Redeemable Preference Shares due and payable on December 23, 2018 has not been paid
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Annexure C

To,
IL&FS Transportation Networks Limited
The IL&FS Financial Centre, Plot no. C-22,
G Block, Bandra Kurla Complex, Bandra (E)
Mumbai - 400051

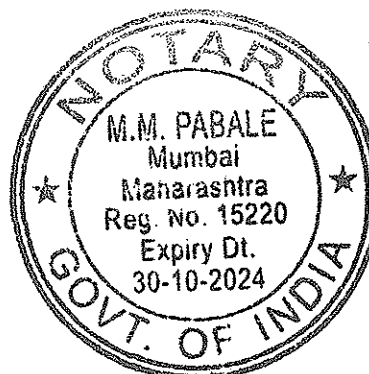
Our report of even date is to be read along with this letter.

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

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

SD/-
Atul Mehta
Partner
FCS No : 5782
CP No. : 2486
UDIN : F005782B000315344
Place : Mumbai
Date : June 4, 2020

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ANNEXURE II

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

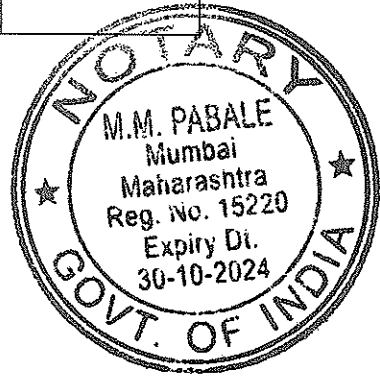
as on the financial year ended on March 31, 2019

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

I. Registration and other details:

Sr. No.	Particulars
1.	CIN L4203MH2000PLC129790
2.	Registration Date November 29, 2000
3.	Name of the Company IL&FS Transportation Networks Limited
4.	Category / Sub-Category of the Company Public Company
5.	Address of the Registered office and contact details The IL&FS Financial Centre, Plot no. C -22, G - Block, Bandra - Kurla Complex, Bandra (East), Mumbai 400 051
6.	Whether listed company Yes / No Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any Link Intime India Private Ltd C 101, 247 Park, L B S Marg, Vikhroli (West), MUMBAI - 400 083 Phone: +91 22 49186000 Fax: +91 22 49186060

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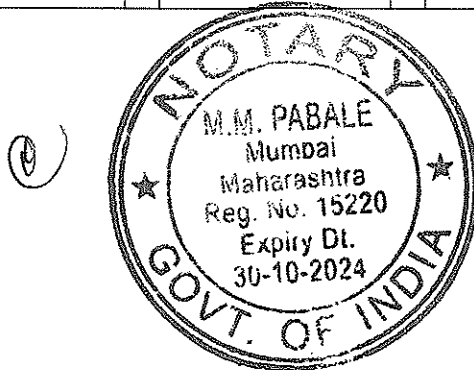
II. Principal business activities of the company:

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

Sr. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Development, Implementation, Construction Management, Operation & Management of Toll Roads And Advisory Services Relating To Road Sector Projects in India	42101	29.59% (O&M and Overlay Revenue)

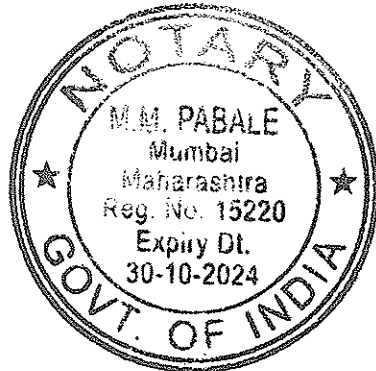
III. Particulars of holding, subsidiary and associate companies including Jointly Controlled Entities:

Sr No.	Name and address of The company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section of the Companies Act, 2013
Holding Company					
1.	Infrastructure Leasing & Financial Services Ltd The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	U65990MH1987PLC044571	Holding	71.92	2(46)
Subsidiary / Associate Companies / Joint Venture					
1.	Amravati Chikhli Expressway Limited	U45201MH2015PLC267727	Subsidiary	100.00	2(87)
2.	Baleshwar Kharagpur Expressway Limited	U45400MH2012PLC228590	Subsidiary	100.00	2(87)
3.	Barwa Adda Expressway Limited	U45400MH2013PLC242336	Subsidiary	100.00	2(87)

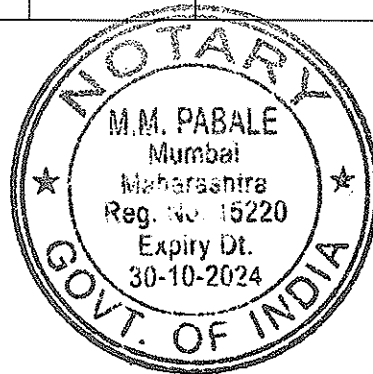


4.	Chenani Nashri Tunnelway Limited	U45400MH2010PLC203614	Subsidiary	100.00	2(87)
5.	East Hyderabad Expressway Limited	U45203MH2007PLC172133	Subsidiary	74.00	2(87)
6.	Fagne Songadh Expressway Limited	U45201MH2015PLC267730	Subsidiary	100.00	2(87)
7.	Hazaribagh Ranchi Expressway Limited	U45203MH2009PLC191070	Subsidiary	99.99	2(87)
8.	Karyavattom Sports Facilities Limited	U70102MH2011PLC223656	Subsidiary	100.00	2(87)
9.	Kiratpur Ner Chowk Expressway Limited	U45203MH2012PLC226792	Subsidiary	100.00	2(87)
10.	Khed Sinnar Expressway Limited	U45209MH2013PLC242133	Subsidiary	100.00	2(87)
11.	Moradabad Bareilly Expressway Limited	U45208MH2010PLC198737	Subsidiary	85.50	2(87)
12.	MP Border Checkpost Development Company Limited	U45203MH2010PLC209046	Subsidiary	74.00	2(87)
13.	Pune Sholapur Road Development Company Limited	U45203MH2009PLC195154	Subsidiary	90.91	2(87)
14.	Scheme of ITNL Road Investment Trust	NA	Subsidiary	100.00	2(87)
15.	Sikar Bikaner Highway Limited	U45203MH2012PLC229612	Subsidiary	100.00	2(87)
16.	West Gujarat Expressway Limited	U60200MH2005PLC151958	Subsidiary	73.99	2(87)
17.	Grusamar India Limited	U45400MH2012FLC236837	Subsidiary	100.00	2(87)
18.	North Karnataka Expressway Limited	U45203MH2001PLC163992	Subsidiary	87.00	2(87)
19.	Vansh Nimay Infraprojects	U45201MH2006PLC166149	Subsidiary	90.00	2(87)

(2)

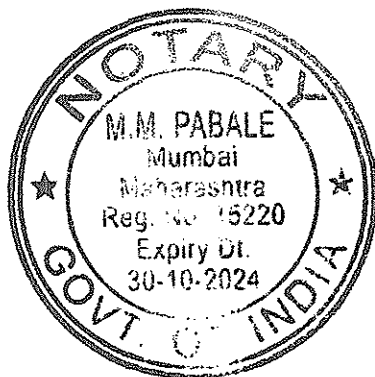


20.	Limited ITNL Road Infrastructure Development Company Limited	U45400MH2007PLC175415	Subsidiary	100.00	2(87)
21.	Charminar RoboPark Limited	U45400MH2011PLC220224	Subsidiary	74.00	2(87)
22.	Srinagar Tunnelway Limited	U45400MH2013PLC241828	Subsidiary	99.99	2(6)
23.	Jorabat Shillong Expressway Limited	U45203MH2010PLC204456	Subsidiary	100.00	2(6)
24.	Elsamex India Private Limited	U74140MH1999PTC289580	Subsidiary	99.15	2(87)
25.	Elsamex Maintenance Services Limited	U45201MH2013FLC285659	Subsidiary	100.00	2(87)
26.	Yala Construction Co Private Limited	U45201MH2000PTC289581	Subsidiary	96.03	2(87)
27.	ITNL IECCL JV	NA	Subsidiary	51.00	2(87)
28.	Badarpur Tollway Operations Management Limited Toll Plaza, Mayur Vihar Link Road, Delhi - 110092	U45203DL2010PLC210680	Subsidiary	100.00	2(87)
29.	Futureage Infrastructure India Limited 3rd Floor, A-1, Crescent Krishna Metropolis. Rukminipuri, A S Rao Nagar, Hyderabad - 500062 Telangana	U45200TG2006PLC049721	Subsidiary	58.48	2(87)
30.	IL&FS Rail Limited 2nd Floor, Ambience Corporate Towers,	U63040HR2008PLC039089	Subsidiary	83.24	2(87)

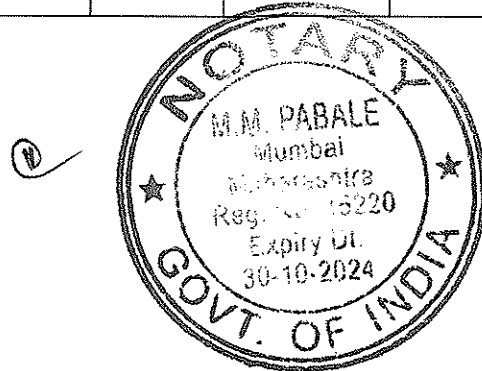


	Ambience Island, National Highway # 8 Gurgaon - 122001					
31.	Jharkhand Road Projects Implementation Company Limited 443 A, Road No. 5, Ashok Nagar, Ranchi - 834002	U45200JH2009PLC013693	Subsidiary	93.43	2(87)	
32.	Jharkhand Infrastructure Implementation Co Limited 2nd Floor, 443/A, Road No. 5, Ashok Nagar Ranchi JH 834001 IN	U45201JH2015PLC003025	Subsidiary	100.00	2(87)	
33.	GRICL Rail Bridge Development Company Limited Unit-1, 25th Floor, GIFT One Tower, Block-56, Road 5C, Zone-5, GIFT City, Gandhinagar-382355	U45203GJ2014PLC078880	Subsidiary	100.00	2(87)	
34.	Ranchi Muri Road Development Limited 443/A, Road No. 5, Ashok Nagar, Ranchi Ranchi JH 834002	U45309JH2017PLC010398	Subsidiary	100.00	2(87)	
35.	Rapid MetroRail Gurgaon Limited 2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway#8, Gurgaon - 122001	U60200HR2009PLC039116	Subsidiary	52.42	2(87)	

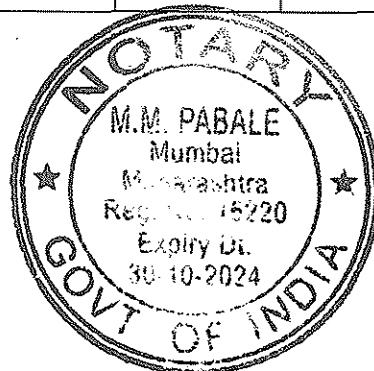
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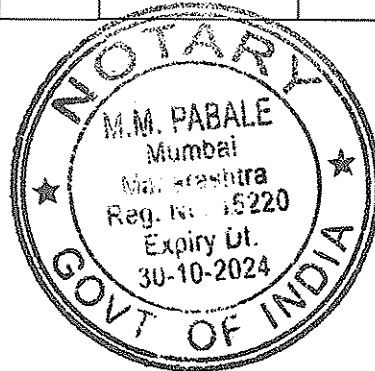
36.	ATENEA SEGURIDAD Y MEDIO AMBIENTE, S.A.U. Calle San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
37.	Elsamex, S.A. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
38.	ITNL International Pte. Ltd. 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
39.	ITNL Offshore Pte. Ltd. 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
40.	ITNL Offshore Two Pte. Ltd 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
41.	ITNL Offshore Three Pte. Ltd 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore- 018981	NA	Subsidiary	100.00	2(87)
42.	IPL LAOS Pte. Ltd. 8 Marina Boulevard 05-2 Marina Bay Financial Centre Tower 1 Singapore-018981	NA	Subsidiary	100.00	2(87)
43.	Alcantarilla Fotovoltaica, S.L. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)



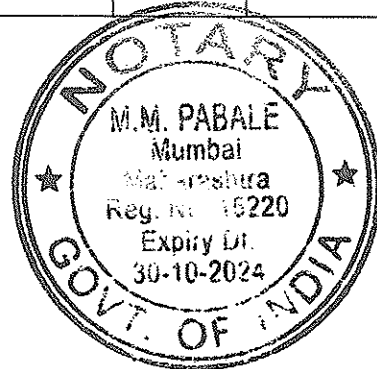
44.	Area De Servicio Coiros S.L.U. San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
45.	Area De Servicio Punta Umbria, S.L.U San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
46.	Beasolarta S. L., Spain San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
47.	CISEM-INTEVIA, S.A San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
48.	Conservacion De Infraestructuras De Mexico S.A. De C.V Avda. Prolongación Tecnológico nº950B CO. San Pablo, Queretaro, Mexico- 76130	NA	Subsidiary	100.00	2(87)
49.	Control 7, S.A. Poligono Malpica Santa Isabel, calle E parecela 59-61, nave 9. Zaragoza, Spain-50057	NA	Subsidiary	100.00	2(87)
50.	Elsamex Construcao E Manutenção LTDA Rua Gonçalves Maia nº207, Soledade Recife PE, CEP 50.070.060, Pernambuco, Brazil	NA	Subsidiary	99.99	2(87)



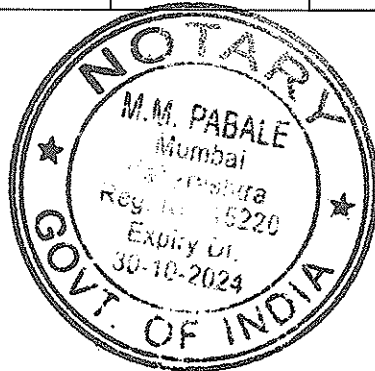
51.	Elsamex Internacional, S.L, Sociedad Unipersonal San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
52.	Elsamex Portugal S.A. Praça de Alvalade, nº 7 - 8º Dº1700 - 036 LISBOA	NA	Subsidiary	70.00	2(87)
53.	ELSAMEX COLOMBIA SAS Carrera 7480-49 Centro de Negocios el Nogal Oficina 901 Bogotá	NA	Subsidiary	100.00	2(87)
54.	ESM Mantenimiento Integral de SA de CV Avda. Prolongación Tecnologico nº950B CO. San Pablo, Queretaro, Mexico- 76130	NA	Subsidiary	100.00	2(87)
55.	Grusamar Albania SHPK Rr.Hik Kolli nº26/2 Tirana, Albania	NA	Subsidiary	51.00	2(87)
56.	GRUSAMAR INGENIERIA CONSULTING COLOMBIA SAS Carrera 7#80-49 Centro de Negocios el Nogal Oficina 901 Bogotá	NA	Subsidiary	100.00	2(87)
57.	Grusamar Ingeniería Y Consulting, SL Sociedad Unipersonal San Severo nº18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)



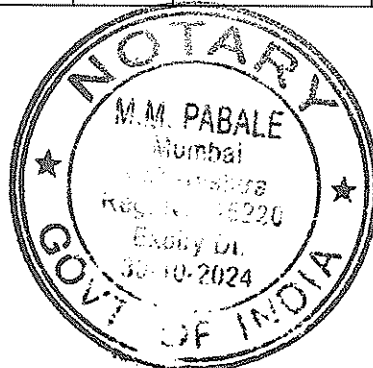
58.	Inteval Gestao Integral Rodoviaria, S.A. Avenida do Brasil n°43, 5 direito, Lisboa, Portugal- 1700-062	NA	Subsidiary	100.00	2(87)
59.	ITNL International DMCC – Dubai 608-609, Jumeirah Business Centre, Cluster G, Jumeirah Lake Towers, P O Box no. 309018, Dubai, UAE	NA	Subsidiary	100.00	2(87)
60.	ITNL Africa Projects Limited 4th floor, Bank of Industry Bldg, Central Business District, Abuja	NA	Subsidiary	100.00	2(87)
61.	ITNL Elsamex JVCA, BURE San Severo n°18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
62.	ITNL Elsamex JVCA, Botswana San Severo n°18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
63.	ITNL Elsamex JVCA, NEKEMTE San Severo n°18 Madrid, Spain-28042	NA	Subsidiary	100.00	2(87)
64.	ITNL KMB JV No-1, A.E.Koil Street, New Washermanpet, Cross Road (Opp Periyar Park), Chennai-81	NA	Subsidiary	70.00	2(87)



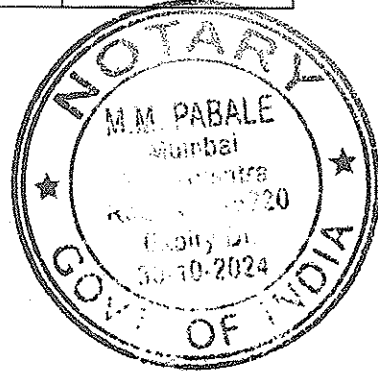
65.	IPL USA LLC Duke Street, Suite 200, Alexandria, Virginia, 22314, USA	NA	Subsidiary	100.00	2(87)
66.	Mantenimiento y Conservacion de Vialidades S.A. de C.V., Prolongación Avda. Tecnológico nº950B CO. San Pablo, Queretaro, Mexico- 76130	NA	Subsidiary	64.00	2(87)
67.	Senalización Viales e Imagen S.U. Poligono Industrial la variante. La Grajera nº2, Ladero, la Rioja-26140	NA	Subsidiary	100.00	2(87)
68.	Grusamar Engenharia & Consultoria Brasil LTDA Rua Gonçalves Maia nº 207, Soledade Recife P.E CEP 50.070.060, Pernambuco, Brazil	NA	Subsidiary	99.99	2(87)
69.	Elsamex Vietnam Joint Stock Company 8001, 8 th Floor, No. 2, Ngo Quyen, Ly Thai To ward, Hoan Kim, District Hanoi, Vietnam	NA	Subsidiary	65.00	2(87)
70.	ITNL Infrastructure Developer LLC## The Company is subsidiary of ITNL International Pte Ltd	NA	Subsidiary (through Board control)	49.00	2(87)



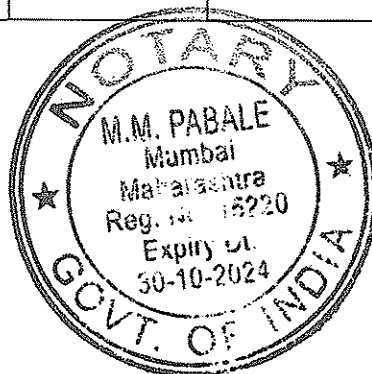
	<i>through Board Control</i> Unit No. 1001, Boulevard Plaza, Tower No. 2, P O Box 413818, Dubai, UAE					
71.	Park Line LLC Unit No. 1001, Boulevard Plaza, Tower No. 2, P O Box 413818, Dubai, UAE	NA	Associate	24.99	2(87)	
72.	*Chhattisgarh Highway Development Company Limited House No. 705, Sector 2, Avanti Vihar, Telibandha Raipur CT 492006	U45203CT2007PLC020220	Subsidiary	-	2(87)	
73.	Rapid MetroRail Gurgaon South Limited 2nd Floor, Ambience Corporate Towers, Ambience Island, National Highway#8, Gurgaon - 122001	U35990HR2012PLC046882	Associate	35.00	2(87)	
74.	Thiruvananthapuram Road Development Company Limited	U45203MH2004PLC144789	Associate	50.00	2(6)	
75.	Chongqing Expressway Limited No. 66, Yinshan Road, Yubei District, Chongqing, China- 401120	NA	Joint Venture	49.00	2(6)	
76.	*Road Infrastructure Development Company of	U45203RJ2004PLC019850	Joint Venture	-	-	



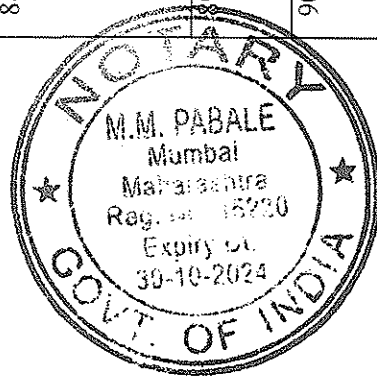
	Rajasthan Limited (RIDCOR) LIC New Investment Building 1st Floor, Hall No-2 Near Ambedkar Circle Bhawani Singh Road Jaipur RJ 302005 IN				
77.	*RIDCOR Infra Projects Limited (Subsidiary of RIDCOR) LIC New Investment Building 1st Floor, Hall No-2 Near Ambedkar Circle Bhawani Singh Road Jaipur RJ 302005 IN	U45201RJ2013PLC042008	Joint Venture	-	-
78.	*Jharkhand Accelerated Road Development Company Limited 443/A, Road No. 5 Ashok Nagar Ranchi Ranchi JH 834002 IN	U45203JH2008PLC013085	Joint Venture	-	-
79.	Noida Toll Bridge Company Limited 2nd Floor, Niryat Bhawan, Rao Tula Ram Marg Opp. Army Hospital Research & Referral, New Delhi Delhi New Delhi DL 110057 IN	L45101DL1996PLC315772	Joint Venture (Associate)	26.37	2(6)



80.	Geotecnia y Control de Qualitat SA c/Berguedá nº 15, bloque B, nave 11, Polígono Industrial Can Bernadés-Subirá, 08130 Santa Perpetua de la Mogoda (Barcelona)	NA	Joint Venture (Associates)	50.00	2(6)
81.	Vias Y Construcciones Viacon S.R.L Avenida 27 de Febrero nº0 272 Edificio J.P., la Julia. Santo Domingo, Distrito Nacional Republica Dominicana	NA	Joint Venture (Associates)	50.00	2(6)
82.	Consorcio de Obras Civiles, Conciviles SRL Avenida 27 de Febrero nº0 272 Edificio J.P., la Julia. Santo Domingo, Distrito Nacional Republica Dominicana	NA	Joint Venture (Associates)	34.00	2(6)
83.	Pario Developers Private Limited Flat 2, Gangadhar Chambers, H No 314, Narayan Peth, Off Laxmi Road Pune Mh 411030	U45200PN2013PTC147449	Associate	33.00	2(6)
84.	ITNL Toll Management Services Limited (subsidiary of NTBCL) The Toll Plaza, DND Flyway, Noida, Gautam	U45203UP2007PLC033529	Associate	49.00	2(6)



	Buddha Nagar, UP - 201301 IN					
85.	Warora Chandrapur Ballarpur Toll Road Limited 116A, 11th Floor, Maker Chamber VI, 220, Nariman Point, Mumbai - 400021	U45203MH2009PLC196776	Associate	35.00	2(6)	
86.	CGI 8 SA Poligono de San Cipria de Viñas de Orense Calle número 6, parcela 33 - 32901 Orense, Spain	NA	Associate	49.00	2(6)	
87.	Sociedad concesionaria Autovia A-4 Madrid S.A C/ Autovia A4, Kilometro 47, 500, Aranjuez Madrid (28300)	NA	Associate	48.75	2(6)	
88.	Ramky Elsamex Hyderabad Ring Road Ltd Ramky Grandiose, 15th Floor, Sy No 136/2 & 4, Gachibowli, Hyderabad TG 500032	U45203TG2007PLC054825	Associate	26.00	2(6)	
89.	Elsamex Roads and Infrastructure WLL Doha, Qatar	NA	Associate	44.00	2(6)	
90.	Elsamex Road Technology Co. Ltd Block C, 1/F Eldex Industrial Building, 21 Ma Tau Wai	NA	Associate	23.44	2(6)	



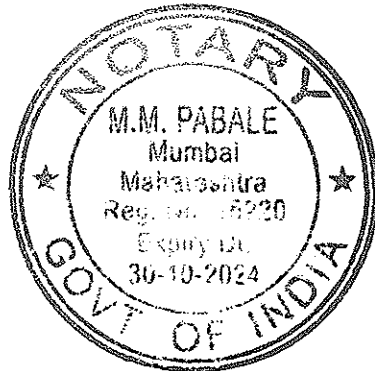
	Road, Hung Hom, Kowloon, Hong Kong			
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* Entities as per Ind AS

Note: (i) Effective holding as given in financial statements

(ii) The Registered Address of the Companies Listed at Sr. No. 1 to 26, and 74 is The IL&FS Financial Center, Plot No. C-22, G-Block, Bandra- Kurla Complex, Bandra (East), Mumbai 400051

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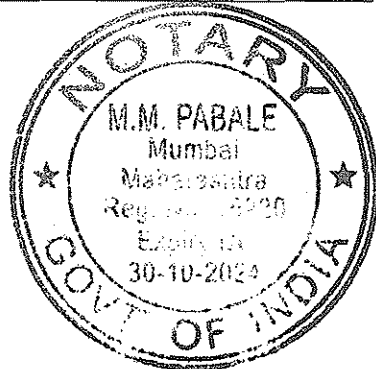


IV. Share holding pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

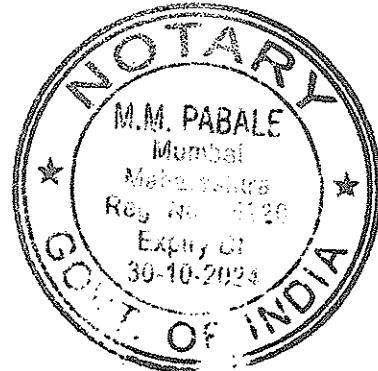
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	24,08,49,000	-	24,08,49,000	73.22	24,08,49,000	-	24,08,49,000	73.22	-
d) Bank/FI									
e) Any other (PAC)	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A)	24,08,49,000	-	24,08,49,000	73.22	24,08,49,000	-	24,08,49,000	73.22	-
(1)									
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A)	-	-	-	-	-	-	-	-	-
(2)									

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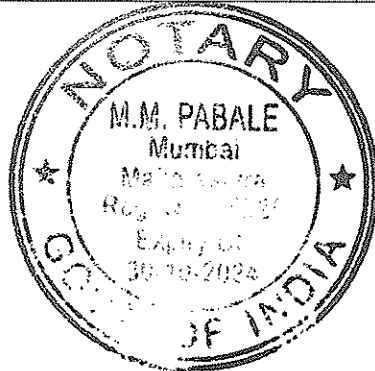
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	24,08,49,000	-	24,08,49,000	73.22	24,08,49,000	-	24,08,49,000	73.22	-	-
B. PUBLIC SHAREHOLDIN										
G										
(1) Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks/FI	22,05,397	-	22,05,397	0.67	18,86,169	-	18,86,169	0.57	(0.1)	Decrease
C) Central govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
Foreign Investor (Corporate)	1,57,38,246	-	1,57,38,246	4.78	1,55,93,744	-	1,55,93,744	4.74	(0.04)	Decrease
SUB TOTAL (B)(1):	1,79,43,643	-	1,79,43,643	5.45	1,74,79,913	-	1,74,79,913	5.31	(0.14)	Decrease
(2) Non										

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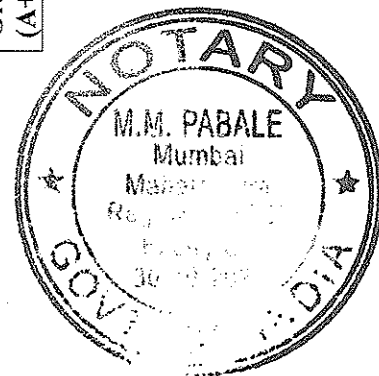


Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
Institutions										
a) Bodies corporates	82,47,570	-	82,47,570	2.51	90,50,301	-	90,50,301	2.75	0.24	Increase
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakhs	2,05,82,657	6,052	2,05,88,709	6.26	2,76,31,405	5,720	2,76,37,125	8.40	2.14	Increase
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs	2,06,19,481	-	2,06,19,481	6.27	2,27,79,754	-	2,27,79,754	6.92	0.65	Increase
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
NBFCs registered with RBI	-	-	-	-	37,325	-	37,325	0.01	0.01	Increase
Clearing Member	13,79,369	-	13,79,369	0.42	23,43,825	-	23,43,825	0.71	0.29	Increase
Foreign Company	1,07,11,561	-	1,07,11,561	3.26	-	-	-	-	(3.26)	Decrease
Non Resident Indians (Repat)	21,89,763	-	21,89,763	0.67	17,05,653	-	17,05,653	0.52	(0.15)	Decrease
Non Resident	8,25,438	-	8,25,438	0.25	9,80,006	-	9,80,006	0.30	0.05	Increase

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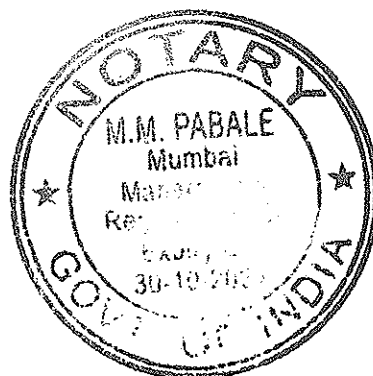
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Indians (Non Repat)									
Hindu Undivided Family	21,98,004	-	21,98,004	0.67	26,89,636	-	26,89,636	0.82	Increase
Trusts	34,06,975	-	34,06,975	1.04	34,06,975	-	34,06,975	1.04	-
IEPF	514	-	514	0.00	514	-	514	0.00	-
Any Other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(B) (2)	7,01,61,332	6,052	7,01,67,384	21.33	7,06,25,394	5,720	7,06,31,114	21.47	0.14 Increase
Total Public Shareholding (B) = (B) (1) + (B) (2)	8,81,04,975	6,052	8,81,11,027	26.78	8,81,05,307	5,720	8,81,11,027	26.78	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	32,89,53,975	6,052	32,89,60,027	100.000	32,89,54,307	5,720	32,89,60,027	100.000	-



ii) Shareholding of Promoters:

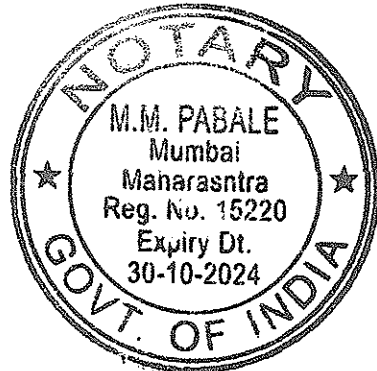
Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares held	% of total Shares of the Company	% of Shares Pledged / Encumbered to total shares	No. of Shares held	% of total Shares of the Company	% of Shares Pledged / Encumbered to total shares	
1	Infrastructure Leasing & Financial Services Ltd	23,65,82,632	71.92	100.00	23,65,82,632	71.92	100.00	-
2	IL&FS Financial Services Limited	42,66,368	1.30	0.00	42,66,368	1.30	0.00	-
	Total	24,08,49,000	73.22	98.23	24,08,49,000	73.22	98.23	-

②



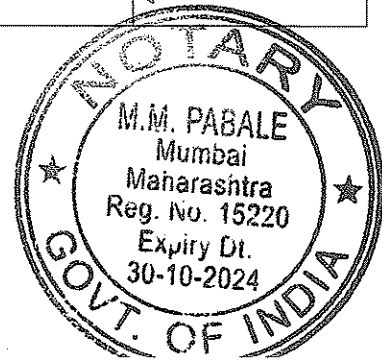
iii) Change in Promoters' Shareholding (please specify, if there is no change) - There was no change in Promoters' Shareholding:

Sl No.	Name of Shareholders	Shareholding		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
		No. of shares at the beginning of the year/ end of the year (31-03-18)	% of total shares of the company				No. of shares	% of total shares of the company
1	Infrastructure Leasing & Financial Services Ltd	23,65,82,632	71.92				23,65,82,632	71.92
2	At the End of the year						23,65,82,632	71.92
	IL&FS Financial Services Limited	42,66,368	1.30				42,66,368	1.30
	At the End of the year						42,66,368	1.30



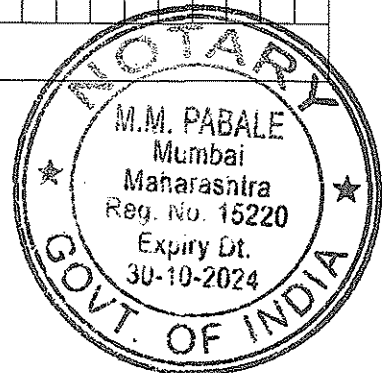
iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year				Cumulative Shareholding at the end of the year - 2019	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	INCREASE/DECREASE IN SHAREHOLDING	REASON	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	
1	Government Pension Fund Global	88,00,000	2.68				88,00,000	2.68	
				05/10/2018	(9,00,000)	Transfer	79,00,000	2.40	
				25/01/2019	8,00,000	Transfer	87,00,000	2.64	
	At The End Of The Year					87,00,000	2.64		
2	Vibhav Ramprakash Kapoor	34,06,784	1.04				34,06,784	1.04	
							34,06,784	1.04	
	At The End Of The Year								
3	Suashish Diamonds Limited	0	0.00				0	0.00	
				22/03/2019	18,17,511	Transfer	18,17,511	0.55	
	At The End Of The Year					18,17,511	0.55		
4	Danske Invest Sicav - SIF - Emerging And Frontier Markets Smid II	16,67,600	0.51				16,67,600	0.51	
				05/10/2018	(30,000)	Transfer	16,37,600	0.49	
	At The End Of The Year					16,37,600	0.51		



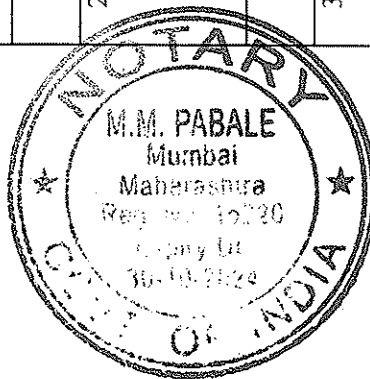
5	Keval Share Broking P. Ltd.	0	0.00						0	0.00
								Transfer	26,000	0.01
				08/03/2019				Transfer	10,07,473	0.31
	At The End Of The Year								10,07,473	0.31
6	Morgan Stanley France S.A.	85,683	0.03						85,683	0.03
								Transfer	1,21,683	0.04
				06/04/2018		36,000		Transfer	85,753	0.03
				13/04/2018		(35,930)		Transfer	1,30,196	0.04
				27/04/2018		44,443		Transfer	1,38,207	0.04
				11/05/2018		8,011		Transfer	1,82,207	0.06
				18/05/2018		44,000		Transfer	2,02,207	0.06
				25/05/2018		20,000		Transfer	2,06,860	0.06
				15/06/2018		4,653		Transfer	2,08,624	0.06
				22/06/2018		1,764		Transfer	2,09,405	0.06
				06/07/2018		781		Transfer	2,52,405	0.08
				20/07/2018		43,000		Transfer	2,72,405	0.08
				27/04/2018		20,000		Transfer	3,52,065	0.11
				03/08/2018		79,660		Transfer	4,02,065	0.12
				17/08/2018		50,000		Transfer	4,32,065	0.13
				24/08/2018		30,000		Transfer	4,68,065	0.14
				31/08/2018		36,000		Transfer	4,91,288	0.15
				07/09/2018		23,223		Transfer	4,10,301	0.12
				14/09/2018		(80,987)		Transfer	4,57,124	0.14
				21/09/2018		46,823		Transfer	5,41,655	0.16
				29/09/2018		84,531		Transfer	3,22,655	0.09
				05/10/2018		(2,19,000)		Transfer	5,31,323	0.16
				12/10/2018		2,08,668		Transfer	5,37,707	0.16
				19/10/2018		6,384		Transfer	6,75,204	0.21
				26/10/2018		1,37,497		Transfer	6,74,850	0.21
				09/11/2018		(354)		Transfer		

②

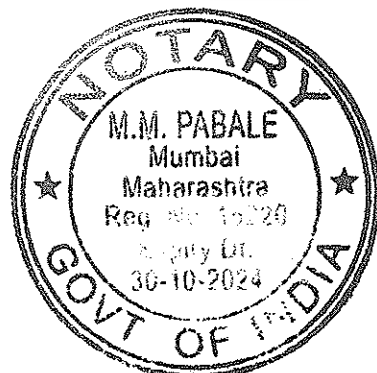


v) Shareholding of Directors and Key Managerial Personnel:

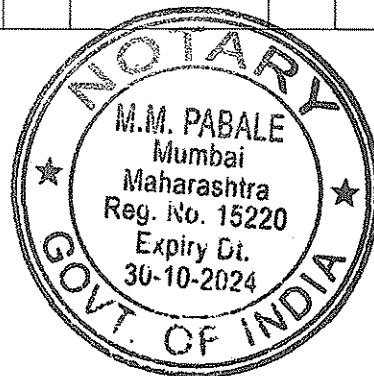
Sl. No.	Name of Shareholders & type of Transaction	Shareholding		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-04-18 to 31-03-19)	
		No. of shares at the beginning of the year / end of the year (31-03-18)	% of total shares of the company				No. of shares	% of total shares of the company
1	Hari Sankaran Non-Executive Director (upto October 01, 2018)	6,37,916	0.19	-	-	Nil movement during the year	6,37,916	0.19
	At The End Of The Year						6,37,916	0.19
2	K Ramchand Managing Director (upto October 29, 2018)	5,85,901	0.18	-	-	Nil movement during the year	5,85,901	0.18
	At The End Of The Year						5,85,901	0.18
3	Ravi Parthasarathy Non-Executive Director (upto July 21, 2018)	5,33,061	0.16	-	-	Nil movement during the year	5,33,061	0.16
	At The End Of The Year						5,33,061	0.16



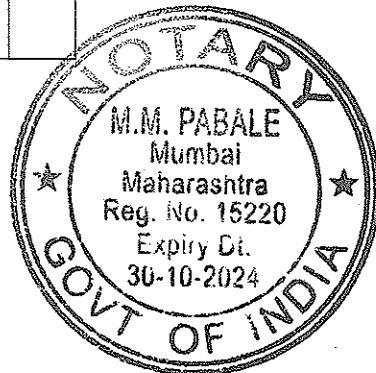
4	Arun K Saha Non-Executive Director (upto October 01, 2018)	5,35,734	0.16	-	-	Nil movement during the year	5,35,734	0.16
	At The End Of The Year						5,35,734	0.16
5	Mukund Sapre Executive Director (upto November 02, 2018)	1,69,420	0.05	-	-	Nil movement during the year	1,69,420	0.05
	At The End Of The Year						1,69,420	0.05
6	Krishna Ghag Company Secretary	59,144	0.02	-	-	Nil movement during the year	59,144	0.02
	At The End Of The Year						59,144	0.02
7	Dilip Bhatia CEO (effective November 15, 2018)	666	Negligible	-	-	Nil movement during the year	666	Negligible
	At The End Of The Year						666	Negligible
8	Vineet Nayyar Nominee Director (effective October 25,	-	-	-	-	-	-	-



2018)	At The End Of The Year	-	-	-	-	-	-	-	-
9	Chandra Shekhar Rajan Nominee Director (effective October 25, 2018)	-	-	-	-	-	-	-	-
	At The End Of The Year	-	-	-	-	-	-	-	-
10	Neeru Singh Independent Director (upto November 01, 2018)	1,000	Negligible	-	-	Nil movement during the year	1,000	Negligible	Negligible
	At The End Of The Year	-	-	-	-	-	1,000	Negligible	Negligible
11	Nand Kishore Nominee Director (effective November 15, 2018)	-	-	-	-	-	-	-	-
	At The End Of The Year	-	-	-	-	-	-	-	-
12	Shaivali Parekh CFO (effective December 13, 2018)	158	Negligible	-	-	Nil movement during the year	158	Negligible	Negligible



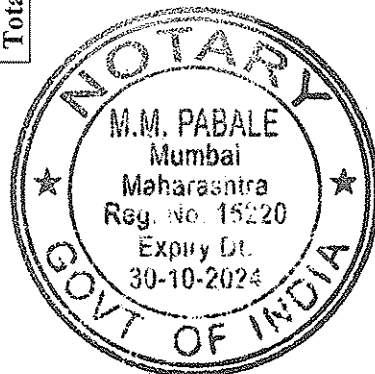
	At The End Of The Year							158	Negligible
13	Deepak Dasgupta Independent Director (upto March 31, 2019)	79	Negligible	-			Nil movement during the year	79	Negligible
	At The End Of The Year							79	Negligible
14	R C Sinha Independent Director (upto March 31, 2019)	70	Negligible	-			Nil movement during the year	70	Negligible
	At The End Of The Year							70	Negligible
15	HP Jamdar Independent Director (upto March 31, 2019)	-	-	-			-	-	-
	At The End Of The Year							-	-



V. Indebtedness

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
(Rs in Cr)				
Indebtedness at the beginning of the financial year				
i) Principal Amount	8,211	5,287	-	13,499
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	112	120	-	231
Total (i+ii+iii)	8,323	5,407	-	13,730
Change in Indebtedness during the financial year				
• Addition	1,356	4,096	-	5,452
• Reduction	(989)	(2,764)	-	(3,752)
Net Change	367	1,332	-	1,700
Indebtedness at the end of the financial year				
i) Principal Amount	8,690	6,740	-	15,430
ii) Interest due but not paid	208	332	-	540
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8,898	7,072	-	15,970

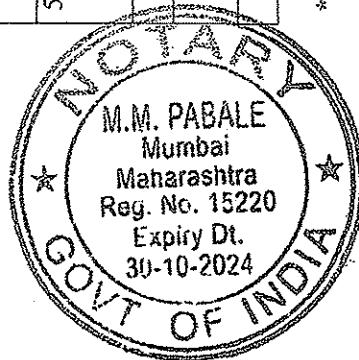


VI. Remuneration of Directors and Key Managerial Personnel

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total amount
		K Ramchand Managing Director (upto October 29, 2018)	Mukund Sapre Executive Director (upto November 02, 2018)	
1.	Gross salary			
	(a) Salary as per provisions contained in the section 17(1) of the Income-tax Act, 1961	79,77,988	89,49,541	1,69,27,529
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,06,750	14,75,768	29,82,518
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify Retirement Benefits Performance Linked Incentive	20,46,663	25,83,091	46,29,754
	Total (A)	1,15,31,401	1,30,08,400	2,45,39,801
	Ceiling as per Schedule V of the Companies Act, 2013#	87,92,685	1,02,58,133	1,90,50,818
	Excess Remuneration paid*	27,38,716	27,50,267	54,88,983

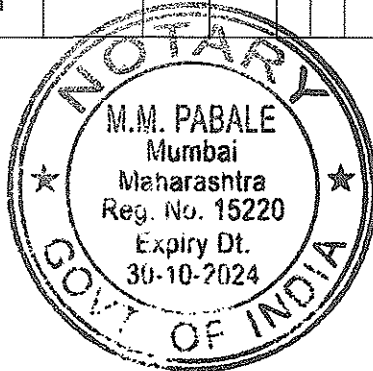
*The Company has initiated the actions to recover the excess remuneration paid to Directors.



B. Remuneration to other directors:

Sl no.	Particulars of Remuneration	Name of Directors										Total									
		Mr. Deepak Dasgupta	Mr. R. C. Sinha	Mr. H P Jamdar	Ms. Neeru Singh	Mr. Ravi Parthasarathy	Mr. Hari Sankaran	Mr. Arun K Saha	Mr. C.S Rajan *	Mr. Nand Kishore **	Amount										
1	Independent Directors																				
	- Fee for attending board/committee meetings	6,35,000	7,05,000	4,85,000	4,15,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,40,000
	- Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Others, please specify	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (1)	6,35,000	7,05,000	4,85,000	4,15,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,40,000
2	Other Non-Executive Directors																				
	- Fee for attending board/committee meetings	-	-	-	-	1,00,000	-	-	-	3,00,000	5,50,000	65,000	80,000	-	-	-	-	-	-	-	10,95,000
	- Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Others, please specify	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-	-	3,00,000	5,50,000	65,000	80,000	-	-	-	-	-	-	-	10,95,000
	Total (B)=(1+2)																				33,35,000
	Total Remuneration(A+B)***																				2,78,74,80

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* Mr. C S Rajan appointed on Board effective October 25, 2018

** Mr. Nand Kishore appointed on Board effective November 15, 2018

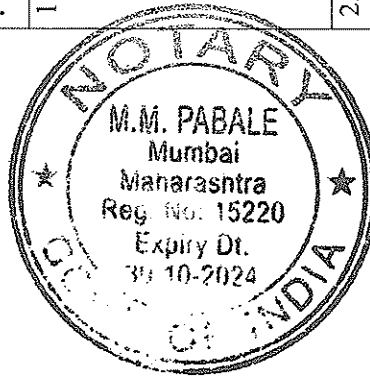
***Total amount includes sitting fees although; sitting fees is not a part of Total Managerial Remuneration.

#NOTE: Due to the possible effects of the matters reported in the Financial Statements, the New Board is unable to comment on whether the Managerial Remuneration paid to its erstwhile Managerial Personnel during the period from April 01, 2018 to September 30, 2018 has been paid/ provided in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Schedule V thereto. Managerial Remuneration in respect of Managerial Personnel appointed subsequent to October 01, 2018 has been paid/ provided by the Company in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Schedule V thereto.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (Amount in Rupees)

Sl. no	Particulars of Remuneration	Krishna Ghag Company Secretary	Dilip Bhatia* CEO	Shaivali Parekh** CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	53,27,124 10,27,160	11,199,707 27,720	10,11,613 -	1,75,38,444 10,54,880
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-

(2)



4.	Commission - as % of profit - others, (Contribution to Provident Fund, Superannuation Fund & Gratuity)	-	800,820	-	800,820
5.	Others, (Performance Related Pay)	-	-	-	-
	Total	63,54,284	1,20,28,247	10,11,613	1,93,94,144

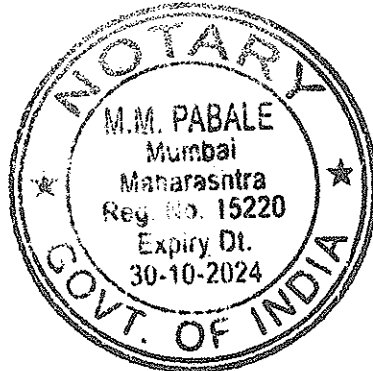
*Mr. Dilip Bhatia was Chief Financial Officer upto September 22, 2018 and was re-designated as CEO-Officiating effective November 15, 2018.

**Ms. Shaivali Parekh was appointed as Chief Financial Officer effective December 13, 2018.

VII. Penalties / Punishment/ Compounding of offences:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

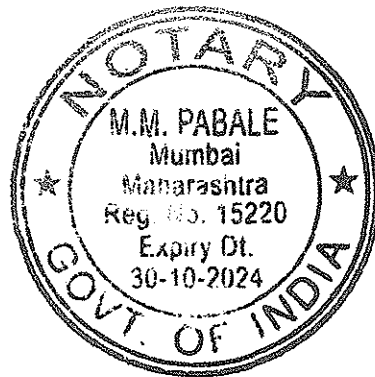
(E)



By the Order of the Board

Sd/- Chandra Shekhar Rajan Director (DIN: 00126063)	Sd/- Vineet Nayyar Director (DIN: 00018243)
Sd/- Nand Kishore Director (DIN: 08267502)	Sd/- Bijay Kumar Director (DIN: 07262627)

Mumbai, June 4, 2020



ANNEXURE III

Statement of particulars of employees pursuant to the provisions of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Director's Report for the year ended March 31, 2019

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

Sr. No.	Name	Designation	Qualification	Experienced	Age	DOI	Remuneration	Previous employment
1	KARUNAKARAN RAMCHAND*	MANAGING DIRECTOR	B.E. (Civil), PGD Planning, DCM	39	64	19-03-2001	1,84,02,037	Infrastructure Leasing and Financial Services Limited
2	MUKUND SAPRE*	EXECUTIVE DIRECTOR	B. Tech (Civil), DSM (NIIT)	37	59	01-03-2002	1,29,76,904	Infrastructure Leasing and Financial Services Limited
3	SURESH CHAND MITTAL	HEAD-IMPLEMENTATION	Btech (Civil), Mtech (Structural Eng)	39	61	25-01-2008	1,61,33,139	IL&FS Rail Limited
4	DILIP BHATIA	CHIEF FINANCIAL OFFICER TILL September 22, 2018 and CHIEF EXECUTIVE OFFICER From November 15, 2018 onwards	B.Com, CA	25	51	24-08-2015	1,55,66,567	Ace Derivatives and Commodity Exchange Limited
5	HARSH MALHOTRA*	SENIOR VICE PRESIDENT	B.com, ICWA, Sloan Fellowship in Leadership & Strategy	30	53	01-10-2016	70,29,347	Infrastructure Leasing and Financial Services Limited
6	SANJAY KUMAR MINGLANI	SENIOR VICE PRESIDENT	B.Sc. (Civil Eng.)	30	53	28-02-2006	78,98,095	Consulting Engineering Services (India) Pvt. Ltd.
7	MANISH AGARWAL	SENIOR VICE PRESIDENT	BE (Civil); M.Tech	31	53	01-09-2005	77,80,157	National Highways Authority of India
8	KAZIM RAZA KHAN	SENIOR VICE PRESIDENT	BE (Civil); MBA (Fin Mgmt & International Trade Mgmt)	28	51	20-12-2005	76,64,242	Road Infrastructure Development Company of Rajasthan Limited
9	AJAY MENON	VICE PRESIDENT	B.Com, MBA (VCMOU)	36	56	02-03-1998	69,20,172	Tata Liebert Limited
10	PARAG PHANSE	VICE PRESIDENT	B.E. Civil, M.E. (Const)	23	47	01-04-2002	63,50,368	Consulting Engineering Services (India) Pvt. Ltd.

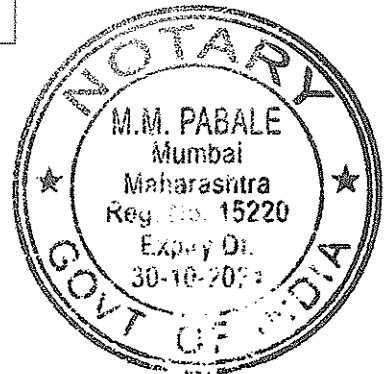
Notes:

- None of the employee mentioned above are related to any of the Directors of the Company within the meaning of Companies (Appointment and Remuneration of Managerial personnel) Rule, 2014
 - None of the employee mentioned above hold more than 2% of the shares of the Company, along with their spouse and dependent children
 - Remuneration includes salary, various allowances, performance incentives, leave encashment, contribution to provident fund, superannuation fund, gratuity fund and taxable value of perquisites
- * The earnings are for the part of the year

By the Order of the Board

Sd/-
Chandra Shekhar Rajan
Director
(DIN: 00126063)

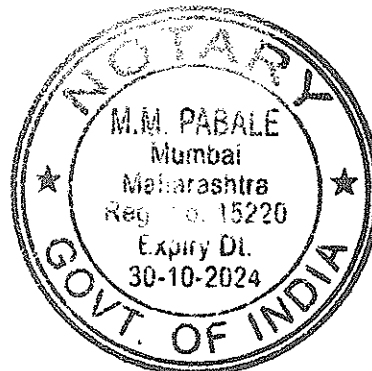
Sd/-
Vineet Nayyar
Director
(DIN: 00018243)



Sd/-
Bijay Kumar
Director
(DIN: 07262627)

Sd/-
Nand Kishore
Director
(DIN: 08267502)

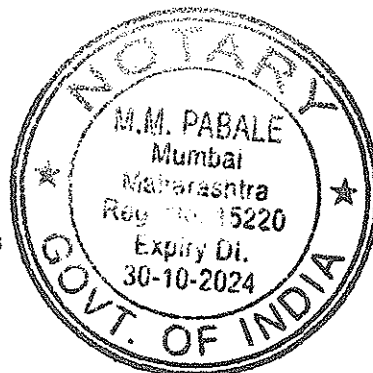
Mumbai, June 4, 2020



ANNEXURE IV

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

Sr. No.	Requirements	Disclosure
1.	The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2018-19	Managing Director - 12X Executive Director - 5X
2.	The percentage increase/(decrease) in remuneration of MD, ED, CFO & CS during the financial year 2018-19	(i) MD: No change in salary (ii) ED: No change in salary (iii) CFO: No change in salary (iv) CS: 7.2% decrease in salary
3.	The percentage increase in the median remuneration of employees in the financial year	There was a decrease by 9% in the median remuneration of employees during FY 2018-19
4.	The number of permanent employees on the rolls of the Company	There were 173 employees on the rolls of the Company as on March 31, 2019
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	(i) Average percentage increase in the salaries of employees in the last financial year was NIL over the previous year (ii) There was no increase in salaries of the managerial personnel in comparison with the employees
6.	Affirmation that the remuneration is as per the managerial remuneration policy of the Company	Yes, it is confirmed

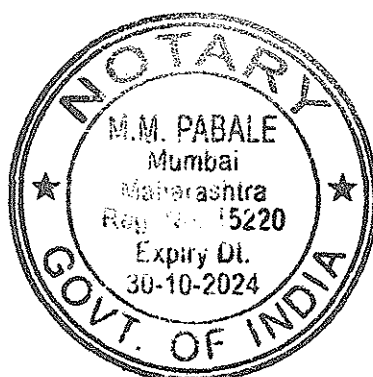


ANNEXURE V

CORPORATE SOCIAL RESPONSIBILITY REPORT

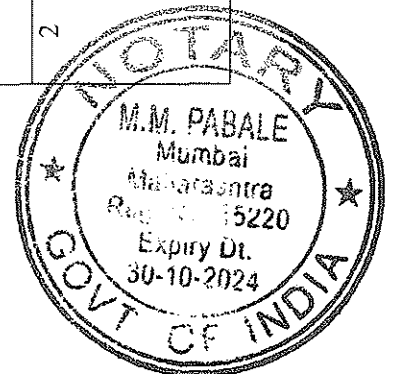
Pursuant to clause (o) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014

Sr. No	Particulars	Details
1.	A brief outline of the Company's Corporate Social Responsibility (CSR) Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	The CSR Policy and Framework has been adopted by the Company and is available on the website of the Company. The same can be viewed through the link: http://www.itnlindia.com
2.	Composition of the CSR Committee	1) Mr. C.S. Rajan 2) Mr. Vineet Nayyar 3) Mr. Nand Kishore
3.	Average net profit of the Company for last three financial years	₹ 155.66 Crores
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) + c/f of ₹ 1.03 Crores from previous year	₹ 4.14 Crores
5.	Details of CSR spent during the financial year: a) Total amount to be spent for the financial year; b) Amount unspent, if any; c) Manner in which the amount spent during the financial year is detailed below	a) ₹ 0.02 Crores b) ₹ 4.12 Crores The details of amount spent on various activities are annexed as Annexure I
6.	Reason for not spending the amount	In view of the ongoing liquidity crises, the Company was unable to spend the entire amount on CSR activities.

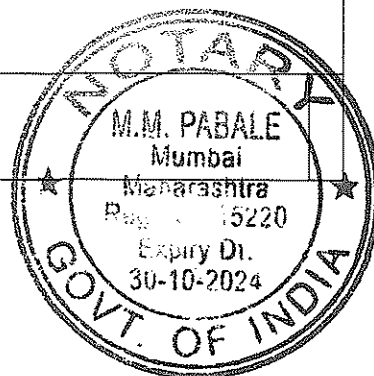


Annexure I

S. No.	CSR project or activity identified	Projects or programs (1) Local area or other district where projects or programs was undertaken	Sectors in which the project is covered	Amount outlay (budget) project or programs wise (Amount in Crores) (₹)	Amount spent on the projects or programmes (1) Direct Expenditure on projects or programs (2) Overhead (Amount in Crores) (₹)	Cumulative Expenditure upto the reporting period (Amount in Crores) (₹)	Amount spent: Direct or through implementing agency
1	Integrated Rural Development Projects in villages around infrastructure projects of the Company	Selected Infrastructure projects of the Company	<p>1. Highway Safety: Creating Emergency Response system through the First Responders amongst the local villagers and conducting awareness / training sessions on various aspects of highway safety to the residents around the project</p> <p>2. Livelihood Development: marginalized women and small farmers supported to establish farm and off farm income generating initiatives</p>	0.58	-	-	-
2			<p>3. Enhancing Education Outcomes: innovatively improving teaching learning through Computer Buses, life skill education, trainings for teachers etc. in Govt. Schools,</p>	1.81	0.02		Directly by ITNL - Rs 0.02 Cr Through Implementation Agency Think

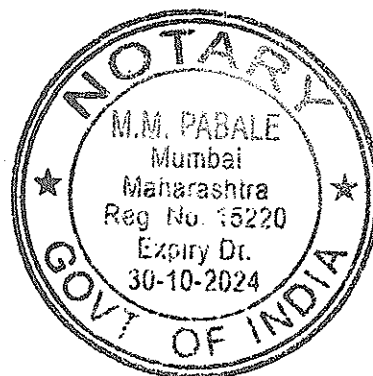


S. No.	CSR project or activity identified	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Sectors in which the project is covered	Amount outlay (budget) project or programs wise (Amount in Crores) (₹)	Amount spent on the projects or programmes (1) Direct Expenditure on projects or programs (2) Over head (Amount in Crores) (₹)	Cumulative Expenditure upto the reporting period (Amount in Crores) (₹)	Amount spent: Direct or through implementing agency
			Promoting Education				Foundation for promoting education.
3			4. Local Area Projects: a) Supporting Community Healthcare through Medical Mobile Units and other innovative interventions b) Improving Sanitation Along the Highway and in Schools in support of Swacch Bharat Abhiyan c) Preservation & promotion and propagate the rich intangible heritage of the Indian Classical Music	1.35	-		-
			Total	4.14	0.02	0	0



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

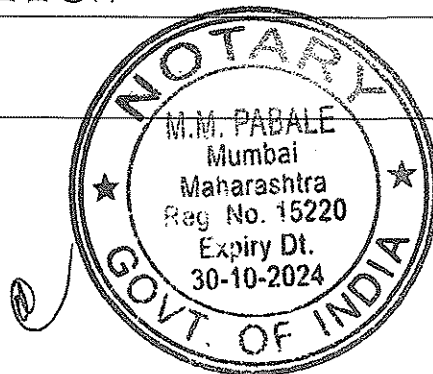
<p>Sd/- Dilip Bhatia Chief Executive Officer</p>	<p>Sd/- Vineet Nayyar Chairman, CSR Committee</p>
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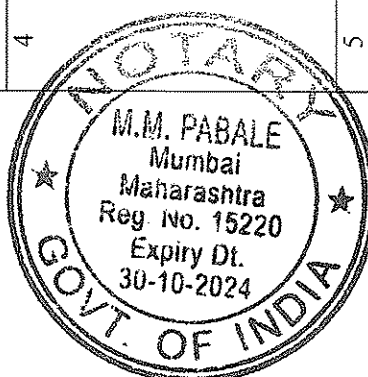
ANNEXURE VI

SUMMARY OF SIGNIFICANT ORDERS PASSED BY NCLAT/NCLT

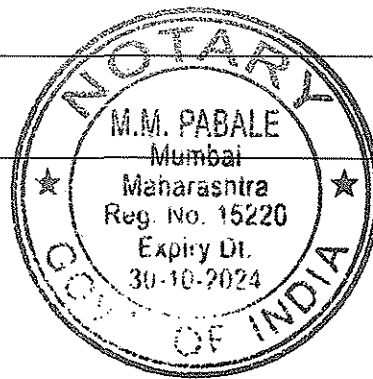
Sr. No.	Parties / Case No.	Adjudicating Authority	Date of Order	Particulars
1	Union of India, Ministry of Corporate Affairs vs Infrastructure Leasing & Financial Services Limited ('IL&FS') and 10 Ors. (C.P. 3638/2018)	National Company Law Tribunal, Mumbai Bench	October 1, 2018 (read with orders dated October 3, 2018 and December 21, 2018)	<p>The Union of India, through Ministry of Company Affairs filed an application under Section 241(2) read with Section 242(2)(k) of the Companies Act, 2013 ("Act") against IL&FS, before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT").</p> <p>The Hon'ble NCLT suspended the erstwhile Board of Directors of IL&FS and appointed a new Board of Directors ("New Board") for IL&FS. The order, <i>inter alia</i>, directed to take over the affairs of IL&FS immediately; conduct its business as per the Memorandum and Articles of Association of IL&FS and provisions of the Act; and submit a roadmap to the Hon'ble NCLT before October 31, 2018.</p> <p>It is pertinent that three more directors were appointed to the New Board of IL&FS <i>vide</i> orders dated October 3, 2018 and December 21, 2019.</p>
2	Union of India, Ministry of Corporate Affairs vs Infrastructure Leasing & Financial Services Limited ('IL&FS') and 10 Ors. (M.A. 1110 of 2018 in C.P. No. 3638 of 2018)	National Company Law Tribunal, Mumbai Bench	October 5, 2018	<p>The Hon'ble NCLT <i>inter alia</i></p> <p>(i) directed that no action should be initiated against the New Board for the past actions and past wrongs of the suspended directors and officials of IL&FS without prior approval of the Hon'ble NCLT; and</p> <p>(ii) granted immunity to the directors on the New Board <i>inter alia</i> from disqualification/ disability under Section 164 and 167 of the Companies Act, 2013 that may arise out of the</p>



Sr. No.	Parties / Case No.	Adjudicating Authority	Date of Order	Particulars
				acts of the suspended directors of IL&FS.
3	Union of India, Ministry of Corporate Affairs Vs IL&FS and 10 Ors. (MA 1110 / 2018 in C.P. 3638 (MB) / 2018)	National Company Law Tribunal, Mumbai Bench	October 9, 2018	The Hon'ble NCLT passed an order <i>inter alia</i> holding that: (a) actions of the New Board done in good faith, in the interests of IL&FS, various stakeholders including the public at large are protected; (b) which empowered the New Board to replace the directors on the subsidiaries, joint-ventures and associate companies of IL&FS as per existing provisions of the Memorandum and Articles of Association of IL&FS Group Company.
4	Union of India Vs IL&FS and Ors. (Company Appeal (AT) no. 346 of 2018) With IL&FS Vs Union of India (Company Appeal (AT) no. 347 of 2018)	National Company Law Appellate Tribunal, New Delhi	October 15, 2018	The Hon'ble National Company Law Appellate Tribunal ("NCLAT") granted interim stay on, amongst others, coercive creditor and other action against IL&FS and its group companies.
5	Union of India Vs IL&FS and 2 Ors. (CP 4506/2018)	National Company Law Tribunal, Mumbai Bench	January 1, 2019	The Hon'ble NCLT ordered the reopening and recasting of books of accounts of IL&FS and two other subsidiary companies of IL&FS i.e., IFIN and ITNL for the past 5 financial years under Section 130(1)(ii) of the Act on the basis that there was mismanagement in the affairs of IL&FS and the two other entities.

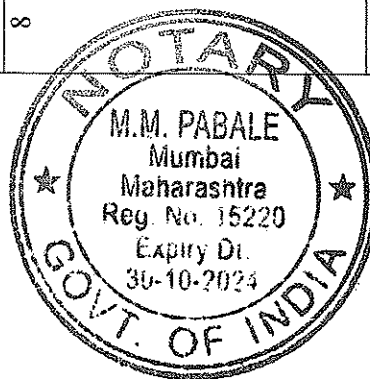


Sr. No.	Parties / Case No.	Adjudicating Authority	Date of Order	Particulars
6	Union of India Vs IL&FS and Ors. (Company Appeal (AT) no. 346 of 2018)	National Company Law Appellate Tribunal, New Delhi	February 11, 2019	<p>It is pertinent to note that this order was upheld on appeal before the Hon'ble NCLAT <i>vide</i> its order dated January 31, 2019 as well as the Hon'ble Supreme Court <i>vide</i> its judgment dated June 4, 2019.</p> <p>The Hon'ble NCLAT appointed (in accordance with this order and an order dated February 4, 2019) Justice (Retd.) D. K. Jain to supervise and oversee the resolution process of IL&FS and its group companies.</p> <p>The Hon'ble NCLAT recorded the names of 69 Indian IL&FS Group Entities which were classified into "Green", "Amber" and "Red" categories based on the 12 month cash flow based solvency test which was conducted by the Resolution Consultant, details of which were submitted to the NCLAT <i>vide</i> affidavit dated February 11, 2019. ITNL has been classified as a "Red" Entity.</p> <p>The Hon'ble NCLAT also excluded all offshore Entities of the IL&FS Group were excluded from the purview of the interim stay granted on coercive creditor and other action <i>vide</i> the order dated October 15, 2018 passed by the Hon'ble NCLT. However, it was clarified that the resolution for those Offshore Group Entities may be taken up by the New Board under the supervision of the Hon'ble Justice (Retd.) D.K. Jain.</p> <p>By this order, the Hon'ble NCLAT also permitted all "Green" Entities of the IL&FS Group to service their debt obligations as per scheduled repayment. It was further clarified that the</p>

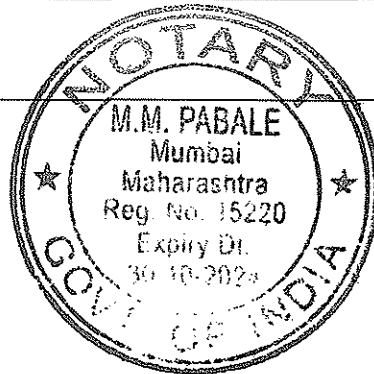


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Sr. No.	Parties / Case No.	Adjudicating Authority	Date of Order	Particulars
				resolution of such "Green" Entities should be within the 'Resolution Framework' which was placed before the Hon'ble NCLAT vide an affidavit dated January 25, 2019 filed by the UoI, and subject to the supervision of the Hon'ble Justice (Retd.) D.K. Jain.
7	Union of India, Ministry of Corporate Affairs Vs. IL&FS and Ors. (MA 1576/2019, MA 1577/2019 and MA 1054/2019 in C.P. 3638/2019)	National Company Law Tribunal, Mumbai Bench	April 26, 2019	The Hon'ble NCLT dispensed with the requirement under the Act for the appointment of independent directors and women directors in various IL&FS group companies during the moratorium period.
8	Union of India Vs IL&FS and Ors. (Company Appeal (AT) no. 346 of 2018)	National Company Law Appellate Tribunal, New Delhi	August 8, 2019	The Hon'ble NCLAT <i>inter alia</i> clarified that prior permission of Hon'ble Justice (Retd.) D. K. Jain would be required before selling, transferring, dealing with or creating any third party right, title or interest on any movable or immovable assets of the 82 "Red" entities. It is pertinent to note that by way of an order dated August 14, 2019 the Hon'ble NCLAT further clarified that the order dated August 8, 2019 shall not affect Red Entities to pay salary of its Employees/ Workman, Officers and Operational creditors to keep the Red Entities going concern.
9	Union of India, Ministry of Corporate Affairs Vs. IL&FS and 2 Ors. (M.A No. 2699 of 2019 in C.P. No. 4506 of 2018)	National Company Law Tribunal, Mumbai Bench	August 9, 2019	Further to the order dated January 1, 2019, the Hon'ble NCLT appointed the following chartered accountant for re-opening and recasting the accounts of IL&FS, IFIN and ITNL:



Sr. No.	Parties / Case No.	Adjudicating Authority	Date of Order	Particulars
10.	Union of India Vs. IL&FS and Ors. Company Appeal (AT) No. 346 and 347 of 2018)	National Company Law Tribunal, New Delhi	March 12, 2020	<p>(a) For IL&FS and IFIN: Borkar & Mazumdar & Co; (b) For ITNL: M/s. G.M. Kapadia & Co. Further, the NCLT appointed the following chartered accountants for auditing the reopened and re-cast accounts of IL&FS, IFIN and ITNL: (a) For IL&FS and IFIN: M/s. CNK Associates LLP; (b) For ITNL: M/s. M. M. Chitale & Co.</p> <p>After considering (a) the proposal of the MCA (as set out in the various affidavits filed with the Hon'ble NCLAT, including those relating to the Resolution Framework); and (b) the objections of the creditors passed an order <i>inter alia</i>:</p> <p>a. approving the procedures proposed by MCA for resolution of the IL&FS Group;</p> <p>b. accepting October 15, 2018 as the Cut-Off Date for crystallization of claims/liabilities of creditors;</p> <p>c. directing that the resolution of all entities in the IL&FS Group be concluded preferably within 90 days; and</p> <p>d. holding that the order dated October 15, 2018 passed by the Hon'ble NCLAT requires no modification/recall and continuing the order dated October 15, 2018.</p> <p>This order dated March 12, 2020 was modified by an order dated March 30, 2020 by the Hon'ble NCLAT in light of the COVID-19 outbreak holding that the period of lockdown will be excluded from the 90 day time period granted by the Hon'ble NCLAT for the resolution of IL&FS.</p>



ANNEXURE VII

FORM NO. AOC-2

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

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

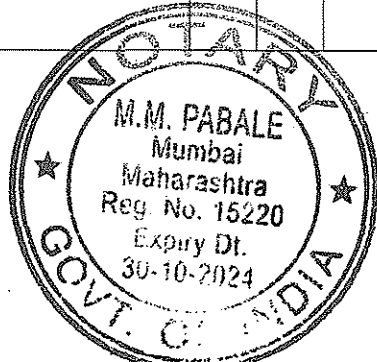
1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered in to by the Company during the financial year ended on March 31, 2019, which were not at arm's length basis. **Not Applicable**

2. Details of material contracts or arrangement or transactions at arm's length basis:

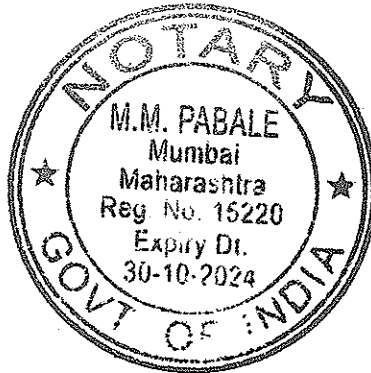
Sr. No.	Particulars	RPT - 1	RPT - 2	RPT - 3	RPT - 4	RPT - 5	RPT - 6
1.	Name(s) of the related party and nature of relationship	Infrastructure Leasing And Financial Services Limited - Parent Company	Infrastructure Leasing And Financial Services Limited - Parent Company	Infrastructure Leasing And Financial Services Limited - Parent Company	Infrastructure Leasing And Financial Services Limited - Parent Company	Infrastructure Leasing And Financial Services Limited - Parent Company	Infrastructure Leasing And Financial Services Limited - Parent Company
2.	Nature of contracts / arrangements / transactions	Revolving Line of Credit	Revolving Line of Credit	Revolving Line of Credit	Revolving Line of Credit	Revolving Line of Credit	Revolving Line of Credit
3.	Duration of the contracts / arrangements / transactions	24 Months	24 Months	24 Months	24 Months	24 Months	24 Months
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	-Interest rate - 16% p.a. -Call option by the lender -Interest	-Interest rate - 16% p.a. -Call option by the lender -Interest	-Interest rate - 16% p.a. -Call option by the lender -Interest	-Interest rate - 16% p.a. -Call option by the lender -Interest	-Interest rate - 16% p.a. -Call option by the lender -Interest	-Interest rate - 16% p.a. -Call option by the lender -Interest

Ⓢ



	payment quarterly -Security – Unsecured -Facility Start date-November 09, 2017 Sanctioned Amount – ₹ 700 Crore	payment quarterly -Security – Unsecured -Facility Start date – March 26, 2018 -Sanctioned Amount – ₹ 205 Crore	payment - quarterly -Security – Unsecured -Facility Start date – April 27, 2018 -Sanctioned Amount – ₹ 800 Crore	payment - quarterly -Security – Unsecured -Facility Start date – May 18, 2018 -Sanctioned Amount – ₹ 250 Crore	payment - quarterly -Security – Unsecured -Facility Start date – May 31, 2018 -Sanctioned Amount – ₹ 250 Crore	payment- quarterly -Security – Unsecured -Facility Start date – July 31, 2018 -Sanctioned Amount – ₹ 600 Crore
5. Date(s) of approval by the Committee of Directors	November 03, 2017	March 22, 2018	April 27, 2018	April 27, 2018	April 27, 2018	July 31, 2018
6. Amount paid as advances, if any (Gross amount disbursed)	₹ 836.43 Crore	₹ 319.00 Crore	₹ 795.00 Crore	₹ 250.00 Crore	₹ 267.00 Crore	₹ 912.00 Crore

Note - The Company has availed Revolving Line of Credit (RLOC) facility under which the Company is permitted to repay and re-borrow within the sanctioned limits. Due to this, the total drawdown amount mentioned is higher than the sanctioned limits as the Company has repaid and re-borrowed from IL&FS within the sanctioned limits.



For and on Behalf of the Board
IL&FS Transportation Networks Limited

Sd/-
Vineet Nayyar
Nominee Director
DIN: 00018243

Sd/-
Chandra Shekhar Rajan
Nominee Director
DIN: 00126063

Sd/-
Nand Kishore
Nominee Director
DIN: 08267502

Sd/-
Bijay Kumar
Nominee Director
DIN: 07262627

Mumbai
June 4, 2020

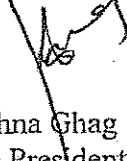
IL&FS Transportation Networks Limited

IL&FS Financial Centre,	T	+91 22 2653 3333
Plot C-22, G Block,	F	+91 22 2652 3979
Bandra Kurla Complex,	W	www.ilfindia.com
Mumbai 400 051	CIN	L45203MH2000PLC129790
INDIA		

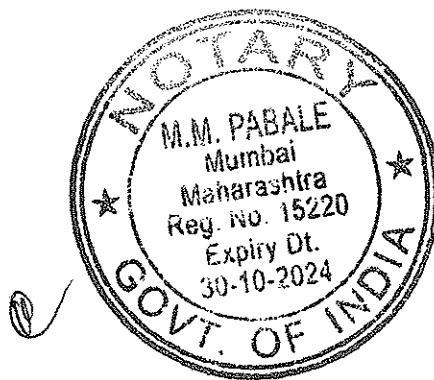
CERTIFIED TRUE COPY OF THE ORDINARY RESOLUTION PASSED AT ANNUAL GENERAL MEETING OF THE MEMBERS OF IL& FS TRANSPORTATION NETWORKS LIMITED ON JUNE 30, 2020

“RESOLVED THAT the Audited Standalone Financial Statements for the year ended March 31, 2019 along with Annexures/Schedules thereto, together with the Report of the Directors and Auditors thereon laid before the Members at the Meeting be and are hereby received, approved and adopted.”

Certified to be true
For IL&FS Transportation Networks Limited


Krishna Ghag
Vice President &
Company Secretary

November 3, 2023



ANNEXURE - 12

FORM NO. AOC-4 XBRL

[Pursuant to section 137 of the Companies Act, 2013 and rule 12(2) of the Companies (Accounts) Rules, 2014]



Form for filing XBRL document in respect of financial statement and other documents with the Registrar

Language English Hindi

Refer the instruction kit for filing the form.

Note-

-All fields marked in * are to be mandatorily filled.

Authorised capital of the company as on the date of filing (in Rs.)

Number of members of the company as on the date of filing

1. (a) * Corporate identity number (CIN) of company

(b) Global location number (GLN) of company

2. (a) Name of the company

(b) Address of registered office of the company

THE IL&FS FINANCIAL CENTRE PLOT NO C22 GBLOCK
BANDRA KURLA COMPLEX, BANDRA (E)
MUMBAI
Maharashtra
400051
India

(c)* e-mail ID of the company

3.* Financial year to which financial statement relates

From (DD/MM/YYYY) To (DD/MM/YYYY)

4.(a)* Date of Board of Director's meeting in which financial statements are approved (DD/MM/YYYY)

4.(b)(i)* Nature of financial statements

(iii). Whether provisional financial statements filed earlier Yes No Not applicable

(iv). Whether adopted in adjourned AGM Yes No Not applicable

5.(a) Whether Annual General Meeting (AGM) held Yes No Not applicable

(b). If yes, date of AGM (DD/MM/YYYY)

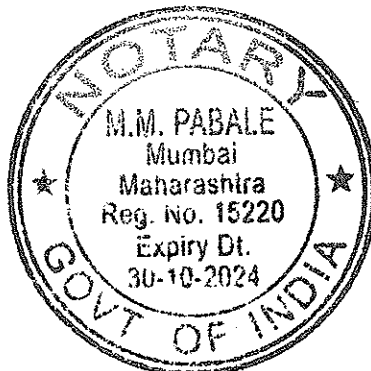
(c). * Due date of AGM (DD/MM/YYYY)

(d). * Whether any extension for financial year or AGM granted Yes No

(e). If yes, due date of AGM after grant of extension

6.(a) * Whether Schedule III of the Companies Act, 2013 is applicable Yes No

6. (b) * Whether financial statements have been drawn on the basis of AS Taxonomy Ind-AS Taxonomy



7. * Type of Industry

8. * Whether consolidated Financial Statements are also being filed Yes No

9.(a) In case of a government company, whether Comptroller and Auditor General of India (CAG of India) has commented upon or supplemented the audit report under section 143 of the Companies Act, 2013
 Yes No

(d). Whether CAG of India has conducted supplementary or test audit under section 143
 Yes No

* 10. Whether Secretarial Audit is applicable Yes No

* 11. Whether detailed disclosure with respect to Director's report Sec 134(3) is attached Yes No

Attachment(s)

- (1) XBRL financial statements duly authenticated as per section 134 (including Board's report, auditors' report and other documents)
- (2) XBRL document in respect Consolidated financial statement
- (3) Statement of subsidiaries as per section 129-Form AOC-1 (To be attached in respect of Foreign subsidiaries)
- (4) Statement of the fact and reasons for not adopting balance sheet in the annual general meeting (AGM)
- (5) Statement of the fact and reasons for not holding the AGM
- (6) Approval letter of extension of financial year or AGM
- (7) Supplementary or test audit report under section 143
- (8) Details of comments of CAG if India
- (9) Optional attachment (s) - if any

List of Attachment(s)

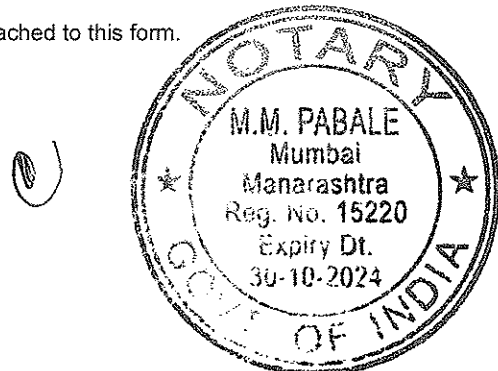
Approval letter for extension of AGM Instance_IlandFS.xml
 RPT IlandFS attached filed.pdf

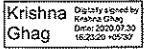
Declaration

I am authorized by the Board of Directors of the Company vide * resolution number * dated

to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

1. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
2. It is confirmed that the attached XBRL document(s) are the XBRL converted copy(s) of the duly signed Financial Statements and all other documents which are required to be annexed or attached to the Financial Statements as required under Section 137 of the Companies Act, 2013. It is further confirmed that such document(s) have been prepared using the XBRL taxonomy as notified under Companies(Filing of documents and forms in Extensible Business Reporting Language) Rules, 2015.
3. All the required attachments have been completely and legibly attached to this form.

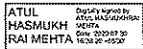


* To be digitally signed by  Krishna Ghag
 * Designation
 * Director identification number of the director; or PAN of the manager or CEO or CFO; or Membership number of the secretary

Certificate by practicing professional

I declare that I have been duly engaged for the purpose of certification of this form. It is hereby certified that I have gone through the provisions of the Companies Act, 2013 and Rules thereunder for the subject matter of this form and matters incidental thereto and I have verified the above particulars (including attachment(s)) from the original/certified records maintained by the Company/applicant which is subject matter of this form and found them to be true, correct and complete and no information material to this form has been suppressed. I further certify that:

1. The said records have been properly prepared, signed by the required officers of the Company and maintained as per the relevant provisions of the Companies Act, 2013 and were found to be in order;
2. It is further certified that the attached XBRL document(s) fairly present, in all material respects, the audited financial statements of the company, in accordance with the XBRL taxonomy as notified under Companies (Filing of documents and forms in Extensible Business Reporting Language) Rules, 2015
3. All the required attachments have been completely and legibly attached to this form;
4. It is understood that I shall be liable for action under Section 448 of the Companies Act, 2013 for wrong certification, if any found at any stage.

To be digitally signed by  ATUL HASMUKH RAI MEHTA

- Chartered accountant (in whole-time practice) or Cost accountant (in whole-time practice)
 Company secretary (in whole-time practice)

Whether associate or fellow Associate Fellow

Membership Number

Certificate of Practice number

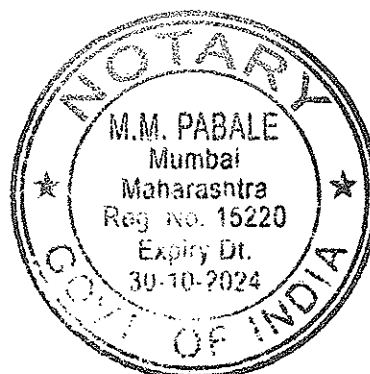
Note: Attention is drawn to provisions of section 448 and 449 which provide for punishment for false statement / certificate and punishment for false evidence respectively.

Modify

Check Form

Prescrutiny

Submit



For office use only:

eForm Service request number (SRN)

eForm filing date

(DD/MM/YYYY)

This e-form is hereby registered

Digital signature of the authorizing officer

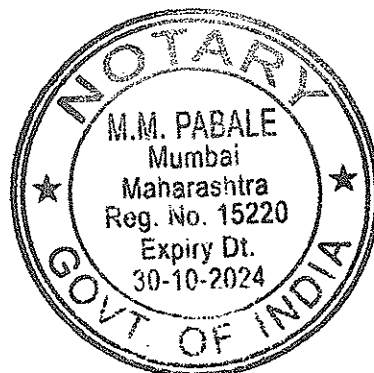
Confirm submission

Date of signing

(DD/MM/YYYY)

OR

This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company



ANNEXURE - 13

IL&FS TRANSPORTATION NETWORKS LIMITED
Standalone Balance Sheet

₹ in Crore

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	76.91	128.43
(b) Investment Property	3A	14.26	-
(c) Investment Property Under Development	3B	67.02	81.36
(d) Intangible Assets	2	0.07	0.16
(e) Right of use Assets	2A	3.48	-
(f) Financial Assets			
(i) Investments	4	106.75	163.59
(ii) Trade receivables	12	102.46	73.17
(iii) Loans	5	706.64	2,094.85
(iv) Other Financial Assets	6	47.43	20.47
(g) Deferred Tax Assets (net)	7	-	-
(h) Non-Current Tax Assets (net)	8	477.90	514.21
(i) Other Non-Current Assets	9	45.29	60.77
Total Non-Current Assets		1,648.21	3,137.01
(2) Current Assets			
(a) Inventories	10	18.49	18.49
(b) Contract Assets	11	7.28	4.35
(c) Financial Assets			
(i) Investments	4	67.20	6.60
(ii) Trade Receivables	12	23.76	53.98
(iii) Cash and Cash Equivalents	13	191.25	24.43
(iv) Bank Balances other than (iii) above (refer note 1.17)	13	108.50	128.15
(v) Loans	5	-	15.23
(vi) Other Financial Assets	6	0.02	20.19
(d) Other Current Assets	9	1.34	6.20
(e) Assets classified as Held for sale	14	928.11	-
Total Current Assets		1,345.95	278.62
Total Assets		2,994.16	3,415.63
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	328.96	328.96
(b) Other Equity	16	(15,188.66)	(14,213.37)
Total Equity		(14,859.70)	(13,884.41)
LIABILITIES			
(1) Non-Current Liabilities			
(a) Contract Liabilities	21A	-	9.17
(b) Financial Liabilities			
(i) Borrowings	17	-	-
(ii) Other Financial Liabilities	18	2.98	-
(c) Provisions	19	-	-
(d) Other Non-Current Liabilities	20	-	-
Total Non-Current Liabilities		2.98	9.17
(2) Current Liabilities			
(a) Contract Liabilities	21A	4.73	9.76
(b) Financial Liabilities			
(i) Borrowings	17	1,063.78	1,062.51
(ii) Trade Payables	21		
(a) Dues of Micro Enterprises and Small		36.67	36.74
(b) Dues of Other than Micro Enterprises and Small enterprises		1,099.23	1,011.01
(iii) Other Financial Liabilities	18	15,315.89	14,828.54
(c) Other Current Liabilities	20	154.95	164.47
(d) Provisions	19	175.63	177.84
Total Current Liabilities		17,850.88	17,290.87
Total Equity and Liabilities		2,994.16	3,415.63

Summary of significant Accounting Policy
Notes 1 to 47 form part of the standalone financial statements.
As per our Report of even date

For and on behalf of the Board

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

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

Sd/-
Nand Kishore
Director
(DIN: 08267502)

Sd/-
per Suresh Yadav
Partner
Membership No. 119878

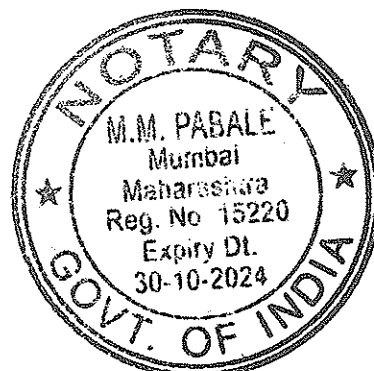
Sd/-
Mohit Bhasin
Chief Financial Officer

Sd/-
Dilip Bhatia
Chief Executive Officer

Date : December 07, 2020
Place : Mumbai

Sd/-
Krishna Ghag
Company Secretary
166

Date : December 07, 2020
Place : Mumbai



IL&FS TRANSPORTATION NETWORKS LIMITED
Standalone Statement of Profit and Loss

₹ in Crore

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
I Revenue from Operations	22	99.51	179.54
II Other Income	23	132.91	606.70
III Total Income (I+II)		232.42	786.24
IV Expenses			
Cost of Material Consumed	24	-	3.86
Construction Costs	24	46.21	749.58
Operating Expenses	25	99.10	218.66
Employee Benefits Expense	26	23.71	59.96
Finance Costs (refer note 1.16)	27	16.70	1,275.55
Depreciation and Amortisation Expense	28	19.94	20.93
Other Expenses	29	231.73	685.83
Total Expenses (IV)		437.39	3,014.37
V Loss before exceptional items and tax (III-IV)		(204.97)	(2,228.13)
VI Exceptional items	30	767.98	14,340.59
VII Loss Before Tax (V-VI)		(972.95)	(16,568.72)
VIII Tax Expense			
(1) Current Tax		-	-
(2) Deferred Tax	31	-	431.60
Total Tax Expense		-	431.60
IX Loss for the Year (VII-VIII)		(972.95)	(17,000.32)
X Other Comprehensive Loss			
Items that may be reclassified to profit or loss			
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)		-	42.07
Actuarial profit / (loss) on defined benefit plan		(1.62)	2.13
Total Other Comprehensive profit / (loss)		(1.62)	44.20
XI Total Comprehensive Loss for the Year (IX+X)		(974.57)	(16,956.12)
XII Earnings per share (of ₹ 10/- each)	40		
(a) Basic (In ₹)		(29.58)	(516.79)
(b) Diluted (In ₹)		(29.58)	(516.79)
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.
As per our Report of even date

For and on behalf of the Board

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

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

Sd/-
Nand Kishore
Director
(DIN: 08267502)

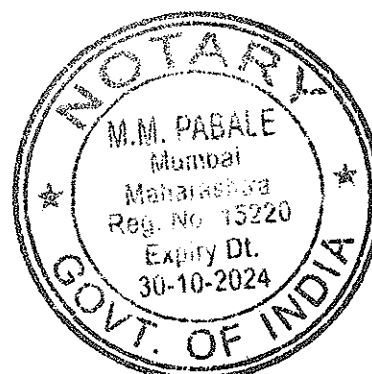
Sd/-
per Suresh Yadav
Partner
Membership No. 119878

Sd/-
Mohit Bhasin
Chief Financial Officer

Sd/-
Dilip Bhatia
Chief Executive Officer

Date : December 07, 2020
Place : Mumbai

Date : December 07, 2020
Place : Mumbai



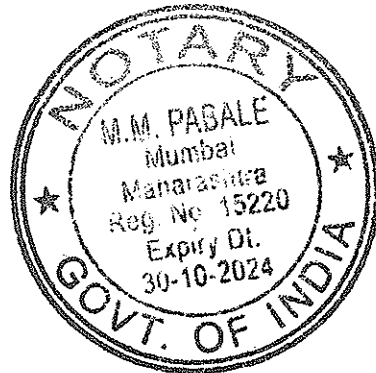
IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

Standalone Statement of Changes in Equity for the year ended March 31, 2020

	₹ in crore	
	Year Ended March 31, 2020	Year Ended March 31, 2019
a. Equity share capital		
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

	Reserves and surplus						Items of other comprehensive income	Total
	₹ in crore							
	Debtore 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		
b. Other equity								
Balance as at April 1, 2019	343.31	2,144.97	147.25	35.12	(16,884.02)	-	(14,213.37)	
Loss for the year	-	-	-	-	(972.95)	-	(972.95)	
Other comprehensive gain	-	-	-	-	(1.62)	-	(1.62)	
Adjustment due to IND AS 116 (refer note 39)	-	-	-	-	(0.72)	-	(0.72)	
Balance as at March 31, 2020	343.31	2,144.97	147.25	35.12	(17,859.30)	-	(15,188.66)	

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Previous Year	Reserves and surplus						Items of other comprehensive income		Total
	Debt 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)	Total	
b. Other equity									
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)	

Summary of significant Accounting Policy
Notes 1 to 47 form part of the standalone financial statements.
As per our Report of even date

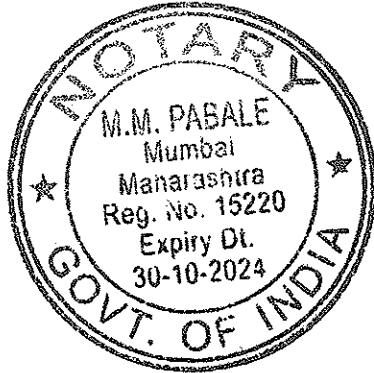
For and on behalf of the Board

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

Sd/-

Nand Kishore
Director
(DIN: 08267502)

Sd/-
per Suresh Yadav
Partner
Membership No. 119878



Sd/-
Mohit Bhasin
Chief Financial Officer

Sd/-

Dilip Bhatia
Chief Executive Officer

Sd/-
Krishna Ghag
Company Secretary

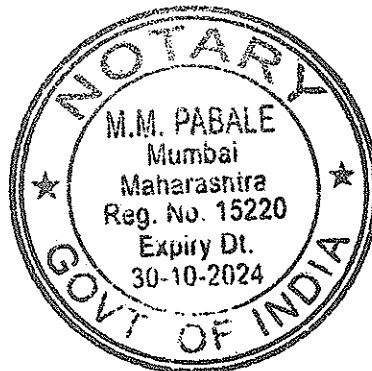
Date : December 07, 2020
Place : Mumbai

Date : December 07, 2020
Place : Mumbai

IL&FS TRANSPORTATION NETWORKS LIMITED
Standalone Cash Flow Statement

₹ in crore

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash Flow from Operating Activities		
Loss before tax and after exceptional items for the year	(972.95)	(16,568.72)
Adjustments for:		
Interest income	(100.16)	(456.98)
Loss on sale/ discard/ damaged/ scrapped of fixed assets	1.69	14.60
Foreign exchange fluctuation gain (net)	160.25	(111.69)
Loss on cancellation of swap contracts	-	19.20
Loss on sale of investments	0.09	56.75
Profit on sale of mutual funds	(4.17)	(0.25)
Depreciation and amortisation expenses	19.84	20.93
Depreciation on investment property	0.10	-
Provision for guarantee invocation for under construction projects	310.64	-
Impairment losses	457.34	14,340.59
Loss/(Gain) on Investments recognised through fair value through profit and loss	(3.95)	101.67
Finance costs	16.70	1,275.55
Dividend income on non-current investments	-	(0.02)
Rate and taxes written off	17.32	61.53
Provision for indirect tax balances and matters	-	130.96
Excess provisions written back	(2.32)	(12.20)
Operating loss before working capital changes	(99.58)	(1,128.08)
Decrease/ (Increase) in trade receivables/ contract assets (refer note (iii) note (vi), note (vii) and note B below)	(17.18)	1,361.57
Decrease in inventories	-	1.41
Decrease/ (Increase) in other financial assets & other assets (current and non-current)	6.30	51.99
Increase in financial liabilities & other liabilities (current and non-current) (refer note (iv) and note (vi) below)	54.89	886.72
Cash generated from/ (used in) Operations	(55.57)	1,173.61
Direct taxes received/ (paid) (net of refund received)	36.32	(20.25)
Net Cash generated from/ (used in) Operating Activities (A)	(19.25)	1,153.36
Cash Flow from Investing Activities		
Payments for acquiring property, plant and equipment	(0.92)	(46.80)
Payments for acquiring intangible assets	-	(0.11)
Proceeds from disposal of property, plant and equipment	1.72	0.15
Payment for investment property	(0.03)	-
Payment for investments	-	-
Proceeds from disposal of investments in subsidiary and Joint venture	20.00	210.75
Investment in equity shares of subsidiaries (refer note (i) and note (ii) below)	(0.01)	(243.43)
Investment in units of mutual funds	(175.58)	(37.85)
Proceeds from redemption of mutual funds	119.15	31.50
Long-term loans given (refer note (i), note (ii), note (iii) and note (v) below)	-	(577.89)
Long-term loans recovered (refer note (viii) and note B below)	10.77	-
Short-term loans given and recovered (net)	-	(1,264.43)
Interest received	184.67	207.64
Dividend received	-	0.02
Fixed deposits matured/ (placed) as security against borrowings	17.68	192.52
Net Cash (used in)/ generated from Investing Activities (B)	177.45	(1,527.93)



IL&FS TRANSPORTATION NETWORKS LIMITED
Standalone Cash Flow Statement contd....

Particulars	₹ in crore	
	Year ended March 31, 2020	Year ended March 31, 2019
Cash Flow from Financing Activities		
Redemption of preference shares with premium	-	(42.07)
Proceeds from long-term borrowings	-	4,172.76
Repayment of long term-borrowings (refer note (iii), note (iv) and note (v) below)	-	(2,206.97)
Proceeds from short term-borrowings (refer note (vii) below)	-	376.28
Repayment of short-term borrowings	-	(1,126.10)
Finance costs paid	-	(958.38)
Preference dividend paid	-	(49.99)
Payment towards Lease liabilities	(3.49)	-
Interest on Income Tax refund	12.47	10.77
Tax on preference dividend paid	-	(5.77)
Net Cash generated from/ (used in) Financing Activities (C)	8.98	170.53
Net (decrease)/ increase in Cash and Cash Equivalents (A+B+C)	167.18	(204.05)
Cash and cash equivalents at the beginning of the year	(146.10)	57.95
Cash and cash equivalents at the end of the year	21.08	(146.10)
Net increase / (decrease) in Cash and Cash Equivalents	167.18	(204.05)

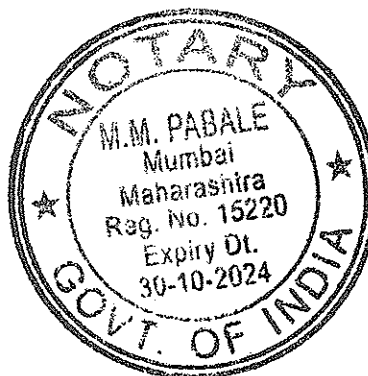
Particulars	₹ in crore	
	Year ended March 31, 2020	Year ended March 31, 2019
Components of Cash and Cash Equivalents		
Balances with Banks		
On current accounts	49.90	24.24
On deposit accounts	141.34	0.18
Cash on hand	0.01	0.01
Total	191.25	24.43
Less – Secured demand loans from banks (Cash credit) (shown under current borrowings in	(170.18)	(170.18)
Less – Unsecured demand loans from banks (Bank overdraft) (shown under current	-	(0.35)
Cash and cash equivalents for statement of Cash Flows (refer note 13 (b))	21.08	(146.10)

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

- During the previous year, the Company has invested in the equity share capital of Fagne Songarh Expressway Limited amounting to ₹ 32.75 crore by converting its loan given to the said subsidiary.
- During the previous year, the Company acquired shares of Srinagar Sonmarg Tollway Limited for a consideration of ₹ 5.87 crore from Soma Enterprises Limited (Soma). The said consideration was adjusted against the loan granted by the Company to Soma in earlier years.
- During the previous 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.
- During the previous year, trade payables to various vendors amounting to ₹ 496.05 crore were converted into borrowings.
- During the previous 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.
- During the current year, two Group entities to whom Company had provided O&M services, have paid an amount of Rs. 7.36 crore directly to sub-contractors / vendors of the Company engaged for providing O&M services by the Company, towards discharge of O&M fees payable to the Company, due to the lenders of those Group entities not allowing payments to be made to the Company. Accordingly, trade receivables and trade payables have been adjusted by the said amount.



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IL&FS TRANSPORTATION NETWORKS LIMITED

Standalone Cash Flow Statement contd....

vii) During the previous year, Bank guarantees of ₹ 16.28 crore given on behalf of subsidiaries were invoked by the banks against the Company and have been
viii) During the current year, as a part of restructuring of the debt of two SPVs, WGEL and MBEL, duly approved by Hon'ble NCLAT, Interest receivable
Note B: As referred in note 14, certain assets have been classified as held for sale. The impact of this change in classification has not been given in the cash flow

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/-
Nand Kishore
Director
(DIN: 08267502)

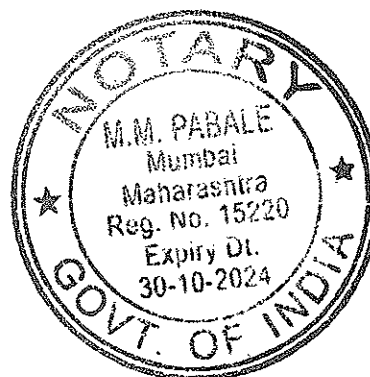
Sd/-
Mohit Bhasin
Chief Financial Officer

Sd/-
Dilip Bhatia
Chief Executive Officer

Sd/-
Krishna Ghag
Company Secretary

Date : December 07, 2020
Place : Mumbai

Date : December 07, 2020
Place : Mumbai

IL&FS Transportation Networks Limited

Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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 through 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 ('holding company' or 'IL&FS') and various group companies ('the IL&FS Group')

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:

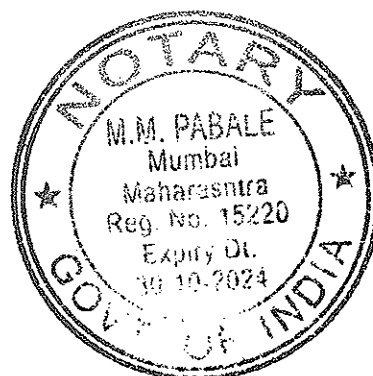
- I. The precarious and critical financial condition of the IL&FS Group and their inability to service their debt obligations had rattled the money market.
- II. On a careful consideration of the Union of India, it was of the opinion that affairs of the IL&FS Group were conducted in a manner contrary 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.

Pursuant to above developments, the Board of the Company and its other Committees were also reconstituted

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.



IL&FS Transportation Networks Limited

Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

- 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.

The NCLAT vide Order dated March 12, 2020, approved October 15, 2018 as the date of initiation of the resolution process of IL&FS Group Companies (including the Company) and Crystallization of claims as of that date i.e. "Cut-Off Date" with No interest, additional interest, default interest, penal charges or other similar charges to accrue after the said Cut-Off Date.

1.3 Resolution process being pursued by New Board for the Company

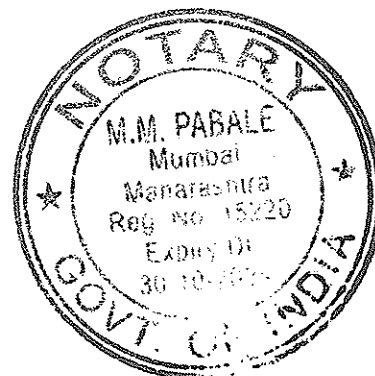
The New Board as part of the resolution process, has submitted several progress reports to the NCLT. This includes framework for a resolution plan and process, steps undertaken for monetization of assets, appointment of consultants, and classification of group entities based on their abilities to meet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

As discussed earlier, the NCLAT vide its interim order dated October 15, 2018 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. The NCLAT vide Order dated March 12, 2020, approved the resolution plan and related processes including October 15, 2018 as the date of initiation of the resolution process of IL&FS Group Companies (including the Company) and Crystallization of claims as of that date i.e. "Cut-Off Date" with No interest, additional interest, default interest, penal charges or other similar charges to accrue after the said Cut-Off Date.

The resolution plan being pursued by the New Board 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. The New Board is working towards a timely resolution of various entities 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 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 / NCLT approval. The agreed resolution plan has also been 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.



IL&FS Transportation Networks Limited

Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

- 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 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 and its resolution is dependent on the resolution of its underlying group entities. The resolution plan for its various group entities is under way and multiple modes of resolution including divestments, liquidation / winding up, set up of Trust etc. (as described further below) are being pursued. The plan of the management is to sell/exit from assets at the group entity as a going concern.

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.

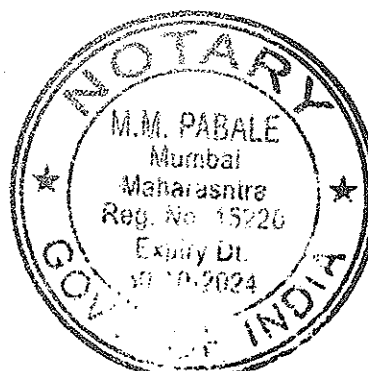
In order to maintain going concern status of the SPVs for which Operation and Maintenance ("O&M") activities are carried out by the Company, it has continued to perform its obligations with respect to the said activities post September 2018 and O&M activities are carried out uninterrupted. However, with 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 (EMSL), a wholly owned subsidiary of the Company.

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).

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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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 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. Hon'ble NCLAT approved the resolution plan submitted by Board vide its order dated March 12, 2020.

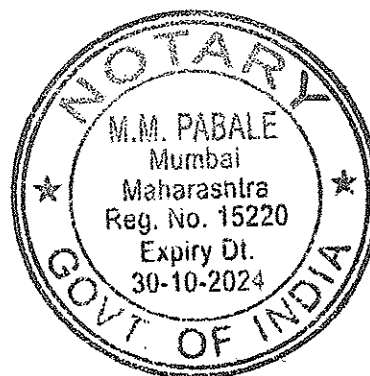
Events since April 1, 2019

- 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 3 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

- II. For the following 2 SPVs though the bids received were accepted initially, the divestment process could not be progressed
 - (a) PSRDCL - due to withdrawal of prospective buyer because of uncertainties including those caused due to outbreak of COVID-19 and
 - (b) HREL – due to ongoing legal matters with SPV lenders, whereby it was ascertained that obtaining SPV lender consent was not possible

- III. 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.

- IV. 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.



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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

No bids were received for engineering, procurement and construction business of ITNL and operations and maintenance business carried out by Elsamex Maintenance Services Ltd.

For the 11 SPVs (mentioned in paragraph II, III and IV above), after careful evaluation of alternate resolution options, the New Board has given its approval to establish an infrastructure investment trust ("InvIT") under the Securities and Exchange Board of India (Infrastructure and Investment Trusts) Regulation 2014 (InvIT Regulations). The proposal envisages establishment of an InvIT for acquiring the equity and other receivables held by the Company in the relevant SPVs in consideration of units to be issued by the InvIT. The units so received by the Company will form part of the asset pool which will be distributed to the creditors of the Company in accordance with the approved resolution Framework.

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

- the Company has incorporated a wholly owned subsidiary i.e Roadstar Infra Pvt. Ltd to act as the Sponsor to the proposed InvIT; and post receipt of all requisite approvals, infused a sum of ₹ 75 crore towards equity capital of the Sponsor
- The Company (along with ITNL Road Investment Trust (IRIT) whose sole beneficiary is the Company) has transferred its shareholding in North Karnataka Expressway Ltd (NKEL) to the Sponsor at the Fair market Value in exchange of shares issued by the Sponsor
- The steps (ii) and (iii) have concluded to enable the Sponsor to meet the minimum net worth criteria as required under the InvIT Regulations
- In-principal approval for registration of the InvIT has been received from SEBI
- NKEL has been appointed as Investment Manager and EMSL (a 100% subsidiary of the Company) has been appointed as Project Manager to the InvIT
- Application for seeking final registration of the InvIT with Securities and Exchange Board of India has been made and is presently being pursued
- Approval has been sought from the lenders of the Company for the structure of the proposed InvIT and the transfer of shareholding and receivables held by the Company to the InvIT in exchange of units to be issued by the InvIT

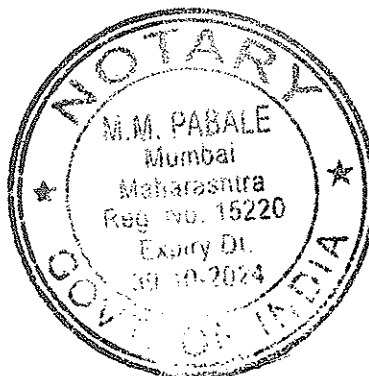
The InvIT is proposed to be set up in 2 phases. Phase 1 will consist of 7 SPVs and Phase II additional 4 SPVs. Company expects to complete the setup of the InvIT and transfer the SPVs to the said InvIT along with its receivables from these SPVs by March 31, 2021. Additionally, the Company also expects to complete the process of divestment of the 3 SPVs by March 31, 2021 where the sale process is on-going.

Further, the binding bid was received for Karyavattom Sports Facilities Limited on September 30, 2019 which has been accepted by the IL&FS Board on June 12, 2020 and the sale process for the same is underway.

The underlying assets relating to these 15 SPVs have been accordingly been classified as "Non-Current Assets Held for Sale" in these financial statements.

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.



IL&FS Transportation Networks Limited

Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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.

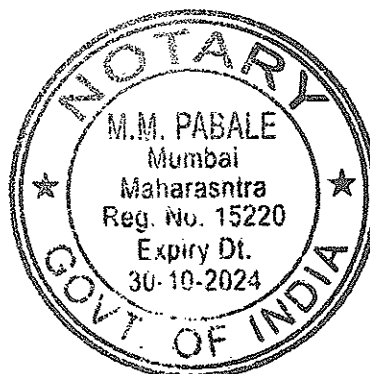
The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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.



IL&FS Transportation Networks Limited

Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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

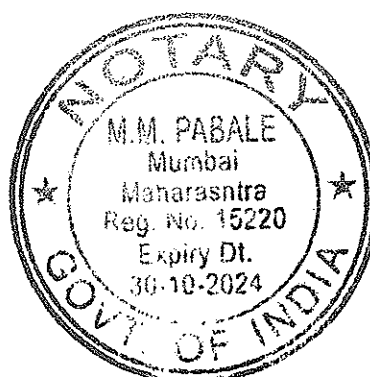
The principal or the most advantageous market must be accessible by the Company.

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.

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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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).

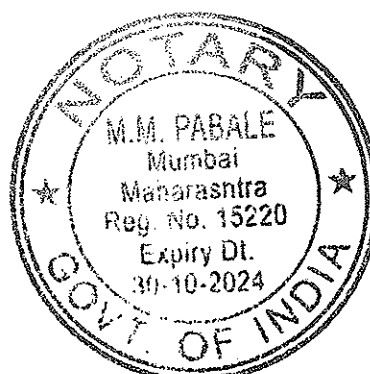
1.4.5 Non-current assets held for sale

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.

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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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.

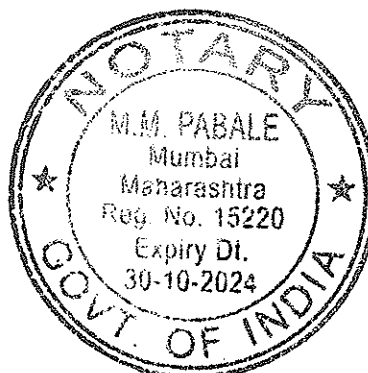
The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract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



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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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.

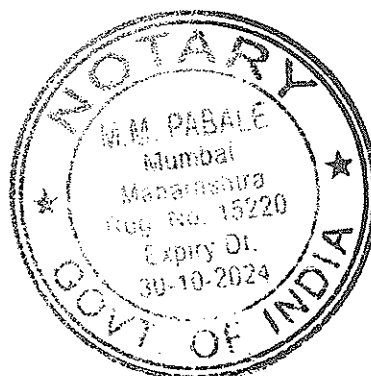
Trade Receivables

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

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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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 Company as lessee**

The Company's lease assets primarily consist of leases for office premises. The company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

In order to assess whether a contract conveys the right to control the use of an identified asset, the Company evaluates whether:

- i. The contract involves the use of an identified asset
- ii. The company has substantially all of the economic benefits from use of the asset through the period of the contract and
- iii. The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an option to extend or terminate.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

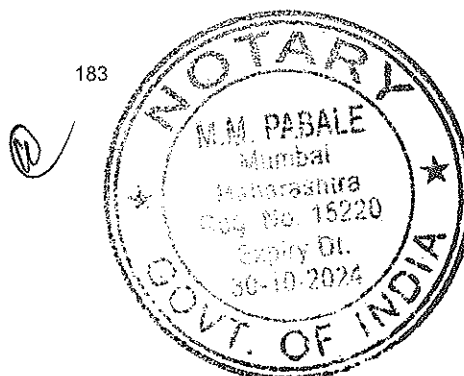
The Company as Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

Transition

Effective April 1, 2019 the Company has adopted Ind AS 116 – Leases, which requires any lease arrangement to be recognized in the balance sheet of the lessee as a 'right-of-use' asset with a corresponding lease liability. Accordingly, depreciation has been charged on such assets as against lease rental expenses in the previous year. Similarly, interest expense has been recognized on lease liabilities under finance costs. As permitted by the standard, the Company has applied this standard w.e.f. April 1, 2019 and comparatives for the previous



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period/year have not been restated.

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.

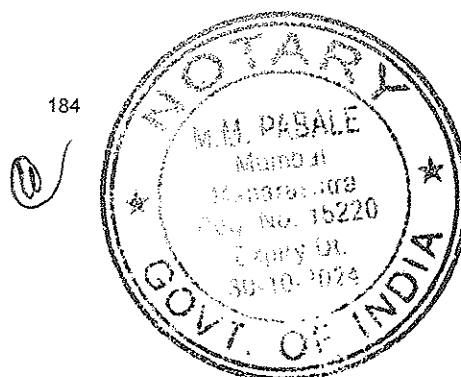
1.4.9 Borrowing costs

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.



IL&FS Transportation Networks Limited

Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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.

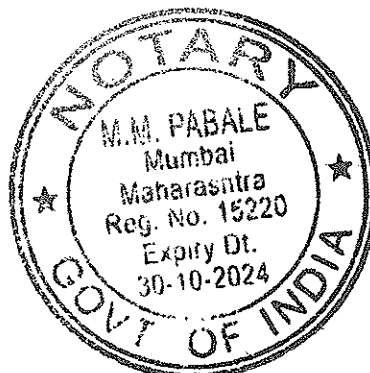
Short-term and other long-term employee benefits

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 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.

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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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.

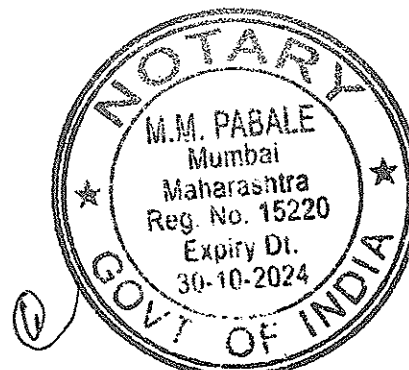
The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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.



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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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.

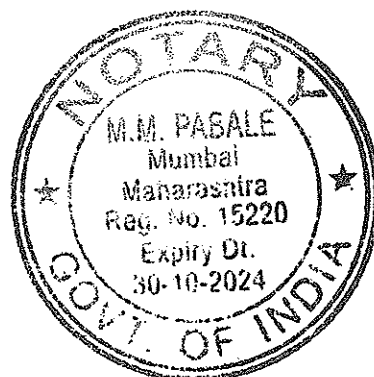
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between 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.

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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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.

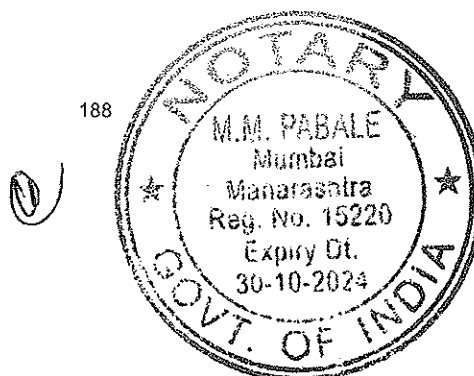
1.4.15 Impairment of Property, plant and equipment and intangible assets

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.

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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.

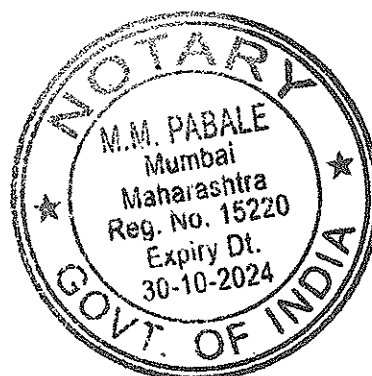
1.4.17 Provisions

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, its 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.



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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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.

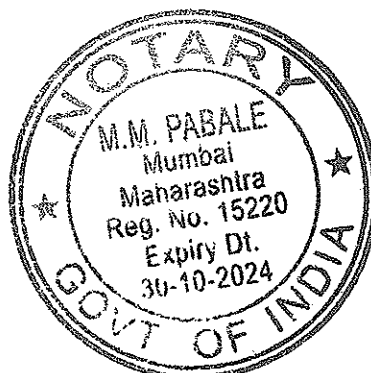
All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

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.

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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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 FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss is included in the "Other income" line item.

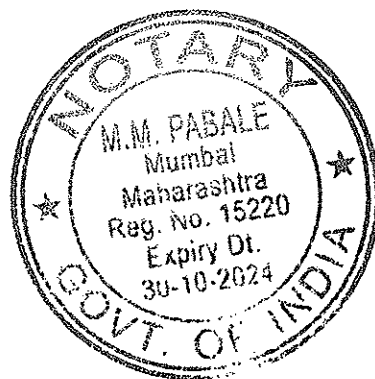
1.4.19.5 Impairment of financial assets

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



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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.

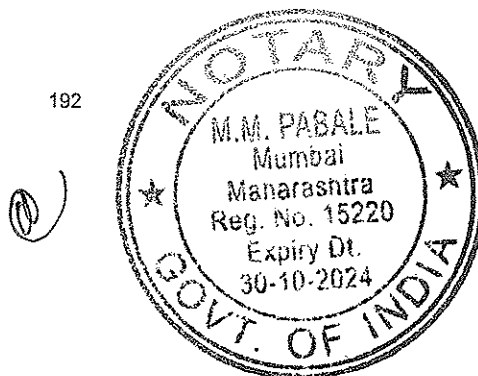
1.4.19.8 De-recognition of financial assets

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.

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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.

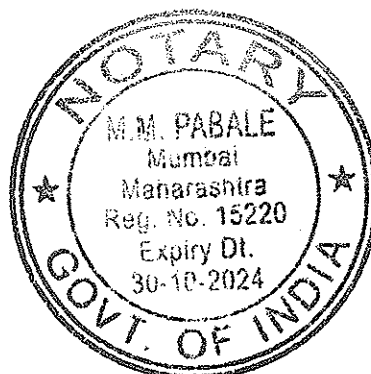
1.4.20.2 Compound instruments

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.

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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:

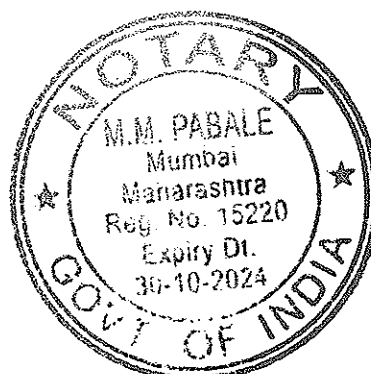
- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115.

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.



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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

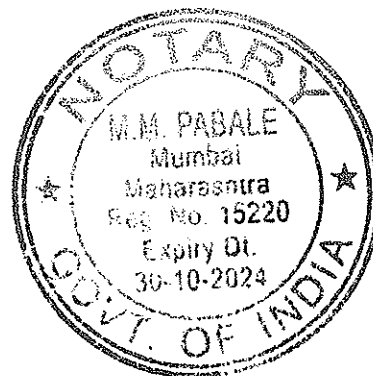
The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments 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.



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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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**

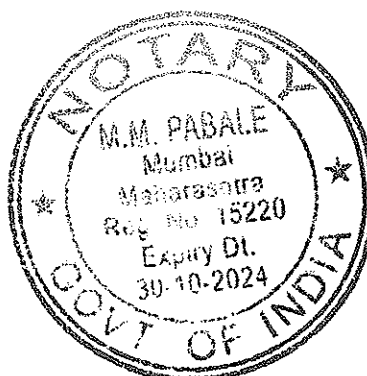
The preparation of Financial Statements requires the Company to make estimates and assumptions considered in the reported amounts of Assets and Liabilities (including Contingent Liabilities) as of the date of the Financial Statements and the reported Income and Expenses during the reporting year.

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, Plant and Equipment – based on independent assessment;
- IX. Impairment testing of Property under development;
- X. Discounting of Financial Instruments;
- XI. Expected Credit Loss of trade receivables, loans and advances and other receivables;



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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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

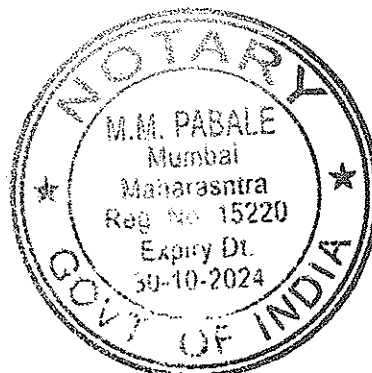
Uncertainties involved in determining the recoverable value considered for determining provision for impairment and expected credit loss on investments, trade and other receivables due to subject to finalisation of the claim management process of subsidiaries and joint ventures and their audited financial 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.

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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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 and impairment assessment of Property, plant and equipment

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. Impairment assessment in respect of property, plant and equipment has been carried based on fair value less cost disposal method for individual items which is based on certain estimates used by the Independent Valuer appointed by the Company which is described in note 1.18.

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

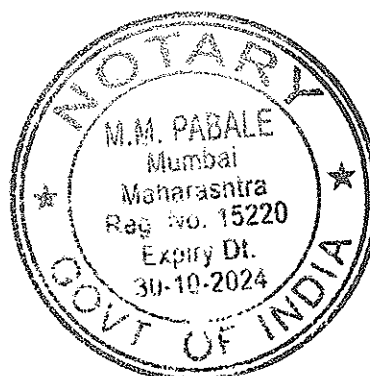
The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

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.



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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

1.4.25 Recent accounting pronouncements

Standards issued but not yet effective

There are no standards that are issued, but not yet effective, up to the date of issuance of these standalone Ind AS 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) and cost arising out of claim management and reconciliation process, if any, for re-casting 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, 2019 (comparative period end date) and the current year ended March 31, 2020 and (c) the statement of Profit and Loss for the years ended March 31, 2019 and March 31, 2020.

1.6 Status of New Board of Directors initiated Forensic Examination

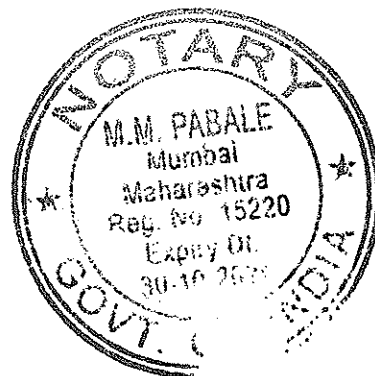
As a consequence of the matter described in **Note 1.2** above and various other matters discussed in this stand-alone financial statement, New Board have initiated a forensic examination for the period from April 2013 to September 2018, in relation to certain companies of the Group including ITNL and 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. Investigation by Enforcement Directorate (ED) has also commenced post March 31, 2020. As a part of its investigation, SFIO and ED have 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 June 18, 2020) to a Claims Management Advisor ("CMA") appointed by the IL&FS Group. The amounts claimed by the financial and operational creditors are



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assessed for admission by the CMA.

The CMA, has submitted their report on the status of the claims received and its admission status. Claims of ₹ 21,710.61 crore (including contingent claims of ₹ 4,912.41 crore) have been filed by Financial Creditors of the Company and out of which claims of ₹ 17,713.89 crore (including contingent claims of ₹ 2,831.22 crore) have been admitted by CMA against the financial liabilities of ₹ 15,888.64 crore in the books.

Reconciliation of Financial Creditor Claims has been completed by the Company and impact given in these standalone Ind AS financial statements except an amount of ₹ 3.11 crore where clarity has been sought from the Claim Management Advisor and few other identified adjustments which are yet to be carried out pending receipt of underlying documents from respective parties. Appropriate disclosure in this respect have been made in note 37.1.

Claims of ₹ 2,930.78 crore have been filed by operational creditors of the Company, out of which claims of ₹ 1,152.84 crore have been admitted by the CMA (including amounts admitted on contingent basis of ₹ 64.07 crore) against the operating liabilities of ₹ 997.38 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 operational creditors with the CMA, and reconciliation of such claims with the corresponding amounts as per the Company's books of account is going on. Based on the ongoing reconciliation, the Company has recorded additional construction cost for underlying work carried out amounting to ₹ 41.42 crore, other expenses (Rates and taxes and rental expenses) amounting to ₹ 13.67 crore and finance cost (interest payable on outstanding balances) net of provision amounting to ₹ (1.14) crore. Further, the Company has also capitalised assets amounting to ₹ 0.52 crore (refer note 2 (c)).

In cases where reconciliations are in progress or pending as on date of these standalone financial statements, difference between admitted claims and book balance of such creditors have been disclosed as part of contingent liabilities (refer Note 37.1).

1.9 Non-compliance with applicable laws and regulations

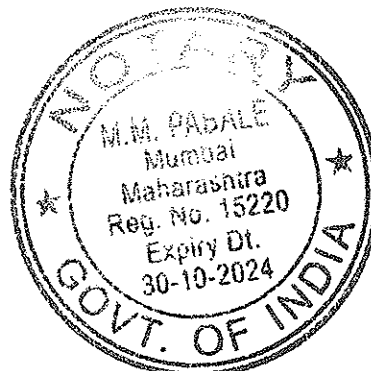
As a consequence of the matter described in Note 1.2 above and various other matters discussed in this accompanying stand-alone Ind AS financial statements, the Company is not in compliance with provision of various applicable laws and regulations, including but not limited to the Companies Act 2013,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

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 in this regard.

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



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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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, 2020 is ₹ 6,319.94 crore (previous year ₹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 (previous year ₹ 4,912.41 crore), out which claims of ₹ 2,831.22 crore (previous year ₹ 2,831.22 crore) have been admitted by the CMA at contingent claims. (refer note 1.8). Pending such assessment, management has not accounted for any such guarantees except where necessary provision amounting to ₹ 310.64 crore has been recognised in the books (refer note 38.7 and 38.9) and accordingly, no additional impact has been given 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.

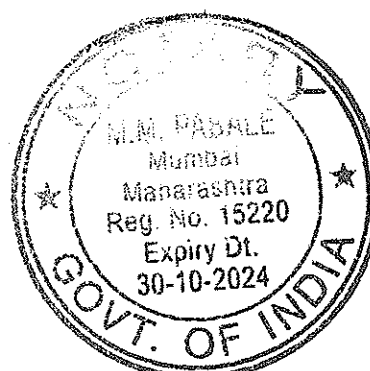
1.12 Impairment of Investments, loans, trade receivables and other receivables

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). The approach followed by the Company for the purpose of determining the recoverable amounts, is consistent with the approach followed by the Company during financial year 2018-19.

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 by the Company using the same discounted cash flow model and discount rate, as considered by the independent valuers engaged by the New Board during the divestment process for arriving at the Fair Market Values as at September 30, 2018 (and used for impairment assessment in the previous year), updated for the latest traffic assessments wherever available.

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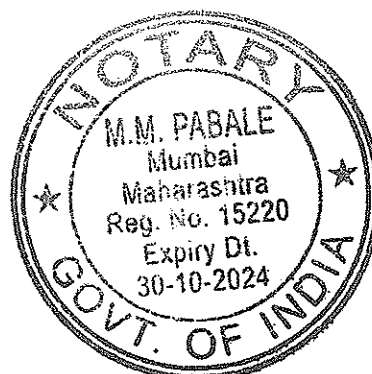
Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

	Further, in case of two entities for which bids were approved by the Board and subsequently withdrawn by the respective bidders, the recoverable amount has been determined basis lower of the Fair Market Values as at September 30, 2018 assigned by 2 valuers' engaged by the New Board during the divestment process.
C	Entities where no Financial bids were received, the recoverable amount has been determined by the Company using the same discounted cash flow model and discount rate, as considered by the independent valuers engaged by the New Board during the divestment process for arriving at the Fair Market Values as at September 30, 2018 (and used for impairment assessment in the previous year), updated for the latest traffic assessments wherever available.
D	Entities, where projects are under construction/ incomplete/ partially incomplete and discussions are ongoing with the Concessing Authorities for foreclosure/ termination of the Concession Agreements, recoverable amounts have been determined basis the net compensation agreed or indicated by the respective Concessing 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: <ul style="list-style-type: none"> 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 other 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:

Current Year

₹ in crore						
Category as per above	Recoverable amount available to entities as at March 31, 2020	Impairment and ECL recognised (net of reversal) for the year ended March 31, 2020	Recoverable amount of investments	Recoverable amount of trade receivables and contract assets	Recoverable amount of loans	Recoverable amount available to Company as at March 31, 2020
1	2	3	4	5	6	4 + 5 + 6 = 7
A	5,793.67	25.00	-	29.33	509.80	539.13
B	8,463.29	204.30	-	-	338.65	338.65
C	1,446.59	92.05	-	-	58.08	58.08
D	2,994.46	20.97	-	42.69	554.36	597.05
E	180.05	82.33	39.18	44.16	161.52	244.86
Total	18,878.06	424.65	39.18	116.18	1,622.41	1,777.77



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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

Previous Year

₹ in crore

Category as per above	Recoverable amount available to entities as at March 31, 2019	Impairment and ECL recognised for the year ended March 31, 2019	Recoverable amount of investments	Recoverable amount of trade receivables and contract assets	Recoverable amount of Loans	Recoverable amount available to Company as at March 31, 2019
1	2	3	4	5	6	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	3,839.66	99.86	34.59	172.13	306.58
Total	20,615.58	14,252.56	99.86	131.5	2,111.07	2,342.44

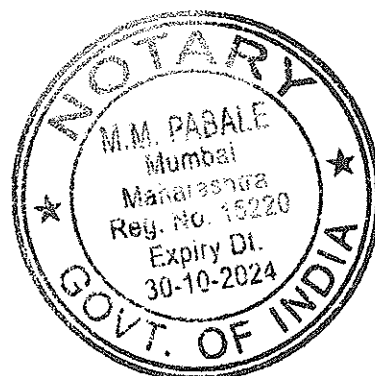
^ The recoverable amount for entities is subject to finalization of the claim management process of the respective Entity and its audited financial statements. The recoverable amount available to the Company has been computed based on distribution of recoverable amount of the Entity among all its obligations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

- First, towards payment to secured financial creditors;
- 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;
- 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:

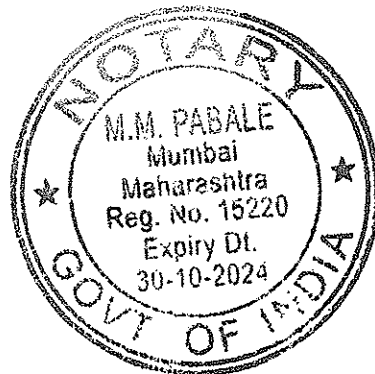
Category	Significant Assumptions
A	The financial proposals approved by the Board of Directors are binding in nature and are subject to approval of the Committee of Creditors, approval by a retired judge of the Supreme Court and approval of the NCLT. Post approval of the retired judge, the Company will 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 in the previous year to determine Fair Market Value (FMV) and Liquidation Value (LV) for each entity as at September 30 2018. The FMVs provided by these experts were used as basis for evaluating the financial bids received. The Company considered the lower of the FMV assigned by the valuers' for the purpose of determination of recoverable amount in the previous year.



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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

Category	Significant Assumptions
	<p>The valuers' 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.</p> <p>The valuers' had also provided Liquidation Value for each entity which is lower than the FMV. However, the same was not 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).</p> <p>In the current year the Company has determined the fair market value using the same discounted cash flow model and discount rate as considered by the independent valuers engaged by the New Board during the divestment process for arriving at the Fair Market Values as at September 30, 2018, duly updated for latest available traffic assessments basis either the traffic study reports or the management's projection of the expected traffic after considering necessary impact of COVID-19.</p> <p>Further, in respect of two entities for which bids were approved by the Board in the previous year and subsequently withdrawn by the bidders, the recoverable amount has been determined basis lower of the Fair Market Values as at September 30, 2018 assigned by 2 valuers' engaged by the New Board during the divestment process.</p>
C	<p>In respect of entities classified in this category, the New Board in the previous year as part of the divestment process, had appointed independent valuation expert to determine the Enterprise Value (EV) for these entities as at September 30, 2018. The Company had determined the recoverable amounts considering the EV so arrived at.</p> <p>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 / 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.</p> <p>In the current year the Company has determined the recoverable amounts using the same discounted cash flow model and discount rate as considered by the independent valuer engaged by the New Board for arriving at the EV as at September 30, 2018, duly updated for latest available traffic assessments basis either the traffic study reports or the management's projection of the expected traffic after considering necessary impact of COVID-19.</p>
D	<p>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 Concessioneing Authority and have been determined basis compensation amounts agreed with/ proposed by the Authority either through claims realised / 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.</p> <p>Further, the Management has estimated the timelines for realisation of the amounts, based on current progress of discussions with the respective Authorities.</p>



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Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

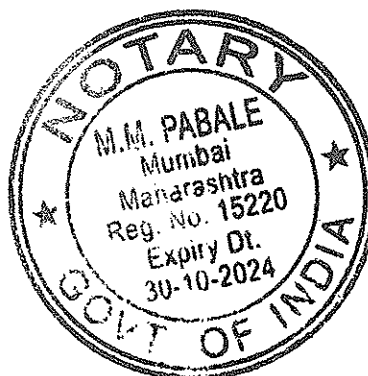
Category	Significant Assumptions
E	<p>In case of entities classified in this category, the Company does not presently have the necessary and/or complete information to support tests based on expected cash flows. Accordingly, management has applied the following methodologies to determine recoverable amount:</p> <ol style="list-style-type: none"> 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, 2020.. 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 accepted / have been 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. <p>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.</p>

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, 2020. Further, as mentioned in note 1.3, the Company proposed to transfer certain entities (included in category B and C above) to InvIT. As part of the process of transfer of these entities, management after the date of these financial statements has obtained revised traffic and technical studies and the valuation reports are being updated and accordingly the actual realisation on such transfer could be different as compared to realisation considered in the impairment analysis of current year.

Reversal of impairment/ expected credit loss:

During the current year, impairment recognised is net off impairment reversal amounting to Rs. 150.24 crore in respect of certain entities. Any reversal of impairment loss recognized in earlier years is restricted to the extent of amount realised in cash by the Company.

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IL&FS Transportation Networks Limited

Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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. Where latest available traffic study report is not available, the management has estimated the traffic volumes over the service concession period based on the last traffic study.
- 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 derived by the valuers'/ experts carrying out the valuation exercise have been used. 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 17.33 % .

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, 2020.

1.14 Inter-company confirmations and reconciliations

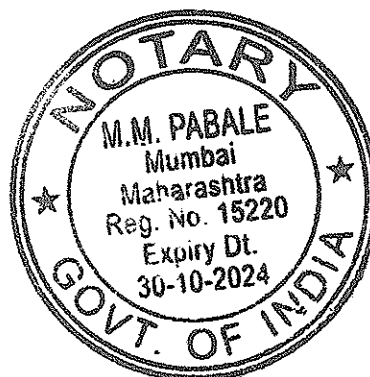
The Company is in the process of performing and completing the confirmation and reconciliation of inter-company balances with various subsidiaries, associates, joint ventures and other related parties of the Company. Further, audited financial statements of certain subsidiaries, associates and joint ventures of the Company for the year ended March 31, 2020 / December 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, 2020, the current liabilities of the Company exceeded its current assets by ₹ 16,504.94 crore (previous year ₹ 17,012.25 crore).

The Company and the IL&FS group in general are undergoing substantial financial stress as at March 31, 2020. During the year ended March 31, 2020, the Company has incurred loss (including other comprehensive income) of ₹ 974.57 crore (previous year ₹ 16,956.12 crore) and it has net liabilities of ₹ 14,859.70 crore (previous year ₹ 13,884.41 crore). The credit rating of the Company was reduced to "default grade" in September 2018 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

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IL&FS Transportation Networks Limited

Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

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.

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 January 9, 2020. 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.

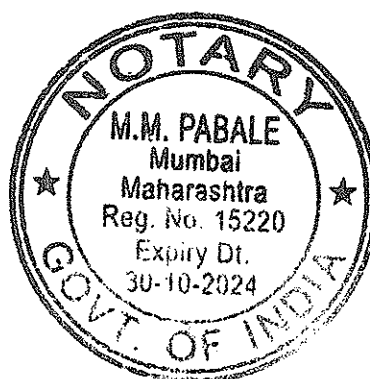
In terms of the Resolution framework reports, the proposal made is that all liabilities relating to the relevant IL&FS Group entity whether financial (including interest, default interest, indemnity claims and additional charges), operational debt (including interest, indemnity or other claims) as well 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.

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

- a) Not recognised any interest income in respect of loans advances to its group entities approximating to ₹ 703.42 crore for the current year (previous year ₹ 321.76 crore for October 16, 2018 to March 31, 2019)
- b) Not recognised finance costs on its borrowings approximating to ₹ 1,759.14 crore for the current year (previous year ₹ 745.27 crore for October 16, 2018 to March 31, 2019).

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



IL&FS Transportation Networks Limited

Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

position to honour their respective financial and operational liabilities.

1.17 Reconciliation with banks

During the current year, certain banks have debited the Company's bank accounts amounting to ₹ 12.76 crore (previous year ₹ 426.34 crore and cumulative ₹ 439.1 crore). These adjustments are not authorised by the Company and are primarily in the nature of repayment of loans obtained by the Company / group entities from the said banks and interest/ penal interest on such loans.

Further, in the previous year the same banks have credited ₹ 420.13 crore for which the Company was not aware of the basis and rationale.

Out of above, management based on reconciliation and discussions with the concerned banks have identified the following

- (a) Debit and corresponding credit on the same day for ₹ 251.62 crore by bank, being recovery made by the concerned bank by encashing the fixed deposit placed by a fellow subsidiary which had issued goodwill letter to the concerned bank for sanction of credit facilities to IL&FS Group and applied the same against the loans advanced by the Company to 5 of its group entities which were subsequently assigned to the said Bank by the Company. The Company has accounted the said transaction in its books on a net basis and the group entities have treated this as loan repaid to the said Bank and loan payable to the fellow subsidiary as at March 31, 2020.
- (b) Banks have charged interest on overdraft balances amounting to ₹ 19.93 crore for period after October 15, 2018 (the cut-off date). The same has not been accounted in the books as the interest is not payable after the cut-off date pursuant to NCLAT order dated March 12, 2020.

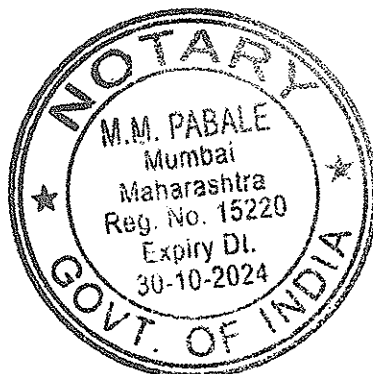
The Company is in the process of reconciling the residual credits of ₹ 167.53 crore resulting from encashment by a Bank of Fixed Deposit of the Holding Company and corresponding debits of ₹ 167.48 crore. Pending receipt of relevant information and documentation, from the parties, consequential impacts if any are not adjusted in these 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 has been suspended and subsequently the Company has terminated the construction contracts. The plant and machinery 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.

The Company had appointed a government approved valuer subsequent to the balance sheet date for carrying out physical verification and valuation of its property, plant and equipment. Accounting adjustments arising out of the said physical verification and the impairment (if any) in respect of individual assets based on fair value less cost of disposal method have been carried out in these standalone Ind AS financial statements (refer note 2(b)).

Fair value of the properties was determined by using a combination of Market approach and Cost approach on a "as is there is" basis. Accordingly, the fair value was determined based on replacement cost by market enquiry from public domain, available databank including cost inflation index to estimate reproduction cost and replacement cost.



IL&FS Transportation Networks Limited

Notes forming part of the Standalone Ind AS financial statements for the year ended March 31, 2020

Rs. In Crore

Particulars	Date of Valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Buildings	March 31, 2020	8.02	-	8.02	-
Property, plant and Equipment (Other than Buildings) (Note 2(b))	March 31, 2020	68.88	-	-	68.88

Significant estimates:

- Cost to cure considered for plant and machineries not in working condition 5%
- Cost to sell is considered in the range of 2% to 5%
- Scrap value has been considered in the range of 2% to 10% of cost of asset wherever applicable

The physical verification and valuation of Inventory is in progress as on date of signing of this standalone Ind AS financial statements. Adjustments if any arising out of assessment of Net Realisable Value (NRV) would be carried out after completion of said physical verification and valuation exercise.

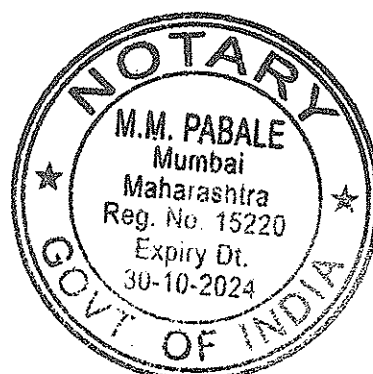
1.19 Other significant transactions**Borrowings**

The Company had obtained secured/ unsecured loans from certain third parties (including the Company's vendors) in the earlier years. The outstanding balances of such loans as at March 31, 2020 is ₹ 1,183.40 crore (March 31, 2019: ₹ 1,181.33 crore). Out of this, an amount of ₹ 581.43 crore has been assigned by two of these parties to their group companies in the current year (also refer note 17 (n)).

The Company during those previous years had provided Letter of Awareness (LOA) to IL&FS Financial Services Limited (IFIN) in respect of money borrowed by these parties or their group companies from IFIN and the amount of such LOAs outstanding as on March 31, 2020 is ₹ 970 crore (March 31, 2019 ₹ 970 crore) (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.

Borrowings as at March 31, 2020 include ₹ 311.91 crore (previous year ₹ 311.91 crore), being trade payable to certain vendors converted into borrowings during the previous year (refer note 17(j)). The gross amount of such trade payables converted into borrowings during the previous year was ₹ 496.05 crore.



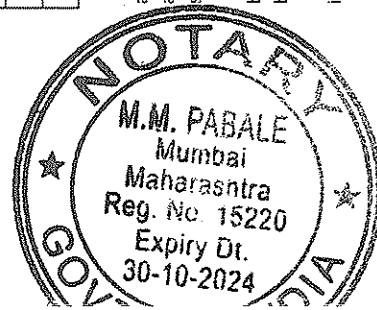
Note 2: Property, Plant and Equipment; Intangible Assets and Right of Use Assets (refer note 1.18)

Description of Assets Particulars	Current Year				Accumulated Depreciation/ Amortisation and Impairment				Carrying Amount		
	As at April 01, 2019	Additions	Deletions / transferred	As at March 31, 2020	Accumulated up to April 01, 2019	Depreciation/ Amortisation for the year (refer note 28)	Deletions / transferred	Impaired During the year (refer note 2(b)(ii) and	Accumulated up to March 31, 2020	As at March 31, 2020	As at March 31, 2019
Property, Plant and Equipment (refer note 2 (b))											
Land & Buildings	9.39	-	-	9.39	0.35	0.16	-	0.86	1.37	8.02	9.04
Plant and Machinery (refer note 2(c) and 2(d))	87.47	0.52	3.82	84.17	16.01	7.02	1.67	12.75	34.12	50.06	71.46
Plant and Machinery - Given on Lease (refer note 2(a))	47.53	-	-	47.53	14.38	5.82	-	18.10	38.30	9.23	33.15
Furniture & Fixtures	12.72	0.08	0.99	11.81	2.93	1.49	0.81	0.61	4.22	7.59	9.79
Office Equipments	2.32	0.05	0.66	1.71	1.58	0.35	0.63	0.10	1.40	0.31	0.74
Data Processing Equipments	0.66	0.00	0.31	0.35	0.25	0.34	0.30	-	0.29	0.06	0.41
Vehicles (Owned) (refer note 2(c))	8.87	0.26	4.73	4.40	6.06	0.81	3.69	0.01	3.19	1.21	2.81
Leasehold Improvements	1.41	-	0.13	1.28	0.38	0.52	0.13	0.08	0.85	0.43	1.03
Total	170.37	0.91	10.64	160.64	41.94	16.51	7.23	32.51	83.73	76.91	128.43
Intangible Assets											
Software	4.32	-	-	4.32	4.16	0.09	-	-	4.25	0.07	0.16
Total	4.32	-	-	4.32	4.16	0.09	-	-	4.25	0.07	0.16
Capital Work-in-Progress	-	-	-	-	-	-	-	-	-	-	-
Total	174.69	0.91	10.64	164.96	46.10	16.60	7.23	32.51	87.98	76.98	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 23). During the previous year, the lessee had submitted physical verification report and based on shortfall/ damages identified by the lessee the company had taken charge of ₹ 7.01 crore to the statement of profit and loss. The original lease period has expired on September 30, 2019 and it has been extended subsequently for an additional period of 1 year till September 30, 2020 as per the contract terms. Actual possession of the assets are still with the lessee till the date of approval of this standalone Ind AS financials statements.

b. Subsequent to the balance sheet date, the Company had appointed a government approved valuer for carrying out physical verification and valuation of its property, plant and equipments. Following accounting adjustments have been carried out by the company as at March 31, 2020 arising out of the said physical verification:

- i) Assets discarded/ significantly damaged/ scrapped having gross book value of ₹ 4.76 crore (previous year ₹ 50.68 crore) and net book value of ₹ 1.96 crore (previous year ₹ 9.62 crore), have been written off.
- ii) The Company has assessed impairment of individual assets by applying fair value less cost of disposal as per Ind AS 36 based on valuation carried out by independent valuer and accordingly assets having gross book value of ₹ 122.20 crore and net book value of ₹ 86.98 crore have been impaired by ₹ 32.51 crore in these standalone Ind AS Financial Statements
- iii) Assets impounded by Road Development Corporation (Authority) relating to one of the projects executed by the Company and written off pending settlement with the Authority, having gross book value of ₹ Nil (previous year ₹ 6.91 crore) and net book value of ₹ Nil (previous year ₹ 4.99 crore)



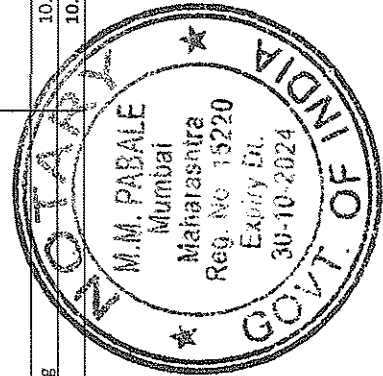
c. During the current year as part of asset liquidation and claim management process, the Company has identified certificates which are not capitalised in the books of account and accordingly capitalised them in the current year and recorded the cumulative accumulated depreciation. This includes capitalisation of vehicle amounting to Rs.0.26 Crore (Net book value 0.15 crores) which has been disposed off during the year and resulted in loss amounting to Rs. 0.06 crores and certain plant and machinery lying at construction sites amounting to Rs. 0.52 crores (Net book value Rs. 0.42 crores) and recognised the corresponding liability amounting to Rs. 0.52 crore which has been admitted during the claim management process.

d. Certain assets having a net book value of Rs. 0.79 Cr were taken by a vendor at time of demobilization at one of the sites. The vendor has confirmed that recoveries can be made from the claims submitted to the claim management advisor. Pending final resolution of the Company, no effect has been given in these IND AS financial statements.

Previous Year	Cost or Deemed cost			Accumulated Depreciation and Amortisation				Carrying Amount		
	As at April 1, 2018	Additions	Deletions / transferred	As at March 31, 2019	As at April 1, 2018	Depreciation/ Amortisation for the year	Deletions / transferred		Impaired During the year (refer note 2(b)(iii))	Accumulated up to March 31, 2019
Property, Plant and Equipment										
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	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

Note 2A: Right of Use Assets

Particulars	Gross Block			Accumulated Depreciation/ Amortisation and Impairment				Net Block		
	As at April 1, 2019	Additions	Deletions / transferred	As at March 31, 2020	As at April 1, 2019	Depreciation/ Amortisation for the year	Deletions		Impaired During the year (refer note 2(b)(iii))	Accumulated Up to 31 March 2020
Office Building	10.98	1.18	-	12.16	5.44	3.24	-	-	8.68	3.48
Total	10.98	1.18	-	12.16	5.44	3.24	-	-	8.68	3.48
										5.54
										5.54



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

Note 3A: Investment Property (refer note (a) and (b))

Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Opening balance at the beginning of the year	-	-
Addition during the year	21.49	-
Less: Impairment	(7.13)	-
Less: Depreciation for the year (refer note 28)	(0.10)	-
Closing balance at the end of the year	14.26	-

Note 3B: Investment property under development (refer note (a) and (b))

Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Investment property under development (refer note (c) and (d) below)	67.02	81.36
Total	67.02	81.36

Reconciliation of Carrying Amount

Particulars	As at March 31, 2020	As at March 31, 2019
Carrying Amount at the beginning of the year	81.36	118.93
Add: Stamp duty and other taxes paid during the year	0.02	-
Less: Impairment loss provided during the year (refer note 30)	-	(37.57)
Less: Investment property capitalised	(14.36)	-
Total	67.02	81.36

Reconciliation of Impairment during the year

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance at the beginning of the year	(40.70)	(3.13)
Addition during the year (refer note 30)	-	(37.57)
Reversal during the year	-	-
Closing balance at the end of the year	(40.70)	(40.70)

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.

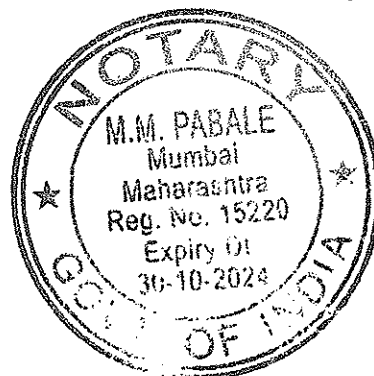
c. Considering that the Company intends to sell the property on "as is" basis and has invited Expression of Interests for the same, the Company had valued the said investment property at Ready Recknor Rate (circle rate) setup by State Government and no detailed impairment assessment as required by Ind AS 36 'Impairment of Assets' ("Ind AS 36") has been carried out. The Company basis the said valuation, had recognised impairment loss of Nil (previous year ₹ 37.57 crore). The approach followed by the Company is consistent with that followed in the previous financial year.

d. Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2020 and as at March 31, 2019 are as follows:

Fair value as per Level 2

Particulars	As at March 31, 2020	As at March 31, 2019
Investment property under development	67.02	81.36
Investment property	14.26	-
Total	81.28	81.36

e. During the year, the Company has received possession of 5,312 sq. ft and accordingly has capitalized corresponding value of the investment property



IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements
Note 4 : Investments (refer note 1.13, 4(h), 4(n) and 14)

i. Investments in Subsidiaries

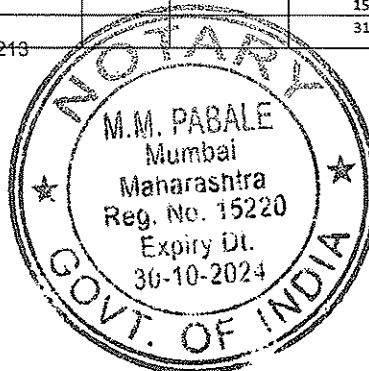
₹ in Crore

Particulars	Face value ₹	As at March 31, 2020		As at March 31, 2019	
		Quantity	Amount	Quantity	Amount
Unquoted Investments (all fully paid)					
Investments in Equity Instruments (at deemed cost):					
North Karnataka Expressway Limited (Refer Note 4(g))	10	-	-	77,20,823	7.72
East Hyderabad Expressway Limited (Refer Note 4(g))	10	-	-	2,16,89,400	21.69
ITNL International Pte. Ltd., Singapore (Face value US\$ 1 each)	NA	12,66,32,481	779.92	12,66,32,481	779.92
ITNL Road Infrastructure Development Company Limited	10	14,00,00,000	140.00	14,00,00,000	140.00
Vansh Nimay Infraprojects Limited	10	1,43,00,000	14.50	1,43,00,000	14.50
IL&FS Rail Limited	10	68,81,74,376	688.17	68,81,74,376	688.17
Hazaribagh Ranchi Expressway Limited (Refer Note 4(g))	10	-	-	13,09,86,900	175.12
Pune sholapur Road Development Company Limited (Refer Note 4(g))	10	-	-	16,00,00,000	362.86
West Gujarat Expressway Limited (Refer Note 4(g))	10	-	-	1,47,99,985	10.05
Moradabad Bareilly Expressway Limited (Refer Note 4(g))	10	-	-	18,95,19,309	189.52
Jharkhand Road Projects Implementation Company Limited (Refer Note 4(g))	10	-	-	24,24,48,000	118.17
Jharkhand Infrastructure Implementation Company Limited (Refer Note 4(g))	10	-	-	7,99,99,940	80.00
Chenani Nashri Tunnelway Limited (Refer Note 4(g))	10	-	-	37,20,00,000	372.00
Jorabat Shillong Expressway Limited (Refer Note 4(a) and 4 (g))	10	-	-	8,40,00,000	58.80
MP Border Checkpost Development Company Limited	10	11,02,78,130	-	11,02,78,130	-
Rapid Metro Rail Gurgaon Limited	10	1,82,39,128	29.65	1,82,39,128	29.65
Badarpur Tollway Operations Management Limited	10	-	-	49,994	-
Futureage Infrastructure India Limited	10	30,00,000	-	30,00,000	-
Charminar Robopark Limited	10	46,80,000	-	46,80,000	-
Karyavattom Sports Facilities Limited (Refer Note 4(g))	10	-	-	4,31,19,940	43.12
Kiratpur Ner Chowk Expressway Limited	10	50,08,10,000	500.81	50,08,10,000	500.81
ITNL Offshore Pte. Ltd., Singapore (Face value US\$ 1 each)	NA	33,70,500	20.84	33,70,500	20.84
Baleshwar Kharagpur Expressway Limited (Refer Note 4(g))	10	-	-	17,85,90,000	178.59
Sikar Bikaner Highway Limited (Refer Note 4(g))	10	-	-	12,40,50,000	233.50
Rapid MetroRail Gurgaon South Limited	10	23,03,00,000	248.04	23,03,00,000	248.04
ITNL Africa Projects Ltd., Nigeria (Face value Nigerian Naira 1 each) (Refer Note 4(m))	NA	-	-	25,00,000	0.09
Barwa Adda Expressway Limited (Refer Note 4(g))	10	-	-	24,34,99,940	464.50
Khed Sinnar Expressway Limited	10	29,41,89,994	294.19	29,41,89,994	294.19
Amravati Chikhli Expressway Limited	10	12,19,49,994	121.95	12,19,49,994	121.95
Fagne Songadh Expressway Limited (Refer Note 4(f))	10	29,69,99,994	297.06	29,69,99,994	297.06
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	1,15,83,818	201.81	1,15,83,818	201.81
GRICL Rail Bridge Development Company Limited	10	73,00,000	7.30	73,00,000	7.30
Elsamex Maintenance Services Limited	10	49,940	116.55	49,940	116.55
Elsamex India private Limited	10	21,00,000	12.01	21,00,000	12.01
Yala Construction Company Limited	10	60,67,762	11.41	60,67,762	11.41
Grusamar India Limited	10	49,940	0.84	49,940	0.84
Roadstar Infra Private limited (refer note 4(l))	10	9,990	0.01	-	-
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	74,00,000	7.40	74,00,000	7.40
- In favour of Jharkhand Road Projects Implementation Company Limited (refer note 4(b) and 4(g))	10	-	-	1,70,00,000	-
Investments in Preference Shares (at amortised cost) :					
West Gujarat Expressway Limited (Refer Note 4(g) and 4(c))	10	-	-	2,00,00,000	11.41
Investments in units (at cost) :					
ITNL Road Investment Trust ("IRIT")	1000	10,68,955	76.90	10,68,955	76.90
Total Aggregate Unquoted Investments (A)			3,569.72		5,896.85
Less : Impairment loss in the value of Investments (B) (refer note 30 and 1.12)			3,544.72		5,818.13
Total investments in Subsidiaries (A) - (B)			25.00		78.72

ii. Investments in Associates

₹ in Crore

Particulars	Face value ₹	As at March 31, 2020		As at March 31, 2019	
		Quantity	Amount	Quantity	Amount
Quoted Investments (all fully paid)					
Investments in Equity Instruments (at cost)					
Noida Toll Bridge Company Limited (refer Note 4(k))	10	4,90,95,007	162.33	4,90,95,007	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	3,33,300	0.33	3,33,300	0.33
ITNL Toll Management Services Limited	10	24,500	0.02	24,500	0.02
Investments in Preference Shares (at amortised cost) :					
Pario Developers Private Limited (refer note 4 (d) and (j))	10	15,00,00,000	158.37	15,00,00,000	158.37
Total Aggregate Unquoted Investments (B)			158.72		158.72
Less : Impairment loss in the value of Investments (C) (refer note 30 and 1.12)			314.51		307.44



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

Note 4 : Investments (refer note 1.13, 4(h), 4(n) and 14)

Total Investments (A) + (B) - (C)			6.54		13.61
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iii. Investments in Joint Ventures

Particulars	Face value ₹	As at March 31, 2020		As at March 31, 2019	
		Quantity	Amount	Quantity	Amount
		₹ in Crore			
Unquoted investments (all fully paid)					
Investments in Equity Instruments (at cost)					
Thiruvananthapuram Road Development Company Limited (Refer Note 4(g))	10	-	-	1,70,30,000	-
Covered Warrant - IL&FS					
Warora Chandrapur Ballarpur Toll Road Limited	10	6,17,08,490	61.71	6,17,08,490	61.71
- In favour of Road Infrastructure Development Company of Rajasthan Limited (refer note 4(b) and 4(g))	10	-	-	16,25,00,000	162.50
- In favour of Jharkhand Accelerated Road Development Company Limited (refer note 4(b))	10	74,00,000	7.40	74,00,000	7.40
Total Aggregate Unquoted Investments			69.11		231.61
Less : Impairment loss in the value of Investments (refer note 30 and 1.12)			61.71		224.21
Total Investments in Associates (A) - (B)			7.40		7.40

iv. Other Non Current Investments

Particulars	Face value ₹	As at March 31, 2020		As at March 31, 2019	
		Quantity	Amount	Quantity	Amount
		₹ in Crore			
Unquoted Investments (all fully paid) (at FVTPL)					
Investments in Equity Instruments					
Indian Highways Management Company Limited	10	5,000	-	5,000	-
Gujarat Road and Infrastructure Company Limited	10	1,38,290	0.13	1,38,290	0.13
Investments in Units of Infiniti Realty Opportunities Trust					
Real Estate Asset performance-1 (refer note 4(i) and note 23)	1,00,000	17,109	67.68	17,109	63.73
Total Aggregate Other Non Current Investments			67.81		63.86
Total Investments (after impairment) (i + ii + iii + iv)			106.75		163.59

v. Other Current Investments

Particulars	NAV ₹	As at March 31, 2020		As at March 31, 2019	
		Quantity	Amount	Quantity	Amount
		₹ in Crore			
JM Mutual Fund Growth Plan Nil (March 31, 2019 : 12,95,528) units	NA	-	-	12,95,528	6.60
SBI Mutual Fund SBI Liquid Fund - Growth Plan 1,12,350 (March 31, 2019 : Nil) units of Rs. 3,093.61 each fully paid	3,093.61	1,12,350	34.76	-	-
HDFC Mutual Fund- Growth Plan 83.533 (March 31, 2019: Nil) units of 3,883.62 each fully paid	3,883.62	83,533	32.44	-	-
Total Other Current Investments			67.20		6.60

vi. Details of the Company's other Non-current investments, Other current investments and information about the fair value hierarchy as at March 31, 2020 and as at March 31, 2019 are as follows:

Particulars	Fair value hierarchy	₹ in Crore	
		As at March 31, 2020	As at March 31, 2019
Other non-current Investment (refer note (iv) above)	Level 3	67.81	63.86
Other current Investment (refer note (v) above)	Level 1	67.20	6.60
Total		135.01	70.46

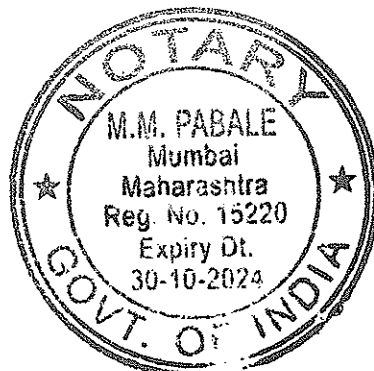
vii. Breakup of investments into quoted and unquoted

Particulars	As at March 31, 2020		As at March 31, 2019	
	Cost	Market value	Cost	Market value
	₹ in Crore			
Quoted investments	162.33	13.01	162.33	13.61
Unquoted investments	3,865.35	-	6,351.03	-
Total	4,027.68	13.01	6,513.36	13.61

viii. Reconciliation of Impairment loss during the year (refer note 30 and 1.12)

Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Opening balance at the beginning of the year	(6,349.77)	(378.06)
Addition during the year	(60.71)	(5,971.71)
Transfer to assets held for sale	2,489.55	-
Closing balance at the end of the year	(3,920.93)	(6,349.77)

a) During the previous year, the Company had signed definitive agreements with Ramky Infrastructure Limited for sale of its entire stake viz. 11,67,54,970 equity shares (50% stake) held in NAM Expressway Limited (NAMEL) for a consideration of ₹ 60.00 crore and acquisition of 4,20,00,000 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 had received ₹ 23.20 crore during the previous year and the balance of ₹ 20.00 crore has been received during the current year). The Company recorded loss of ₹ 56.75 crore on sale of its investment in NAMEL during the previous financial year.



IL&FS TRANSPORTATION NETWORKS LIMITED
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Note 4 : Investments (refer note 1.13, 4(h), 4(n) and 14)

b) The Company's investment in "Covered Warrants" aggregating to ₹ 177.30 crore (As at March 31, 2019 ₹ 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 previous year, the Company acquired shares of Srinagar Sonmarg Tollway Limited for a consideration of ₹ 5.87 crore 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 previous year, the Company had subscribed to the equity capital of Fagne Songadh Expressway Limited of ₹ 32.75 crore 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 and the process of divestment (including through InvIT) is expected to be completed within 12 months from the end of current financial year. Accordingly, in compliance with the requirements of Ind AS 105, these investments have been classified as Asset Held for Sale". Also refer note 1.3 to Standalone Ind AS financial statement.

h) The Company as a promoter of various infrastructure projects / SPVs, has given non-disposal undertaking to the lenders and the grantors of the concession with respect to its investments in the equity share capital of these SPVs, the carrying amount of which is ₹ 1,878.41 crore as at March 31, 2020 (₹ 1,923.54 crore as at March 31, 2019). The carrying amount also includes investments in the share capital of Rs. 812.47 crore (Previous year: Rs. Nil) which has been transferred to assets held for sale. (refer Note 14)

i) The Company during the earlier years had sold 14.5% of equity investments in Moradabad Bareilly 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.

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"), during the previous year, the shares were transferred in favour of the New Purchaser and consideration was received by the Company which resulted in additional gain of ₹ 7.20 crore (net of ₹ 0.34 crore paid to the Original Purchaser pursuant to the sale agreement). The Company also invested Rs. 172.60 crore in the units of a scheme of the Fund (New Purchaser).

As at March 31, 2020, based on valuation of the underlying investments held by the Fund determined in accordance with note 1.12 and 1.13 of these standalone financial statements, the Company has fair valued its investments in units of the scheme of Fund amounting to ₹ 67.68 crore (previous year ₹ 63.73 crore) and recognized fair valuation gain amounting to ₹ 3.95 crore which has been disclosed in the note 29 as fair value gain on Investments recognised through Profit and Loss.

j) The Company pursuant to an arrangement with a Pune based leading developer ("Developer") for development of land parcels held by Rajasthan Land Holdings Limited (RLHL) (a subsidiary of the Company) and its subsidiaries, had in earlier years, transferred its 100% equity investment in RLHL to Pario Developers Private Limited ("Pario") a company owned by the Developer and received the consideration in the form of Preference Shares in Pario amounting to ₹150.00 crore, arrived on the basis the fair valuation of equity shares of RLHL as determined by an independent external valuer. The Company also took 34% equity stake in Pario. The Developer 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 and also transferred its holding in Pario to another party without prior written consent of the Company. 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.

During the current year, one of the operational creditor of RLHL (100% subsidiary of Pario), 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 (RP) has been appointed to oversee the operations of Company.

Pursuant to various developments mentioned in note 1.2 above, issues faced by the Developer, developments at RLHL stated above and no visibility on the progress of proposal for residential and commercial complexes project, the Company during the previous year based on assessment of recoverable amounts of underlying assets of Pario had fully impaired the investments of ₹ 158.37 crore in the preference shares and ₹ 0.33 crore in Equity shares of Pario.

During the current year, the company filed a claim as Financial Creditor of RLHL which has been accepted by RP. However, on February 6, 2020 RP informed the Company that it cannot form part of the Committee of Creditors ("CoC") of RLHL, since it is a related party to RLHL under Section 5 (24) of IBC, without providing any reasons for such classification. The company communicated its disagreement to the RP and after not receiving any response or supporting documentation from the RP, the company filed an application before NCLT, Jaipur on February 24, 2020 under section 60 (5) of IBC challenging decision of RP classifying it as a related party.

On August 5, 2020 after hearing the matter on merits, Court passed an interim order directing the RP not to take further steps in terms of CIRP of RLHL. Further, the said application was heard on November 5, 2020 and the Hon'ble Bench concluded the arguments and reserved it for orders.

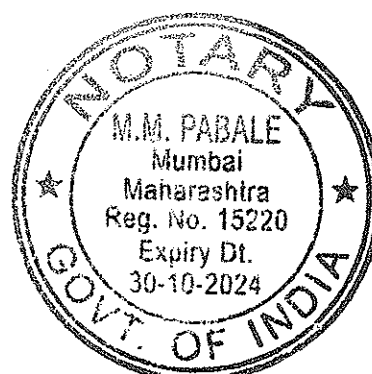
k) Pursuant to the order of the Hon'ble High Court of Allahabad, the collection of toll at an associate company was suspended since October 26, 2016 and the matter is pending with the Arbitrator. For the purpose of carrying out the Impairment assessment, the Company considering the limited trading volumes in the shares of the said Associate, has applied an illiquidity discount of 50% to the market rate prevailing as on March 31, 2020 and valued the Investment in the said Associates accordingly. The valuation approach is consistent with that followed by the Company in the previous year.

l) During the current year, the Company has invested in Roadstar Infra Private limited as wholly owned subsidiary to act as the Sponsor to the proposed InvIT pursuant to the resolution process of the Company specifically mentioned in note 1.3.

m) During the year, investments in ITNL Africa Projects Limited has been reduced to Rs. Nil as the company has been dissolved and nothing has been received in the dissolution, hence investment amounting to Rs.0.09 Crores has been written off in the books of accounts.

n) Majority of international operations of the Company are held under ITNL International Pte Limited (I IPL), incorporated under the laws of Singapore, which holds investments in various entities domiciled in diverse geographies. These entities are at different stages of resolution involving Divestment, Insolvency proceedings and strike off in respective local jurisdictions pursuant to requisite approvals. Once these entities are resolved, resolution of IPL will be finalized.

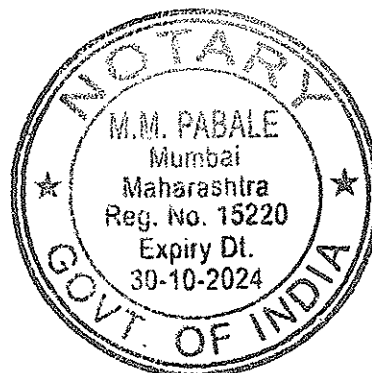
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IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

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

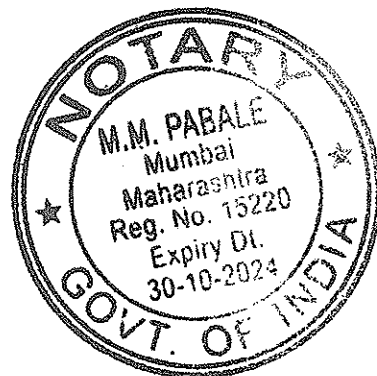
The name of the investees	Proportion of the ownership interest		The principal place of business	Country of incorporation
	As at March 31, 2020	As at March 31, 2019		
<u>Investments in subsidiaries</u>				
<u>Investments in Equity Instruments:</u>				
Amravati Chikhli Expressway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Badarpur Tollway Operations Management Limited	0.00%	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. Rukminipur, 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	0.00%	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%	100.00%	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, 2020	As at March 31, 2019		
Khed Sinner 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
Roadstar Infra Private limited	100.00%	0.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Sikar Bikaner Highway Limited	100.00%	100.00%	The IL&FS Financial Center, Plot C-22, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	India
Srinagar Sonamarg 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
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	100.00%	100.00%	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. S, Ashok Nagar, Ranchi - 834002	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



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

Note 5: Loans (refer note 1.12, 5(a) and 5(h))

₹ in Crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Loans to related parties (refer note 41)				
Unsecured, considered good (refer note 5 (b), (d), (g))	4,042.63	-	2,094.85	16.23
Unsecured, credit impaired (refer note 5 (b), (c), (g))	3,880.87	-	5,932.39	-
Loans transferred to assets held for sale (refer note 14)	(3,323.03)	-	-	-
Allowance for credit impaired loans (refer note 5 (e))	(6,316.23)	-	(5,932.39)	-
Allowance for credit impaired loans transferred to assets held for sale (refer note 14)	2,422.40	-	-	-
Sub-total (A)	706.64	-	2,094.85	16.23
Loans to other parties				
Unsecured, considered credit impaired	172.66	-	172.66	-
Allowance for credit impaired loans (refer note 5 (f))	(172.66)	-	(172.66)	-
Sub-total (B)	-	-	-	-
Total (A+B)	706.64	-	2,094.85	16.23

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, 2019 ₹ Nil crore).

b. Banks have adjusted fixed deposits amounting to ₹ Nil (previous year ended March 31, 2019 ₹ 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. As at March 31, 2020 the Company has loans outstanding from related parties amounting to ₹ 7.50 crore (previous year ₹ 7.50 crore) which have been fully impaired during the previous year for which underlying agreements are not available with the Company.

d. In respect of loans amounting to ₹ 1,000.00 Cr, given by the Company to its group companies in earlier years and assigned to a Commercial Bank, the Company considering the following reasons has not recognised financial assets and corresponding financial liabilities as at March 31, 2020 (previous year as at March 31, 2019 ₹ 1,000.00 crore) in the standalone Ind AS financial statements,

- On receipt of cash, the loans were derecognized in the books of account of the Company and cash was 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.
- The said Commercial Bank as part of claim management process, has filed its claim against the respective group companies and not against the Company.

The above is not in accordance with requirements of Ind AS 109

e. The allowance for credit impaired loans for the previous year ended March 31, 2019 includes ₹ 75.09 crore in respect of loans given by the Company to an Associate's subsidiary (entity). The allowance was 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.) No fresh valuation has been carried out in the current financial year as company is going through CIRP process and under the control of insolvency professional.

f. Allowance for credit impaired loans for the previous year ended March 31, 2019 include ₹ 8.61 crore on loan given to one of the Joint venture which was sold during the previous year.

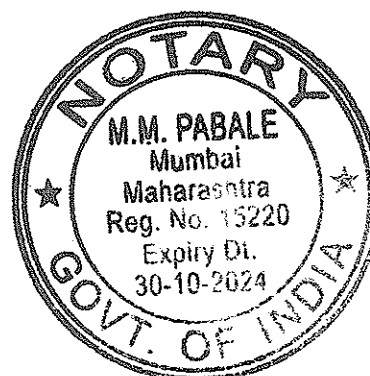
g. Loan given to related parties include ₹ 45 crore given to IL&FS Engineering & Construction Company Limited (a related party EPC contractor), who was awarded a construction contract in respect of one of the road project of the Company. Based on net balance of payables/ receivables from the said contractor, 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. During the current year Secured and Unsecured loans of three SPVs of the company were restructured as part of the debt resolution of these SPVs and to convert them into green entities to start servicing their debt. Accordingly, facility documents were signed between the company and these SPVs wherein the company revised its interest rate from 13% (average) to 8.4% ~ 8.75% and consequently, the company also agreed to restructure the repayment schedule of its unsecured loan which put it at par with the repayment schedule to secured lenders of these SPVs.

i. Movement in the expected credit loss/ credit impaired loans (refer note 30 and 1.12)

₹ in Crore

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	6,105.05	422.28
Allowance for credit impaired loans	500.85	5,682.77
Reversal of allowance for credit impaired loans	(117.01)	-
Transfer to assets held for sale	(2,422.40)	-
Balance at end of the year	4,066.49	6,105.05



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

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Security Deposits to others	5.96	-	6.03	-
Allowance for credit impaired advances (refer note 6 (b))	(5.00)	-	(5.00)	-
Balances with Banks in deposit accounts (under lien)	31.92	-	17.74	-
Advances recoverable :				
From related parties (refer note 6 (a))	-	0.02	-	0.16
From related parties considered credit impaired	1.66	-	1.66	-
Allowance for credit impaired advances (refer note 6 (b))	(1.66)	-	(1.66)	-
From others (refer note 21.4, 13(c))	15.02	-	2.17	0.03
Allowance for expected credit loss (refer note 6 (b))	(0.47)	-	(0.47)	-
From others considered credit impaired	56.49	-	56.32	-
Allowance for credit impaired advances (refer note 6 (b))	(56.49)	-	(56.32)	-
Dividend receivable from related parties	6.48	-	6.48	-
Allowance for credit impaired Receivable (refer note 6 (b))	(6.48)	-	(6.48)	-
Receivable for sale of investment	-	-	-	20.00
Total	47.43	0.02	20.47	20.19

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 ₹ 0.02 crore (previous year ended March 31, 2019 ₹ 0.16 crore).

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

Particulars	₹ in crore	
	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	69.93	47.60
Allowance for credit impaired other financial assets (refer note 30)	3.83	49.93
Adjustment on account of balance transferred to trade receivable	-	(27.60)
Reversal in expected credit loss on other financial assets given	(3.66)	-
Balance at end of the year	70.10	69.93

Note 7: Deferred Tax Assets (Net) (refer note (a))

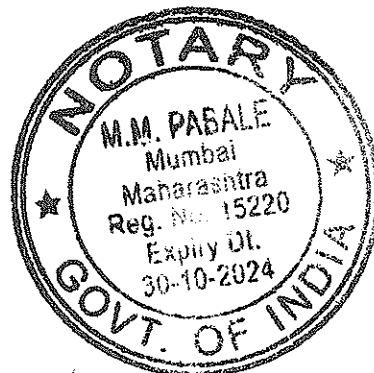
The following is the analysis of Deferred Tax Asset / Liabilities presented in the balance sheet:

Particulars	₹ in Crore		
	As at March 31, 2020	Movement Recognised in Total Comprehensive Income	As at March 31, 2019
Deferred tax liability (DTL) - defined benefit obligation	-	0.97	(0.97)
Deferred tax assets - to the extent of DTL	-	(0.97)	0.97
Deferred Tax Asset / Liabilities (Net)	-	-	-

a) Pursuant to the various matters stated in note no 1 to the standalone Ind AS financial statements, the management has evaluated the recoverability of deferred tax assets and accordingly recognised deferred tax asset only to the extent of deferred tax liability

Note 8: Non Current Tax Assets (net)

Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Advance Payment of taxes (Net of provision of ₹ 133.44 crore (previous year ₹ 209.65 crore))	477.90	514.21
Total	477.90	514.21

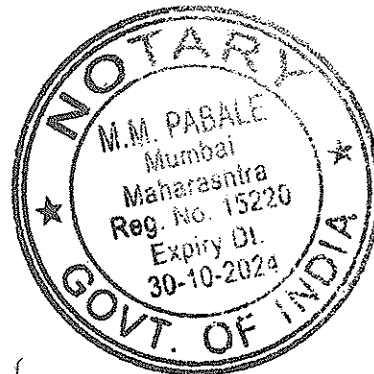


IL&FS TRANSPORTATION NETWORKS LIMITED
Notes forming part of the standalone financial statements

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Capital Advances	-	-	-	0.01
Mobilisation advances considered doubtful	25.10	-	25.10	-
Allowance for doubtful advances	(25.10)	-	(25.10)	-
Prepaid expenses (refer note (a) below)	4.74	1.31	3.93	6.16
Indirect tax balances receivable				
Works Contract Tax	50.07	-	66.74	-
Provision for Indirect tax balances (refer note 29)	(10.33)	-	(10.33)	-
Goods & Service Tax	121.62	-	120.63	-
Provision for Indirect tax balances (refer note 29)	(121.54)	-	(120.63)	-
Value Added Tax	0.73	-	0.43	-
Other Current Assets	-	0.38	-	0.54
Allowance for doubtful receivable (refer note 30)	-	(0.35)	-	(0.51)
Total	45.29	1.34	60.77	6.20

(a) Prepaid expenses includes provision for gratuity amounting to ₹ 4.74 crore (previous year ended March 31, 2019 ₹ 3.93 crore) (refer note 36)



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

Note 10: Inventories (refer note 1.18 and 10(a))

Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Stores and spares	18.49	18.49
Total	18.49	18.49

a. The inventories are lying at the construction sites at the year end. Subsequent to the balance sheet date, the Company had appointed an external agency to carry out physical verification and valuation of the inventories. The said exercise is in progress as on date of signing of these standalone Ind AS financial statements.

b. Adjustments if any arising out of assessment of Net Realisable Value (NRV) would be carried out after completion of said physical verification and valuation exercise.

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

Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Unbilled Revenue - considered good (refer note 41)		
From related parties	7.28	4.35
Unbilled Revenue - credit impaired		
From related parties	375.29	375.29
From others	0.52	0.52
Sub total (A)	383.09	380.16
Impairment allowance for Unbilled Revenue - credit impaired (refer note 30)		
From related parties	(375.29)	(375.29)
From others	(0.52)	(0.52)
Sub total (B)	(375.81)	(375.81)
Total (A-B)	7.28	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. Allowance for credit impaired contract assets includes ₹ 0.52 crore which was provided in the previous year for one of the Joint ventures sold during the previous year.

c. Movement in Allowance for credit impaired/ expected credit loss on Contract Assets:

Particulars	₹ in crore	
	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	375.81	-
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	375.81

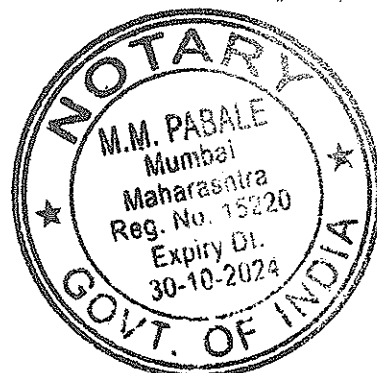
Note 12: Trade receivables - Current/ non-current (refer note 1.12 and note 21.6)

Particulars	₹ in Crore			
	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Unsecured, considered good				
From related parties (refer note 41 and 12(e))	128.51	23.76	71.76	52.02
From others	1.43	-	1.41	1.96
Transferred to Assets held for sale (refer note 14)	(27.48)	-	-	-
Credit impaired				
From related parties (refer note 41)	2,291.06	-	2,310.98	-
From others	100.70	-	100.70	-
Transferred to Assets held for sale (refer note 14)	(1,354.64)	-	-	-
Sub total (A)	1,139.58	23.76	2,484.85	53.98
Impairment Allowance (credit impaired trade receivable) (refer note 30)				
From related parties	(2,291.06)	-	(2,310.98)	-
From others (refer note 12 (d))	(100.70)	-	(100.70)	-
Transferred to Assets held for sale (refer note 14)	1,354.64	-	-	-
Sub-Total (B)	(1,037.12)	-	(2,411.68)	-
Total (A-B)	102.46	23.76	73.17	53.98

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, 2019 ₹ 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 previous year specifically mentioned in note 1.2 to these standalone Ind AS Financial Statements, the normal construction operations of the Company have remained suspended. Accordingly, the Company has shown the trade receivable of ₹ 1,163.34 (previous year of ₹ 2,538.83) crore including retention money receivable of ₹ 227.60 (previous year ₹ 227.55 crore), interest on trade receivables from related parties ₹ 199.43 (previous year ₹ 199.43 crore), Other receivable of ₹ 27.60 crore (previous year ₹ 27.60 crore) (including Expected credit loss of ₹ 27.60 crore (previous year ₹ 27.60 crore)) net off unearned revenue of ₹ 893.30 crore (previous year ₹ 891.01 crore) and Mobilisation advances received ₹ 238.49 (previous year ₹ 234.29 crore).



d. Allowance for credit impaired trade receivables include ₹32.26 crore which was provided in the previous year in respect of one of the Joint ventures sold during the previous year.

e. Movement in allowance for credit impaired/ the expected credit loss on trade receivable (refer note 30 and 1.12)

Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	2,411.68	154.49
Adjustment on account of balance transferred from other financial assets		27.60
Allowance for credit impaired trade receivables (refer note 30)	13.33	2,229.59
Reversal of allowance for credit impaired trade receivables	(33.23)	-
Transferred to Assets held for sale (refer note 14)	(1,354.64)	-
Balance at end of the year	1,037.14	2,411.68
Pertaining to allowance for credit impaired trade receivable	1,037.14	2,411.68
Total	1,037.14	2,411.68

f. Trade receivables include lease rent receivables amounting to Rs. 25.63 Crore (previous year Nil) for which invoice is yet to be raised by the Company on one of its related parties

Note 13: Cash and Bank Balances (refer note 1.17)

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:

Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Balances with Banks (refer note (a))		
On current accounts #	49.90	24.24
In term deposit with maturity less than 3 months	141.34	0.18
Cash on hand	0.01	0.01
Cash and cash equivalents	191.25	24.43
Unpaid dividend accounts	0.13	0.15
In term deposits with maturity more than 3 months and less than 12 months * (refer note 13 (c))	108.37	128.00
Other bank balances	108.50	128.15

* Balances held as margin money or as security against borrowings

Rs 5.87 crore is under Lien

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 :

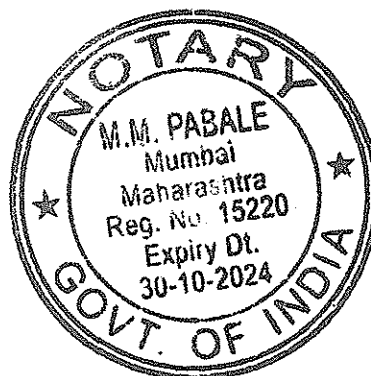
Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents	191.25	24.43
Less: Secured Demand loans from banks (Cash credit) (shown under current borrowings in note 17)	(170.18)	(170.18)
Less: Unsecured Demand loans from banks (Bank overdraft) (shown under current borrowings in note 17)	-	(0.35)
Cash and cash equivalents for statement of cash flows	21.07	(146.10)

c. During the year, Tamil Nadu Bank has adjusted DSRA FD on March 11, 2020 amounting to ₹ 13.79 crore (including principal and interest). Since the bank is not authorised to adjust the loan amount during the moratorium period, the same has been shown as recoverable from the bank and included in other financial assets.

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

Pursuant to the resolution process of the Company specifically mentioned in note 1.3 to these standalone Ind AS financial statements, the Company is actively taking steps to monetize its investments and other exposures in road projects and expects to complete the process of divestment (including through InvIT) by March 31, 2021. As part of divestments, all exposures of the Company to the respective SPVs (including loans and trade receivables) will also be transferred to Bidder / InvIT and accordingly these exposures have also been considered as assets held for sale as a part of disposal group. Based on the assessment performed by the management, it is highly probable that sale process would be completed within 12 months from the balance sheet date and accordingly investments in these entities and trade and loan receivables are disclosed as assets held for sale as per Ind AS 105 "Non - Current Assets held for Sale and Discontinued Operations".

In accordance with Ind AS 105, the Company is required to measure a non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell. The Company has measured the assets held for sale at fair value as more specifically described in note 1.12 of these standalone financial statements.

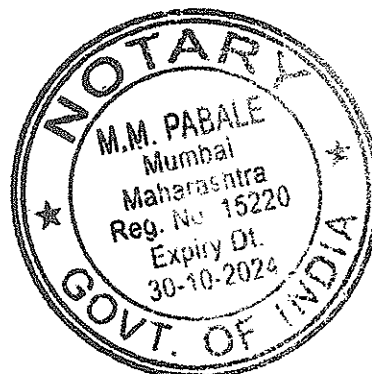


Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Investment (refer A below)	-	-
Loans (refer B below)	900.63	-
Trade Receivable (refer C below)	27.48	-
Total	928.11	-

Particulars	Face value ₹	₹ in Crore			
		As at March 31, 2020		As at March 31, 2019	
		Quantity	Amount	Quantity	Amount
Investments in Equity Instruments (at deemed cost) (a)					
Subsidiaries					
North Karnataka Expressway Limited	10	77,20,823	7.72	-	-
East Hyderabad Expressway Limited	10	2,16,89,400	21.69	-	-
Hazaribagh Ranchi Expressway Limited	10	13,09,86,900	175.12	-	-
Pune sholapur Road Development Company Limited	10	16,00,00,000	362.86	-	-
West Gujarat Expressway Limited	10	1,47,99,985	10.05	-	-
Moradabad Bareilly Expressway Limited	10	18,95,19,309	189.52	-	-
Jharkhand Road Projects Implementation Company Limited	10	24,24,48,000	118.17	-	-
Jharkhand Infrastructure Implementation Company Limited *	10	7,99,99,940	80.00	-	-
Chenani Nashri Tunnelway Limited *	10	37,20,00,000	372.00	-	-
Jorabat Shillong Expressway Limited *	10	8,40,00,000	58.80	-	-
Karyavattom Sports Facilities Limited *	10	4,31,19,940	43.12	-	-
Baleshwar Kharagpur Expressway Limited	10	17,85,90,000	178.59	-	-
Barwa Adda Expressway Limited	10	24,34,99,940	464.50	-	-
Thiruvananthapuram Road Development Company Limited	10	1,70,30,000	-	-	-
Sikar Bikaner Highway Limited	10	12,40,50,000	233.50	-	-
Investments in Covered Warrant					
In favour of Jharkhand Road Projects Implementation Company Limited (refer note 4(b))	10	1,70,00,000	-	-	-
Investments in Equity Instruments (at cost)- In favour of Road Infrastructure Development Company of Rajasthan Limited	10	16,25,00,000	162.50	-	-
Investments in convertible cumulative Preference Shares (at amortised cost) (b)					
West Gujarat Expressway Limited	10	2,00,00,000	11.41	-	-
Total Investment in Assets held for sale (A)			2,489.55		-
Less : Impairment loss in the value of Investments (B) (refer note 1.12 and 30)			2,489.55		-
Total Investment in Assets held for sale (A-B)			-		-
* under Bid (refer Note 1.13)					

Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	900.63	-
Unsecured, credit impaired	2,422.40	-
Allowance for credit impaired loans (refer note 30)	(2,422.40)	-
Sub-total (B)	900.63	-

Particulars	₹ in Crore	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good	27.48	-
Unsecured, credit impaired	1,354.64	-
Impairment Allowance (allowance for bad and doubtful debts) (refer note 30)	(1,354.64)	-
Sub-total (C)	27.48	-



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

Note 15: Share capital

₹ in Crore

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	₹ in Crore	Number of Shares	₹ in Crore
Authorised				
Equity Shares of ₹ 10/- each	2,00,00,00,000	2,000.00	2,00,00,00,000	2,000.00
Issued, Subscribed and Paid up				
Equity Shares of ₹ 10/- each fully paid	32,89,60,027	328.96	32,89,60,027	328.96
Total	32,89,60,027	328.96	32,89,60,027	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, 2020	As at March 31, 2019
Holding Company - Infrastructure Leasing & Financial Services Limited ("IL&FS")	23,65,82,632	23,65,82,632
Fellow subsidiary - IL&FS Financial Services Limited ("IFIN")	42,66,368	42,66,368

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, 2020		As at March 31, 2019	
	Number of Shares	₹ in Crore	Number of Shares	₹ in Crore
Shares outstanding at the beginning of the year	32,89,60,027	328.96	32,89,60,027	328.96
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	32,89,60,027	328.96	32,89,60,027	328.96

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

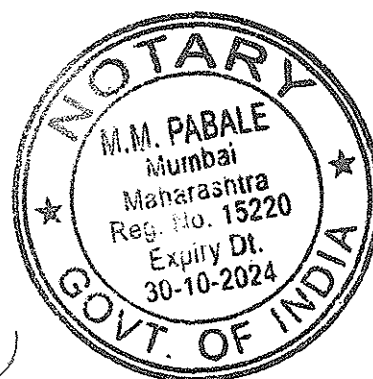
Equity Shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	% of total holding	Number of Shares	% of total holding
Infrastructure Leasing & Financial Services Limited ("IL&FS")	23,65,82,632	71.92%	23,65,82,632	71.92%

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.



BEFORE THE NATIONAL COMPANY LAW
TRIBUNAL, MUMBAI BENCH

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

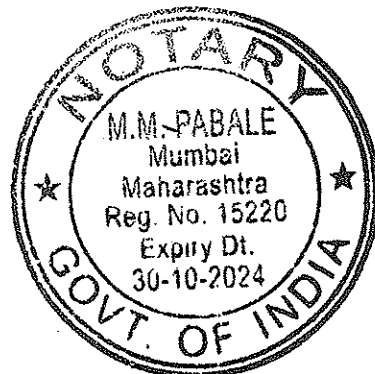
IL&FS Transportation Networks
Limited ...Petitioner

Versus

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

COMPANY PETITION

Dated this 04th day of January, 2024



M/s.CYRIL AMARCHAND MANGALDAS

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