

**ITNL AFRICA PROJECTS LTD.**

**FINANCIAL STATEMENT**

**2014-15**

## **INDEPENDENT AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS**

### **TO THE BOARD OF DIRECTORS OF**

### **ITNL AFRICA PROJECTS LTD., NIGERIA**

We have audited the accompanying special purpose financial statements of **ITNL AFRICA PROJECTS LTD., NIGERIA** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information as per Group Referral Instruction (GRI). The special purpose financial statements have been prepared by the Management of the Company based accounting principle generally accepted in India and the Group Referral Instructions dated **March 24, 2015** issued by the Management of IL&FS Transportation Networks Limited (ITNL) ("Parent Company").

### **Management's Responsibility for the Special Purpose Financial Statements**

The Company's Board of Directors is responsible for the preparation of these special purpose financial statements that give a true and fair view of the financial position, financial performance 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 Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the accounting policies as mentioned in the GRI and in accordance with the format of financial statements as given in the GRI. This responsibility also includes maintenance of adequate accounting records for safeguarding 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 special purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these special purpose financial statements based on our audit. We have taken into account the provisions of the accounting and auditing standards.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the special purpose financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the special purpose financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the special purpose financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the special purpose financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operative effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the special purpose financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the special purpose financial statements give a true and fair view of the state of affairs of the Company as at March 31, 2015, and of its results of operations and its cash flows for the year ended March 31, 2015 in accordance with the accounting principles generally accepted in India and the GRI.

### **Emphasis of Matter**

We draw attention to the fact that these financial statements have been prepared on the basis that the Company is a going concern although the networth is completely eroded and the accumulated losses exceed Paid-up Share Capital by ₹ 19,173,304 as at March 31, 2015. The Management's reasons for preparing the financial statements on a going concern basis are given in Note 1A of the financial statements.

Our opinion is not modified in respect of this matter

**Basis of Accounting and Restriction on Distribution and Use**

Without modifying our opinion, we draw attention to Note 1B (1) to the special purpose financial statements which describes the basis of accounting. The special purpose financial statements have been prepared for inclusion in the consolidated financial information of Parent Company. As a result, the special purpose financial statements may not be suitable for another purpose. Our report is intended solely for the Company, the Parent Company and the auditors of the Parent Company for their consideration into the audit of Consolidated Financial Statements and should not be distributed to or used by parties other than the Company, the Parent Company and the auditors of the Parent Company.

For **DELOTTE HASKINS & SELLS LLP**  
Chartered Accountants  
(ICAI Registration No. 117366W/W-100018)



Kalpesh J. Mehta  
Partner  
(Membership no: 48791)

**MUMBAI, May 05, 2015**  
**KJM/NDU**

**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**ITNL AFRICA PROJECTS LTD., NIGERIA**  
 Balance Sheet as at March 31, 2015

Equivalent ₹

	Particulars	Note	As at	
			March 31, 2015	March 31, 2014
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>SHAREHOLDERS' FUNDS</b>			
	(a) Share capital	2	146,788,480	146,788,480
	(b) Reserves and surplus	3	(151,318,163)	(120,707,780)
<b>2</b>	<b>CURRENT LIABILITIES</b>			
	(a) Trade payables		16,177,867	24,392,378
	(b) Other current liabilities	4	24,250,832	28,010,940
	(c) Short-term provisions	5	-	260,604
	<b>TOTAL</b>		<b>35,899,016</b>	<b>78,744,622</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON CURRENT ASSETS</b>			
	(a) Fixed assets			
	(i) Tangible assets (net)	6	4,913,883	9,070,716
	(b) Long-term loans and advances	7	59,747	68,920
<b>2</b>	<b>CURRENT ASSETS</b>			
	(a) Short-term loans and advances	8	1,695,291	6,598,008
	(b) Cash and cash equivalents	9	29,230,095	63,006,978
	<b>TOTAL</b>		<b>35,899,016</b>	<b>78,744,622</b>

Note 1 to 18 form part of the special purpose financial statements.

In terms of our report attached.  
 For Deloitte Haskins & Sells LLP  
 Chartered Accountants



Kalpesh J. Mehta  
 Partner

Mumbai  
 Date May 06, 2015

For and on behalf of the Board



Director



Director

Nigeria, Afirca

Date May 06, 2015



**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**ITNL AFRICA PROJECTS LTD., NIGERIA**  
**Statement of Profit and Loss for the year ended March 31, 2015**

Equivalent ₹

Particulars	Note	Year ended March 31, 2015	Year ended March 31, 2014
<b>I Revenue from operations</b>		-	-
<b>II Other Income</b>		254,941	713,484
<b>III Total revenue (I + II)</b>		<b>254,941</b>	<b>713,484</b>
<b>IV Expenses</b>			
Employee benefits expense	10	1,109,696	1,677,753
Administrative and general expenses	11	28,513,135	121,546,477
Depreciation and amortization expense		1,257,455	2,743,648
<b>Total expenses (IV)</b>		<b>30,880,286</b>	<b>125,967,878</b>
<b>V Loss before taxation (III-IV)</b>		<b>(30,625,345)</b>	<b>(125,254,394)</b>
<b>VI Tax expense:</b>			
(a) Current tax expense		-	-
(b) (Less): MAT credit (where applicable)		-	-
(3) Deferred tax		-	-
(c) Short / (Excess) provision for tax relating to prior years		-	-
(d) Net current tax expense		-	-
(e) Deferred tax		-	-
<b>Net tax (benefit)/expense (VI)</b>			
<b>VI Loss for the Year (IV-V)</b>		<b>(30,625,345)</b>	<b>(125,254,394)</b>
Earnings per equity share (Face value per share Naira 1/-)	12		
(1) Basic		(0.07)	(0.29)
(2) Diluted		(0.07)	(0.29)

Note 1 to 18 form part of the special purpose financial statements.

In terms of our report attached.  
 For Deloitte Haskins & Sells LLP  
 Chartered Accountants



Kalpesh J. Mehta  
 Partner

Mumbai  
 Date

May 06, 2015

For and on behalf of the Board



Director



Director



Nigeria, Africa  
 Date

May 06, 2015

SPECIAL PURPOSE FINANCIAL STATEMENTS  
ITNL AFRICA PROJECTS LTD., NIGERIA  
Cash Flow Statement for the Year ended March 31, 2015

Equivalent ₹

Particulars	Year ended March 31, 2015	Year ended March 31, 2014
<b>Cash Flow from Operating Activities</b>		
Loss Before Taxes	(30,625,345)	(125,254,394)
<b>Adjustments for :-</b>		
Interest Income	-	(713,484)
Sundry balances written back	(254,941)	-
Project expenses earlier capitalised now written off	-	38,019,269
Loss on sale of fixed assets (net)	1,659,330	4,178,771
Depreciation and amortization expense	1,257,456	2,743,648
<b>Operating loss before Working Capital Changes</b>	<b>(27,963,500)</b>	<b>(81,026,190)</b>
<b>Adjustments changes in working capital:</b>		
Increase in Trade receivables	-	-
Decrease in Current Assets	4,796,589	28,872,606
Increase / (decrease) in liabilities (current and non current)	(5,899,213)	(2,799,729)
<b>Cash used in Operations</b>	<b>(29,066,124)</b>	<b>(54,953,313)</b>
Direct Taxes paid (Net)	-	(71,349)
<b>Net Cash used in Operating Activities (A)</b>	<b>(29,066,124)</b>	<b>(55,024,662)</b>
<b>Cash flow from Investing Activities</b>		
Additions to fixed assets	(31,960)	(17,764,778)
Proceeds from sale of fixed assets	443,890	1,452,000
Interest received	-	713,484
<b>Net Cash generated from Investing Activities (B)</b>	<b>411,930</b>	<b>(15,599,294)</b>
<b>Cash flow from Financing Activities</b>		
Proceeds from Issue of Shares	-	(22,050,640)
<b>Net Cash used in Financing Activities (C)</b>	<b>-</b>	<b>(22,050,640)</b>
<b>(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(28,654,194)</b>	<b>(92,674,596)</b>
Cash and Cash Equivalent at the beginning of the year	63,006,978	142,106,404
(+)(-) Impact of forex differences	(5,122,689)	13,575,170
Cash and Cash Equivalent at the end of the year	29,230,095	63,006,978
<b>(Decrease) in Cash and Cash Equivalents</b>	<b>(28,654,194)</b>	<b>(92,674,596)</b>

Equivalent ₹

Components of Cash and Cash Equivalents		
Cash on hand	3,130	31,473
Balances with Banks in deposit accounts	-	-
Balances with Banks in current accounts	29,226,965	62,975,505
<b>Cash and Cash Equivalents as per Balance Sheet</b>	<b>29,230,095</b>	<b>63,006,978</b>

Note 1 to 18 form part of the special purpose financial statements.


In terms of our report attached.  
For Deloitte Haskins & Sells LLP  
Chartered Accountants




Kalpesh J. Mehta  
Partner

Mumbai  
Date *May 06, 2015*

For and on behalf of the Board

  
Director

  
Director

  
Nigeria, Afirca  
Date *May 06, 2015*

**Note 1A Company and Operation**

ITNL Africa Projects Ltd. was incorporated on October 3, 2012 as a limited liability company in the Federal Republic of Nigeria. The object of incorporating this Company is to source infrastructure business in the african countries. The source of income will be in the form of project management consultancy services, success fees, construction etc from the Project won based on bidding

The subscribed share capital of the Company is Naira 434.80 Million and is held 99.50% by ITNL International Pte Ltd. based in Singapore which is the wholly owned subsidiary of IL&FS Transportation Networks Limited ("ITNL"). and 0.50% by ITNL.

IAPL has been pursuing for a road project with the Government of Nigeria and the proposal is still under consideration with the Government of Nigeria

During the year, the Company has incurred losses aggregating ₹30,625,345 (Previous year loss Equivalent ₹ 125,254,394), resulting in accumulated losses of ₹ 165,961,784 as on March 31, 2015. In spite of these accumulated losses eroding the net worth completely, the special purpose financial statements have been prepared on going concern basis due to the following reasons:

(i) The Company is assured of continuing operational and financial support from its Parent Company vide its letter dated March 31, 2015 which is effective for the period of 12 months following March 31, 2015

(ii) The Company is bidding for Ilorin kaduna road and has submitted outline business case to Federal Ministry of Work ,Government of Nigeria ("GON"). The Federal ministry of work has issued no objection letter for further progress on procurement phase activity, however no further communication is received from GON and the project is still pending approval under procurement stage. Further, the Company has been assured by the the GON, that it will not accept any unsolicited proposal from any other bidder for the project until further processing of the project proponent's proposal through Swiss Challenge Process in completed vided letter dated April 03, 2014 reference no PPPDEPT/138/VOL.II/162

(iii) Accordingly the Management of the Company has decided to wait till further communication from GON and to undertake following austerity measure with the board consent:

- Control over the operational and general office expenses in the Company
- Travel Expenses to be reduced to bare minimum

Once the communication is received , the Company will resume to normal activities and till such period it has been decided to carry on the business with austerity measures in place

**Note 1B : Significant Accounting Policies**

**I Basis for preparation of special purpose Financial Statements**

The primary books of account of the Company are prepared and maintained as per the Nigerian GAAP. These Financial Statements have been specifically prepared in accordance with the Accounting Principles generally accepted in India, including the Accounting Standard specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 .The accounting policies followed in the preparation and presentation of the Financial Statements are consistent with those followed by IL&FS Transportation Networks Limited ("ITNL") (the Intermediate Holding Company) i.e. the accounting principles generally accepted in India and also the accounting policies given in the Group Referral Instructions issued by ITNL. The functional currency of the Company is Naira.

These special purpose financial statements have been prepared for the limited purpose of inclusion in the preparation of the consolidated financial statements of ITNL and these period financial statements have been prepared in Indian Rupees (Reporting Currency) in accordance with the principles for conversion laid down in Accounting Standard -11 notified under the Rules.

**II Use of estimates**

The preparation of financial statements requires the Management 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 period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

**III Fixed Assets and Depreciation/Amortisation**

**Tangible assets and depreciation**

The useful lives of the tangible assets as determined by the Company are as stated below:

(i) All tangible assets are depreciated on a Straight Line Depreciation Method, over the useful life of assets as prescribed under Schedule II of the Companies Act 2013 other than assets specified in para (ii) below, as included in the accounting policy of ITNL Group

(ii) Following assets are depreciated over a useful life which is shorter than the life prescribed under Schedule II of the Companies Act 2013 based on internal technical advice, 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.

- a) Data Processing Equipment – Server and Networking equipment are depreciated over a period of 4 years
- b) Mobile Phones and I pad / Tablets are fully depreciated in the year of purchase
- c) Specialised office equipment's are depreciated on Straight Line Method over a period of three years
- d) Vehicles purchased by the company for employees, are depreciated over a period of five years
- e) Assets provided to employees are depreciated over a period of three years
- f) Leasehold improvement costs are capitalized and amortised over the period of lease agreement
- g) All categories of assets costing less than Equivalent ₹ 5,000/- each are fully depreciated in the year of purchase.

(iii) During the year, pursuant to the change in depreciation policy of ITNL with effect from April 1, 2014, the Company changed its method of depreciation for certain categories of fixed assets from written down value (WDV) method to straight line method (SLM). Consequent to this change, all assets are now being depreciated under SLM. The Company also revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation method, rates / useful life are as follows:

Asset	Previous depreciation method	Previous depreciation rate/useful life	Revised useful life based on SLM
Vehicles	WDV	25.89% / ~ 4 Years	5 Years
Data processing equipments	SLM	25% / ~ 4 Years	3 Years
Office equipments	SLM	33.33% / ~ 3 Years	5 Years
Furniture and fixtures	WDV	6.33% / ~15 Years	10 Years





## SPECIAL PURPOSE FINANCIAL STATEMENTS

ITNL AFRICA PROJECTS LIMITED, NIGERIA

Notes forming part of the Financial Statements for the Year ended March 31, 2015

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets (determined after considering the change in the method of depreciation from WDV to SLM), net of residual value, where the remaining useful life of the asset was determined to be ₹ Nil as on April 1, 2014, and has adjusted an amount of ₹ Nil - against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.

The depreciation expense in the Statement of Profit and Loss for the year is lower by ₹1,571,404/- consequent to the above change in the method of depreciation

The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 286,943 /- consequent to the change in the useful life of the assets.

### IV Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the Balance Sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the notes to the financial statement. A contingent asset is neither recognised nor disclosed.

### V Foreign Currency Transactions

Transactions in foreign currencies (other than the Company's functional currency) are translated to the functional currency based on the exchange rate on the date of the transaction. Exchange difference arising on settlement thereof during the period is recognised as income or expense in the Statement of Profit and Loss.

Foreign currency (other than company's functional currency) denominated cash and bank balances, receivables (other than those that are in substance the Company's net investment in a non integral foreign operation), and liabilities (monetary items) outstanding as at the period end are revalued to the functional currency rate as at year end and unrealised translation differences are included in the Statement of Profit and Loss.

Since these period financial statements have been prepared for the limited purpose of inclusion in the preparation of the consolidated financial statements of ITNL, the assets and liabilities, both monetary and non - monetary have been translated into Indian Rupees at the closing exchange rate. Income and expense items are translated into Indian Rupees at the average exchange rate for the period. The equity share capital has been translated into Indian Rupees at the historical exchange rates. All resulting exchange differences are accumulated in a foreign currency translation reserve.

### VI Cash and Cash Equivalents

Cash comprises of Cash on Hand, Cheques on Hand and demand deposits with Banks. Cash Equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

### VII Cash Flow Statement

The Cash Flow Statement is prepared in accordance with the "Indirect Method" as explained in the Accounting Standard (AS) 3 on Cash Flow Statements as notified under the Rules.

### VIII Earnings per Share

Basic earnings per share is calculated by dividing the profit / (loss) after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares in issue during the year.

Diluted earnings per share is calculated by dividing the profit / (loss) after tax for the year attributable to equity shareholders of the company by the weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

### IX Employee Benefits

Provision for employee benefits are recognised as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.

### X Taxation

The Company's income taxes include taxes on the Company's taxable profits, adjustment attributable to earlier periods and changes in deferred taxes.

Current tax, if any, is provided based on amount of tax payable in respect of taxable income for the year as per the Nigerian Tax Laws. However, in the current year, in the absence of taxable profits, no current tax has been provided.

Deferred tax assets are recognised with regard to all deductible timing differences to the extent that it is probable that taxable profit will be available against which deductible timing differences can be utilised using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. When the Company carries forward unused tax losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised.

However, deferred tax asset on unabsorbed depreciation and carry forward of losses has not been recognised in the current year on the grounds of prudence, since there is no virtual certainty on availability of future taxable income to claim set off.



SPECIAL PURPOSE FINANCIAL STATEMENTS  
ITNL AFRICA PROJECTS LIMITED, NIGERIA  
Notes forming part of the Financial Statements for the Year ended March 31, 2015

Note 2: Share capital

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Equivalent ₹	Number	Equivalent ₹
Authorised Equity Shares of Naira 1/- each	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE
Issued, Subscribed and allotted Equity Shares of Naira 1/- each	434,800,000	146,788,480	434,800,000	146,788,480
<b>Total</b>	<b>434,800,000</b>	<b>146,788,480</b>	<b>434,800,000</b>	<b>146,788,480</b>

Foot Notes:

i. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year.

Particulars	As at March 31, 2015		As at March 31, 2014	
	Equity Shares		Equity Shares	
	No. of Shares	Equivalent ₹	No. of Shares	Equivalent ₹
Shares outstanding at the beginning of the year	434,800,000	146,788,480	500,000,000	168,800,000
Calls-in-arrears cancelled *	-	-	65,200,000	22,011,520
Shares outstanding at the end of the year / period	434,800,000	146,788,480	434,800,000	146,788,480

Footnote:

\* The calls-in-arrears to be receivable from IIPL on account of subscription for shares, cancelled at the option of the Company

ii. Shareholding of the Company more than 5% shares

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares held	% of total holding	No. of Shares held	% of total holding
ITNL International Pte. Ltd., Singapore (IIPL)	432,300,000	99.50%	432,300,000	99.50%
IL&FS Transportation Networks Ltd.	2,500,000	0.50%	2,500,000	0.50%
<b>Total</b>	<b>432,300,000</b>	<b>99.50%</b>	<b>432,300,000</b>	<b>99.50%</b>

Note 3: Reserves and surplus

Equivalent ₹

Particulars	As at March 31, 2015		As at March 31, 2014	
	(a) Foreign currency translation reserve			
Opening balance	14,628,659		356,324	
Created during the period	14,962	14,643,621	14,272,335	14,628,659
(b) Deficit in Statement of Profit and Loss				
Opening balance	(135,336,439)		(10,082,045)	
Loss for the current year	(30,625,345)	(165,961,784)	(125,254,394)	(135,336,439)
<b>Total</b>		<b>(151,318,163)</b>		<b>(120,707,780)</b>



**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**ITNL AFRICA PROJECTS LIMITED, NIGERIA**

Notes forming part of the Financial Statements for the Year ended March 31, 2015

**Note 4: Other current liabilities**

Equivalent ₹

Particulars		As at March 31, 2015	As at March 31, 2014
(a)	Statutory dues	22,565	9,870
(b)	Other current liabilities To related parties	24,228,267	28,001,070
<b>Total</b>		<b>24,250,832</b>	<b>28,010,940</b>

**Note 5: Short-term provisions**

Equivalent ₹

Particulars		As at March 31, 2015	As at March 31, 2014
(a)	Provision for employee benefits.	-	260,604
<b>Total</b>		<b>-</b>	<b>260,604</b>



SPECIAL PURPOSE FINANCIAL STATEMENTS  
ITNL AFRICA PROJECTS LIMITED, NIGERIA  
Notes forming part of the Financial Statements for the Year ended March 31, 2015

Note 6: Fixed assets Movement  
Current Year

Particulars	Gross block (at cost)			Depreciation and Amortisation			Net block Balance as at March 31, 2015	
	Balance as at April 1, 2014	Adjustments / Reclassifications	Additions	Deletions	Balance as at March 31, 2015	Charge for the period / year		Deletions
<b>a)</b>								
Tangible assets								
Vehicles	5,662,800	(753,480)	-	-	4,909,320	1,065,291	-	1,014,698
Data processing equipments	99,825	(13,282)	-	-	86,543	37,048	-	52,461
Office equipments	855,243	(117,434)	31,960	-	769,769	157,747	-	354,320
Furniture and fixtures	3,331,632	(165,205)	-	(2,444,344)	722,083	(2,631)	(302,378)	152,353
<b>Total</b>	<b>9,949,500</b>	<b>(1,049,401)</b>	<b>31,960</b>	<b>(2,444,344)</b>	<b>6,487,715</b>	<b>1,257,455</b>	<b>(302,378)</b>	<b>1,573,832</b>
<b>Grand total</b>	<b>9,949,500</b>	<b>(1,049,401)</b>	<b>31,960</b>	<b>(2,444,344)</b>	<b>6,487,715</b>	<b>1,257,455</b>	<b>(302,378)</b>	<b>4,913,883</b>

Particulars	Gross block (at cost)			Depreciation and Amortisation			Net block Balance as at March, 2014	
	Balance as at April 1, 2013	Adjustments / Reclassifications	Additions	Deletions	Balance as at March, 2014	Charge for the period / year		Deletions
<b>a)</b>								
Tangible assets								
Vehicles	5,662,800	(7,715,386)	13,378,186	7,515,835	5,662,800	1,921,220	(1,883,897)	84,351
Data processing equipments	99,825	(3,518)	103,343	-	99,825	(826)	-	23,440
Office equipments	855,243	(30,137)	885,380	-	855,243	24,266	-	256,170
Leasehold improvements	-	-	-	-	-	265,197	-	599,073
Furniture and fixtures	3,331,632	(117,403)	3,449,035	-	3,331,632	532,965	-	514,823
<b>Total</b>	<b>9,949,500</b>	<b>(7,866,445)</b>	<b>17,815,845</b>	<b>7,515,835</b>	<b>9,949,500</b>	<b>2,743,648</b>	<b>(1,883,897)</b>	<b>878,784</b>
<b>Capital work-in-progress</b>	<b>34,216,070</b>	<b>3,803,199</b>	<b>8,795,383</b>	<b>46,814,652</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand total</b>	<b>34,216,070</b>	<b>(4,063,246)</b>	<b>26,611,328</b>	<b>54,330,487</b>	<b>9,949,500</b>	<b>2,743,648</b>	<b>(1,883,897)</b>	<b>9,070,716</b>

(i) Foot Notes:  
Company has incurred expenses amounting to Rs. 34,216,070 in the earlier years, which were included as a part of the total CWIP of Rs. 46,814,652. However, in the current period Company has received the communication from Africa Authority which mentions of consideration of proposal of the company, since the outcome is not finalised and expenses incurred are pre-bid expenses, this amount of Rs. 34,216,070 is written off in the Statement of P&L during the current period.

(ii) Adjustment amount; pertains to revaluation of Fixed Asset Balance in Foreign Currency at Closing Rate.



SPECIAL PURPOSE FINANCIAL STATEMENTS

ITNL AFRICA PROJECTS LIMITED, NIGERIA

Notes forming part of the Financial Statements for the Year ended March 31, 2015

Note 7: Long-term loans and advances

Particulars	Equivalent ₹	
	As at March 31, 2015	As at March 31, 2014
(a) Other loans and advances Tax deducted at source (net of provision)	59,747	68,920
<b>Total</b>	<b>59,747</b>	<b>68,920</b>

Note 8: Short-term loans and advances

Particulars	Equivalent ₹	
	As at March 31, 2015	As at March 31, 2014
(a) Other loans and advances Unsecured, considered good - Prepaid expenses - Deposit for guest house	1,537,939 157,352	6,598,008 -
<b>Total</b>	<b>1,695,291</b>	<b>6,598,008</b>

Note 9: Cash and cash equivalents

Particulars	As at March 31, 2015		As at March 31, 2014	
(a) Cash and cash equivalents Cash on hand Balances with Banks in current accounts	3,130 29,226,965	29,230,095	31,473 62,975,505	63,006,978
<b>Total</b>		<b>29,230,095</b>		<b>63,006,978</b>



SPECIAL PURPOSE FINANCIAL STATEMENTS  
 ITNL AFRICA PROJECTS LIMITED, NIGERIA  
 Notes forming part of the Financial Statements for the Year ended March 31, 2015

Note 10: Other Income

Particulars	Equivalent ₹	
	Year Ended March 31, 2015	Year Ended March 31, 2014
Interest Income	-	713,484
Sundry Balances Written Back	254,941	
<b>Total</b>	<b>254,941</b>	<b>713,484</b>

Note 11: Employee benefit expenses

Particulars	Equivalent ₹	
	Year Ended March 31, 2015	Year Ended March 31, 2014
Salaries, Wages and allowances	1,109,696	1,677,753
<b>Total</b>	<b>1,109,696</b>	<b>1,677,753</b>

Note 12: Administrative and general expenses

Particulars	Equivalent ₹	
	Year Ended March 31, 2015	Year Ended March 31, 2014
Legal and consultation fees	8,220,846	51,426,848
Travelling and conveyance	7,701,377	10,654,500
Rent	6,629,605	6,865,717
Audit Fees	2,101,371	2,630,542
Office administration costs	993,173	2,846,764
Guest House Maintenance expenses	643,363	1,913,143
Loss on sale of fixed asset	1,659,330	4,178,771
Insurance	246,551	232,785
Security Charges	127,840	153,323
Communication expenses	99,662	441,357
Business Promotion Expenses	21,786	2,891,574
Bank commission	44,631	526,184
Printing & Stationery	4,972	117,350
Rates & Taxes	-	350,087
Exchange rate fluctuation (net)	-	2,063,205
Project expenses earlier capitalised now written off	-	34,216,070
Miscellaneous expenses	18,628	38,257
<b>Total</b>	<b>28,513,135</b>	<b>121,546,477</b>



**SPECIAL PURPOSE FINANCIAL STATEMENTS****ITNL AFRICA PROJECTS LIMITED, NIGERIA**

Notes forming part of the Financial Statements for the Year ended March 31, 2015

## Note 13: Earnings per equity share

Equivalent ₹

Particulars	Unit	Year Ended March 31, 2015	Year Ended March 31, 2014
Loss available for Equity Shareholders	Equivalent ₹	(30,625,345)	(125,254,394)
Weighted number of Equity Shares outstanding	Numbers	434,800,000	434,800,000
Nominal Value of equity shares	Equivalent ₹	0.36	0.38
Basic Earnings per share	Equivalent ₹	(0.07)	(0.29)
Equity shares used to compute diluted earnings per share	Numbers	434,800,000	434,800,000
Diluted Earnings per share	Equivalent ₹	(0.07)	(0.29)



**SPECIAL PURPOSE FINANCIAL STATEMENTS**

**ITNL AFRICA PROJECTS LIMITED, NIGERIA**

**Notes forming part of the Financial Statements for the Year ended March 31, 2015**

**Note 14 :Related Party Disclosure**

**Current Year**

**a Name of related parties and description of relationship**

Nature of Relationship	Name of Entity	Acronym used
Ultimate Holding Company	Infrastructure Leasing and Financial Services Limited	IL&FS
Intermediate Holding Company	IL&FS Transportation Networks Limited	ITNL
Holding Company	ITNL International Pte Ltd.	IPL
Fellow Subsidiaries (Only with whom there are transaction during the year)	ITNL International DMCC (Formerly known as ITNL International JLT)	II DMCC
Key Management Personnel	Anil Nikam (Managing Director)	

**b Transactions / Balances with related parties as mentioned ( a) above**

Account head	Name of Entity	Year Ended March 31, 2015
<b>Balances:</b>		
Share Capital	IPL	145,944,480
	ITNL	844,000
Other current Liabilities	ITNL	24,228,266
<b>Account head</b>		
<b>Name of Entity</b>		
<b>Year Ended March 31, 2015</b>		
<b>Transactions:</b>		
Nil		

**Foot Note:**

Reimbursement of expenses are not considered above.

**Previous Year**

**c Name of related parties and description of relationship**

Nature of Relationship	Name of Entity	Acronym used
Ultimate Holding Company	Infrastructure Leasing and Financial Services limited	IL&FS
Intermediate Holding Company	IL&FS Transportation Networks Limited	ITNL
Holding Company	ITNL International Pte Ltd.	IPL
Fellow Subsidiary (Only with whom there are transaction during the year)	ITNL International DMCC (Formerly known as ITNL International JLT)	II DMCC

Key Management Personnel	Ravi Shreehari (Managing Director)
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**d Transactions / Balances with related parties as mentioned (c) above**

Account head	Name of Entity	As at March 31, 2014
<b>Balances:</b>		
Share Capital	IPL	145,944,480
	ITNL	844,000
Other current Liabilities	ITNL	27,946,808
	II DMCC	54,262
<b>Account head</b>		
<b>Name of Entity</b>		
<b>Year Ended March 31, 2015</b>		
<b>Transactions:</b>		
NIL		





**SPECIAL PURPOSE FINANCIAL STATEMENTS**  
**ITNL AFRICA PROJECTS LIMITED, NIGERIA**  
**Notes forming part of the Financial Statements for the Year ended March 31, 2015**

**Note 15: Deferred tax liabilities (Net) and Deferred tax assets (Net)**

The entity have net deferred tax liabilities or deferred tax assets aggregating ₹ Nil as at March 31, 2015 ( March 31, 2014 ₹ Nil).

a) A breakdown of the components of deferred tax liabilities is furnished below:

Particulars	As at March 31, 2014	Movement @@@	Equivalent ₹
			As at March 31, 2015
<b>Liabilities:</b>			
Timing differences in respect of construction margin			-
Timing differences in respect of depreciation			-
Timing differences in respect of _____			-
<b>Assets:</b>			
Timing differences in respect of depreciation		NIL	-
Timing differences in respect of employee benefits			-
Timing differences in respect of unabsorbed depreciation ##			-
Timing differences in respect of unabsorbed losses ##			-
Timing differences in respect of provision for doubtful debts			-
Timing differences in respect of provision for overlay			-
Timing differences in respect of _____			-
<b>Net deferred tax liability</b>	-	-	-

b) A breakdown of the components of deferred tax assets is furnished below:

Particulars	As at March 31, 2014	Movement @@@	Equivalent ₹
			As at March 31, 2015
<b>Liabilities:</b>			
Timing differences in respect of construction margin			-
Timing differences in respect of depreciation			-
Timing differences in respect of _____			-
<b>Assets:</b>			
Timing differences in respect of depreciation		NIL	-
Timing differences in respect of employee benefits			-
Timing differences in respect of unabsorbed depreciation ##			-
Timing differences in respect of unabsorbed losses ##			-
Timing differences in respect of provision for doubtful debts			-
Timing differences in respect of provision for overlay			-
Timing differences in respect of _____			-
<b>Net deferred tax asset</b>	-	-	-

## Deferred tax assets on unabsorbed losses and depreciation can be booked only in case of virtual certainty supported by convincing evidence. Please give below the detailed convincing evidence on the basis of which the deferred tax asset has been recog



**SPECIAL PURPOSE FINANCIAL STATEMENTS****ITNL AFRICA PROJECTS LIMITED, NIGERIA**

Notes forming part of the Financial Statements for the Year ended March 31, 2015

**Note 16: Contingent liabilities and capital commitments****A) Contingent liabilities :**

			Equivalent ₹
Sr No	Name of party	Description	As at March 31, 2015
1		Guarantees issued on behalf of Group Companies	NIL
2		Guarantees issued on behalf of other than Group Companies	
3		Guarantees / counter guarantees issued in respect of borrowing facilities of foreign subsidiary companies	
4		Claims against the Group not acknowledged as debt	
5		Income tax demands contested by the Company	
6		Other tax demands contested by the Company	
		- Service tax	
		- VAT	
7		- Others (Please give description)	
8		Others (Please give description)	

**B) Financial commitments pending to be executed :**

			Equivalent ₹
Sr No	Name of party	Description	As at March 31, 2015
1		NIL	

**C) Other commitments pending to be executed :**

			Equivalent ₹
Sr No	Name of party	Description	As at March 31, 2015
1		NIL	

**D) Estimated amount of contracts remaining to be executed on capital and other account :**

			Equivalent ₹
Sr No	Name of party	Description	As at March 31, 2015
1		Estimated amount of contracts remaining on capital account and not provided for. [Net of advances paid of Rs.Nil ; (As at March 31, 2014 Rs.NII) ]	NIL
2			
3			



**SPECIAL PURPOSE FINANCIAL STATEMENTS**

**ITNL AFRICA PROJECTS LIMITED, NIGERIA**

**Notes forming part of the Financial Statements for the Year ended March 31, 2015**

**Note 17 : Segment Information**

The Company is in the business of Project Management Services as such all activities undertaken by the Company are incidental to the main business and thus the Company operates in single business segments. Also it operates in a single geographic segment. In the absence of separate reportable business or geographic segments, disclosure required under the Accounting Standard (AS) 17 - "Segment Reporting" has not been made

**Note 18: Previous year**

Figures for the previous year have been regrouped, reclassified where necessary, to confirm to the classification of the current year.

For and on behalf of the Board



Director



Director

Nigeria, Afirca



Date **May 06, 2015**